



# Annual Report and Sustainability Report 2022

COOR SERVICE MANAGEMENT HOLDING AB



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# A vision that shows the way

Coor creates the happiest, healthiest and most prosperous workplace environments in the Nordic region. We strive tirelessly to build the teams and full-service solutions that enable our customers to do what they do best.

## Coor's guiding principles – our common values

Coor's corporate culture is built on the company's values – its guiding principles. The three guiding principles provide a framework for the daily activities of all employees.



### We see further

Seeing further means paying attention and knowing how to prioritise. We must stay one step ahead in order to solve problems before they actually arise. It's necessary to think carefully in advance.



### We listen

Being responsive is all about openness and communication. We must be open to views and ideas on how we can develop or improve ourselves and our work methods.

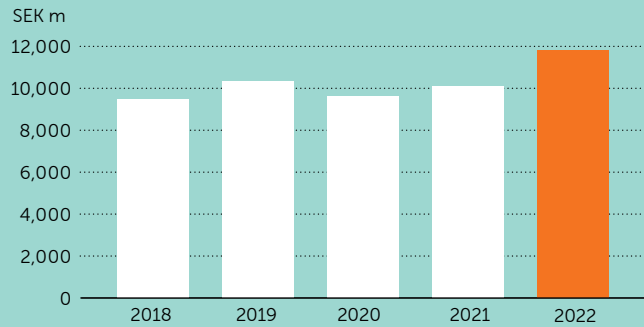


### We create success

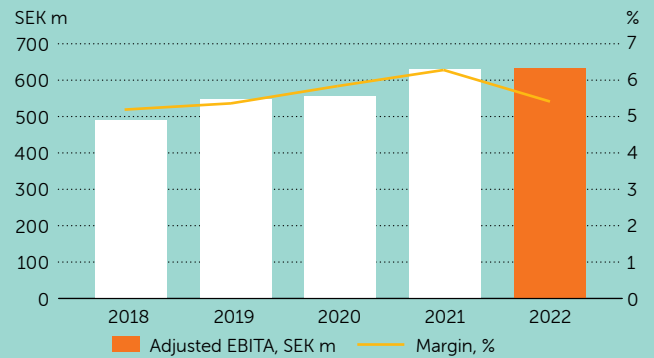
Generating success is about drive and the desire to improve. Quite simply, we get things done. We are creative and find solutions that are smarter and more economical – for us and our customers. Thus, we both benefit.

# A year of growth and adjustments

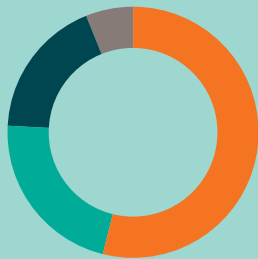
## Annual net sales



## Annual operating profit and margin



## Net sales by country



- Sweden 54 %
- Denmark 22 %
- Norway 18 %
- Finland 6 %

## Net sales by type of contract



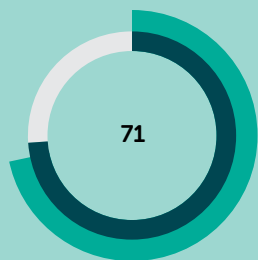
- Integrated FM (IFM) 57 %
- FM services 43 %

## Key performance indicators

Key performance indicators	2022	2021
Net sales, SEK million	11,789	10,104
Organic growth, %	5	3
Acquired growth, %	9	3
FX effects, %	3	0
Adjusted EBITA, SEK million	634	631
Adjusted EBITA margin, %	5.4	6.2
EBIT, SEK million	408	403
Profit after tax, SEK million	257	265
Cash conversion, %	94	98
Earnings per share, SEK	2.7	2.8
Number of employees (FTE) at year-end	10,267	10,075
Dividend per share, SEK	4.80 <sup>1)</sup>	4.80

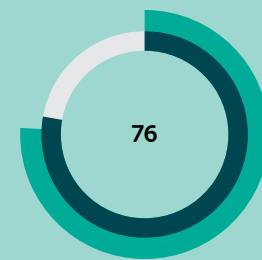
<sup>1)</sup> The dividend is subject to approval by the Annual General Meeting on 27 April 2023.

## Customer Satisfaction Index



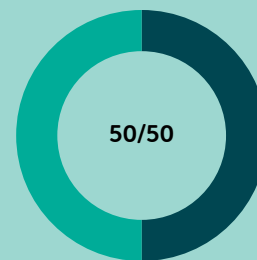
- 2022 (71)
- 2021 (74)

## Employee Motivation Index



- 2022 (76)
- 2021 (78)

## Gender distribution managers



- Women: 50 % (51 %)
- Men: 50 % (49 %)

# -57%

Greenhouse gas emissions from energy (Scope 2) since 2018



# An eventful year 2022

The year was marked by acquisitions, start-ups, new and extended contracts as well as a strong focus on sustainability, safety and innovation.

## MAY

### Start-up Danish Building and Property Agency

The provision of services under one of Coor's largest contracts – with the Danish Building and Property Agency – commences. This is a broad, integrated service delivery covering restaurant, cleaning, security, outdoor environment, waste management as well as operations and maintenance services at the Agency's properties, comprising some 375,000 square metres of floor space, mainly in central Copenhagen. The contract is worth SEK 3 billion and runs for seven years.

## APRIL

### Coor acquires Centrumstäd

Coor signs an agreement for the acquisition of Centrumstäd, a cleaning company in Skåne with a strong reputation. Founded in 1992, the company has 150 employees and annual sales of around SEK 50 million. The acquisition strengthens Coor's cleaning organisation in southern Sweden and provides a springboard for further expansion in the region.



## JUNE

### Coor extends IFM contract with ABB

Coor extends its contract with ABB for delivery of a range of FM services to ABB's offices and production plants in the Baltics, Sweden and Norway. The new contract runs for five years. The services include property, security, cleaning and workplace services as well as coffee machines and fruit.



## AUGUST

### New employer branding concept: "You are the difference"

Coor is growing and we need to attract more employees. We are therefore launching a new employer branding project aimed at communicating the benefits of working at Coor. In preparation for the launch, we assessed what our employees like most about Coor and how we stand out from the crowd. All this is summed up in our new employer branding concept "You are the difference", because Coor would be nothing without its employees. The Nordic campaign is primarily visible in social media.



## JANUARY

### Coor extends Nordic IFM contract with SAS

Coor enters into a new five-year contract with SAS under which the company will provide integrated facility management (IFM) services to a number of offices, hangars and technical facilities in Sweden, Norway and Denmark. Coor has been providing facility management services to SAS since 2008. Under the new contract, Coor will continue to coordinate, develop and deliver a large number of services to SAS, including property management, cleaning, security and office services.

## APRIL

### Coor launches Life Saving Rules

At Coor, we have zero tolerance for workplace-related injuries and do everything we can to ensure that employees feel safe at work. As part of this effort, Coor launches its Life Saving Rules in April. This is a tool that describes various risk areas in order to help employees become aware of the risks that exist and thus prevent injuries. The eight risk areas are: falls, work at height, traffic situations, extreme heat, threats, energy isolation, falling objects and foreign substances. In connection with the launch of Life Saving Rules, an accompanying training package is also produced that all employees will be required to complete.



## APRIL

### Coor's climate targets are approved by the Science Based Targets initiative

Coor's climate targets are validated by the Science Based Targets initiative (SBTi).

"Coor is continuously strengthening its sustainability culture, which we see as a way to future-proof the company," says AnnaCarin Grandin, President and CEO of Coor.

## AUGUST

### Coor extends IFM contract with Volvo Cars

Coor has been providing facility management services to Volvo Cars since 2005. The contract is now being extended for IFM services, including cleaning, reception, service desk and waste management. The contract runs for three years with an option to extend for a further two years and is worth approximately SEK 145 million annually excluding additional variable project volumes. The delivery to Volvo Cars is broad. In addition to the extended IFM contract, Coor is providing property services, process cleaning and process maintenance to Volvo Cars, in Sweden and in Ghent, Belgium.

## OCTOBER

### Coor awarded gold by EcoVadis

Coor is once again awarded gold in EcoVadis' annual international ranking. Coor's gold rating places the company among the top three per cent of global companies for corporate social responsibility. EcoVadis awards a gold rating for:

- Structured and proactive sustainability management.
- Commitment, clear guidelines and concrete measures on major issues with detailed implementation information.
- Extensive sustainability reporting on measures and performance indicators.

EcoVadis is an independent company that analyses and evaluates companies' sustainability performance.



## NOVEMBER

### Andreas Engdahl appointed new permanent CFO of Coor

Andreas Engdahl takes over as permanent CFO and IR Director of Coor on 1 November 2022 and joins the executive management team. He has been serving as acting CFO and IR Director since 1 August, when Klas Elmberg left the role to take on a new role outside Coor. Andreas Engdahl was previously VP Group Finance at Coor and has worked at the company since 2003.

## DECEMBER

### Coor secures sustainability-linked refinancing

During the fourth quarter, Coor signed an agreement for refinancing of its existing credit facilities, providing continued flexibility in the company's financing. The new agreement is sustainability-linked and fully in line with Coor's high sustainability ambitions.

# Building Coor together

2022 was a year when we worked together to build an even stronger Coor. It was a year of solid growth, major integrations and start-ups as well as a year in which we stepped up our efforts in sustainability. Despite the troubled global backdrop, our motivated employees never lost their focus on delivering good service to our customers.



AnnaCarin Grandin,  
President and CEO



I am very proud of the way in which Coor's employees and customers took on 2022. After several years of a pandemic, we entered a new kind of reality marked by war close to our borders, a faltering economy and high inflation. Challenging times demand to an even greater degree than before that we work together and that's exactly what we have done. During the year, Coor successfully increased its sales by nearly SEK 1.7 billion, or 17 per cent. We continued to build an even stronger Coor by implementing adjustments to tackle new and future situations, always with the aim of providing the market's best service experience, sustainability and innovation.

### Major start-ups and integrations

After a year in which Coor grew 5 per cent organically and 9 per cent through acquisitions, I am proud of the contract start-ups and integrations we carried out during the year. Our Danish business initiated two very large IFM contracts with the train operator DSB and the Danish Building and Property Agency, which resulted in 22 per cent organic growth in our Danish business. I am also proud of the renegotiated contracts that we initiated, for example at Equinor's production sites in Norway and at Volvo Cars in Sweden. We always invest a lot of time and resources with the goal of having satisfied customers from day one. During the year, we also successfully integrated the acquisitions of R&K Service, Veolia Technical Management, Inspira and Centrumst ad into our operations.

### Our employees build Coor

One of the best things about my job is when I get to meet our employees and customers. It is from these meetings – on factory floors, at receptions, in warehouses and in kitchens – that I draw strength and inspiration. In every meeting with employees and customers during the year, I gained new insights into how Coor can evolve to become an even better company.

In our annual survey, we measure how motivated our employees are at work. Despite a year of considerable turmoil internationally, our employees have maintained a very high level of motivation. I am convinced that this result is due to Coor's inclusive culture with strong, coaching leaders, but it is also a result of our ability to attract the best talent in the market. The diversity of our workforce is another major factor. We recruit from a broad base and have employees with many different nationalities and cultural backgrounds. If there is diversity, there is resilience. Different perspectives and experiences strengthen Coor and build the company.

Our employees and their knowledge, motivation and commitment are crucial to our success. Henry Ford once said: "If everyone is moving forward together, then success takes care of itself." I can't help but agree.

### Ambitious sustainability goals

Sustainability is integrated into everything we do at Coor. During the year, we accelerated our efforts to become an even more sustainable company. An important part of this are the adjustments we are making to reduce our carbon footprint. We are one of the first Nordic FM companies to have our climate targets approved by the SBTi. The SBTi targets are set based on what research shows is required in each industry to limit global warming to 1.5°C. We know that achieving these goals will be a challenging journey. We will do everything we can to reduce our carbon footprint while at the same time helping our customers reduce their footprints. During the year, we had a strong focus on reducing the carbon footprint of our vehicle fleet by gradually replacing our existing vehicles with non-fossil fuel vehicles, switching to renewable energy in the premises we use and, not least, reducing our climate impact in food and beverages through eco-smart menu planning and reduced food waste. I am also very proud that we signed an agreement concerning sustainability-linked refinancing of our bank agreements.

In 2021, we joined the UN Global Compact whose work is based on its Ten Principles, formulated on the basis of international conventions on human rights, labour, environment and anti-corruption. Our participation in the UN Global Compact is of course ongoing.

### Future opportunities

I have worked at Coor for over 20 years and know from experience that our offering is very strong whatever the economic climate. Half of the FM services market has yet to be outsourced. In an economic downturn, many companies look to create efficiencies and many choose to outsource services that they previously chose to handle themselves. As the market-leading provider of IFM services in the Nordics, we are the natural choice for outsourcing. This also applies to public services, as shown by our contract with the Danish Building and Property Agency.

As before, my ambition is for Coor to grow organically but we also see great potential in continuing to acquire value-adding companies. We are in a financial position where we are largely able to finance our acquisitions with our existing financing.

Coor aims to remain the market leader in IFM in the Nordic region, to complete our transformation into a truly sustainable company, and to continue to develop our innovation capability. We will continue to work closely with our customers and change and adapt our delivery based on their needs. I look forward to the coming years with confidence.

**»Coor's offering is very strong whatever the economic climate«**



I would like to extend a big thank you to my colleagues who contributed to a year marked by strong growth and adjustments for continued success.

I would also like to express my gratitude to our customers who have continued to put their trust in us, as evidenced by several important contract extensions during the year.

Finally, I also want to thank our shareholders for your continued commitment to Coor as an investment.

AnnaCarin Grandin  
President and CEO  
March 2023

# Everything works with Coor

Coor offers around a hundred different services in various service areas, ranging from individual cleaning services to complex IFM deliveries. Regardless of which services are provided, we always strive to create the happiest, healthiest and most prosperous workplace environments in the Nordic region. We strive tirelessly to build the teams and full-service solutions that enable our customers to do what they do best.

## Property services

We are experts at property services – we maintain some 20 million square metres of floor space across the Nordic region. Coor is a professional partner that always ensures it finds a good mix of corrective and planned maintenance over time, with the aim of optimising the operating net for the property over its lifecycle. Coor offers everything from caretaking to high-tech solutions.

## Cleaning

Coor's strength lies in its ability to combine the professionalism of a large cleaning services company with the commitment of a local player. Coor has the resources, methods and expertise required to provide a wide variety of cleaning services: from office cleaning to more advanced services such as cleaning of hospital environments and cleanrooms. Demand for more advanced cleaning services with a focus on infection control has increased in recent years and many customers are also choosing to increase the frequency of their cleaning services. Data-driven cleaning, or cleaning "where it is needed" based on collected information, is becoming increasingly popular.

## Food & Beverages

Coor runs a large number of restaurants in Sweden, Norway and Denmark. The key to success is to adapt to local conditions based on the customers' needs and the specific characteristics of the country and region. That's why the menus for Coor's restaurants are based on local produce and adapted to local preferences. All restaurants have a major focus on sustainability, health and reduced food waste.

## Tomorrow's workplace

Coor helps its customers to create tomorrow's workplace – a place where employees like to be. Such a workplace becomes a mediator of culture and helps to build a sense of community and promote personal development, and the services offered also make life easier for the employees. Our workplace strategists assist through all stages of the process, from feasibility study to implementation, and have extensive experience of creating efficient and thriving workplaces.

## Conference services

Our conference business includes Coor's own facilities as well as conference services that are provided on site at the customer premises. We ensure that our customers have a good experience throughout their meeting.

## Office services

Coor's goal is to create a workplace where our customers, their employees and guests are happy – an overall experience that integrates networking, service and employee well-being. This means giving them a warm welcome at reception, good-quality coffee, fruit baskets that are continually topped up, a smooth and efficient mail and freight handling service and functioning photocopiers as well as ensuring that office supplies are always available and that light bulbs are replaced – in short, a good experience on every level. At this modern workplace, Coor can easily apply its smart solutions, for example in the form of sensors that measure the indoor climate and detect whether conference rooms are being used.





### Safety

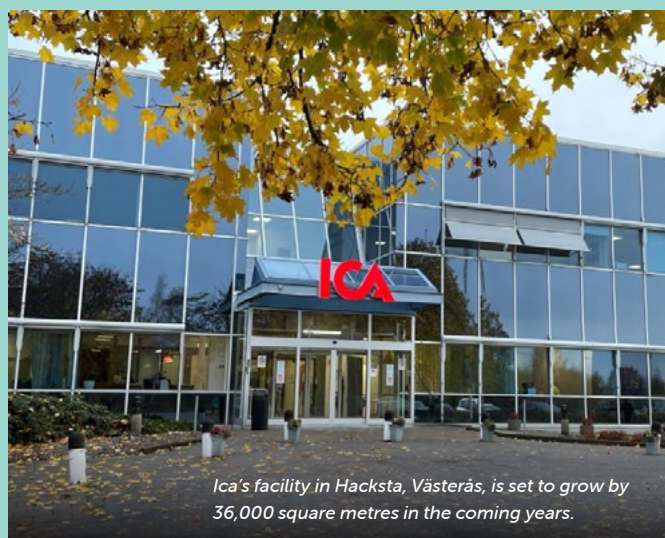
Coor has long experience of providing security solutions for businesses with high security requirements. Security guards, security technology, access control and fire safety are a few examples of these services. Coor also has its own, certified alarm centre that is manned around the clock, seven days a week.

### Outdoor environments

The outdoor environment is what our customers and their employees encounter first upon arriving at work in the morning. Coor currently manages more than 11 million square metres of outdoor space. We ensure that bushes, lawns and flower beds always look their best. In the winter, car parks and roads are ploughed and maintained – all to create an appealing and safe outdoor environment.

# “We share ownership of successes as well as challenges”

They spend the whole working day together, cover for each other and strive towards the same goal – but have different employers. Ludvig Karlsson from Coor and Eddie Wennerstrand from Ica talk about the success factors behind Coor’s delivery at Ica’s central warehouse in Västerås.



At Ica’s central warehouse in Västerås, large-scale logistical machinery operates around the clock. At the 104,000 square metre facility, some 1,500 people perform all the tasks involved in receiving, handling and distributing a constant stream of grocery deliveries to Ica stores in the region. “A one-hour stoppage can cost millions. That’s why proactive collaboration is our number one focus area,” says Eddie Wennerstrand, Logistics Property Manager at Ica Fastigheter. “We can’t shut down individual parts of the facility. It is therefore extremely important to ensure that everyone who works here can report errors and that they do so,” Coor’s Site Manager, Ludvig Karlsson, adds.

The discussion between Eddie and Ludvig is lively and marked by agreement. They have different employers, but here at the facility it is the needs of the business that matter. “We have a 1,500-page contract that explains how we should collaborate, and there are some parts that we still need to discuss occasionally, but to put it simply our common goal is for this property to be in good shape,” says Eddie.

He and Ludvig agree that transparency is the key success factor in their collaboration. “Every problem that arises here becomes a problem for both of us, so there is nothing to gain from hiding things from each other,” says Ludvig.

The current contract between Ica and Coor started in 2019 and covers technical systems, reception services and cleaning

as well as other services. Eddie participated in the start-up work, which gave him the opportunity to influence the composition of Coor’s team.

“I noticed quickly that Ludvig has good qualities. He is quick and wants to learn. We are similar in many ways,” says Eddie. He himself was keen to learn about all aspects of the delivery when the partnership with Coor began.

“I put on a pair of overalls and spent a day as a trainee with each technician. I learnt a lot, and I felt that this inspired trust in the employees, and pride in their work.”

On a normal working day, Ludvig and Eddie spend almost the entire day together, either in meetings or dealing with operational issues.

“It often happens that people think I work for Coor or that Ludvig works for Ica. We work so much on the same things that we can cover for each other where needed. This flexibility would not have been possible without Ludvig,” says Eddie.

The fact that Ludvig and Eddie work for different employers is not noticeable on a day-to-day basis, but external factors and central requirements sometimes affect the two companies in different ways. When required by new circumstances, the two managers negotiate professionally and formally with each other. “We both know that if one party changes something in the way they do things it will affect the other, so we are keen to make the most of the situation,” says Ludvig.

Despite working far from the head office in Stockholm, he has a strong sense of belonging to Coor.

“Coor is good at ensuring that you remain involved, for example through meetings and conferences where you get to meet other site managers. I get the support I need and feel proud to belong to the company.”

“Yes, you seem to have a lot of fun together,” Eddie comments, “and your inclusive culture is also noticeable here when you arrange joint activities for the staff.”

Three years into the collaboration, the central warehouse is facing a pleasant growth challenge. In the next few years, the facility in south-west Västerås will be expanded to become the largest in the country, initially by the addition of 13,000 new square metres for garden products, and in the next stage with a new 23,000 square metre freezer facility.

“I realise as we speak that this collaboration sounds too good to be true, but it is for real. If we are to continue to grow the business, the first priority is to maintain this strong spirit of collaboration,” Ludvig concludes.



*Ludvig Karlsson (left) and Eddie Wennerstrand work side by side despite having different employers.*

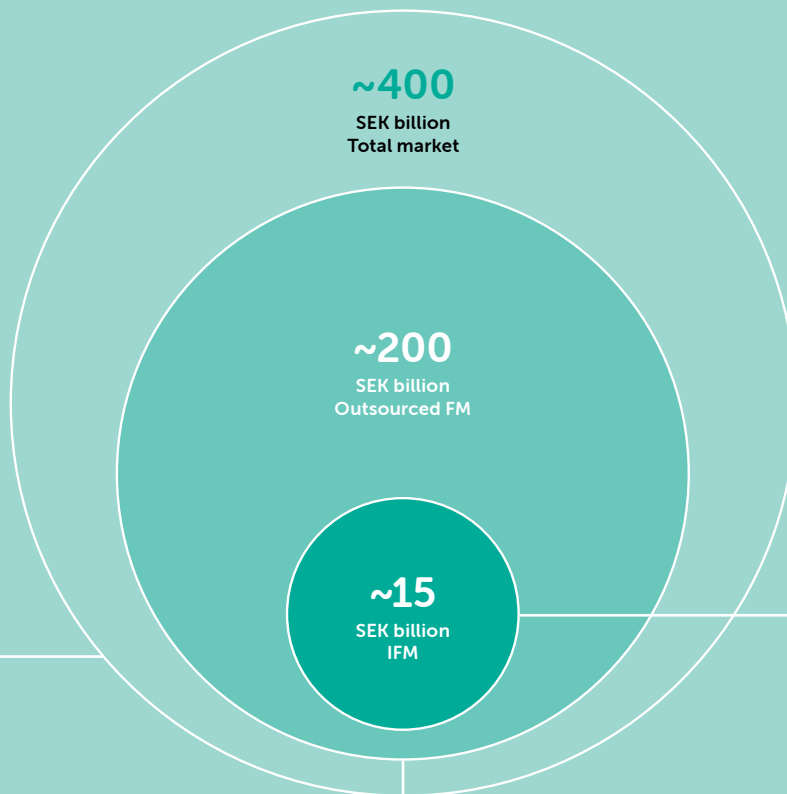


*Ica's warehouses operate like well-oiled machines that run around the clock.*

# Coor remains a leading player in facility management

Coor has maintained its position as the leading provider of IFM services in the Nordic market while also focusing on growth in single FM services.

## The Nordic facility management market



### Total market

The value of all FM (facility management) services for all businesses and organisations in the Nordic region. This includes the value of services that are currently handled by the companies themselves.

### Outsourced FM

The total value of the outsourced share of the market.

- ~3 % annual growth
- Large and small customers
- A fragmented market
- Coor ~5 % market share

### Outsourced IFM

The total value of the outsourced share of the market.

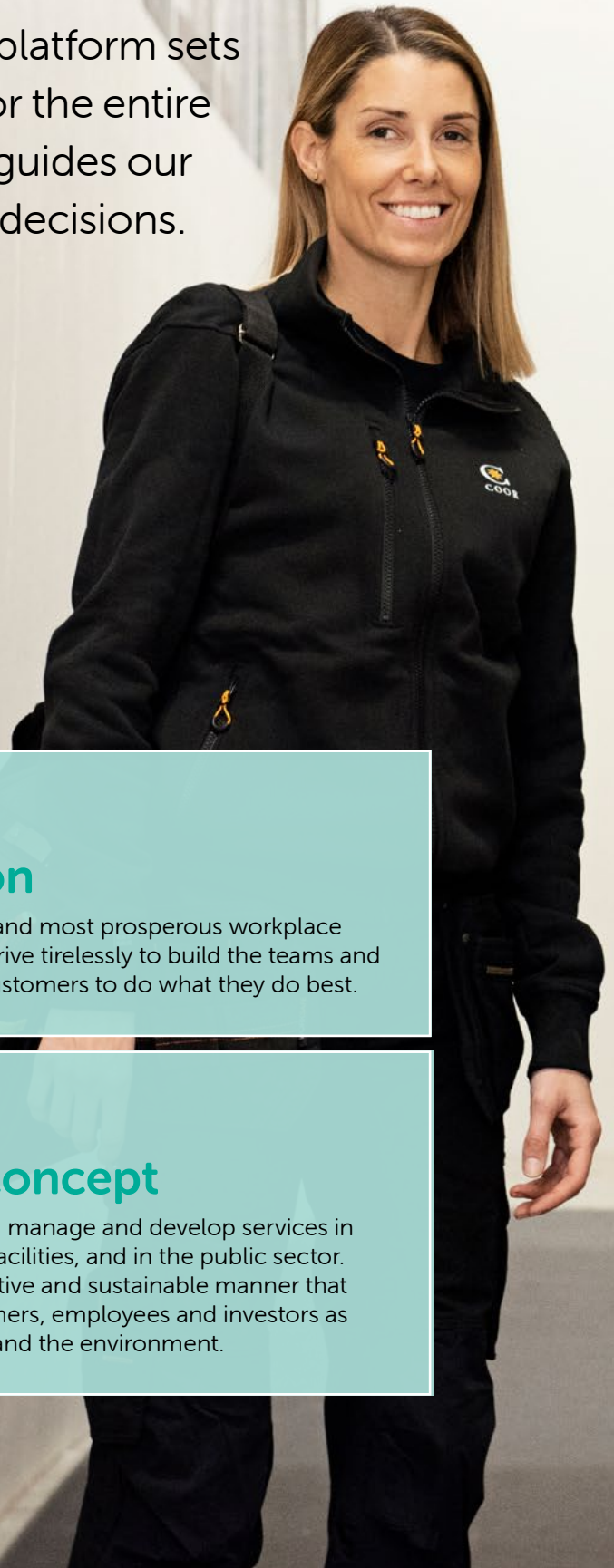
- ~5 % annual growth
- Mainly large customers
- Consolidated market
- Coor ~40 % market share





# Our strategic platform

Coor's strategic platform sets the direction for the entire business and guides our priorities and decisions.



## Vision

Coor creates the happiest, healthiest and most prosperous workplace environments in the Nordic region. We strive tirelessly to build the teams and full-service solutions that enable our customers to do what they do best.



## Business concept

Coor's business concept is to take over, manage and develop services in offices, at properties and production facilities, and in the public sector. We aim to run our business in an effective and sustainable manner that creates long-term value for our customers, employees and investors as well as for society at large and the environment.

## Strategically important areas for Coor:

### Sustainability in several dimensions

In recent years, Coor has placed particular emphasis on becoming a truly sustainable company. Sustainability – environmental and social – should be integrated into everything Coor does.

Environmental sustainability is about reducing the carbon footprint of our own business and of our customers' businesses.

Social sustainability is based on what is fundamental to us at Coor: respect for the equal value and rights of all people. For Coor, social responsibility is about taking a big responsibility as an employer, first of all by providing a safe work environment but also by working to promote an equal gender distribution among managers and by supporting local community involvement. We are committed to promoting diversity and equality, and to helping our employees grow and develop.

### Modern workplaces

In recent years, many companies have been placing a growing emphasis on strategic workplace issues. Hybrid working has evolved rapidly, creating new demands on our workplaces and working methods. There is strong demand across the Nordic countries for our consultants, who help businesses and organisations to create attractive, healthy and inspiring workplaces that will stand the test of time. Coor's consultants develop strategies and concepts for the modern workplace and take overall responsibility for the implementation of the project.

### A Nordic company

The Nordic countries are Coor's home market. Coor's proximity to its customers and its knowledge of local conditions enable us to offer customised and flexible solutions. We are attentive to our customers' needs and work continuously to strike the right balance between economies of scale in the delivery of services and customer adaptations. Coor has some of the

largest IFM contracts in the Nordic region, including contracts with Aibel, Ericsson, Volvo Cars, Ica, and the Danish Building and Property Agency.

### Growth in IFM

Coor is the Nordic market leader in delivering IFM services to large organisations with complex requirements. Coor sees continued growth opportunities in the IFM segment, which is growing faster than the FM market as a whole. A growing number of customers are choosing to purchase the majority of their facility management services from a major service provider with the resources to invest in development and innovation. A service provider such as Coor is also able to create synergies between services by using the same personnel for multiple services and thus reduce the overall cost for the customer. This includes management and governance synergies.

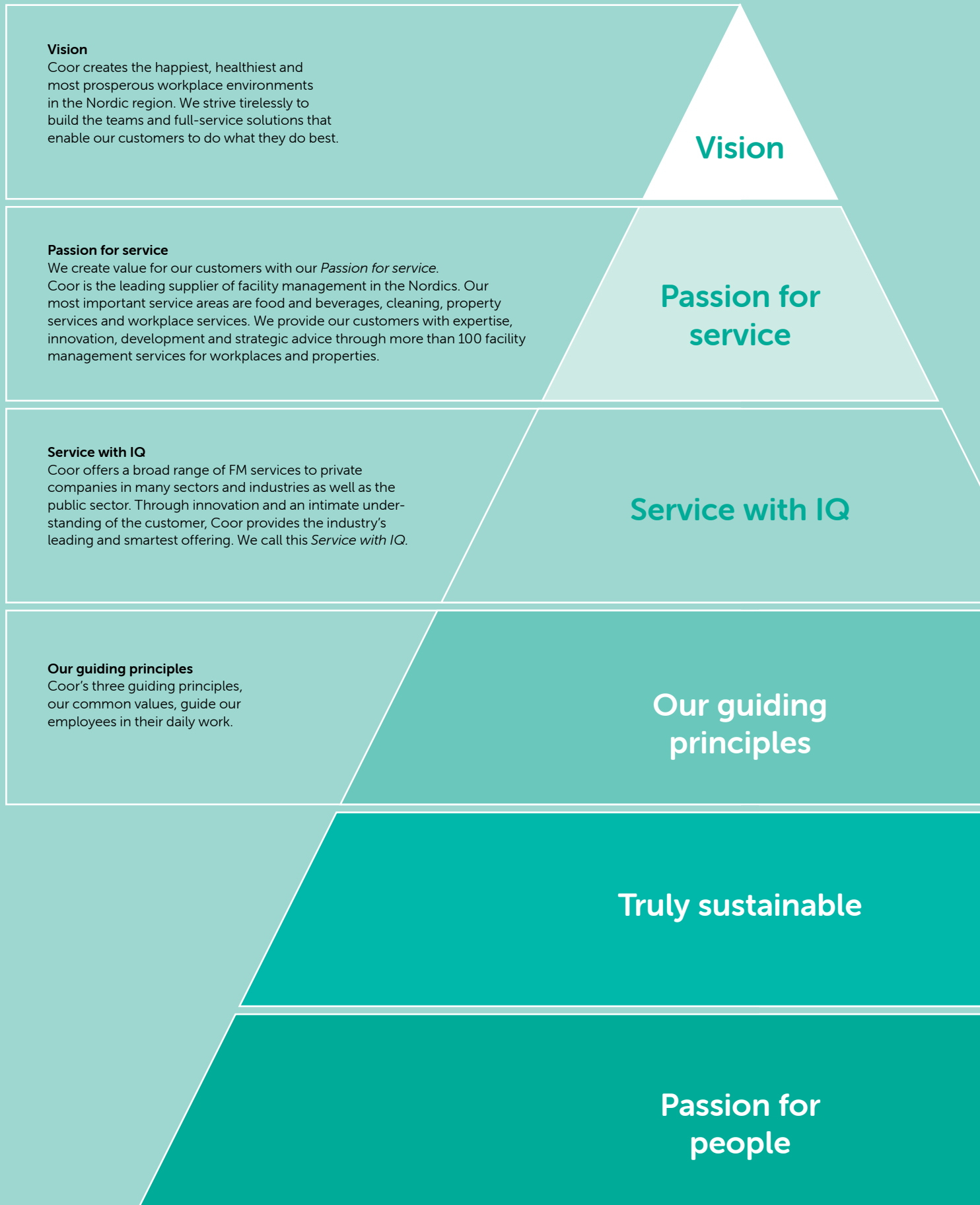
### Growth in single services

As a major player, Coor is able to offer high-quality separate services at market prices. The service areas that Coor has chosen to focus on are property services, cleaning, and food and beverages. These services are included in most customer contracts. Coor experienced growth in smaller deals during the year and aims to continue to increase its market share in this area, both organically and through acquisitions.

### Operational efficiency

Coor has a strong improvement and efficiency focus and strives to be the best in the industry at delivering services which increase customer value. Continuous operational improvements are an important part of working life for Coor's personnel. Innovations which increase our customers' efficiency and reduce the use of resources also help to promote sustainable development.





# We Are Coor

Our navigator – We Are Coor – describes Coor and reflects the key elements that make us what we are. We Are Coor shows who we are in a simple way; it describes our DNA and how everything fits together, from our vision to our most important element – our people.



**We see further**  
We stay one step ahead in order to solve problems before they actually arise.



**We listen**  
We are open to views and ideas on how we can develop or improve ourselves and our work methods.



**We create success**  
Generating success is about drive and the desire to improve.

**Truly sustainable**  
Coor creates value in three dimensions: business, social and environmental. The overall objective is to ensure that the business is successful and generates the highest possible economic return, without compromising on respect for human beings and the environment. Our social and environmental goals are as essential as our business goals.

**Passion for people**  
For Coor, people are what matter most. We would be nothing without our motivated and competent employees supporting our customers' needs. Coor's decentralised organisation with local managers that have extensive responsibility and far-reaching mandates is a key asset. The strong local leadership allows us to be fast, flexible and adapt to individual customer needs.

# Making Nordic workplaces more sustainable

Coor's overall goal is to develop the business in the best way and maximise financial returns while at the same time helping to build a better future for humans and the environment.

We spend a large part of our lives in the workplace, where we want to experience a healthy, well-functioning and welcoming environment. At the same time, society is facing major environmental and climate challenges that require us to use the planet's resources more sparingly. Faced with these challenges, Coor is doing everything it can to create the best work environments in the Nordics.

Coor delivers value in three dimensions: business, social and environmental. The balance between these three dimensions is central to our efforts to promote sustainability, which are integrated into all aspects of our business and all important decisions. Satisfied customers, strong employee commitment, inclusion and a reduced carbon footprint are important driving forces for us.

We create added value for our customers by delivering experiences and services that contribute to the three sustainability dimensions and help them achieve their goals – in sustainability and for the business as a whole. Through appropriate property maintenance and needs-based cleaning, we reduce wear and tear and resource waste while at the same time creating a better work environment. We offer good food with health and the environment in mind. Together with start-ups and other players, we offer innovative solutions that save energy and reduce CO<sub>2</sub> emissions among other benefits.

Coor seeks to attract, hire and retain the best employees in the industry. With the right training and the right equipment, we create safe, secure and thriving workplaces. We are also an engine of integration that welcomes those who are far removed from the labour market into our context. The goal of all our efforts is to make Nordic workplaces more sustainable – businesswise, socially and environmentally.

## Coor's climate targets validated

In April 2022, Coor had its climate targets approved by Science Based Targets initiative, SBTi. To limit global warming to 1.5°C, Coor has established a goal of reducing its Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 75 per cent in absolute terms by 2030. This will be achieved through a fossil-free vehicle fleet and 100 per cent renewable electricity

and entails that the 2018 emissions levels from heating and cooling may not be exceeded, despite the company's growth. Coor's target for Scope 3 is for 75 per cent of emissions from purchased goods and services as well as distribution and upstream transport to come from suppliers who have had their climate targets approved by the SBTi by 2026 at the latest.

## Stricter requirements for suppliers

Coor's commitment to sustainability requires that we take responsibility for the entire value chain – from supplier to end customer – which means that we need to demand the same high standards from our partners as from ourselves.

"We have got so far in our efforts to promote sustainability that we will be turning down suppliers whose climate goals are not as ambitious as our own. To realise the transition that is necessary to create an environmentally sustainable service industry, all parties need to take responsibility for their part of the delivery. Only then will we be able to achieve the change required to fulfil the Paris Agreement," says Magnus Krona, Chief Procurement Officer at Coor in Sweden.

**WE SUPPORT**



Coor joined the UN Global Compact in 2021 and has signed the initiative's Ten Principles for human rights, labour, environment and anti-corruption.

# “More companies need to take their responsibility”

Coor promotes sustainability by balancing long-term financial, environmental and social interests. Here Helena Söderberg, HR Director, and Maria Ekman, Head of Sustainability, talk about Coor’s sustainability management activities in 2022.

## What was Coor’s greatest sustainability achievement in 2022?

“Despite the challenges and uncertainty created by the situation in the world, we continued to develop our sustainability management and delivered strong results in all areas. Environmentally, we reached a milestone when the SBTi approved our climate targets, and we received another gold rating from EcoVadis,” says Maria Ekman, Head of Sustainability at Coor.

Helena Söderberg, HR Director, agrees and adds:

“I am very proud that we are succeeding in turning our vision of becoming a truly sustainable company into reality. The basis for our CSR activities is that we are a stable and long-term employer that offers a safe and secure workplace. In addition, Coor offers a wide range of development opportunities for our employees, such as language tuition in the local language for new arrivals or vocational training courses. We also run the Coor Society Program where the focus is on local initiatives aimed at helping people who are far removed from the labour market or who need support in the form of mentorship or help with homework, for example.”

## What were the standout developments in 2022?

“We faced regulatory pressure, locally in our countries of operation and from the EU. Requirements for corporate transparency and for action are being tightened. We are also seeing a growing focus on the social dimension of sustainability, which we welcome. Coor is a company of people for people. Social responsibility is therefore an integral part of our sustainability management,” says Maria Ekman.

“More companies have started to address social sustainability on a broader front, which is essential to the ability to attract and retain the best talent while at the same time contributing to positive social development,” says Helena Söderberg. She adds that in 2022 Coor produced a new diversity and inclusion policy that will help employees and managers to navigate these issues in their work.



*Helena Söderberg, HR Director, (left) and Maria Ekman, Head of Sustainability*

## What challenges do you see when you look ahead?

“Although we have already made a lot of progress, there is more to do and we need to continue to work actively on these issues every day,” says Helena Söderberg.

“There are many examples of companies and organisations that are making a real difference, but to have a long-term effect more organisations need to take responsibility. For us, encouraging more companies to take action on sustainability issues is important. One example is that we now demand higher sustainability standards from our suppliers,” says Maria Ekman.



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

# Coor devotes more resources to ensure sustainable energy for all

Coor should continue to focus on the eight goals towards which the company has primarily directed its development efforts in recent years, as well as that during the year added goal number seven, *Sustainable energy for all*. This is shown by the analysis of our efforts to promote the UN Global Goals.

In 2022, Coor continued its comprehensive review of our contribution to the 17 UN Sustainable Development Goals. The review was based on the external verification carried out by DNV at the end of 2021. The eight goals that we have mainly focused on for several years are still highly relevant. These are the goals where our resource use is greatest and where we thus have the greatest ability to make a difference, in our own operations as well as in our service offering.

During the year, we added Goal 7, *Sustainable energy for all*, to the goals that we primarily focus on. With energy supply becoming an increasingly important issue, we have built up a growing service portfolio of smart energy solutions that enables us to make a more active contribution in this area.

Our analysis also shows that we are having an impact on many of the goals and we therefore continue to address all aspects of Agenda 2030, as the goals are part of an integrated and indivisible whole; all goals affect each other, positively and negatively. We therefore need to have a constant awareness of how our efforts may affect other areas.

To clarify which goals are appropriate for our own business and which are primarily related to our customer offerings, we have chosen to divide the goals into two groups. The breakdown is aimed partly at creating a greater awareness in our own organisation, and partly at showcasing our contribution and what we can offer our customers. The UN Global Goals are embedded in Coor's long-term goals and are measured through several KPIs. Read more about our long-term goals under *Goals and results*.



## Customer offering

We offer	Contribution Agenda 2030
Advice on reduced energy use	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION
Healthier and more sustainable workplaces	3 GOOD HEALTH AND WELL-BEING
Green advice for reduced resource use	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION

## Our operations

Activities	Contribution Agenda 2030
Working to prevent occupational injuries	3 GOOD HEALTH AND WELL-BEING
Offering decent wages and working conditions	8 DECENT WORK AND ECONOMIC GROWTH
Employing people who are far removed from the labour market	10 REDUCED INEQUALITIES
Striving for equality, diversity and inclusion, at all levels	5 GENDER EQUALITY, 10 REDUCED INEQUALITIES
Reducing our climate impact	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION
Reducing water and chemicals use and reducing waste	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 14 LIFE BELOW WATER
Establishing partnerships for development and innovation that support businesses, society and the climate	17 PARTNERSHIPS FOR THE GOALS





**Examples of events during the year**

SmartLighting – lighting as needed.

Pilot project with meeting pods for a calmer office environment.

Pilot CO<sub>2</sub>e reports for customers, initiative to reduce food waste and new solutions such as SmartCharge.

**Examples of events during the year**



Life Saving Rules – training in eight risk areas.

Large employee survey and annual salary survey.

Several partnerships aimed at helping foreign-born people and refugees to join the labour force, such as REDO, New Integration in Society (NIIS) and Startup Refugees.



New policy for diversity and inclusion.

Climate targets validated by the SBTi, increased share of renewable energy, continued adaptation of our car fleet, improved monitoring ability and goals in food and beverages.



Blacklist created for chemicals to be phased out, work on finding alternatives is ongoing.

Donation to Ukraine and several innovation engagements, including as lead partner to the PropTech Awards 2023.

# Goals and results

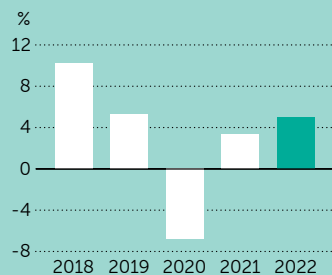
## Organic growth

### GOAL 5 %

Annual organic growth of 4–5 per cent over the course of a business cycle.

### RESULT 5 %

In 2022, Coor grew organically by 5 per cent, which is in line with the company's goal over a business cycle. Organic growth was boosted by the new large IFM contracts with the Danish Building and Property Agency and DSB, while the termination



of the contracts with Equinor Offices and Volvo Group had a negative impact.

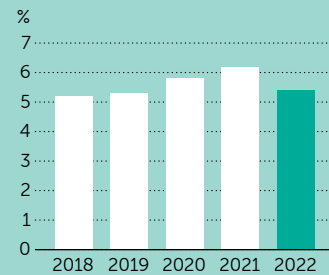
## Adjusted EBITA margin

### GOAL ~5.5 %

An adjusted EBITA margin of around 5.5 per cent in the medium term.

### RESULT 5.4 %

In 2022, Coor had an EBITA margin of 5.4 per cent. The margin is slightly lower than in the previous year, but in line with Coor's long-term goals. The figure for the previous year was affected by a positive effect in the form of the repayment of a surplus of approx-



imately SEK 40 million from the collectively agreed AGS health insurance scheme.

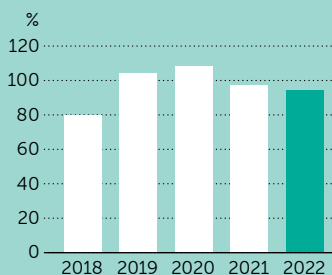
## Cash conversion

### GOAL >90 %

A cash conversion rate in excess of 90 per cent in the medium term.

### RESULT 94 %

Continued structured cash flow management led to improved working capital and a balanced investment level, which resulted in continued strong cash conversion.



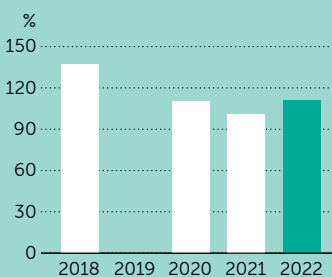
## Payout ratio

### GOAL ~50 %

The goal is to distribute around 50 per cent of the company's adjusted net profit for the period (before amortisation and impairment of intangible assets) in ordinary dividends to the shareholders.

### RESULT 111 %

In view of the company's continued strong earnings, cash flow and low debt level, the Board proposes a dividend for 2022 on the same level as in 2021, of SEK 4.80 per share (comprising an ordinary dividend of SEK 2.40 per share and an extraordinary



dividend of SEK 2.40 per share). The total dividend amounts to 111 per cent of the company's adjusted net profit for the year. The proposed dividend is subject to approval at the 2023 AGM.

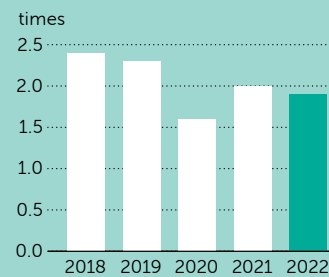
## Capital structure

### GOAL <3.0X

Net debt of less than 3.0 times adjusted EBITDA in the medium term.

### RESULT 1.9X

During the year, Coor paid a dividend of SEK 457 million to the shareholders. Despite this, the company reported a leverage of 1.9 times adjusted EBITDA, which is well in line with the Group's goal.



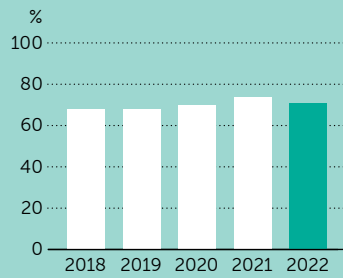
### High customer satisfaction

**GOAL  $\geq 70$**

The goal is to maintain a high level of customer satisfaction over time (Customer Satisfaction Index)  $\geq 70$ .

**RESULT 71**

The result for the year – a score of 71 – indicates a level of customer satisfaction that is still well in line with the company’s goals.



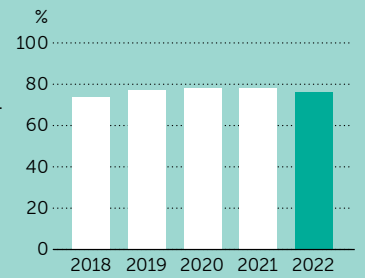
### Committed and motivated employees

**GOAL  $\geq 70$**

The goal is to maintain a high level of employee motivation (Employee Motivation Index)  $\geq 70$ .

**RESULT 76**

In the employee survey for the year, Coor maintained a high score – 76 – which is well above the company’s target.



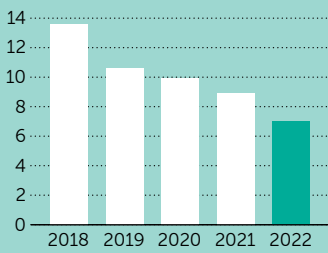
### No injuries or long-term sick leave

**GOAL  $\leq 3.5$**

The goal is to reduce the company’s TRIF (total recorded injury frequency rate) to  $\leq 3.5$  by 2025.

**RESULT 7.0**

The number of injuries has continued its steady decline. For 2022, TRIF was down by almost two units, indicating that our efforts have continued to have an impact. There is still some way to go to achieve our long-term goal.



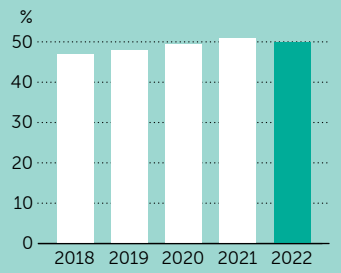
### Equal opportunities

**RESULT 50 %**

The goal is a 50/50 gender balance at management level.

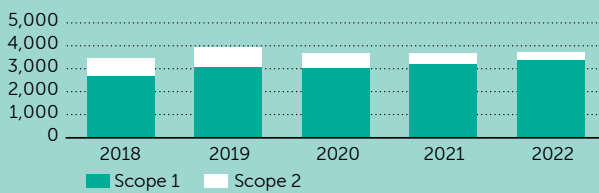
**RESULT 50 %**

Across the company as a whole, the proportion of women in management positions is 50 per cent, which is in line with the company’s goal.



### Reduced emissions

#### tCO<sub>2</sub>e from vehicle fleet (Scope 1 and 2)



**GOAL -75 % / 75 % / -30 %**

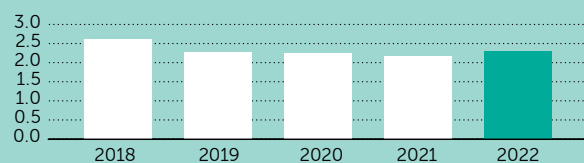
Coor’s goal is to reduce its absolute Scope 1 and 2 emissions by 75 per cent by 2030 compared with the baseline year, 2018. The interim target is to reduce emissions by 50 per cent by 2025. Our Scope 3 targets are for 75 per cent of emissions from purchased goods and services as well as upstream transport to come from suppliers who have

had their targets approved by the SBTi or an equivalent body. In food and beverages, Coor also has a goal of reducing emissions by 30 per cent by 2025 compared with 2018, related to the volume of food purchased.

**RESULT +7 % / 4 % / -16 %**

Overall, Coor’s Scope 1 and 2 emissions have increased by 7 per cent in absolute terms since

#### kgCO<sub>2</sub>e per kilogram of food purchased (Scope 3)



2018. The failure to reduce emissions is mainly related to the availability of infrastructure for electrified vehicles coupled with long delivery times for new electric vehicles as well as the company’s rapid growth, which has resulted in a growing car fleet. In absolute terms, tCO<sub>2</sub>e from energy use have decreased by 57 per cent since 2018.

At the end of 2022, an initial

measurement showed that 4 per cent of Coor’s emissions come from suppliers with validated SBTi targets.

Furthermore, through measures such as climate-smart menu planning Coor has reduced emissions in food and beverages by 16 per cent compared with the baseline year 2018, and reports a value of 2.20 kg CO<sub>2</sub>e/kg food purchased for 2022.

# Five fast-growing global trends that Coor is benefiting from



## Demand for sustainable deliveries

In property services, price is still an important factor, often in combination with a strong focus on security. A growing number of customers are demanding climate-friendly services, and those who fail to meet the requirements risk losing business. There is growing demand for circular services, such as subscribing to furniture. Zero waste – striving to generate as little waste as possible – is another way to make deliveries more sustainable. This may involve an increased degree of repair rather than replacement or using components with a longer service life, such as longer-lasting batteries.



## Carbon footprint reporting

Environmental certification can be seen as a guarantee of quality but is also important for property owners who want their buildings to be seen as attractive green investments. Several studies also show a positive correlation between a high green rating and selling and rental prices.

In the coming years, customers are expected to place even greater emphasis on the carbon footprint, i.e. emissions of greenhouse gases from their service providers' businesses. Demand for transparent reporting on purchased goods, transports, the choice of company cars and other relevant data is increasing.



## Data-driven services

How often premises need to be cleaned varies over time. A flexible delivery model that can identify the actual need for cleaning is becoming increasingly popular. Data-driven cleaning relies on access to various types of information, for example through sensors which provide cleaners with continuous information about how many people are present in the customer's premises and what the air quality is in each room. It may also involve identifying seasonal variations. The greater the number of integrated sources, the smarter the solutions we can offer to customers.



## More and more robots in the workforce

Robots already handle many tasks at Coor. As the technology evolves and becomes cheaper, the range of tasks performed by robots will expand. Many actions that are currently performed by humans are still difficult to replace with robots, but technological advances are opening up new possibilities. Robots that can read analogue measuring instruments, for example, or detect leaks and identify unexpected temperature differences can be very useful in hazardous environments that are unsafe for humans.



## Experience and well-being key priorities in tomorrow's workplace

In the wake of the pandemic, many employers have struggled to lure enough of their employees back to the office. At the same time, most employers and employees agree that the physical workplace will continue to play an important role, not least in building corporate culture and enabling productivity and learning, at both the individual and team level. Employers need to create an overall experience where the physical environment, technology, people and services create an inspiring atmosphere, make life easier outside of work and enable employees to ensure their own well-being.

## The energy crisis prompts calls for a green transition

The situation in the world has increased the demand for services that help businesses to optimise their operations in both the long term and short term. At Coor, innovation is part of our DNA and we are well equipped to handle an accelerated transition to green solutions in the Nordic market.

The energy issue is high on the agenda for many customers. Higher energy prices, uncertain access to energy, tougher laws, political instability and stricter corporate policies are forcing customers to cut their energy use and energy costs. In the past year, the European energy market has seen price spikes and been dogged by concerns about energy supply, prompting louder calls to implement a green transition in order to reduce emissions and increase electrification.

With industries and workplaces accounting for 35 per cent of global energy consumption, energy optimisation issues have shot up the agenda for many companies. This is where Coor can help. There is great savings potential in improving properties' energy efficiency through digitalisation and smart technology.

Coor is continuously developing new methods and technologies to ensure that we remain at the forefront. Our focus on innovations has increased over the years and we have been launching new, innovative solutions even more frequently.

### Reduce energy consumption by 80 per cent

An area with great potential in the ongoing transition is lighting. Apart from external pressures, the pace of transformation is also being driven by the EU Ecodesign Directive, which in the next few years will impose mandatory requirements for phasing-out certain types of light sources.

Coor's SmartLighting solution, which is part of our portfolio of smart services, enables customers to use lighting as required with minimal management. By integrating the solution with other systems, lighting can be controlled based on how different spaces are used. The solution has often reduced energy consumption by over 80 per cent compared with traditional lighting.



*Employers need to create an overall experience where the physical environment, technology, people and services create an inspiring atmosphere, make life easier outside of work and enable employees to ensure their own well-being.*



# Light takes starring role at the office

Light is crucial to how we feel and perform during a long day at the office – that is something we have realised in recent years. Martin Svensson works as Lighting Solutions Manager at Coor and knows how to create a good environment using the right lighting.

The eye is the brain’s window to the outside world and it is through our vision that we experience different colours, movements, darkness and light, for example. Good office lighting is therefore essential to the well-being of employees, increasing their creativity and creating the conditions that will enable them to excel at work. Martin Svensson, Lighting Solutions Manager at Coor, elaborates:

“To create an environment where employees want to be, property owners and landlords need to focus on their lighting. As we move towards creating offices that resemble hotel lounges or cosy restaurants, lighting is vitally important. It needs to be location-oriented, which means that it needs to focus on a specific location, and each employee needs to be able to define their own particular lighting environment,” he says.



Martin Svensson, Coor

## What are the benefits for the employees of good lighting?

“There is a lot of research into the circadian rhythm, our biological clock and how humans behave depending on the light environment. The right lighting gives us an energy boost when needed, while warmer light with less intensity helps us to wind down.”

The lighting in the rooms needs to have a different character depending on the tasks being performed.

“Places for focused work need to have office lighting, rooms for hybrid working need adequate lighting towards the person’s face with the right contrast to the background light, while rooms used for face-to-face meetings need a welcoming light around the table so that you can focus on the person you are talking to. Kitchens and lounge areas need lighting that reduces stress levels and enable us to enjoy our food in peace or take a moment’s rest from the productivity of the workplace,” says Martin Svensson.

He himself finds role models in his work at a number of mainly US tech companies that have used lighting, among other features, to design workplaces that “employees won’t want to leave”.

“They have really invested in this and realised how important the lighting is to create character, signal the company’s values and build attractiveness.”



## Martin Svensson’s advice for a better lighting environment in the office

### What kind of feeling do you want the lighting to convey?

For example, a softer, warm light gives a feeling of calm and security, while a colder, more intense light makes us alert and full of energy. Using high-contrast lighting, you can play with shadows and different intensities in the same room, create focus areas and divide a room into several activity areas.

### Give the employees the opportunity to create an individual lighting environment.

This can be done by enabling the employee to adjust the light level or direct the light from their own desk. Or by enabling the employee to adjust the colour temperature to suit their needs at any given time.

### Tailor the rooms’ different lighting environments to their specific use.

To do this, you need to assess the various activities and their lighting requirements, for example by using directed lighting towards a whiteboard or a floor-standing light fixture next to an armchair to create a more intimate feel.

# Sustainability is integrated into everything we do

At Coor, we are constantly developing our business, and sustainability and innovation run like a thread through everything we do. Here are some examples of events and activities from the past year.



## Coor donates SEK 1 million to Ukraine



The crisis in Ukraine is acute and the effects of the war are devastating. At the beginning of 2022, Coor donated SEK 1 million to UNHCR, the UN refugee agency whose mission is to protect people who have been forced to flee war, conflict or persecution. Through this donation, we wanted to show our support for democracy and the equal value of all people. Thanks to donations from companies like Coor,

UNHCR has been able to provide shelter, emergency aid such as mattresses and nappies, food and cash assistance to over 13 million people in Ukraine.

“As a company, we believe in democracy and human rights, so for us the donation was a way of showing our empathy and our support for the Ukrainian people. I am really proud that our donation is making a difference to people in need,” says AnnaCarin Grandin, President and CEO of Coor.



### Patient food is praised at Coor Investor Day



On 22 September, Coor Investor Day was arranged to give investors, analysts and the media the chance to get to know Coor. The day ended with a dinner from Signatur by Coor at the Karolinska University Hospital in Solna, whose mission is to create dining experiences based on patients' needs that also contribute to their recovery. The dinner made many of the attendees re-evaluate their view of hospital food.

"The food concept developed by Signatur by Coor has been very successful, with a patient satisfaction rate of 91 per cent. I am proud that our patient food is of such a high standard that we can serve it to satisfied guests at an elegant dinner at our investor day," says AnnaCarin Grandin, President and CEO of Coor.

In addition to a presentation on Coor as an investment, the participants were also given a tour of the hospital and had an opportunity to learn about Coor's views on the new working life, social and environmental sustainability, and other matters. The contract with the Karolinska University Hospital in Solna is one of Coor's largest, covering over 30 different services and involving more than 400 employees.



Claude Mulumba Mukendi (middle) with Amin Sharifi from NIIS (left) and Coor's Group Manager Jagoda Liberska (right).

### New Coor colleagues through integration initiatives



In 2022, Coor in Denmark started a collaboration with the organisation New Integration in Society (NIIS), which helps foreign-born and newly arrived people to enter the labour market. Claude Mulumba Mukend was the first new Coor colleague to be recruited through the collaboration. He has started working as a cleaner at one of Coor's customers in Jutland.

Group Manager Jagoda Liberska is very satisfied with her new colleague:

"He is really good at his job and very thorough. That makes me happy, because it allows us to deliver high quality to our customers."

NIIS was started by two Afghan men, Amin Sharifi and Tim Taraki, who themselves fled to Denmark in 2001 as 18-year-olds. Today, they are well established in the labour market. They tell us about the background to the NIIS initiative:

"We started the organisation because we ourselves would have liked to have role models and mentors who could have showed us how things work."

### Coor's Helena Söderberg named HR Director of the Year



In December, Coor's HR Director Helena Söderberg was named Private Sector HR Director of the Year at a gala organised by the employer branding company Universum.

In the words of the jury: "Helena Söderberg has experience from several industries but her recipe for success is the same – building support from management, collaboration between HR, communications and marketing, and a clear focus on employee engagement. Through contagious inspiration and a dynamic way of working, really strong results are achieved."





### Sweden's most gender-equal company



In 2022, Coor was named Sweden's Most Gender-Equal Company by SHE Index powered by EY. SHE Index is a tool for assessing companies' efforts to promote gender equality, and the index also evaluates efforts to promote diversity and inclusion. This year, Coor was awarded 92 points out of a possible 100, giving it first place in Sweden. Efforts to promote equality and inclusion remain high on Coor's agenda.

### A flexible office with innovative solutions

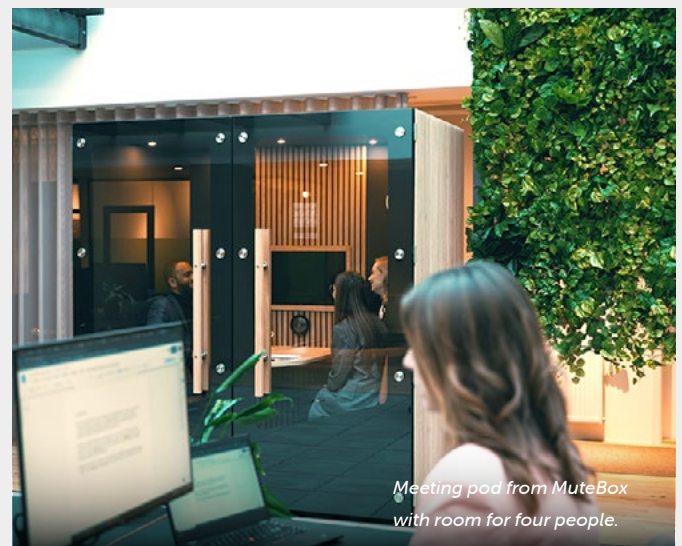


Mobile meeting pods and subscribing to office furniture are two initiatives for sustainable and attractive workplaces.

"A number of furniture suppliers today have furniture that can be delivered through a subscription service. If a company no longer needs the furniture, it is sent back to the supplier, which can then rent it out to another company," says Ola Lind-Isaksen, Senior Advisor at Coor Advisory, which offers strategic advice for the modern workplace.

Mobile meeting pods are another way to make the workplace more flexible.

"We are currently conducting a pilot with meeting pods. If we discover, for example, that there is a greater need for a pod that has room for four people than one with room for two, we can easily switch to that," says Ola Lind-Isaksen.



### Simple initiatives resulted in 55 % less food waste



Small, simple changes make a big difference. The canteen at the Danish company DSB in Høje Taastrup in Denmark is a shining example of this. In 2021, FOOD by Coor took over the canteen at Høje Taastrup, where DSB has its head office, and major changes have already been made that are very much in line with DSB's desire to focus on sustainability and reduced food waste.

A series of initiatives were launched to reduce food waste, including cooking the food on site instead of receiving it ready-made in portion packs as previously. This resulted in higher-quality food and greater control over how much is made and of portion sizes. In one month, food waste went from 258 kg to 116 kg – an impressive 55 per cent reduction. The focused effort to reduce food waste at DSB continues.

## Five new employees through Startup Refugees



Coor in Finland is working with Startup Refugees, whose mission is to help



new arrivals integrate quickly into the labour market. In 2022, the organisation was named Innovator of the Year in Recruitment in Finland.

During the year, Coor and Startup Refugees jointly organised several recruitment events, which led to several applications for vacant positions at Coor. To date, Coor in Finland has employed five people through the partnership.



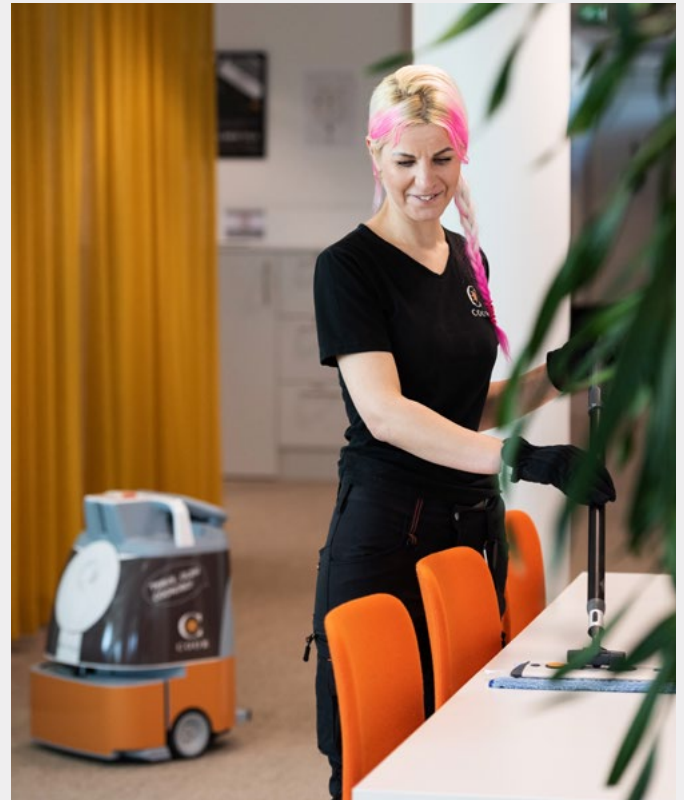
*Nikolai Utheim, President of Coor in Norway (right), together with Kim Gabrielli, CEO of UN Global Compact Norway (left), and Sigbjørn Gjelsvik, Minister of Local Government (middle).*

## President of Coor in Norway participated in SDG summit



In the autumn, Nikolai Utheim, President of Coor in Norway, participated in the Norwegian government's newly established Top Leaders' Forum for the UN Sustainable Development Goals (SDGs).

The purpose of the forum is to facilitate cooperation on the UN's 17 SDGs. The meetings result in advice and recommendations to organisations, businesses and research institutions about how they can contribute to the SDGs. The theme of the meeting that Nikolai Utheim attended was employment, skills and inclusion, an area where Coor has a lot of experience to share.



## Robots on the rise in cleaning industry



Digitalisation and robotisation are contributing strongly to a more sustainable cleaning industry. This benefits the cleaners and the people who use the premises as well as the cleaning companies.

The cleaning robots in use today are collaborative robots, or cobots, that work alongside humans. The robot cleans a pre-programmed area while the cleaner performs other tasks, such as wiping tabletops.

Coor has, for example, started using robotic vacuum cleaners in a school in Joensuu in Finland. According to the school's principal, the indoor air has become cleaner and the students are enthusiastic about the new employee.

"I have promised to visit the classrooms with the robot when the children are being taught about robotics," says Tuija Puustinen, Coor's Service Manager for the Joensuu region.

She also says that the cleaning team is very happy with the cleaning robot joining the team:

"Vacuuming is a heavy task for cleaners and puts particular strain on the arms and back. Thanks to the cleaning robots, the rate of sick leave among the cleaners has gone down. The results also show that robots do a better job vacuuming than human cleaners. According to a study carried out by Coor and OrboTech, which imports cleaning robots, an average of 48 per cent of the surface is missed when a floor is vacuumed manually, and 46 per cent of the floor is vacuumed twice. The improved efficiency also affects the air: Air quality improved by roughly 24 per cent when robot vacuum cleaners were used, according to a study carried out at the premises of a Finnish customer in collaboration with the robot manufacturer, importer and Coor.

### Supporting employees' mental well-being



Coor in Finland supports its employees' mental well-being through a collaboration with the therapy service Auntie. The support is packaged for various situations that may arise in the employees' daily lives, such as challenges at work and stress. Each package consists of five 45-minute online sessions with a psychologist or therapist. The service is confidential and supplements the company's regular occupational health care.

In the autumn, Auntie visited three of Coor's offices in Finland. The visits included a short talk, discussions, workshops and tips on how to develop tools for better mental resilience.

In Kuopio, around ten Coor employees participated in the event. Hanna Mönkkönen, Site Manager for Cleaning, was one of them:

"In my opinion, this is a necessary service, and Auntie's talk contained very useful information and good tips for today's working life. The talk attracted a lot of interest and inspired many discussions in our team."



### Preparing for a non-fossil fuel future



Coor has long offered those of its employees who commute by car charging points and is working to electrify its vehicle fleet. We welcome the fact that a growing number of companies are making the same transition. To facilitate our customers' transition to non-fossil fuel vehicles, Coor launched the SmartCharge service during the year.

SmartCharge is a flexible comprehensive solution for charging electric vehicles. The service supports several payment solutions and includes a cloud-based portal as well as round-the-clock support.

To meet the increasing demand for electric car charging in the Nordics, Coor has entered into a partnership with Eways, one of the leading charging operators.

"Thanks to our collaboration with Eways, we have one of the market's strongest offers. Together, we can quickly scale up capacity and tailor solutions for companies that want to prepare for a non-fossil fuel future," says Ylva Norlin, Product Owner IoT at Coor.

### REDO gives Leila a second chance



As part of its CSR commitment, Coor in Sweden is supporting the workforce mediator's (Arbetskraftsförmedlingen) REDO initiative, which is aimed at helping unaccompanied refugee minors covered by Sweden's High School Act to find work. Those who find work within six months of graduating can apply for permanent residency in Sweden. Since 2021, Coor has hired 19 new employees through the initiative.

"The most important thing for me right now is that I have found a job that gives me the chance to stay in Sweden and get permanent residency. I have been given the opportunity to enter society and can work and get to know new people. Now I want to develop my cleaning skills and learn the language even better," says Leila Hashimi, a cleaner at Coor who was hired through the REDO initiative.



# Meet our customers

Everything we do at Coor we do with our customers' best interests in mind. In 2022, we supported Alleima in its efforts to reduce its heat consumption, helped Deloitte to calculate and reduce the climate impact of its office operations, contributed to GN Store Nord reaching its goal of becoming carbon-neutral and maintained a unique railway area for SSAB, among many other activities.



# Strong commitment resulted in reduced heat consumption at Alleima

Thanks to a systematic and structured effort and a strong commitment from the customer, Coor was able to reduce heat consumption by 16,000 MWh at Alleima in Sandviken in just three years.

Alleima, formerly Sandvik Materials Technology, develops and manufactures advanced products in stainless steel and special alloys as well as industrial heating products. Around 5,500 people work in the company globally, which exports to over 90 markets around the world.

Alleima's facilities are located in Sandviken's industrial park and include everything from large production plants of varying ages to office buildings. Here, Coor's energy specialists work systematically to reduce energy use in the company's buildings, comprising a total floor space of 700,000 square metres.

When the project entered a new phase in autumn 2018, the goal was to reduce annual heat use by 2 to 3 per cent, but so far the annual reduction has been somewhere between 4 and 5 per cent. Since 2019, heat consumption has been reduced by 16,000 MWh, or 13 per cent, according to Robin Kairis, Coor's Site Manager.

"The key to success has been a systematic approach with frequent monitoring and a committed customer," he adds.

Coor and Alleima meet at regular intervals. At the meetings, the goals for energy use are reviewed, the savings rate is presented, specific buildings are addressed and the reasons for any increases in energy use are analysed, and new proposals for energy savings are put forward.

Alleima and Coor agree that it is the structured approach and strategic management that are the key parameters.

"We have been working together for a long time, but it was when we found this new approach that we really achieved results. This site is 160 years old and there are many challenges," says Glenn Johansson, Head of Facility Management at Alleima.

In concrete terms, efficiencies are achieved by fixing heat recovery systems that are not efficient enough and adjusting ventilation systems and radiators, and by adjusting temperatures and operating times to the operations. If a space is empty, it is possible to save up to 1,000 MWh a year by simply adjusting the ventilation.

Electricity has also surfaced as a hot topic recently, although Alleima has already had a focus on this area for a couple of years.

"The whole energy issue is a key part of our sustainability goals," says Glenn Johansson. He adds that the uncertain situation in the world has also led to Alleima and Coor drawing up contingency plans as part of the collaboration between Coor and Alleima Facility Management.

In addition to energy efficiency, Alleima has engaged Coor to handle maintenance of properties and outdoor environments.

"Our successful efforts to create energy efficiencies have made a good contribution to reducing Alleima's maintenance costs," notes Per Stinessen, Coor's Contract Manager.



## Coor's IFM contract with Alleima

Since 2009, Coor has had a major contract with Alleima which, in addition to energy efficiency, covers maintenance of properties and outdoor environments. Around a hundred Coor employees provide reception, telephony, security, mail, cleaning and care-taking services.



# Calculating climate impact brings big gains

Few companies know what emissions are generated by their office operations, and this can hamper the effort to raise awareness. In a pilot project, Coor has therefore helped Deloitte as well as other customers to calculate the climate impact of their service delivery.

Nordic companies are keen to improve their sustainability performance, but few are aware of what impact their office operations are having on the climate. In a pilot project during the year, Coor measured the climate impact of the services it provides at a few selected client companies around the Nordic region. One of them is Deloitte in Norway:

“At Deloitte, we are keen to make a difference,” says Tone Indrebø Næs, Director Corporate Responsibility & Sustainability. “Our goal is to make a positive contribution to society and promote sustainable development.”

She therefore did not hesitate when Coor contacted her and asked if Deloitte wanted to participate in the pilot.

“For Deloitte, this has been an important addition to our own efforts to combat climate change, and we have taken measures to reduce the carbon footprint of our office as a direct response to Coor’s calculations,” says Tone Indrebø Næs.

One of these measures is that Deloitte now has significantly fewer meat dishes on the menu in the staff restaurant, and when meat is served the portions are almost halved compared with previously. The rest of the plate is filled with vegetables, which is good for health as well as the environment.

Nikolai Utheim, President Coor in Norway, points out that keeping track of your company’s emissions has become a competitive advantage.

“So far, we have run the pilot for three customers in Norway and today we can say exactly where the climate emissions from their office operations come from, which helps to raise awareness. They now know what changes are required.”

He is convinced that in the future climate reporting will be as natural as reporting a company’s financial figures and is calling for a greater degree of public governance.

“The authorities need to come up with clear guidelines for climate reporting. We need public standards that we can relate to,” says Nikolai Utheim.



## About Deloitte

Deloitte is a market-leading provider of auditing, legal, financial advisory, risk analysis and consulting services. The company was founded in 1845 and today has some 345,000 employees in 150 countries. Coor has provided FM services, including restaurant, reception and security services, to Deloitte since 2016 at the company’s Norwegian head office in Oslo.

# Innovation reduces GN Store Nord's energy consumption

With the help of sensors, Coor reduced GN Store Nord's energy consumption by 40 per cent in 2022 and thus helped the company move towards its vision of creating the technology of the future with a focus on sustainability.

GN Store Nord is one of the world's largest producers of hearing aids and headsets. Sustainability is a central aspect of the company's business strategy. One of the company's goals is to make the business CO<sub>2</sub>-neutral by 2025, and Coor has been able to contribute to this in several ways.

"Coor's focus on technology is crucial to our ability to achieve this goal," says Hannah Smith, Sustainability Specialist at GN Store Nord.

## Sensors reduce GN Store Nord's energy consumption

Coor has installed sensors at two facilities, which has made it possible to monitor and optimise energy consumption and detect any deviations before problems arise. Coor has also optimised timed lighting control, flow temperature and other systems. This creates both climate and economic benefits, according to Metta Andreassen, FM Manager at GN Store Nord:

"Already in 2021, the sensors helped us to reduce our energy use by the equivalent of 70 single-family houses, or 60 tonnes of carbon dioxide. In 2022, we reduced our energy use by a further 40 per cent, and our electricity use by 20 per cent. It is fantastic to see how we are realising our ambition for more sustainable buildings."

But it is not only in the area of energy use that Coor is making a contribution. Coor's FM contract as a whole has a clear focus on sustainability. One example of this is that all waste is fractionated – that is, separated at source – based on the products' life cycles and recyclability. But you also need to buy products that are highly recyclable to begin with.

"When a company implements new sustainability initiatives, it is important to have a professional partner. Coor's waste management experts have helped us with purchasing, fractionation and CO<sub>2</sub> measurements for waste," says Metta Andreassen.

## Electric cars are the future

Given GN Store Nord's strong focus on creating tomorrow's sustainable technology, it is natural that the company should also want to inspire its employees to choose sustainable cars. In 2023, Coor will therefore be installing 70 electric car chargers that will make it easier for the employees to charge their electric cars while they are at work.



*Metta Andreassen, FM Manager (left), and Hannah Smith, Sustainability Specialist (right), GN Store Nord*



## Coor's FM contract with GN Store Nord

Coor has been providing FM services to GN Store Nord since March 2009. Coor provides property services, including technical property services and caretaking, restaurant, cleaning, waste management, reception and freight handling services at GN Store Nord's facilities. 51 Coor employees work under the contract. Coor has also designed and delivered a new restaurant and sound lab for GN Store Nord.



# Maintenance in SSAB's unique factory area

In a partnership stretching back more than ten years, Coor has been providing property maintenance services to SSAB's unique Raahe factory area in Finland.

SSAB is a steelmaker with global operations and a leading supplier of high-strength steel. In addition to the factory in Raahe in Finland, which is the largest, the company has production facilities in Sweden and the US. The factory area in Raahe covers a significant section of the town and extends over a vast area. Covering over 500 hectares, it includes 40 kilometres of roads and 30 kilometres of railways as well as a port, fire station, power plant and one of Finland's largest laboratories.

Coor started providing property maintenance services at SSAB's factory in Raahe in 2012, and different business models have been developed in collaboration with the customer since the start. Coor is responsible for preventive property maintenance and provides FM services as well as moving services.

"We do a lot of preventive maintenance: we inspect the buildings, repair minor faults immediately and submit reports on other problems," says Tero Översti, Coor's Service Manager.

In the factory area, there are 278 buildings with 8,000 doors, so there is no shortage of work. The tasks vary considerably, from welding doors to cleaning gutters and doing various installations.

"We appreciate Coor's knowledge and experience. As the buildings are located in a factory area, there are many risk factors and the work is quite different from traditional property management," says Pertti Viholainen, Real Estate Manager at SSAB.

Like Coor, SSAB has a strong focus on sustainability. SSAB's goal is to largely eliminate CO<sub>2</sub> emissions from its production by 2030. This will require major changes as steelmaking is very energy-intensive.

"Steelmaking is currently undergoing the biggest revolution since the invention of the melting furnace," says Pertti Viholainen.

A safe working environment is a fundamental requirement for everything SSAB does and the company has a strong focus on safety. The company's continuous efforts to ensure safety through patrols, observations, communications about safety and training have paid off. The LTI ratio – the number of lost time injuries per million hours worked – has decreased continuously since the 1970s and reached an all-time low of 0.51 in 2021.

"External service providers such as Coor are also increasingly involved in our efforts to ensure safety," says Pertti Viholainen.



## Coor's contract with SSAB

Coor has been providing property services at SSAB's production facility in Raahe since 2012, and the service model has been developed in collaboration with Coor. Coor is responsible for preventive property maintenance and provides FM services as well as moving services in Raahe's unique factory area.



# Enriching diversity

Respect for the equal value and rights of all people is fundamental to Coor. We are convinced that a diversity of personalities, experiences and knowledge is enriching and that each employee should be treated respectfully and fairly regardless of gender, background or identity. At Coor, everyone should feel that they can be themselves.

## Employees with a strong drive

Coor's employees have a strong drive to continually improve our service delivery to the customer. To leverage the full potential of our employees, it is essential that everyone knows that they are seen, that they matter and that they make a difference for Coor. We refer to our efforts to build employee engagement as *Passion for People*. During the year, we carried out several activities to strengthen employee engagement and participation. A large number of employees took part in "We Are Coor" workplace gatherings in order to highlight the positive energy that exists in the workforce as a whole.

## Diversity makes Coor a better company

For us, diversity is much more than just a word in a governing document. Among our employees we see a great ethnic and cultural diversity, which we are very proud of. Coor's ambition is that its employees should reflect both its customers and society as a whole. We see diversity as enriching – with more perspectives we become better, more profitable and more responsive. The fact that Coor's employees come from different backgrounds is a great asset; it increases our creativity and innovative power.

The FM industry is in a better position than many others to employ those who are currently outside the labour market. A job is so much more than just a workplace; it provides a context and a community. Coor has an inclusive culture – all our nearly 13,000 employees should feel that they can be themselves and that they will be respected for who they are. Coor equips and helps its employees to enter society in various ways, for example through internal language courses or training programmes. Diversity management is also important for Coor's brand as an employer, for current as well as potential employees. People want to work at a company where they can be proud of the culture.

## Coor Awards

The Coor Awards is a Group-wide event that takes place annually. The aim is to showcase and award employees who have made significant contributions during the year based on Coor's values. Anyone can nominate and be nominated. This year, approximately 1,200 nominations were received, which means that a full 10 per cent of Coor's employees were nominated for one of the awards.

## Satisfied employees build a stronger Coor

Each year, Coor carries out a comprehensive employee survey with the help of an external research firm. The survey, which was conducted in the second quarter in 23 languages, gives the employees an opportunity to anonymously provide feedback on what it is like to work at Coor. We are very grateful that despite our rapid expansion and a major influx of new employees during the year we have still maintained high scores in all index areas.

The results of the survey are important for our efforts to become an even more attractive employer. The 2022 survey was answered by 79 (80) per cent of employees and once again resulted in a high employee motivation score (Employee Motivation Index) of 76 (78).

Coor also measures employee engagement through an Engagement Index, which provides important guidance on the evaluation of the company's People Engagement activities. This year, our index score was 78 (80), which is a high figure. Our Leadership Index score remained stable at 79 (81).

Coor is an organisation with great diversity in many dimensions. We also measure inclusion through an Inclusion Index, which gauges our success in ensuring that all employees feel included and that we make use of their particular skills and experience. Our index score in 2022 was a high 81 (83).

79 (81)

Leadership Index

78 (80)

Engagement Index

76 (78)

Employee Motivation Index

81 (83)

Inclusion Index

# The various categories at the Coor Awards



**Employee of the Year** is an award for a true Coor hero, someone who lives by our guiding principles. The Employee of the Year delivers excellent service and improvements, has a joyful spirit and is always ready to help customers and colleagues. He or she knows how to inspire others and has also done something that goes beyond what is expected from the role.



**The Leader of the Year** is a good ambassador for Coor and a role model who lives up to our guiding principles. A person who is open to new ideas and has a good dialogue with customers and employees, understands complex situations, tries to find new ways of doing things and sets the right priorities.



**Improvement of the Year** is an award that promotes and recognises big and small contributions that lead us to develop and launch innovative solutions. Solutions that provide concrete added value for us and our customers.



**The Environmental Hero of the Year** is a person who has made an environmental contribution that has been implemented or has the potential to be implemented. He or she must have either helped our customers achieve their environmental goals or done something to reduce Coor's environmental impact.



**Sale of the Year** is an award that promotes and highlights successful sales for all employees who have been involved in an initiative that resulted in a sale.



**The Guardian Angel of the Year** is a role model for Coor's ambitions in health and safety and works actively to develop a safe working environment.



### Tanja Helland

Lives in: Stavanger, Norway

Age: 50

Job: Has a role that combines responsibility for HR, administration and HSEQ.

” We were received like royalty when the award was presented.



## Tanja is Leader of the Year “We are like a big, happy family”

Tanja Helland was HR Director at R&K Service when it was acquired by Coor in 2021. One year later, she was named Leader of the Year at the Coor Awards ceremony.

It was in 2011 that Tanja Helland took up the role of HR Director at the Norwegian family-owned company R&K Service, which provides cleaning and restaurant services. Ten years later, the company was acquired by Coor. Merging two different companies is not always easy, but the integration was successful. From the outset, Tanja Helland communicated clearly to her team that everyone needed to have an open and positive attitude to the changes that would be made when R&K Service was acquired.

“Becoming part of a large corporate group like Coor requires a more structured approach and different working methods than when you work in a small family-owned company with short decision paths,” Tanja Helland says. “The most positive thing about being part of Coor is that there are a lot of people with different skills here who can provide support and help. And we can also benefit from innovation and a structured approach to improvement that we didn’t have access to before at R&K Service. I believe we have a greater chance of long-term success in the industry together with Coor.”

Tanja Helland is a real pillar of the organisation in Stavanger. She remembers birthdays, makes sure that all visitors are

served lunch and is always available for questions and discussions; she knows R&K Service, and nowadays Coor also, inside and out, and is passionate about her colleagues succeeding in their roles. The door to her office is always open to colleagues when they need something.

“I love people,” Tanja Helland says. “Having daily contact with all our talented employees, being out there on the floor and saying hello. I really like that. Being welcomed immediately and feeling included here at Coor has made a big difference. It’s not always easy to merge two cultures, but now we are ‘one big, happy family’ with a good working environment.”

### How does it feel to have been named Leader of the Year at Coor?

“I am very humbled and proud because there were so many fantastic candidates. We were received like royalty when the award was presented in Stockholm. It made me proud to work at Coor.

But the award is really a reflection of the entire team,” Tanja Helland says.

“There are many fantastic people here who really care, and we are all winners.”



### Marial Kabawi

Lives in: Stockholm, Sweden

Age: 25

Job: HVAC specialist and project manager

“Coor has taught me to think outside the box.”

## “I appreciate Coor’s approach to health and safety”

Shortly after graduating from the Royal Institute of Technology, Marial Kabawi started working as an HVAC specialist and project manager on Coor’s contract at the Karolinska University Hospital in Solna. Her learning curve in the first year has been steep as she has tackled a wide variety of tasks and completed internal and external training activities.

### Tell us about your work!

“Working as a specialist in operations is stimulating and interesting. We work in teams and solve technical issues, and we do a lot of troubleshooting and function tests. We also help with preventive maintenance and arrange training sessions for the team. I also deal with regulatory requirements such as mandatory ventilation inspections (OVK) and answer questions from health workers about cleanrooms, operating theatres and sterile services departments. I also set up maintenance plans and plan life cycle costs (LCCs). As a project manager in operations, I get to implement the changes requested by the business. So no two days are the same; I always have stimulating and interesting things to do. One of my projects involves restoring the hospital’s ventilation systems to normal after the changes that were made during the pandemic.”

Marial Kabawi graduated from the Royal Institute of Technology in 2021 and started her career as a junior project manager at a company that builds 5G networks. She came to Coor as a consultant and after a few months she was offered

employment. For Marial, her time at Coor has meant a lot:

“I really have developed tremendously in my first year. In addition, there are opportunities for internal and external training linked to my duties at the Karolinska University Hospital in Solna. For example, I have been able to take a number of cleanroom training courses. Working at Coor, especially under this contract, has taught me to think outside the box. It is a university hospital that really operates in a sustainable manner.”

### What do you appreciate about having Coor as an employer?

“I appreciate Coor’s approach to health and safety for the staff. Every day I hear ‘work safely or not at all’, which is reassuring, especially when you work in a hospital where there is a risk of infection.”

### What is the best lesson you have learned at Coor?

“Seeing the overall benefit and planning ahead instead of resorting to short-term solutions.”

**Jasmina Mujcinovic**

Lives in: Stockholm, Sweden

Age: 30

Job: Group Manager at the logistics and waste centre at the Karolinska University Hospital in Solna



**”** We all motivate and encourage each other.

## “I went from goods receiver to Group Manager in two years”

Everything is possible – as long as you believe in yourself and surround yourself with the right people. That attitude enabled Jasmina Mujcinovic, in two years, to advance from goods receiver to Group Manager at the logistics reception at the Karolinska University Hospital in Solna.

At the logistics and waste centre at the Karolinska University Hospital in Solna, 14 Coor employees receive, register and deliver everything that is sent to and needed at the hospital – medicines, consumables, textiles, food and mail – and the Group Manager in charge of the entire department is 30-year-old Jasmina Mujcinovic.

“I started here as a goods receiver and had no thought of becoming a manager. But life has taught me that you shouldn’t settle for being comfortable,” she says.

It was a friend that recommended that Jasmina apply for a job as a goods receiver at Coor’s logistics reception at the Karolinska University Hospital in Solna. Since she has always had an interest in technology, she was attracted by the prospect of working with robots, which are an important tool in the department’s work. Jasmina got the job. After that, it took barely a year before the group leader in the department decided to leave and the manager at the time then asked if she wanted the position.

“I remember so well when I received the question. My boss and I were talking to each other in one of the hospital corridors. Then my boss said, ‘Jasmina, when the train is at your station you have to get on.’”

Jasmina felt unsure – was she really ready to take on such a big responsibility?

“It felt scary, but then I thought, what’s the worst that can happen? So I decided to accept.”

She had only just stepped into the role of group leader when the group manager in the department suddenly quit. An ad was posted for a new manager.

“It was far too big a step, and too soon. But then a colleague said to me: why don’t you apply – you already do everything here?” Jasmina hesitated, but her colleagues kept encouraging her, and finally she decided to apply.

“I really like that about Coor. We all motivate and encourage each other, and there really are a lot of opportunities for development.

Jasmina eventually got the job as Group Manager at the logistics reception.

“I can honestly say that at the beginning I had second thoughts many times: am I really the right person for this job? But you have to remind yourself that you are there for a reason. Someone else has chosen to believe in you, so you have to believe in yourself. Today, three years later, I feel comfortable in my role.”



### Martin Rostock

Lives in: Copenhagen, Denmark  
Age: 39  
Job: HVAC technician

### Lars Steen Jensen

Lives in: Rødovre, Denmark  
Age: 45  
Job: HVAC technician

## “It’s never too late to get an education”

For many adults, switching to another line of work and going back to school is a big step. But for Lars Steen Jensen, 45, and Martin Rostock, 39, it was a decision they never regretted.

Today, four years after Martin and Lars began their training as HVAC technicians, they have completed their course and have been given permanent employment at Coor.

“It’s never too late to get an education. You continue to learn all your life, and as an adult I felt more receptive to absorbing information and more engaged in learning,” says Martin. The training course is a joint initiative between Denmark’s largest HVAC trade association, Blik- og Rørarbejderforbundet, and their members. The four-year course is a mix of theory and practice; participants spend about 60 weeks in the classroom and the remaining time as paid trainees.

“We received both theoretical and practical training. Today I know what I’m talking about and can solve the challenges you face as an HVAC technician. The learning curve is very steep,” says Martin, who discovered the profession and Coor through an uncle who is an electrician. Lars, who already has an M.Sc. in Economics and Business, says that office work was never really his thing. He heard about Coor and thought it seemed like an interesting place to work. During an interview for a role as a handyman, the idea of training as an HVAC technician came up.

“I thought it was worth giving it a chance.

Today Martin and Lars agree that the job involves working on a wide variety of interesting and varied challenges. Working as an HVAC technician covers everything from supervision and maintenance of HVAC systems to keeping statistics and analysing and driving the development of the systems.

After being in the same class for three and a half years, working together and facing the same challenges, Martin and Lars are no longer just colleagues, but also good friends.

“Over the years, our bond has strengthened and today we also spend time together outside work. That is definitely one of the best things that these years have given us,” says Martin. Both Lars and Martin see Coor as a good workplace for those who want to develop.

“If you have the will to develop yourself and have the drive, everything is possible. The managers at Coor listen to and are responsive to what you say, and strengthen us as employees,” says Martin.

# Nordic specialist

The Nordic countries are Coor's home market. Coor operates in Sweden, Norway, Denmark and Finland. Our explicitly Nordic strategy and our proximity to the customers and knowledge of local conditions enable us to offer customised deliveries.

**18%**

Share of consolidated net sales.

**6%**

Share of consolidated net sales.

**22%**

Share of consolidated net sales.

**54%**

Share of consolidated net sales.





# “We create a culture where every-one has the same opportunities”

Coor in Sweden grew strongly in 2022, won several new contracts, achieved a high score in the employee survey and had a focus on sustainability and inclusion, says Magnus Wikström, President Coor in Sweden.



**Magnus Wikström**  
President Coor in Sweden

### What was 2022 like for Coor in Sweden?

“Despite the troubled and turbulent times, 2022 was a year of strong growth for Coor in Sweden. Our growth was partly due to acquisitions and partly the result of organic growth through new business. Through a successful integration, the three companies we acquired in 2021 were fully incorporated into Coor’s operations, and this

is having an effect this year. In the spring, we also acquired Centrumstād, a local cleaning company in Skåne, which has increased our business in cleaning.

In terms of organic growth, we won several new, exciting contracts, for example with Skanska and the Port of Gothenburg. We also extended many important contracts, such as those with Volvo Cars, CGI, Stockholm Exergi and Västerås City.”

### What is your best memory from 2022?

“That has to be the results of the year’s employee survey. In our Swedish business, we welcomed nearly 2,000 new employees in a short time. Receiving such a high score in spite of that really is fantastic! For Coor in Sweden, our score remained at 76, as in the year before, which is a very high figure.”

### What was your main focus area?

“For Coor in Sweden, an important task has been to integrate

the companies we acquired in 2021. With a 25 per cent growth rate, it is of course challenging to incorporate businesses without causing disruptions to our customers while at the same time making all the employees feel welcome. Thanks to our hard work and dedicated integration resources, it has gone very well. We are already seeing a positive impact from the acquisitions in our results.”

### What has Coor in Sweden been doing to promote sustainability, inclusion and diversity?

“We have strengthened our sustainability team. Today, we have a whole team that is active in various parts of the business, supporting our managers in our transition to become more sustainable. I would particularly like to highlight the REDO initiative, which helps young people who have been granted residency to remain in Sweden under the High School Act to find work. We have hired 19 employees through the initiative and are very satisfied with the effect this has had on the business. The aim is to create a culture where everyone has the same opportunities.”

### Innovation is an important focus area for Coor.

#### Tell us more!

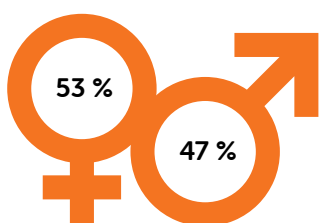
“Many ideas are born in various parts of the business and we have established centres of excellence for our major service areas where experts help to identify innovations and to structure and package these so that our customers can benefit from them. It is a really good model of collaboration between the line and our specialists.”

#### Net sales by type of contract

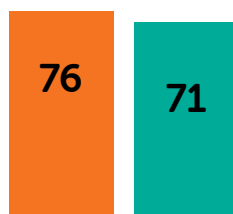


● Integrated FM (IFM) 58 %  
● FM services 42 %

#### Gender distribution managers



#### Employee Motivation Index and Customer Satisfaction Index



● Employee Motivation Index  
● Customer Satisfaction Index

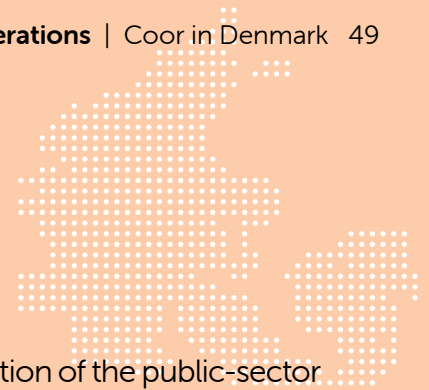
#### Coor in Sweden KPIs

	2022	2021
Net sales	6,346	5,079
Adjusted EBITA	627	564
Adjusted EBITA margin, %	9.9	11.1
Number of employees, FTE	5,443	5,547

#### Five largest customers

- Ericsson
- Karolinska University Hospital in Solna
- SAAB
- Telia Company
- Volvo Cars

# “We have grown tremendously”



The highlight of the year for Coor in Denmark was the start-up and integration of the public-sector contract with the Danish Building and Property Agency. But other public-sector integrations also contributed to the Danish business’s record growth in 2022, says Jørgen Utzon, President Coor in Denmark.



**Jørgen Utzon,**  
President Coor in  
Denmark

### What was 2022 like for Coor in Denmark?

“We grew tremendously as a result of the start-up of our contract with the Danish Building and Property Agency on 1 May. Other integrations of contracts with public-sector customers, such as DSB, also added to growth. Other customers who chose to sign contracts with us during the year include TRYG, ATP Ejendomme

and Energinet, and we extended or expanded our contracts with GN Store Nord and MAN Energy Solutions as well as other customers. Our growth also presented a challenge. We are now the Group’s second largest country, and we are therefore adapting our processes, structure and IT systems to our new size.”

### What are you particularly proud of?

“Our talented employees who have really worked hard on our integrations. But I am equally impressed by all the employees working on our contracts who help to strengthen Coor’s good reputation every day. I am also immensely proud of our Advisory Department, which advises and helps companies to design a modern and attractive workplace.”

### What has Coor in Denmark been doing to promote sustainability, inclusion and diversity?

“At FOOD by Coor, we have worked strategically to be able to obtain Nordic Swan Ecolabel certification, which covers all parts of our sustainability agenda. In cleaning, our goal is to obtain certification in 2023. In the contract with the Danish Building and Property Agency, we have agreed that we will have a joint focus on promoting diversity and inclusion. The contracts with Ballerup and Fredensborg municipalities specify that we have to hire people who have not been part of the labour market for a long time. We have also initiated a collaboration with NIIS, which works to integrate refugees into the labour market.”

### How have the year’s events such as the energy crisis, inflation and the war in Ukraine affected Coor in Denmark?

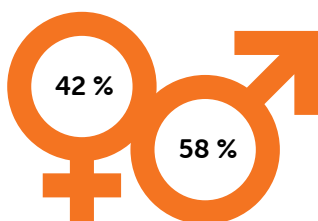
“We have received Ukrainian workers during the year. This is nothing new for us; in previous crises we also welcomed employees from other countries. Rising prices from our suppliers is another factor and here we are continuously adjusting the prices we charge our customers. Finally, the energy crisis has created a lot of demand for advisory services, where we are helping our customers save energy through *Smart Energy powered by Eniscope*. All this shows that Coor contributes to the society we are a part of and that there is always a need for our services.”

### Net sales by type of contract

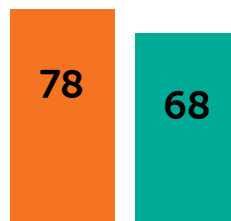


● Integrated FM (IFM) 54 %  
● FM services 46 %

### Gender distribution managers



### Employee Motivation Index and Customer Satisfaction Index



● Employee Motivation Index  
● Customer Satisfaction Index

### Coor in Denmark KPIs

	2022	2021
Net sales	2,652	2,071
Adjusted EBITA	109	105
Adjusted EBITA margin, %	4.1	5.0
Number of employees, FTE	2,497	2,270

### Five largest customers

- Danish Building and Property Agency
- DSB
- PKA (Danish Police, Prison and Probation Service and Prosecution Authority)
- Skejby Hospital
- Velux

# “A year of solid development despite a turbulent backdrop”

In 2022, Coor in Norway developed working methods and solutions that will yield good results in the future, according to Nikolai Utheim, President Coor in Norway.



**Nikolai Utheim,**  
President Coor in Norway

### What were the highlights of 2022?

“2022 was a year filled with contradictions. On the one hand, we have the challenges created by the crises in the world and the fact that we lost part of our contract with Equinor, which of course has had a negative impact. On the other hand, our service areas have developed very well. We have invested in property

management by strengthening our expertise in the area and by focusing on smart, energy-efficient solutions. To strengthen our offering in food and beverages, we have developed and launched two new food concepts. These are based on locally grown, seasonal and sustainable food.

We have also continued to build our new consulting business, Coor Advisory, which completed a number of projects for both existing and new customers during the year. These activities resulted in new contracts with customers such as Technopolis, the Red Cross, Studentsamskipnaden i Oslo (SiO) and IKEA.”

### How has Coor in Norway promoted sustainability and innovation?

“After Coor’s climate targets were validated by the SBTi in April 2022, our efforts to promote environmental sustainability have really taken off. In social sustainability, we have continued to work on training and developing our employees. We offer language courses in Norwegian to those who do not have it as a first language and skills development through initiatives such as vocational certificates at work and apprenticeships. This year, around 150 employees started occupational Norwegian courses, vocational certificate programmes and apprenticeships.”

### What are you most proud of?

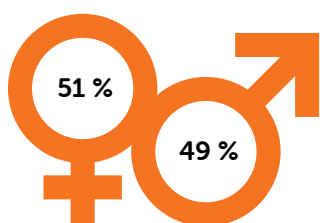
“Although the year has been demanding in many ways, I am very proud of our ability to work together during tougher times. I am grateful that my colleagues simply roll up their sleeves, go to work and deliver exceptional service every day. I am also proud that so many of my colleagues have chosen to return to the office after the pandemic. We are working to create an attractive workplace where our employees thrive and can build good relationships.”

### Net sales by type of contract

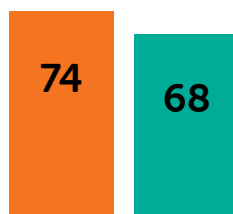


● Integrated FM (IFM) 72 %  
● FM services 28 %

### Gender distribution managers



### Employee Motivation Index and Customer Satisfaction Index



● Employee Motivation Index  
● Customer Satisfaction Index

### Coor in Norway KPIs

	2022	2021
Net sales	2,140	2,318
Adjusted EBITA	101	146
Adjusted EBITA margin, %	4.7	6.3
Number of employees, FTE	1,339	1,255

### Five largest customers

- ABB
- Aibel
- Aker Solutions
- Equinor
- Storebrand

# “Our customer satisfaction was the highlight”



The highlights of the year for Coor in Finland were the high level of customer satisfaction and a number of new contracts. There was also a strong focus on sustainability and integration, according to Marcus Karsten, President Coor in Finland.



**Marcus Karsten,**  
President Coor in Finland

### What was 2022 like for Coor in Finland?

“We entered into several new contracts, especially in fast-growing areas such as Helsinki, Pirkanmaa and Turku. We also renewed several existing contracts, including those with VTT Technical Research Centre of Finland and the Jumbo-Flamingo shopping centre. We are very happy and proud of the trust our customers place in us.”

During the year, Coor in Finland made a strategic decision to further increase its focus on customer experiences, for example by establishing a new role, Head of Strategy & Customer Experience. This new function is also part of Coor’s Finnish management team.”

### What has Coor in Finland been doing to promote sustainability, inclusion and diversity?

“During the year, we renewed our electricity contract. All the energy we buy is now 100 per cent renewable. In terms of social responsibility, we have also taken several initiatives. For example, we are working with Startup Refugees, which helps people with a foreign background to find work. Another initiative I’m proud of is our collaboration with Auntie, which offers talks to increase our employees’ mental well-being. Mental health in the workplace is an important area that we really want to highlight.”

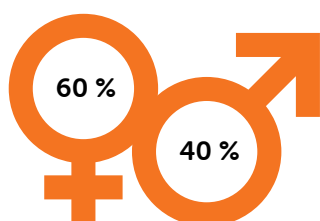
### What was the highlight of the year?

“One of the highlights of the year was the result of the customer survey. The results were particularly satisfying given the situation in the world in the last few years, with the COVID-19 pandemic and the war in Ukraine. Our employees have really done their utmost during this difficult time to help our customers, which they in turn have appreciated. We received a score of 73 in the customer survey for the year, which is a very good figure.

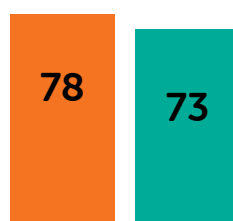
### Net sales by type of contract



### Gender distribution managers



### Employee Motivation Index and Customer Satisfaction Index



### Coor in Finland KPIs

	2022	2021
Net sales	653	636
Adjusted EBITA	13	25
Adjusted EBITA margin, %	2.0	3.9
Number of employees, FTE	860	886

### Five largest customers

- ABB
- Attendo
- Finnish customer in banking sector
- Senate Properties
- Sulzer

# “We stand strong in a changing world”

2022 has been a year marked by great uncertainty in the world, but Coor is stable and secure. Coor performed well, with robust organic growth, stable cash flow and a focus on sustainability, efficiencies and innovation, according to Andreas Engdahl, Coor's CFO.

## How would you sum up 2022?

“The year has been marked by global unrest. We emerged from a pandemic into a completely different kind of uncertainty marked by war and a faltering economy. But it was also a year of strong growth for Coor; we are growing organically at a rapid pace, especially in Denmark. We have had a strong focus on sustainability, both social and environmental, and have continued our intensive efforts to create improvements and innovate. We paid a good dividend to our investors and have maintained a high dividend yield. I have strong faith in Coor despite the situation in the world. We are a company that generally stands strong when the world is undergoing change. The foundation for this, as always, is our strong customer relationships. We are a reliable partner when our customers need to make changes in their deliveries. The other aspect is that in an economic downturn many companies need to create more efficiencies and efficiency is precisely what we are so good at! I also know from experience that many new outsourcing opportunities tend to appear in times of economic weakness.”

## How is inflation affecting Coor?

“The vast majority of our contracts have indexation clauses, which means that we are able to pass on cost increases to the customer. In 2022, we saw that in a high inflation environment there may be a delay until we are able to respond to cost increases. We are working actively to address this delay. The indexation clauses coupled with our ongoing efforts to create efficiencies and innovate mean that we are well equipped to handle inflation effectively.”

## Coor is stable despite the uncertain environment.

### What do you put that down to?

“We have historically had a very strong cash flow with good cash conversion. We stand secure in these times thanks to our business model with a large share of fixed subscriptions. Changing circumstances should not affect our ability to generate cash flow.”



*Coor place great value on a high dividend yield.*

## What is Coor's attitude to the dividend yield?

“Coor places great value on a high dividend yield. Coor's dividend policy is to distribute 50 per cent of our adjusted net profit. Excess liquidity is allocated to extraordinary dividends or value-adding acquisitions, and that's how it will continue to be.”

## How do you see the future for Coor?

“I see a bright future. Coor has an attractive offering in a growing market and we have a history of staying strong in changing times.”



# Why you should be a Coor shareholder

## Strong prospects

Coor's leading position in the IFM segment, which accounts for around 60 per cent of the company's business, is creating good prospects for continued growth, as the IFM market is growing significantly faster than GDP and the FM market as a whole. In the short term, growth may vary somewhat, as it is affected by the volume of major IFM contracts coming into the market in any particular period as well as by major unexpected events such as an economic recession or rising inflation.

Coor has a strong position in the Nordic market, where the company is a front runner in terms of innovation and digitalisation. Under Coor's business model, a large part of the company's revenue is relatively stable in the form of subscriptions, which account for over 70 per cent of total revenue. The company's services are in demand regardless of the economic climate. In a strong economy, the volume of FM services in the company's existing contracts increases, and historically, periods of weaker economic growth have led to new outsourcing deals reaching the market.

## Stable profitability

As Coor's business is largely about delivering efficiencies, the company has a strong focus on efficiency improvements and cost savings. The combination of strong local management in customer contracts and increased use of synergies within the Group provides a good foundation for maintaining stable profitability.

The company also has considerable flexibility in its cost base, which means that changes in sales volumes normally have a limited impact on the operating margin."

## Strong cash conversion

Due to its very limited need for capital expenditure and working capital, Coor's cash conversion is strong, which means that a large portion of its operating profit is converted into cash flow.

## A high dividend yield

Available cash can be used for further acquisitions, repayment of debt or dividends. Net debt is below the company's target, which means that Coor should be able to offer a high and stable dividend yield to its shareholders over time. The objective of the Board and management is not to accumulate cash in the company but to return any surplus to the shareholders.

## Continued opportunities for value-adding acquisitions

In 2022, Coor completed a takeover in Sweden as the company acquired Centrumst ad, a cleaning company in the south of Sweden. Although Coor's primary focus is on organic growth, the company has both the financial capacity and the ability to integrate further acquisitions going forward. Coor works continuously to identify well-managed Nordic companies that can complement and strengthen the company's offering in the FM market. The acquisitions need to be made at reasonable valuations and create synergies through our integration activities.

## Three reasons to invest in Coor

1

Coor is a market leader in a stable market with good growth opportunities.

2

Coor is relatively immune to the economic cycle with stable profitability.

3

Coor has high cash conversion, creating scope for a high dividend payout and acquisitions.

# Share information

## Share performance

Coor's share price declined in 2022. The closing price on 30 December 2022 was SEK 64.30, a decrease of 22.20 per cent over the year.

Over the same period, the OMXSPI (Stockholm All Share) index declined by 24.61 per cent. The highest closing price during the year was SEK 91.60 on 3 May and the lowest SEK 56.10 on 2 November.

## Share turnover

During the year, a total of 135,570,480 shares were traded on all marketplaces, representing a combined value of SEK 9,704,134,958 (9.7 billion). On average, 529,572 shares changed hands each day.

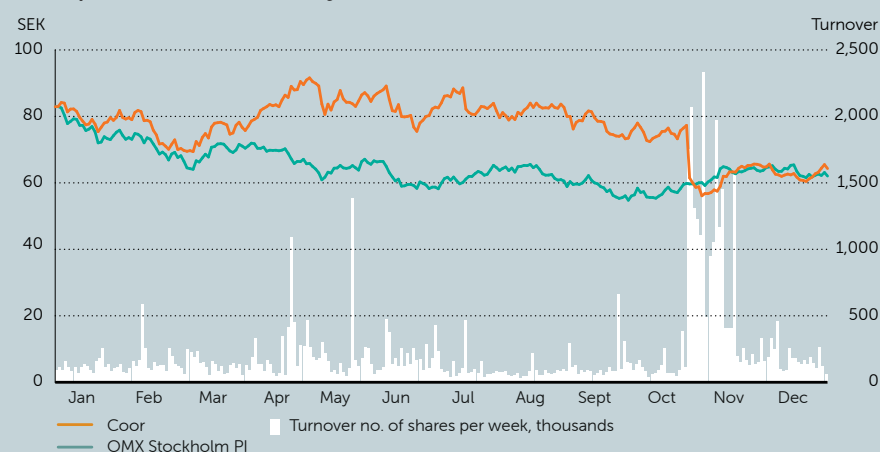
## Shareholders

On 31 December 2022, Coor had 14,984 shareholders. At the same date, the ten largest shareholders controlled 47.69 per cent of the capital and voting rights. The three largest shareholders were Första AP-Fonden, Mawer Investment Management and Nordea Fonder. Foreign owners held 51.63 per cent of the capital and voting rights.

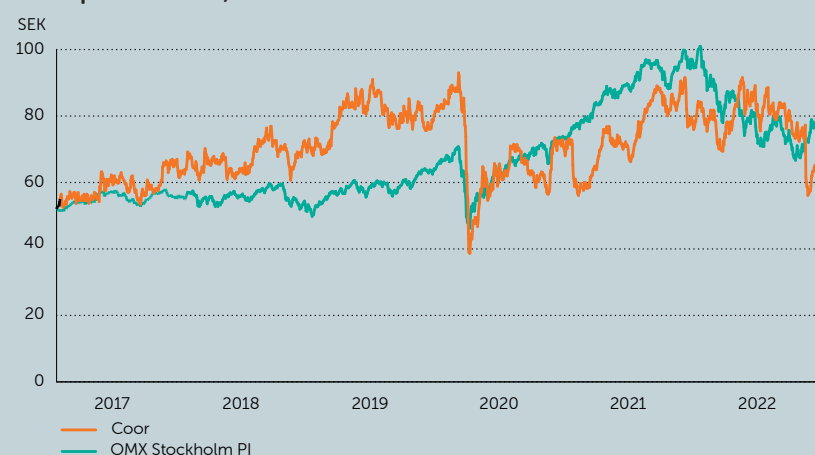
## Share capital

On 31 December 2022, Coor had a share capital of SEK 383 million. The number of shares was 95,812,022, representing a quotient value per share of SEK 4. Under the Articles of Association, the share capital must be at least SEK 200 million and no more than SEK 800 million, represented by at least 50,000,000 shares and no more than 200,000,000 shares. The free float – the portion of shares available for trading – was 100 per cent at year-end.

Share performance, 1 January–31 December 2022



Share performance, 2017–2022



## The ten largest owners

Shareholder	Votes, %	Holding, %	Total number of shares
Första AP-Fonden	7.70	7.70	7,373,318
Mawer Investment Management	6.65	6.65	6,368,994
Nordea Fonder	5.61	5.61	5,371,607
Didner & Gerge Fonder	5.36	5.36	5,138,779
Taiga Fund Management AS	4.37	4.37	4,190,027
Andra AP-Fonden	4.36	4.36	4,177,284
SEB-Stiftelsen	4.17	4.17	4,000,000
Swedbank Robur Fonder	3.94	3.94	3,778,893
SEB Fonder	3.36	3.36	3,218,228
Columbia Threadneedle	2.16	2.16	2,073,943
<b>Total, ten largest shareholders</b>	<b>47.69</b>	<b>47.69</b>	<b>45,691,073</b>
Other shareholders	52.31	52.31	50,120,949
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>95,812,022</b>
Shares owned by Coor Service Management Holding	0.9	0.9	825,807



## Ownership structure

Size classes	Number of known shareholders	Number of shares	Holding, %	Votes, %	Share of known shareholders, %
1–500	11,908	1,540,841	1.61	1.61	79.47
501–1,000	1,417	1,132,391	1.18	1.18	9.46
1,001–5,000	1,304	2,813,626	2.94	2.94	8.70
5,001–10,000	148	1,104,428	1.15	1.15	0.99
10,001–20,000	71	1,045,476	1.09	1.09	0.47
20,001–	136	78,566,965	82.00	82.00	0.91
Unknown holding size	–	9,608,295	10.03	10.03	–
<b>TOTAL</b>	<b>14,984</b>	<b>95,812,022</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

## Liquidity, 1 January–31 December 2022, Nasdaq Stockholm

Lowest, SEK	55.6
Highest, SEK	92.8
Volume-weighted average price, SEK	71.6
Number of shares traded	56,119,299
Average per day	221,815
Number of transactions	222,557
Average number of transactions per day	880
Average value per transaction, SEK	18,050
Average daily volume, SEK million	15.9
Daily volume as a percentage of market value	0.23 %
Nasdaq, %	41.1
Block transactions, %	23.3
Dark pools, %	1.4

## Dividend

The Board of Directors proposes a dividend for 2022 of SEK 4.80 (4.80) per share, comprising an ordinary dividend of SEK 2.40 (2.40) and an extraordinary dividend of SEK 2.40 (2.40) to be distributed in two payments of SEK 2.40 and SEK 2.40 per share, respectively. This corresponds to a total distribution of SEK 460 million.

## IR activities

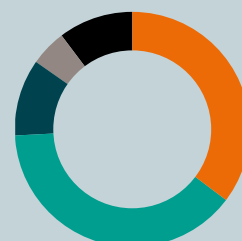
Investor relations activities in 2022 focused on continuing to strengthen Coor's position in capital markets. Management took part in conferences, was available for questions and held a large number of meetings, digital and in-person, on both the buy and sell sides to ensure that there is a wide familiarity with the company in the market. In addition to Stockholm, Coor also visited London and Oslo, primarily in connection with the company's interim reports. In the autumn, an investor day was organised for analysts, investors and the media. The event was held at the Karolinska University Hospital in Solna, one of Coor's largest contracts in Sweden.

## Analysts

Coor is followed by Carnegie, DNB and the Swedish Shareholders' Association.

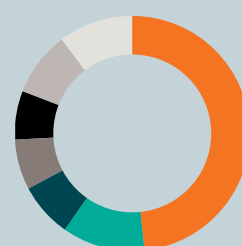
Data compiled by Modular Finance.  
Sources include: Euroclear, Morningstar, Swedish FSA.

## Distribution of ownership by category



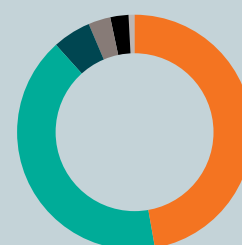
- Swedish institutional owners 35.4 %
- Foreign institutional owners 38.8 %
- Swedish private individuals 10.6 %
- Other 5.1 %
- Unknown owner category 10.0 %

## Distribution of ownership by country



- Sweden 48.4 %
- Norway 11.4 %
- USA 7.4 %
- Finland 7.0 %
- Canada 6.7 %
- Other countries 9.0 %
- Unknown country 10.0 %

## Trading platforms



- Cboe Global Markets 47.3 %
- Nasdaq OMX 41.1 %
- LSE Group 5.3 %
- ITG 3.1 %
- Aquis 2.4 %
- Other 0.7 %

## Corporate Governance Report

- 57 Chairman's comments
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- 69 Auditor's opinion
- 70 Presentation of the Board of Directors
- 72 Presentation of management

The Corporate Governance Report is a part of Coor's Annual Report 2022, which explains why it begins on page 56. The Corporate Governance Report can be read separately but sometimes contains references to other parts of the annual report. The full annual report is available on the company's website.

The Corporate Governance Report of Coor Service Management Holding AB (corp. ID no. 556742-0806) refers to the 2022 financial year.

# Corporate Governance Report 2022



# “Coor always puts the customer first”

Persistence, drive and a focus on delivering good service to the customers – that is the attitude that characterises Coor, according to Mats Granryd, the company's Chairman.

## What do you think of Coor's performance in 2022?

“2022 was a very turbulent year, with war in Ukraine, high inflation, rising electricity prices and an impending recession. Coor has tried to deal with the challenges by being flexible, creative and continuing to deliver good service to our customers. Thanks to that, the company has been successful and both extended and won new contracts during the year.

I am also very proud that Coor has supported Ukraine by hiring new employees who fled the country, and by donating money to UNHCR. As a large company, it feels good to be able to help where help is needed.”

## What sets Coor apart as a company?

“A hallmark of Coor is that everyone is prepared to roll up their sleeves and work hard with a focus on delivering service to the customers. Coor always puts the customer first. I am impressed by our professionalism and attention to detail, which are two of the company's hallmarks, and that there is a genuine respect for both our employees and our customers.”

## What do you see as the Board's most important tasks?

“Much of what the Board does centres on looking after the interests our owners. As in previous years, we have had a strong focus on sustainability, innovation and integration – of new acquisitions as well as new contracts. Another important task for the Board is to monitor the company's strategic direction and ensure that management thinks outside the box – creatively and innovatively. In that respect, we have been greatly assisted by our two new Directors Karin Jarl Månsson and Linda Wikström, who have brought valuable expertise as well as fresh ideas.”

## What is most important for Coor to focus on going forward?

“Coor needs to continue to cultivate the qualities it already has: customer focus, professionalism and innovation, and also to nurture the entrepreneurial spirit that pervades our entire organisation. Internally, Coor needs to become more process-oriented, which is connected to the fact that the company has grown rapidly.

Coor needs to continue to ensure a high level of reliability in its deliveries to customers while at the same time daring to try new things. A trademark of AnnaCarin Grandin's leadership is that she has created a culture where belief in one's own individual ability and responsibility is paramount. This is vital for the growth and success of a company.”

## How does Coor's focus on sustainability manifest itself?

“Coor has a way of structuring sustainability issues based on a triple bottom line approach – taking responsibility for business, social and environmental sustainability – where all aspects matter. Our customers are demanding a clear sustainability agenda, but this is not just about the environment; it is also about how we care for our employees and ensure respect for the individual. Coor is a big employer and it is important that all our employees feel safe and secure at work and that they have the opportunity to grow in the company.”

## How do you see the next few years for Coor?

“Coor will stand strong! The company is valued by our customers and employees, as is very clear from the annual customer and employee surveys. Satisfied employees perform better and this translates into happier customers, which in turn makes Coor more interesting to investors.

I and the rest of the Board look to the future with confidence and see good opportunities to continue to grow organically and make value-adding acquisitions. We also have a strong cash flow, which gives us great freedom of action. I look forward to an eventful 2023.”



*Coor needs to continue to cultivate the qualities it already has: customer focus, professionalism and innovation, and also to nurture the entrepreneurial spirit that pervades our entire organisation.*

# Structured governance and control

The goal of Coor’s corporate governance is to ensure systematic risk management and sustained value creation for shareholders through good control and a sound corporate culture.

This Corporate Governance Report has been prepared by the Board of Directors of the Coor Group and describes Coor’s corporate governance for 2022. The report has been reviewed by Coor’s auditors, whose opinion is presented at the end of the report.

### Corporate governance at Coor

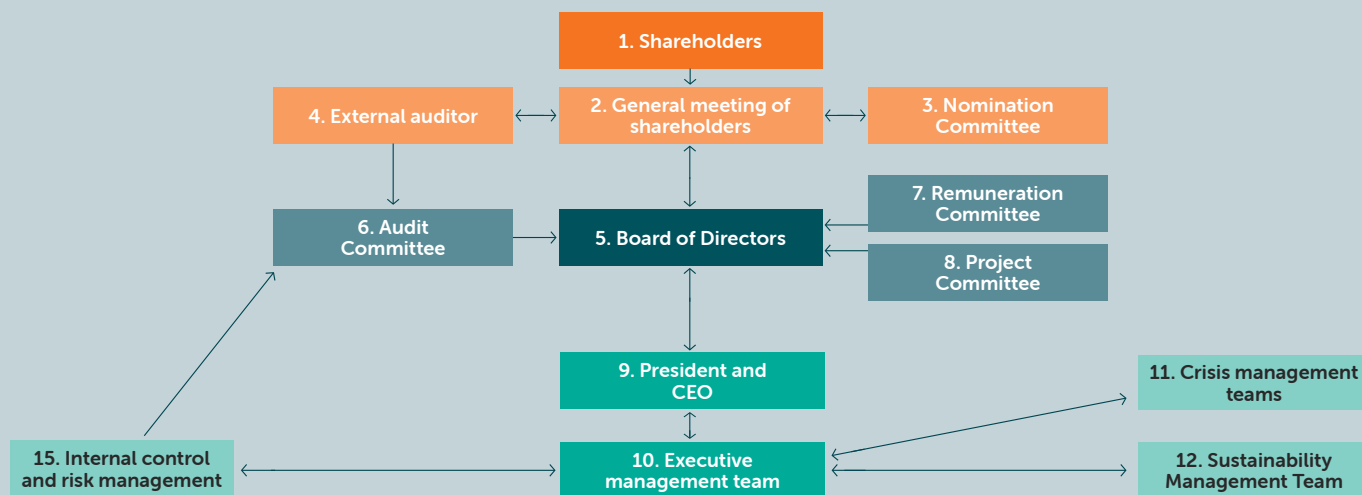
Coor is a public limited company with its registered office in Stockholm, whose shares were listed on the Nasdaq Stockholm exchange on 16 June 2015. For Coor, good corporate governance means that the company is managed in a sustainable, responsible and efficient manner in all dimensions, thereby creating long-term value for all shareholders and other stakeholders. Coor’s corporate governance is based on Swedish laws and regulations and on the rules and practices which apply for companies listed on Nasdaq Stockholm. Coor also follows the Swedish Corporate Governance

Code without deviating from any of its rules. In the countries where Coor operates the company follows the applicable local legislation.

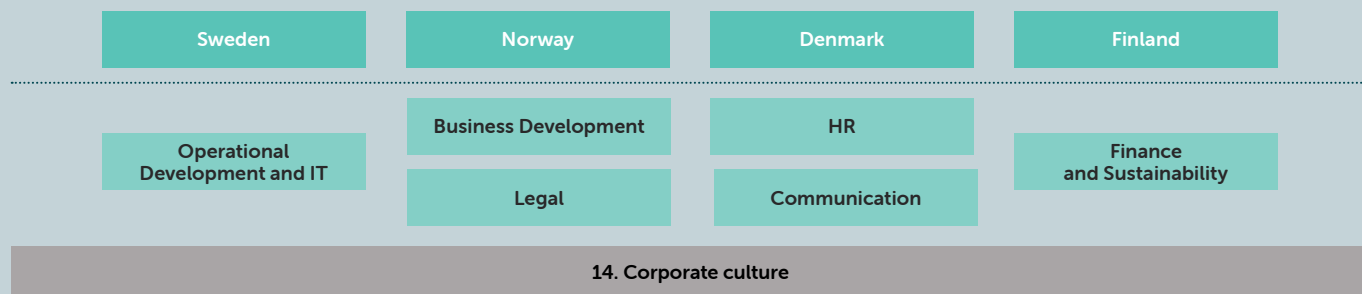
In addition to the external regulations, Coor has a set of internal regulations consisting of governing documents for the Group, of which the most important are the Articles of Association, which are adopted by the shareholders’ meeting, the rules of procedure for the Board of Directors and its committees, and the Board’s terms of reference for the Chief Executive Officer. In addition, there are a large number of internal policies, instructions and delegation arrangements which clarify responsibilities and authorities in different areas. The most important governing documents are included in Coor’s management system, which also describes the company’s main processes and common work methods.

Coor’s corporate governance structure is well defined and is illustrated schematically below.

Coor’s corporate governance structure



13. Coor’s operating units and Group functions



### 1. Shares and ownership structure

At year-end, Coor had a share capital of SEK 383,248,088, represented by 95,812,022 shares. Each share carries one vote at general meetings. As at 31 December 2022, Coor's share register listed approximately 15,000 shareholders. Of the total share capital, approximately 52 per cent was owned by investors outside Sweden. The three largest shareholders were Första AP-Fonden with 7.7 per cent of the shares and voting rights, Mawer Investment Management with 6.6 per cent and Nordea Fonder with 5.6 per cent. More information about Coor's shares and ownership structure is available on the company's website under *Investors* and in the section *Share information*.

### 2. General meeting of shareholders

In accordance with the Swedish Companies Act, the general meeting of shareholders is the company's highest decision-making body. All shareholders are entitled to participate and vote at the ordinary general meeting (Annual General Meeting). At the Annual General Meeting (AGM), shareholders discuss the annual report, payment of dividends, election of Directors and auditors, fees and principles of remuneration as well as other matters. The resolutions adopted at a general meeting are announced in a press release after the meeting. More information on the convening of and participation in general meetings is available on the company's website under *Who we are/Corporate Governance*.

### 3. Nomination Committee

The composition and activities of the Nomination Committee are governed by the terms of reference adopted by the AGM and are described on the company's website under *Who we are/Corporate Governance/Annual General Meetings*.

#### Composition and activities in preparation for the 2023 AGM

Prior to the 2023 AGM, the Nomination Committee consists of Ulrika Danielson (Andra AP-Fonden), Henrik Didner (Didner & Gerge Fonder), Sophie Larsén (Första AP-Fonden), Richard

Torgerson (Nordea Funds) and Chairman of the Board Mats Granryd.

In preparation for the 2023 AGM, the committee met on three occasions. Through the Chairman of the Board and the company's President and Chief Executive Officer, the Nomination Committee received information about the operations, development and other circumstances of the company. The Nomination Committee also interviewed individual Board Directors. It also discussed the main requirements that should be applied for Directors, including the requirement for independent Directors, and looked at the number of directorships of other companies held by the Directors. The committee placed a strong emphasis on ensuring a balanced representation of men and women, diversity and breadth.

Shareholders have been welcome to submit proposals and views to the Nomination Committee. No separate fee was paid to any of the members of the Nomination Committee.

### 4. External auditors

The company's auditors are appointed by the AGM. At the 2022 AGM, Öhrlings PricewaterhouseCoopers AB (PwC), with Niklas Renström as auditor-in-charge, were re-elected to serve as the company's external auditors until the 2023 AGM. PwC have been Coor's auditors since 2004. Niklas Renström has been Coor's auditor-in-charge since 2018.

The external audit of Coor's financial statements is conducted in accordance with the Swedish Companies Act, the International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. The auditors are tasked with auditing the annual accounts, annual report and consolidated accounts as well as the Board of Directors' and executive management team's management of the company. The auditors also review the interim financial statements as at 30 September and the company's internal control.

The auditors are required to keep the Board updated on the planning, scope and content of the annual audit and to inform the Board of any services in addition to audit services that have been provided, the fees for such services and other circum-

#### Resolutions adopted at the 2022 AGM

##### The main resolutions adopted at the 2022 AGM were as follows:

- That the Board of Directors should consist of six Directors with no deputies.
- The election of the Chairman of the Board and Directors in accordance with the Nomination Committee's proposal:
  - Mats Granryd was re-elected to the Board as a Director and as Chairman of the Board.
  - The Directors Magnus Meyer, Kristina Schauman and Heidi Skaaret were re-elected to the Board. The election of Karin Jarl Månsson and Linda Wikström as new Directors.
- To approve the payment of Directors' fees totalling SEK 3,245,000, as proposed by the Nomination Committee. The fees will be distributed as follows:
  - SEK 855,000 to the Chairman.
  - SEK 305,000 to each of the other AGM-elected Directors.
  - SEK 110,000 to Directors who are members of the Audit Committee.
  - SEK 220,000 to the Chairman of the Audit Committee.
- SEK 50,000 to Directors who are members of the Remuneration Committee.
- SEK 75,000 to the Chairman of the Remuneration Committee.
- SEK 75,000 to Directors who are members of the Project Committee.
- SEK 100,000 to the Chairman of the Project Committee.
- Resolution on a long-term share-based incentive programme (LTIP 2022) for the executive management team (EMT) and top management team (TMT).
- To authorise the repurchase and transfer of shares.
- To authorise the issuance of new shares.

The audit firm PwC notified Coor that Niklas Renström will be appointed as auditor-in-charge for the audit.

The full minutes of the AGM are available at [coor.com](http://coor.com).



## Auditors

### Öhrlings PricewaterhouseCoopers AB (PwC)

*Auditor-in-charge:*  
Niklas Renström

*Other audit engagements:*  
Bonnier, Nobina and Vestum.

### DNV – Environmental and quality auditors

Coor's business has been globally certified under the international ISO 45001-2018 occupational health and safety, ISO 14001-2015 environment and ISO 9001-2015 quality standards. This means that the business is audited twice a year by an independent party. Det Norske Veritas (DNV) is in charge of the external audit with regard to compliance with the standards. The results of these audits are reported to the executive management team.

More information about this audit is presented in the section *Sustainability notes*.

stances that could affect the auditors' independence. To meet the Board's need for information and to ensure that all areas are addressed in a structured manner, Coor's auditors participate at the meetings of the Audit Committee and attend at least one Board meeting a year. On at least one occasion, the auditors meet the Board without the presence of management. The fees paid to the auditors for 2022 are presented in *Note 7 Audit fees* in the *statutory annual report*.

## 5. Board of Directors

Under the Articles of Association, Coor's Board of Directors must consist of at least three and not more than ten ordinary Directors elected by the general meeting of shareholders. The Board of Directors is elected annually at the AGM. The Articles

of Association contain no other provisions on the appointment or dismissal of Directors. The Board is responsible for ensuring that the company's organisation is appropriate and that the operations are conducted in accordance with the Articles of Association, the Swedish Companies Act and other applicable laws and regulations. The Board is required to perform its duties jointly under the leadership of the Chairman. Rules of procedure are adopted annually that set out the duties and decision-making process of the Board. The rules of procedure also describe the procedures for the notice, agenda and minutes of Board meetings as well as the duties of the Board in respect of accounting, auditing and remuneration matters. They furthermore regulate how the Board should receive information and documentation as a basis for its work in order to be able to make well-founded decisions. An inaugural meeting is held after the Annual General Meeting. Thereafter, the Board is required to hold at least six meetings per calendar year. At each regular meeting, the Board follows the agenda prescribed in the rules of procedure, which includes a report from the CEO, financial reports, investments and strategic matters. Prior to each meeting, the Directors receive written material on the matters to be discussed. The Board also annually adopts terms of reference for the CEO.

### *Composition and activities in 2022*

As of 31 December 2022, Coor's Board of Directors consists of six ordinary Directors elected by the general meeting of shareholders and three employee representatives. The composition of the Board meets the requirements for independent Directors provided for in the Swedish Corporate Governance Code. Information on the independence of the Directors is presented in a table on the next page.

The Board of Directors is presented at the end of the Corporate Governance Report along with information about the Directors' directorships outside the Group and their holdings of Coor shares. The Board has appointed Coor's Chief Legal Counsel to act as its secretary.

## 6. Audit Committee

Consists of three Board-appointed members: Kristina Schauman (Chairman), Heidi Skaaret and Magnus Meyer. Coor's CFO and external auditors attend all meetings. Follows up and monitors internal control, audit, risk management, accounting and financial reporting activities.

## 7. Remuneration Committee

Consists of three Board-appointed members: Mats Granryd (Chairman), Karin Jarl Månsson and Kristina Schauman. Submits proposals on remuneration to the Board, and monitors and evaluates remuneration structures and levels for the executive management team.

## 8. Project Committee

Consists of three Board-appointed members: Magnus Meyer (Chairman), Mats Granryd and Linda Wikström. Assists the Board by submitting proposals for and providing decision guidance on major customer contracts, acquisitions and other important agreements.

## Directors' attendance, independence and fees

	Meeting attendance				Independence		Fees
	Board of Directors	Audit Committee	Project Committee	Remuneration Committee	Independent of the company	Independent of major shareholders	Approved Directors' and committee fees, SEK '000 <sup>6)</sup>
<b>Total number of meetings</b>	<b>10</b>	<b>6</b>	<b>9</b>	<b>3</b>			
<b>AGM-elected Directors</b>							
Mats Granryd, Chairman	10	–	8	2	Yes	Yes	1,005
Karin Jarl Månsson <sup>1)</sup>	8	–	–	2	Yes	Yes	355
Mats Jönsson <sup>2)</sup>	2	–	6	–	Yes	Yes	–
Monica Lindstedt <sup>3)</sup>	2	–	–	1	Yes	Yes	–
Magnus Meyer <sup>4)</sup>	10	3	9	–	Yes	Yes	515
Kristina Schauman	8	6	–	3	Yes	Yes	575
Heidi Skaaret	10	6	–	–	Yes	Yes	415
Linda Wikström <sup>5)</sup>	8	–	2	–	Yes	Yes	380
<b>Union-appointed employee representatives</b>							
Glenn Evans	10	–	–	–	No	Yes	–
Rikard Milde	10	–	–	–	No	Yes	–
Urban Råäf	10	–	–	–	No	Yes	–

<sup>1)</sup> Appointed as a Director and member of the Remuneration Committee on 29 April 2022.

<sup>2)</sup> Stepped down as a Director and member of the Project Committee on 29 April 2022.

<sup>3)</sup> Stepped down as a Director and member of the Remuneration Committee on 29 April 2022.

<sup>4)</sup> Appointed as a member of the Audit Committee on 29 April 2022.

<sup>5)</sup> Appointed as a Director and member of the Project Committee on 29 April 2022.

<sup>6)</sup> The fees for Directors' and committee work were approved by the AGM on 29 April 2022 and apply until the next AGM on 27 April 2023. For information on fees that had an impact on earnings for 2022, see *Note 6 Remuneration of senior executives in the statutory annual report*.

As its diversity policy, Coor applies Rule 4.1 of the Swedish Corporate Governance Code, which means that the Board should have a composition that is appropriate in view of the company's operations, stage of development and other circumstances, and is diverse and broad with regard to the skills, experience and backgrounds of its AGM-elected members, and that a balanced representation of men and women should be aimed for. Coor considers that the company's Board of Directors meets the requirements of its diversity

policy. The Board consists of four women and two men. The members come from different sectors of industry and have varying professional backgrounds and expertise.

In 2022, the Board met on ten occasions. The Board addressed strategic matters, financial performance and matters relating to customers, employees, sustainability and risk management over the course of the year. Each year, the Board holds a strategy meeting at which the company's strategic agenda is addressed from all three dimensions –

### Sustainability management

All companies have a big responsibility for the activities in which they are engaged, and for how these activities affect the environment and society at large, in the short and long term. Coor takes a structured, long-term approach to those sustainability aspects that are considered to have the biggest external impact. The purpose of Coor's sustainability management is to ensure that the company grows in a stable and profitable manner by delivering sustainable services to our customers based on sound business ethics while minimising its environmental impact, and that the company makes a positive contribution to society. For more information on Coor's sustainability management and governance, see the section *Sustainability notes*.

### Key external and internal governing documents

#### External regulations

- Swedish laws and regulations
- Laws and regulations in other countries of operation
- Nasdaq Stockholm's rules for issuers
- Swedish Corporate Governance Code
- International Financial Reporting Standards (IFRS)

#### Internal governing documents

- Articles of Association
- Rules of procedure for the Board of Directors
- Rules of procedure for the Board committees
- Board of Directors' terms of reference for the CEO

<sup>1)</sup> Policies adopted by the Board of Directors.

#### Policies and instructions

- Code of Conduct <sup>1)</sup>
- Anti-corruption policy <sup>1)</sup>
- Insider policy <sup>1)</sup>
- Treasury policy <sup>1)</sup>
- Financial targets and dividend policy <sup>1)</sup>
- Tax policy <sup>1)</sup>
- Procurement policy
- Sustainability policy including risk management
- Diversity and inclusion policy
- IT policy
- Information security policy
- Internal control framework
- Accounting manual
- Authorisation manual
- Data protection policy

business, social and environmental sustainability. In order to give all Directors a deeper understanding of the company's sustainability management, the company's specialists in various fields are regularly invited to Board meetings to present specific issues. The Directors bring their experience from other directorships and constantly challenge the executive management team to ensure sustainable development in line with the company's strategy. The Board is also involved in preparing the company's materiality analysis. Important matters addressed during the year included matters relating to the impact of COVID-19 on the company, sanctions in response to the war in Ukraine, inflation, energy prices, new deals and potential acquisitions.

To handle matters that need to be discussed separately, the Board has established three committees: the Remuneration Committee, the Audit Committee and the Project Committee. The composition of the committees is proposed by the Chairman of the Board and is based on the Directors' knowledge and experience. The composition is then decided by the Board. The committees reported on their meetings to the Board on a regular basis.

Attendance at the year's Board meetings was good. Information on Directors' attendance at meetings of the Board and its committees and on the fees paid for this work is presented in the table on the preceding page.

*Independence requirements*

Coor's Board of Directors is subject to the independence requirements set forth in the Swedish Corporate Governance Code. In preparation for the 2022 AGM, the Nomination Committee presented the following assessment regarding the independence of the Directors elected at the 2022 AGM: Mats Granryd, Linda Wikström, Karin Jarl Månsson, Magnus Meyer, Heidi Skaaret and Kristina Schauman were all considered to be independent of the company and management and of the company's major shareholders.

**Coor's executive management team**



**Evaluation of the Board**

In 2022, the Board carried out the annual evaluation of its work in the previous year. The purpose of the evaluation is to further improve the Board's efficiency and practices and to determine the main focus of the Board's activities going forward. The evaluation also serves as a tool for determining the requirements for the expertise needed on the Board, and to assess the expertise represented by the Board's existing members. The evaluation thus also serves as a basis for the Nomination Committee's work of nominating Directors. In carrying out the annual evaluation, the Directors were asked, based on their own perspective, to fill in questionnaires and assess various areas related to the work of the Board, including the Chairman of the Board. The areas evaluated for 2022 included the composition of the Board, its handling of and the focus of Board meetings as well as the Board's handling of matters relating to strategy and strategic priorities, sustainability, financial and non-financial goals and potential risks. The results of the evaluations regarding the Board as a whole and the Chairman of the Board are discussed by the Board. The results of the evaluations are also shared with the Nomination Committee.

In preparing nominations for new Directors, the Nomination Committee takes into account the views on the composition of the Board presented in the Board evaluation. Other conclusions from the Board evaluation that led to actions were to ensure that the Board has a greater involvement in addressing strategic risks, to publish non-financial goals and to increase the number of visits by the Board to various parts of the business.

**9. Chief Executive Officer**

The Board of Directors has delegated operational responsibility for the company and its management to the company's President and Chief Executive Officer (CEO), who manages the business within the limits and guidelines established by the Board. The division of responsibilities between the Board and CEO is set out in written terms of reference, which are adopted annually by the Board. On 1 August 2020, AnnaCarin Grandin took over as Group President. The CEO appoints the executive management team, who together with the CEO are in charge of managing the company's day-to-day operations. This responsibility includes setting goals for the company's operational activities, allocating resources and monitoring performance as well as preparing proposals for investments, acquisitions and divestments in accordance with the Board's written instructions.

The evaluation of the CEO was discussed at a Board meeting without the presence of management.

**10. Executive management team**

In addition to the CEO, the Group's executive management team consists of the Presidents of each country and the heads of the Group functions. During the year, the executive management team convened 26 times in person or by video conference. Matters addressed included the impact of COVID-19 on the company, sanctions in response to the war in Ukraine, inflation, energy prices, performance monitoring and forecasts, targets and target monitoring, the market situation, ongoing deals, the status of Group-wide projects, strategy work, recruitment and other important matters.



The Group also has an expanded management forum – the top management team – which consists of the executive management team, specialists and the country management teams. The Group's roughly 170 senior executives gather annually at a special forum (Management Days) to network, exchange experience, be inspired and discuss matters of common interest.

### 11. Crisis management teams

Coor's continuity management and continuity planning are integrated into the company's regular management structure. In more extreme situations, the Group's crisis management team (CCT, Coor Crisis Team) is convened. The CCT is organised as a Group crisis management team and national crisis management teams.

During the past year, crisis management teams in a couple of Coor's countries were activated in connection with a serious workplace accident and due to the unrest in the world as a result of the war in Ukraine and the Nord Stream gas leaks.

### 12. Sustainability Management Team

The Board continuously discusses the company's strategic focus for sustainability. It also defines the framework for the Group's operational activities through the executive management team (EMT) and the Sustainability Management Team (SuMT), which reports directly to the EMT. SuMT is responsible for managing and monitoring the company's sustainability management activities, deciding on focus areas for sustainability within the framework of the EMT's strategic focus and assigning priorities to strategic sustainability initiatives. SuMT has a mandate to make executive decisions to ensure compliance with the sustainability strategy. SuMT also drafts decisions on sustainability-related matters that will be made by the executive management team, and is responsible for monitoring compliance with Coor's sustainability policy. The team meets at least once a quarter.

For the composition of SuMT, see the section *Sustainability notes*.

### 13. Coor's operating units and Group functions

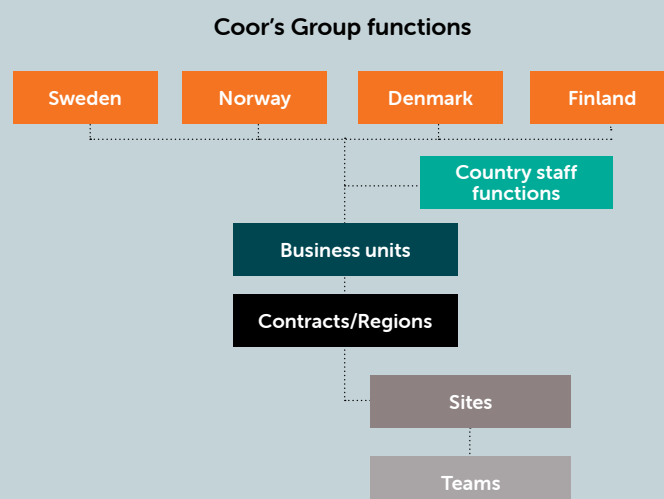
Coor has an explicitly Nordic strategy and conducts operations primarily in Sweden, Norway, Denmark and Finland. The country structure is the primary basis of segmentation for monitoring and reporting.

Coor has a decentralised organisation in which local managers are required to assume a high degree of responsibility for their business in all three dimensions – business, social and environmental sustainability. There is a well-defined responsibility structure with regular reporting and monitoring in all dimensions at different organisational levels. Each unit is responsible for maintaining good internal control and for identifying and managing risks in its area.

The Group functions support the operational side of the business and the executive management team in various areas and ensure that effective risk management and internal control processes have been implemented.

### 14. Coor's corporate culture

A healthy corporate culture is of great importance to ensuring



systematic risk management and sustainable value creation for shareholders. Coor's corporate culture is inspired by the vision of creating the happiest, healthiest and most prosperous workplace environments in the Nordic region. Coor creates value by executing, developing and streamlining our customers' service activities. This enables our customers to do what they do best.

The most important thing for Coor is the people. Coor's 13,000-strong workforce is a reflection of society at large, in terms of culture, background, age and gender. These differences strengthen us as a company. Respect for the equal value and rights of all people is fundamental to Coor. We are convinced that a diversity of personalities, experiences and knowledge is enriching and that each employee should be treated respectfully and fairly regardless of gender, background or identity. It is also essential to ensure that all employees continuously have opportunities for development – to grow within Coor.

These values are a fundamental reason why Coor has committed and competent employees who in turn ensure effective corporate governance and risk management.

All employees have a responsibility to ensure that the company follows external and internal rules and to take action if the company fails in any way to act in accordance with the established rules. There is an online whistleblower channel through which employees, suppliers and customers can anonymously report irregularities at the company through encrypted messages.

### 15. Internal control and risk management in respect of financial reporting

Coor's framework for internal control and risk management has been designed to ensure reliable financial reporting as well as compliance with laws and requirements which Coor as a listed company is required to follow.

Ultimate responsibility for internal control of financial reporting rests with Coor's Board of Directors. The Board has established an Audit Committee from among its members which monitors issues relating to this in accordance with the committee's rules of procedure. The Audit Committee has tasked the Group finance function with developing and

# Activities of the Board and committees

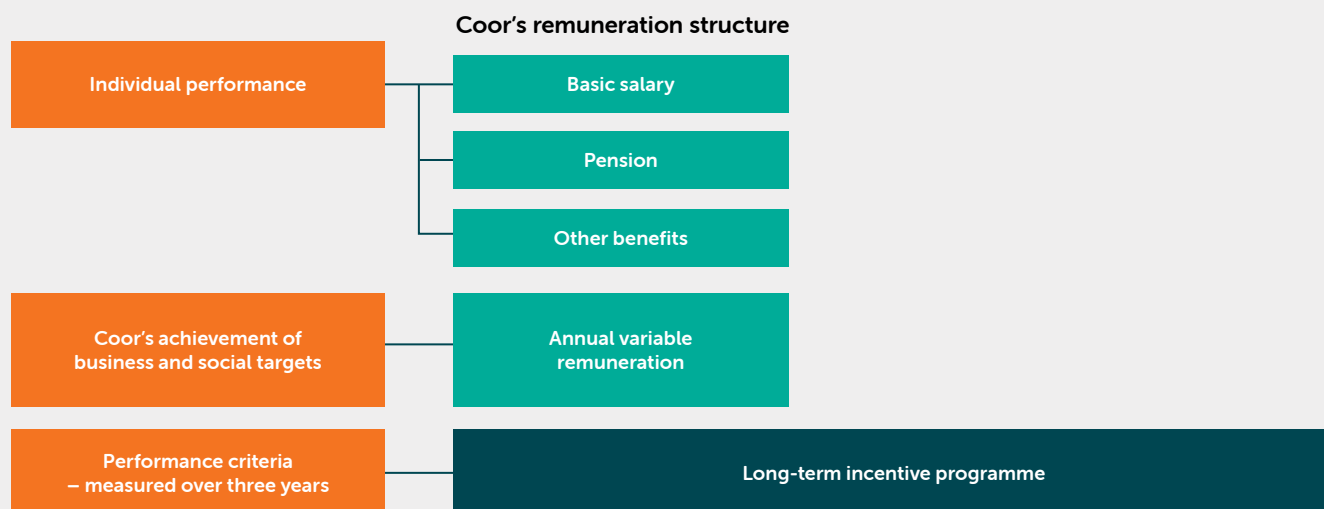


FOURTH QUARTER	THIRD QUARTER	SECOND QUARTER	FIRST QUARTER
----------------	---------------	----------------	---------------

- |   |  |  |  |
|---|--|--|--|
| <p><b>Board of Directors</b></p> <ul style="list-style-type: none"> <li>● Approval of strategy.</li> <li>● Review of Auditor's Report.</li> <li>● Approval of Q3 report.</li> <li>● Resolution on share buybacks.</li> <li>● Evaluation of the Board.</li> <li>● Evaluation of LTIP and proposed new programme.</li> <li>● Evaluation of CEO and senior executives, and proposed remuneration and other terms for the CEO and senior executives.</li> <li>● Resolution on refinancing.</li> <li>● Governance and compliance.</li> <li>● Approval of budget and business plan.</li> </ul> <p><b>Audit Committee</b></p> <ul style="list-style-type: none"> <li>● Review of Q3 report.</li> <li>● Review of finance function.</li> <li>● External Auditor's Report.</li> <li>● Review of refinancing.</li> <li>● Evaluation of internal control.</li> <li>● Draft Corporate Governance Report.</li> <li>● Matters relating to the annual accounts.</li> <li>● Assessment and decision on the need for an internal audit function.</li> <li>● Evaluation of external auditors.</li> <li>● Review of IT security.</li> <li>● Governance, risk assessment and compliance.</li> </ul> <p><b>Remuneration Committee</b></p> <ul style="list-style-type: none"> <li>● Evaluation of CEO.</li> <li>● Resolution on remuneration of CEO and rest of EMT.</li> <li>● Review of LTIP 2023.</li> </ul> | <p><b>Board of Directors</b></p> <ul style="list-style-type: none"> <li>● Approval of Q2 report.</li> </ul> <p><b>Audit Committee</b></p> <ul style="list-style-type: none"> <li>● Review of Q2 report.</li> </ul> <p><b>Remuneration Committee</b></p> <ul style="list-style-type: none"> <li>● Management review and succession planning.</li> <li>● Assessment of interest in this year's LTIP.</li> <li>● Employee survey 2022.</li> </ul> | <p><b>Board of Directors</b></p> <ul style="list-style-type: none"> <li>● Approval of Q1 report.</li> <li>● Inaugural Board meeting.</li> <li>● Review of risk assessment.</li> <li>● Governance and compliance.</li> </ul> <p><b>Audit Committee</b></p> <ul style="list-style-type: none"> <li>● Review of Q1 report.</li> <li>● Audit plan and fees for external auditors.</li> <li>● Plan for internal control.</li> <li>● Review of procedure for purchase of non-audit services.</li> <li>● Governance, risk assessment and compliance.</li> </ul> | <p><b>Board of Directors</b></p> <ul style="list-style-type: none"> <li>● Review of Auditor's Report.</li> <li>● Approval of Corporate Governance Report.</li> <li>● Resolution on the proposed appropriation of retained earnings.</li> <li>● Approval of year-end report.</li> <li>● Approval of tax policy.</li> <li>● Preparations for AGM.</li> <li>● Approval of annual report.</li> </ul> <p><b>Audit Committee</b></p> <ul style="list-style-type: none"> <li>● Review of year-end report.</li> <li>● Approval of Corporate Governance Report.</li> <li>● Review of treasury policy.</li> <li>● Review of tax policy.</li> <li>● Review of terms of reference for Audit Committee.</li> <li>● External Auditor's Report.</li> <li>● Governance, risk assessment and compliance.</li> </ul> <p><b>Remuneration Committee</b></p> <ul style="list-style-type: none"> <li>● Review of Remuneration Report 2021.</li> <li>● Evaluation of remuneration guidelines and the application of the guidelines.</li> <li>● Proposed LTIP 2022.</li> </ul> |
|---|--|--|--|

*In addition to the specific matters mentioned here, there are areas that are continuously discussed in the Board such as results and outcomes in business, social and environmental sustainability, updates from the various countries, investments and strategic issues. At each Board meeting, the various committees also present reports from their meetings.*

## Principles of remuneration of Directors and senior executives



Directors' fees are set by the AGM based on the Nomination Committee's proposal. Additional fees are paid to the chairmen and members of Board committees.

The AGM also determines the principles of remuneration of senior executives in the Group. These guidelines state that the total remuneration must be market-based, competitive and reflect the individual's performance and responsibilities.

Matters relating to senior executives are prepared by the Board's Remuneration Committee, which also monitors and evaluates remuneration structures and levels on an ongoing basis.

For complete information on levels of remuneration and guidelines for remuneration, see *Note 6 Remuneration of senior executives* in the statutory annual report.

### Basic salary

Coor aims to ensure that members of the executive management team are paid a competitive market salary in the form of a fixed monthly salary. The basic salary is paid as remuneration for dedicated work performance at a high level that adds value for Coor's customers, shareholders and employees.

### Variable remuneration

In addition to a basic salary, members of the executive management team are offered variable remuneration as well as a long-term incentive programme.

### Annual variable remuneration

Annual variable remuneration is based on achievement of Coor's targets in three dimensions. In the business dimension, remuneration is based on target achievement for earnings, growth, cash flow and CSI, in the social dimension on target achievement for EMI and TRIF, and in the environmental dimension it is linked to targets for conversion to renewable energy in Scope 2. The remuneration is contingent on achievement of defined and measurable targets and is capped at 75 per cent of the fixed annual salary. In special cases, an

agreement on non-recurring remuneration may be concluded. Such remuneration is capped at 25 per cent of the fixed annual salary.

### Long-term share-based incentive programmes (LTIP)

Coor's long-term incentive programmes (LTIP) are designed to increase and strengthen the company's ability to recruit and retain key individuals and to encourage participants to become long-term shareholders of Coor as a means of aligning the interests of participants and other shareholders. To participate in the programmes, participants are required to invest in Coor shares. The LTIP runs for three years and the outcome depends on the achievement of various performance criteria.

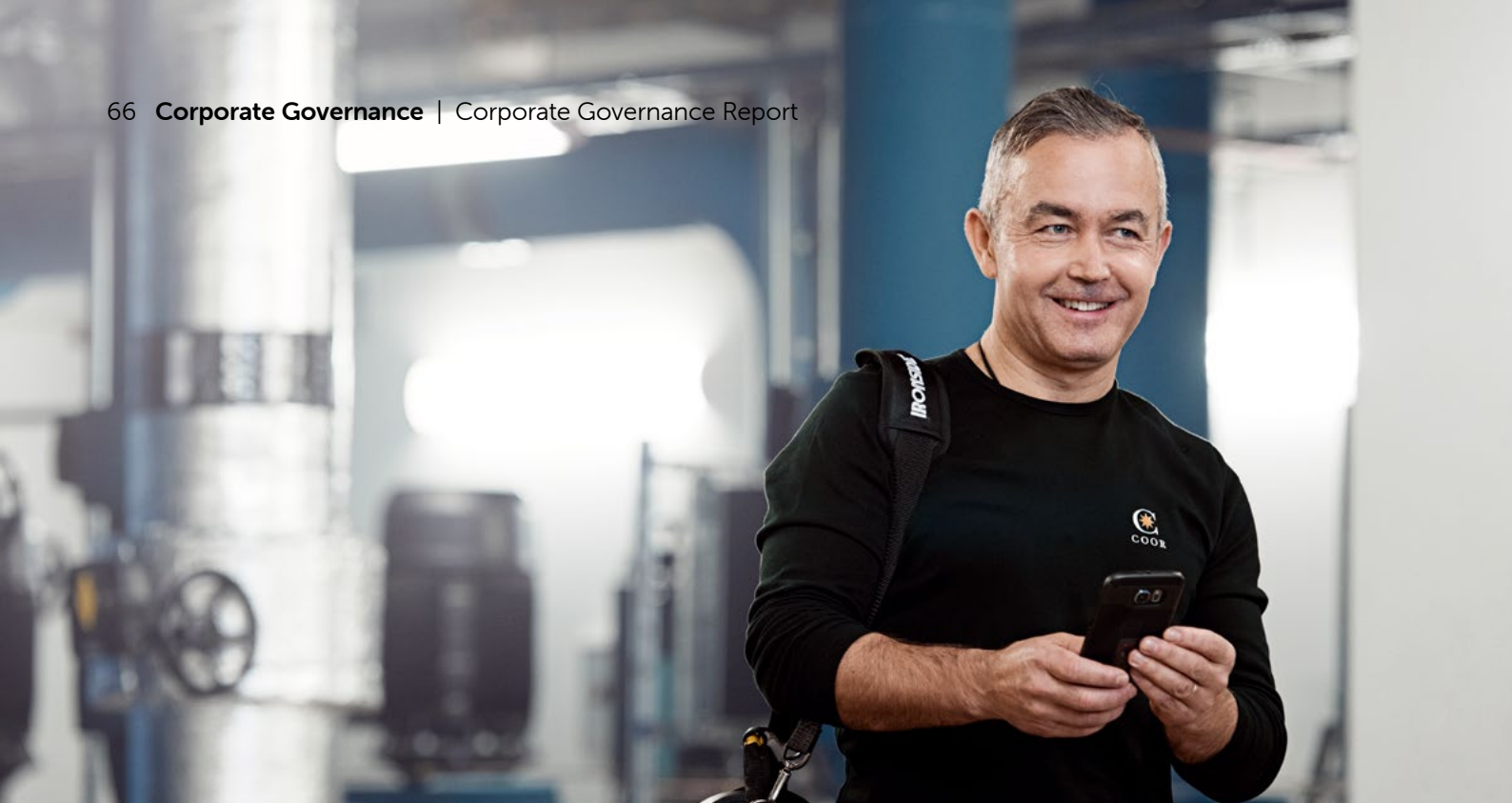
For information on LTIP 2019, 2021 and 2022, see *Note 5 Employees and employee benefit expenses* and *Note 6 Remuneration of senior executives* in the statutory annual report.

### Retirement benefits

Retirement benefits for senior executives must take the form of defined contribution benefits (unless the executive is covered by a defined benefit pension plan under prevailing provisions of a collective bargaining agreement) and may not exceed 30 per cent of the fixed annual salary. The CEO and other senior executives are covered by an ITP supplementary pension plan solution (or an equivalent solution in other countries). The retirement age is not specified contractually, but is governed by local rules in each country.

### Other benefits and severance pay

Other benefits mainly consist of normal company car and healthcare programmes. The contracts of members of the executive management team are terminable on no more than six months' notice and provide for severance pay of no more than 18 months' fixed salary. No severance pay is paid in case of voluntary resignation.



monitoring the company's internal control system for financial reporting.

Coor's internal control activities are based on the framework developed by COSO. Under this framework, internal control is viewed as consisting of a number of components – control environment, risk assessment, control activities, information and communication, and monitoring. These components are integrated and interact with each other to prevent and detect material misstatements in the financial statements.

The intention behind Coor's internal control framework is to create effective processes and integrate internal control in the company's day-to-day activities as far as possible.

#### **A. Control environment**

A good control environment is fundamental to the effectiveness of a company's internal control system. Coor's control environment is defined in governing documents in the form of policies, procedures and manuals, and is maintained through clearly defined and communicated lines of command, authorities and responsibilities in the organisation.

Coor has a control environment that is based on a well-defined structure of responsibilities as well as regular reporting and monitoring of financial results by contract, business unit and country, from site level up to Group level.

Coor has adopted a number of basic guidelines and policies which play an important role in maintaining an effective control environment. These include the Code of Conduct, guidelines for financial reporting and the authorisation manual.

#### **B. Risk assessment**

Based on the overall risk assessment produced by the executive management team (see the section *Risks and risk management*), a detailed risk assessment of financial reporting is made to identify and evaluate material risks in the financial processes as well as the risk of irregularities and fraud.

The risk assessment of financial reporting takes account of materiality, complexity and the risk of fraud in various income statement and balance sheet items as well as the risk of misstatements in underlying processes. Clear process descriptions have been prepared for each process in which identified risks are linked to control activities. The process descriptions are subject to a thorough review once a year and are updated when new risks arise or disappear. The risk assessment is used as a basis for the control activities that are used to manage the risks. Risk assessments are carried out jointly by process owners, representatives from each country and Coor's Group finance function.

#### **C. Control activities**

Based on the risks that have been identified in respect of financial reporting, control activities are designed to prevent and limit the identified risks and to help ensure correct and reliable financial reporting as well as process effectiveness.

In the various financial processes, Coor has identified a number of key controls which all large entities in the Group are required to apply. The key controls form part of the company's processes for accounting and financial reporting, and include reconciliation of balance sheet accounts, structured financial monitoring through standardised analytical controls at different levels of the organisation and automated integrated controls. All key controls are documented in a shared system, where the control activities are clearly described. The system enables clear traceability with controlled work flows for execution, approval and review of control activities.

In addition to the financial processes, IT is also included as a key area that has a significant impact on reliability in the financial processes. IT-related control activities include clear procedures for testing in connection with changes to key applications, regular monitoring of access rights to important systems as well as controls for ensuring correct transfers between pre-systems and accounting information systems.

#### **D. Information and communication**

To ensure that all employees in the organisation are able to fulfil their responsibility for internal governance and control, it is essential that they be aware of, and have access to, important internal governance instruments. A key element of internal control is therefore to ensure that important governance documents are kept up to date and are accessible to all employees on the Group's intranet, and that changes and updates are clearly communicated.

To ensure that the executive management team and the Board of Directors receive important information from the employees, Coor has established formal as well as informal information channels. These include a whistleblower function through which employees can report suspected irregularities.

For communication with external parties, there is a communication and IR policy which sets out guidelines for this communication and ensures that the Group meets the requirements for regular disclosure of correct information in the form of annual reports, interim reports, press releases and notices on the company's website, [www.coor.com](http://www.coor.com).

#### **E. Monitoring**

Monitoring of internal control is a part of Coor's natural improvement activities and is carried out to ensure that the Group's internal governance and control remain relevant and effective.

The Group's financial situation, financial strategies and objectives are discussed at every Board meeting. Between meetings, the Board also receives monthly reports on Coor's financial performance. The Board has tasked the Audit Committee with ensuring that the company's internal control system for financial reporting is monitored and evaluated. The Audit Committee is also charged with monitoring the quality

of the Group's internal control system and ensuring that any issues and proposed measures identified in the external audit are addressed. Each year, the Group's external auditors review the Group's internal control system and report their observations in a report to management and the Audit Committee. The Audit Committee then reports to the Board at the following Board meeting. The Audit Committee has tasked the Group finance function with developing and monitoring the company's internal control system for financial reporting. This is done proactively by continually analysing and updating the Group's internal control framework and by assessing the effectiveness of the internal control system. A key instrument for monitoring internal control is the self-assessment that is carried out annually in the Group. The purpose of the self-assessment is to ensure that all control activities have been carried out in a satisfactory manner, and to identify potential improvements in the framework. Internal control is monitored on a country and process basis. In addition to the self-assessment, the Group's finance function also reviews the Group's financial processes according to a rolling schedule. Conclusions and proposed improvements are reported to each country and process owner. A more detailed report on internal control is submitted to the Group's Audit Committee and to the Group's external auditors.

#### **Internal auditing**

In accordance with the Swedish Corporate Governance Code, the Board of Directors has assessed the need for a separate internal audit function. In view of the size of the Group, the Board's current assessment is that there is no need to establish a separate internal audit function. The internal audit activities have been carried out as part of the Group's finance function. The need for an internal audit function is reviewed annually.

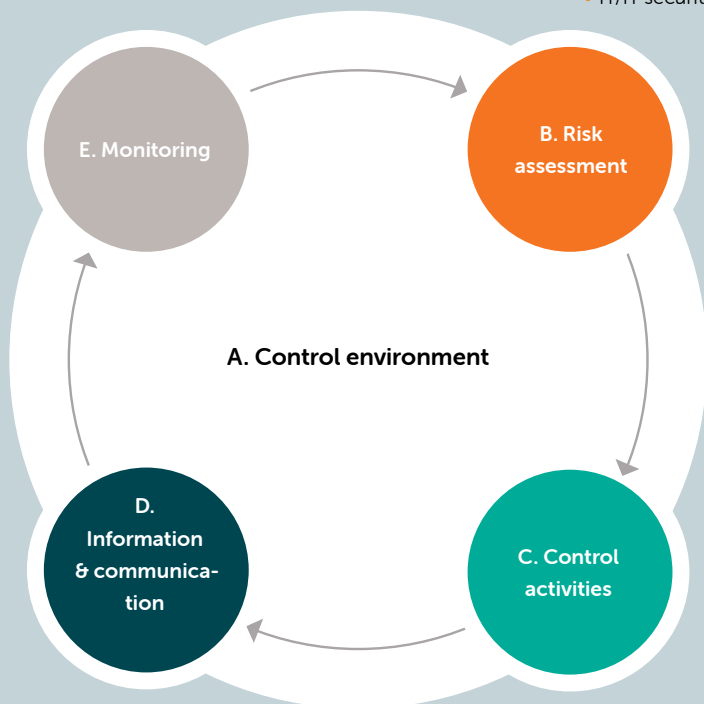


## Internal governance and control at Coor

Internal control is an integral part of Coor’s day-to-day activities, and continuous efforts are made to improve internal control and minimise risks in financial processes. Through continuous monitoring, evaluation and updating of control activities, Coor creates an effective system of internal control.

### Financial processes

- Financial close
- Tax
- Revenue and Receivables
- Purchase and Payables
- Payroll
- Investments
- IT/IT security



### A. Control environment

- Governing policies, instructions and manuals.
- Defined and communicated lines of command, levels of authority and areas of responsibility.

### B. Risk assessment

- Review of income statement and balance sheet items with regard to materiality, complexity and the risk of fraud.
- Process descriptions connect risks in underlying processes with control activities.

### C. Control activities

- Control matrix – overview of risks and control activities for all processes.
- Structure and classification – a common system with clear traceability for execution and monitoring of control activities.

### D. Information and communication

- Updated and clearly communicated policies, instructions and manuals.
- Whistleblower function.
- Communication with external stakeholders through press releases, financial reports and other publications.

### E. Monitoring

- Self-assessment – the company assesses how well it is living up to the requirements of the internal control framework.
- The Group’s review of key controls in all processes according to a rolling schedule.
- Reporting of conclusions and suggested actions to process owners, management and the Audit Committee.



# Auditor's report on the Corporate Governance Statement

To the general meeting of the shareholders in Coor Service Management Holding ABs (Publ), corporate identity number 5566742-0806

## Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2022 on pages 56–73 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 auditing standard RevR 16 *The auditor's examination of the corporate governance statement*. This means that our examination of the corporate

governance statement is different and substantially 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 opinions.

## Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm, 30 March 2023  
Öhrlings PricewaterhouseCoopers AB

Niklas Renström  
Authorized Public Accountant

# Board of Directors



**Mats Granryd**

Director since 2016.  
Chairman of the Board since 2017.  
Chairman of the Remuneration Committee. Independent of the company and management and of the company's major shareholders.

**Born:** 1962

**Education:** M.Sc. in Engineering, KTH Royal Institute of Technology in Stockholm.

**Professional experience:** President and CEO of Tele2 Group, Managing Director of Ericsson India, UK, Northern Europe & Central Asia and North Africa. Head of Supply & Logistics in the Ericsson Group. Consultant at Arrigo and Andersen Consulting.

**Other current directorships:** Director General GSMA, Chairman of Vattenfall, Director of Sveriges Television.

**Shareholding at closing date:** 50,000 shares.



**Kristina Schauman**

Director since 2015.  
Chairman of the Audit Committee and member of the Remuneration Committee. Independent of the company and management and of the company's major shareholders.

**Born:** 1965

**Education:** M.Sc. in Economics and Business, Stockholm School of Economics.

**Professional experience:** Founder of consulting firm Calea AB. CFO of Apoteket AB, Carnegie Group and OMX AB. Group Treasurer, OMX AB. Vice President, Corporate Finance and Group Treasurer at Investor AB.

**Other current directorships:** CEO and Director of Calea AB. Director of Viaplay Group, Afry, Bewi ASA, Ellos Group, Danads International and Vionlabs. Member of NASDAQ OMX Stockholm's Disciplinary Committee.

**Shareholding at closing date:** 15,000 shares.



**Heidi Skaaret**

Director since 2016.  
Member of the Audit Committee. Independent of the company and management and of the company's major shareholders.

**Born:** 1961

**Education:** MBA, University of Washington, USA.

**Professional experience:** President of Lindorff AS and EVP Lindorff Group AB, CEO of IKANO Bank Norway, Bank Executive at DNB ASA.

**Other current directorships:** Chief Operating Officer at Storebrand ASA. Chairman of Storebrand Bank ASA, Storebrand Forsikring AS, Storebrand Helseforsikring AS and Kron AS.

**Shareholding at closing date:** 2,500 shares.

Age distribution of Directors



● 40-49 years, 17 %  
● 50-59 years, 50 %  
● <60 years, 33 %

Gender distribution of Directors



● Men, 33 %  
● Women, 67 %

Time on the Board



● <3 years, 50 %  
● 4-7 years, 33 %  
● <7 years, 17 %

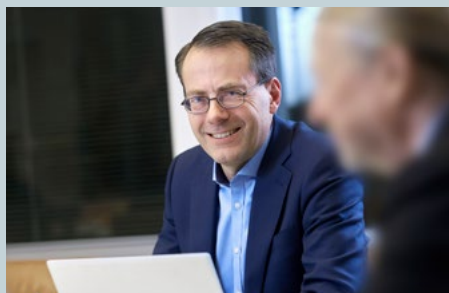
Board attendance

97%

Independent of major shareholders

100%





### Magnus Meyer

Director since 2021.  
Chairman of the Project Committee and member of the Audit Committee.  
Independent of the company and management and of the company's major shareholders.

**Born:** 1967

**Education:** M.Sc. in Engineering and Licentiate of Engineering, KTH Royal Institute of Technology in Stockholm.

**Professional experience:** President and CEO of WSP Europe and Tengbomgruppen AB. Various senior positions at GE Real Estate and Ljungberggruppen AB.

**Other current directorships:**

Chairman of HiQ International AB, Director of AB Fagerhult, Vasakronan AB, Slättö Förvaltning AB and Kinnarps AB as well as other companies.

**Shareholding at closing date:**  
6,866 shares.



### Linda Wikström

Director since 2022.  
Member of the Project Committee.  
Independent of the company and management and of the company's major shareholders.

**Born:** 1975

**Education:** M.Sc. in Engineering, University of Colorado, USA.

**Professional experience:** COO of Desenio Group AB and AniCura Group AB. Investment Professional at Triton Partners and Investment Banker JP Morgan.

**Other current directorships:**

COO and Deputy CEO of Cary Group AB, Director of Consilium Marine & Safety AB.

**Shareholding at closing date:**  
0 shares.



### Karin Jarl Månsson

Director since 2022.  
Member of the Remuneration Committee.  
Independent of the company and management and of the company's major shareholders.

**Born:** 1964

**Education:** M.Sc. in Industrial Engineering and Management, Institute of Technology at Linköping University.

**Professional experience:** Sales Director and Business Development Director at Siemens Smart Infrastructure Nordics, SVP of E.ON Nordic, CEO of E.ON Försäljning AB and E.ON Värme Sverige AB. Various senior positions at E.ON.

**Other current directorships:**

Director of Ellevio AB, Copenhagen Malmo Port AB, System Verification AB, Quantum Industries AB and FC Rosengård.

**Shareholding at closing date:**  
1,800 shares.

## Employee representatives



### Glenn Evans

Director since 2013.

**Born:** 1959

Employee representative.



### Rikard Milde

Director since 2019.

**Born:** 1967

Employee representative.



### Urban Rääf

Director since 2021.

**Born:** 1958

Employee representative.

# Executive management team



**AnnaCarin Grandin**  
President and CEO since 2020.

**Born:** 1967

**Education:** M.Sc. in Economics and Business, Stockholm University/University of Gävle/Sandviken.

**Professional experience:** Several roles at Coor, including President of Coor in Sweden and Norway, Veolia (formerly Dalkia) and the Swedish Association of Local Authorities and Regions (SKR). Director of CRAMO.

**Shareholding at closing date:**  
76,718 shares.



**Andreas Engdahl**  
CFO & IR Director since 2022.

**Born:** 1978

**Education:** M.Sc. in Business and Economics, Linköping University.

**Professional experience:** Several roles and executive positions at Coor, including VP Group Finance and Head of Business Control.

**Shareholding at closing date:**  
11,235 shares.



**Erik Strümpel**  
Chief Legal Counsel since 2006.

**Born:** 1970

**Education:** M.Sc. in Economics and Business, Lund University. IFL Executive Education, Stockholm School of Economics.

**Professional experience:** Solicitor, Linklaters Advokatbyrå. Judicial Clerk, Handen District Court.

**Shareholding at closing date:**  
8,250 shares.



**Helena Söderberg**  
HR Director since 2020.

**Born:** 1967

**Education:** B.Sc. in Human Resource Management and Working Life, Uppsala University.

**Professional experience:** HR Director, JM. HR Director, Alstom and various HR positions at Skanska.

**Shareholding at closing date:**  
3,000 shares.



**Jens Ebbe Rasmussen**  
Senior Vice President, Business Development & Sales since 2009.

**Born:** 1968

**Education:** M.Sc. in Business Administration and Economics, Lund University. Finance, École supérieure de commerce de Paris. Cadet, Land Warfare Centre, Skövde.

**Professional experience:** Management Consultant at McKinsey & Company. Fixed Income Department at Unibank Markets. Consultant/External Advisor at Fruktbudet.

**Shareholding at closing date:**  
71,327 shares.



**Jørgen Utzon**  
President of Coor in Denmark since 2001.

**Born:** 1961

**Education:** M.Sc. in Business Administration, Copenhagen Business School. Executive Programme, International Institute for Management Development, Lausanne.

**Professional experience:** CEO of Strax Nordic, Logistics Manager and Service Director at Xerox Denmark. Various management functions at Rockwool.

**Other current directorships:** Member of the Committee on Business Policy of the Confederation of Danish Industry (DI). Director of Nordomatic AB and A/S.

**Shareholding at closing date:**  
50,000 shares.



**Magdalena Öhrn**

Communications Director since 2018.

**Born:** 1966

**Education:** B.Sc. in Information Science, Uppsala University, and the Poppus School of Journalism.

**Professional experience:** Director of Communications at Ving, Head of Department, Account Manager and other roles at Prime PR, Project Manager at Rikta kommunikation, Public Relations Manager at TV3.

**Shareholding at closing date:** 8,065 shares.



**Magnus Wikström**

President of Coor in Sweden since 2020.

**Born:** 1965

**Education:** Masters degree in Civil engineering, KTH Royal Institute of Technology in Stockholm.

**Professional experience:** Several roles at Coor, including Vice President of Coor in Denmark, Skanska AB and Cap Gemini AB.

**Shareholding at closing date:** 29,442 shares.



**Marcus Karsten**

President of Coor in Finland since 2018.

**Born:** 1966

**Education:** M.Sc. in Business Administration and Economics, Åbo Akademi University.

**Professional experience:** CEO of Bravida Finland, CEO of Lemminkäinen Talotekniikka, CEO of Tekmanni Service, Head of Business Unit at Siemens.

**Other current directorships:** Director of Oy Hedengren AB.

**Shareholding at closing date:** 15,014 shares.



**Nikolai Utheim**

President of Coor in Norway since 2016.

**Born:** 1975

**Education:** M.Sc. in Economics and Business with a major in Finance, Norwegian School of Management (BI) and Copenhagen Business School.

**Professional experience:** Consultant at PwC Norway, Statoil Norge AS (Deputy CFO, Chief Controlling and Strategy Projects).

**Shareholding at closing date:** 37,514 shares.



**Rikard Wannerholt**

Senior Vice President Operations since 2013.

**Born:** 1962

**Education:** M.Sc. in Economics and Business, Lund University. Advanced Management Program, Stockholm School of Economics. International Executive Program, IESE Business School, Navarra, Barcelona.

**Professional experience:** CEO, Sun Microsystems Sweden. President and CEO of Addici. Executive Vice President of EDB Business Partner.

**Shareholding at closing date:** 52,260 shares.

## Statutory annual report

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The Board of Directors and Chief Executive Officer of Coor Service Management Holding AB (corp. ID no. 556742-0806) hereby present the following annual accounts and consolidated financial statements for the financial year 1 January 2022 to 31 December 2022.

# Annual accounts and consolidated financial statements 2022



# Directors' Report

All amounts are expressed in millions of Swedish kronor unless otherwise indicated. Due to rounding, some totals may differ from the sum of the individual items. For definitions, objectives and information on the calculation of alternative performance measures, see pages 155–158.

2022 was a year marked by solid growth, major integrations and start-ups as well as a year in which we stepped up our efforts in sustainability. During the year, Coor adapted its operations in all countries to new and changed volumes. Consolidated net sales increased by 17 per cent year-on-year to SEK 11,789 million with operating profit (adjusted EBITA) of SEK 634 million, corresponding to an operating margin of 5.4 per cent.

## SIGNIFICANT EVENTS DURING THE YEAR

### Growth and ambitious goals in sustainability

2022 was marked by strong growth and the start-up of new and renegotiated contracts. Coor also successfully integrated the three acquisitions made in 2021.

During the year, strong emphasis was also placed on sustainability, innovation and digitalisation with ambitious goals. Coor became one of the first players in the FM industry to have its climate targets approved by the Science Based Targets initiative (SBTi). To help limit global warming to 1.5 °C, Coor has set a target of reducing its Scope 1 and 2 greenhouse gas emissions by 75 per cent in absolute terms by 2030. This will require a non-fossil fuel vehicle fleet and 100 per cent renewable electricity among other changes. Coor has also committed to the SBTi Net-Zero Standard, which means that the company is aiming to eliminate its emissions of greenhouse gases by 2050 at the latest. During the year, Coor was once again awarded a gold rating in EcoVadis' annual ranking. This places the company among the top three per cent of global companies for corporate social responsibility.

Coor has zero tolerance for workplace-related injuries and does everything it can to ensure that its employees feel safe at work. As part of this effort, Coor launched its Life Saving Rules, a tool designed to help employees become aware of the risks that exist and thus prevent injuries.

### Changes in the contract portfolio

The net change in the contract portfolio for full-year 2022 was SEK –294 million. The largest new contracts were with the City of Gothenburg and Skanska in Sweden and with IKEA and

Studentsamskipnaden i Oslo (SiO) in Norway. The main contracts to be terminated were those with Volvo Group as well as the Swedish Transport Administration in Sweden and with the Danish Broadcasting Corporation.

The renegotiation volume for 2022 was approximately SEK 2.0 (2.4) billion. The retention rate for the year was 82 (58) per cent. Important contracts to be extended included those with SAS, ABB, Volvo Cars, Tele2, GN Store Nord, DNV-GL, Equinor Offshore, Vasakronan and Senaatti. Coor's retention rate for the past three years is 74 per cent.

CHANGES IN THE CONTRACT PORTFOLIO	2022		2021	
	Number of contracts	Annual sales	Number of contracts	Annual sales
New contracts during the period	29	506	24	927
Contracts terminated during the period	–21	–799	–5	–583
<b>Net change in portfolio</b>	<b>8</b>	<b>–294</b>	<b>19</b>	<b>344</b>

Changes in the contract portfolio comprise all contracts with annual sales of over SEK 5 million. For new contracts concluded during the period, the contracted or estimated annual sales volume is indicated. For contracts that were completed during the period, the sales volume for the last 12-month period, in which the full volume of services was provided, is indicated.

### Management changes

Klas Elmerg stepped down from his role as CFO and IR Director at Coor during the year. On 1 August, Coor announced that Andreas Engdahl would take over as new acting CFO and IR Director, roles that he assumed on a permanent basis from 1 November 2022.

## Coor at a glance

Coor is one of the Nordic region's leading facility management providers, with specialist expertise in over a hundred services that help to ensure the smooth and efficient operation of properties and workplaces. Coor is the market-leading provider of complex, integrated FM services but also offers single FM services to large and small customers in the private and public sectors. The company is organised in four geographic areas – Sweden, Norway, Denmark and Finland, but also has some operations in Belgium and Estonia.

Coor's vision is to be the top service provider, employer and investment of choice in the service sector for customers,

employees and investors. The company's strength, and what sets Coor apart from its competitors, is its ability to continuously develop its business and service delivery. Coor's ambition is to offer the market's most developed and smartest service solutions.

Established in 1998, Coor has been listed on the Nasdaq Stockholm exchange since June 2015. All operations are certified under the international ISO 14001, ISO 9001 and ISO 45001 environmental and quality management standards. In addition, Coor has also obtained a number of local, service-specific environmental and quality certifications. Read more about the company at [www.coor.com/](http://www.coor.com/).

## PERFORMANCE IN 2022

Financial summary	2022	2021
Net sales	11,789	10,104
Organic growth, %	5	3
Acquired growth, %	9	3
FX effects, %	3	0
Adjusted EBITA	634	631
Adjusted EBITA margin, %	5.4	6.2
EBIT	408	403
EBIT margin, %	3.5	4.0
Profit after tax	257	265
Cash conversion, %	94	98
Number of employees (FTE)	10,267	10,075

## Net sales and profit

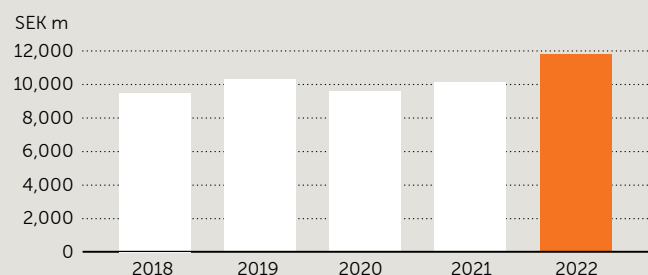
Net sales increased by 17 per cent year-on-year to SEK 11,789 (10,104) million. Organic growth was 5 per cent and growth from acquisitions 9 per cent, while exchange rate effects accounted for 3 per cent.

Organic growth was driven mainly by new deals, primarily the contracts with the Danish Building and Property Agency and DSB, but was also positively affected by increased assignment volumes compared with the previous year in property services and food and beverages. The positive effect of the new contracts and increased variable volumes was offset by terminated contracts, including those with Equinor's office sites in Norway and with Volvo Group in Sweden and Belgium.

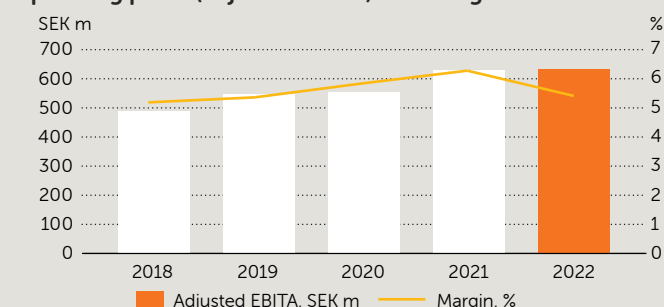
Acquired growth is mainly attributable to the acquisitions of Veolia Technical Management and Inspira AB in Sweden, which were completed on 30 September and 1 December 2021, respectively, and to the acquisition of Centrumst ad i Malm o AB in 2022. For further information on acquisitions during the year, see Note 22 Business acquisitions.

Operating profit (adjusted EBITA) amounted to SEK 634 (631) million. The operating margin was 5.4 (6.2) per cent. The figure for the previous year was affected by a positive effect in the

## Annual net sales



## Operating profit (adjusted EBITA) and margin



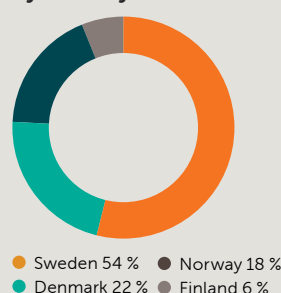
form of the repayment of a surplus of approximately SEK 40 million from the collectively agreed AGS health insurance scheme. Earnings for the year were also hit by temporarily increased costs, driven by the integration of major new contracts and acquisitions during the year.

EBIT for the full year amounted to SEK 408 (403) million. In addition to the change in adjusted EBITA, items affecting comparability increased, while amortisation of customer contracts and trademarks was slightly lower than in the preceding year.

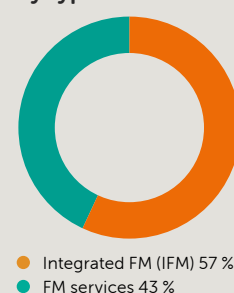
## NET SALES AND EARNINGS BY SEGMENT

Sweden	2022	2021
Net sales	6,346	5,079
Organic growth, %	7	0
Acquired growth, %	18	4
FX effects, %	0	0
Adjusted EBITA	627	564
Adjusted EBITA margin, %	9.9	11.1
Number of employees (FTE)	5,443	5,547
Norway	2022	2021
Net sales	2,140	2,318
Organic growth, %	-13	5
Acquired growth, %	1	3
FX effects, %	5	2
Adjusted EBITA	101	146
Adjusted EBITA margin, %	4.7	6.3
Number of employees (FTE)	1,339	1,255
Finland	2022	2021
Net sales	653	636
Organic growth, %	-2	2
Acquired growth, %	0	0
FX effects, %	5	-3
Adjusted EBITA	13	25
Adjusted EBITA margin, %	2.0	3.9
Number of employees (FTE)	860	886
Denmark	2022	2021
Net sales	2,652	2,071
Organic growth, %	22	10
Acquired growth, %	0	0
FX effects, %	6	-3
Adjusted EBITA	109	105
Adjusted EBITA margin, %	4.1	5.0
Number of employees (FTE)	2,497	2,270

## Net sales by country



## Net sales by type of contract



**NET FINANCIAL INCOME/EXPENSE AND TAX**

Net financial income/expense and tax	2022	2021
Net interest expense, excl. leases	-59	-44
Interest, leases	-7	-9
Borrowing costs	-3	-4
Foreign exchange differences	2	1
Other	-5	-4
<b>Total net financial expense</b>	<b>-72</b>	<b>-59</b>
Profit before tax	336	343
Tax	-79	-79
<b>Profit after tax</b>	<b>257</b>	<b>265</b>

Net financial income/expense was slightly higher than in the previous year at SEK -72 (-59) million. The increase compared with the previous year is primarily linked to higher interest rates on liabilities to credit institutions.

The tax expense was SEK -79 (-79) million, which represents 24 (23) per cent of earnings before tax. Profit after tax was SEK 257 (265) million.

**CASH FLOW**

Cash flow – summary	2022	2021
Adjusted EBITA	634	631
Depreciation and amortisation	217	198
Net investments	-95	-68
Change in net working capital	47	49
<b>Cash flow for calculation of cash conversion</b>	<b>803</b>	<b>809</b>
Cash conversion, %	94	98
Items affecting comparability	-69	-38
Net financial payments	-79	-57
Income tax paid	-80	-61
Other	8	17
<b>Cash flow from operating activities including net investments</b>	<b>583</b>	<b>670</b>
<b>Acquisition of subsidiaries</b>	<b>-37</b>	<b>-646</b>
Change in borrowings	-150	721
Repayment, lease liabilities	-148	-131
Dividend	-457	-417
Other	-13	-13
<b>Cash flow from financing activities</b>	<b>-767</b>	<b>159</b>
<b>CASH FLOW FOR THE YEAR</b>	<b>-221</b>	<b>184</b>
Cash and cash equivalents at the beginning of the year	628	396
Foreign exchange difference in cash and cash equivalents	77	49
<b>Cash and cash equivalents at the end of the year</b>	<b>484</b>	<b>628</b>

**Cash conversion**

The most important external KPI for cash flow is cash conversion, which is defined as the ratio of a simplified measure of operating cash flow to adjusted EBITDA. Cash conversion for full-year 2022 was 94 (98) per cent. In 2022, net working capital decreased by SEK 47 (49) million. This strong cash flow was the result of focused work on working capital across the entire organisation. Coor always works proactively to secure its cash flow, from both a working capital and an investment perspective. Customer payments are monitored on a daily basis and at a detailed level.

**Acquisition of subsidiaries**

During the year, Coor completed the acquisition of Centrumståd i Malmö AB. The total effect on cash and cash equivalents was SEK 30 million. During the year, Coor also paid the final consideration linked to the acquisition of Inspira in an amount of SEK 7 million. For further information on acquisitions during the year, see *Note 22 Business acquisitions*.

**Financing activities**

Net financial payments were up slightly compared with the previous year, totalling SEK -79 (-57) million. External loans decreased by SEK 150 million during the year. The dividend for the year was SEK 457 million.

**FINANCIAL POSITION**

Assets	2022	2021
Intangible assets	4,202	4,221
Property, plant and equipment	398	389
Financial assets	102	114
<b>Total non-current assets</b>	<b>4,702</b>	<b>4,724</b>
Accounts receivable	1,511	1,346
Other current assets	425	388
Cash and cash equivalents	484	628
<b>Total current assets</b>	<b>2,419</b>	<b>2,362</b>
<b>TOTAL ASSETS</b>	<b>7,121</b>	<b>7,086</b>
Equity and liabilities	2022	2021
<b>Equity</b>	<b>1,938</b>	<b>2,003</b>
Borrowing, incl. leases	2,016	2,186
Other non-current liabilities	36	36
<b>Total non-current liabilities</b>	<b>2,052</b>	<b>2,222</b>
Borrowing, incl. leases	136	110
Accounts payable	1,102	788
Other current liabilities	1,893	1,963
<b>Total current liabilities</b>	<b>3,131</b>	<b>2,861</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,121</b>	<b>7,086</b>

Key performance indicators	2022	2021
Net working capital	-1,018	-940
Net working capital/net sales, %	-8.6	-9.3
Equity/assets ratio, %	27	28
Leverage, times	1.9	2.0
<b>Net debt</b>		
Liabilities to credit institutions	848	995
Bonds	1,000	1,000
Leases, net	301	297
Other	-36	-1
	<b>2,113</b>	<b>2,291</b>
Cash and cash equivalents	-484	-628
<b>Net debt</b>	<b>1,629</b>	<b>1,663</b>

### Financial position

The Group has intangible assets, consisting mainly of goodwill, of SEK 3,700 (3,609) million and customer contracts worth SEK 305 (435) million. Goodwill is not amortised, but is tested annually for impairment. Customer contracts are amortised on a straight-line basis over the estimated useful life and are tested for impairment if there are indications of impairment. For further information on intangible assets, see *Note 10 Intangible assets*. The Group has negative net working capital of SEK -1,018 (-940) million.

Consolidated net debt at 31 December 2022 was SEK 1,629 (1,663) million. The leverage, defined as net debt to adjusted EBITDA, was 1.9 (2.0) at the end of the year, which is well in line with the Group's target of a leverage below 3.0. Coor thus has excellent scope and financial capacity for new business opportunities, dividends and business acquisitions.

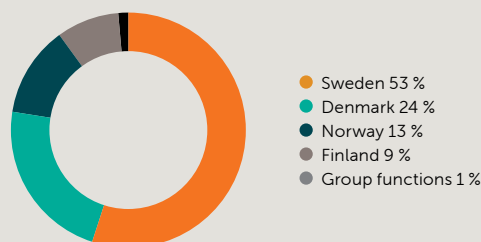
Equity at the end of the year was SEK 1,938 (2,003) million. The Group's equity/assets ratio was 27 (28) per cent. Equity increased during the year due to comprehensive income amounting to SEK 392 (342) million, but decreased due to the dividend paid to the shareholders, which totalled SEK 457 (417) million.

Cash and cash equivalents at the end of the year amounted to SEK 484 (628) million. At the same date, the Group had undrawn credit lines of SEK 650 (500) million.

### ORGANISATION AND EMPLOYEES

At the end of the year, the number of employees was 12,770 (12,497), or 10,267 (10,075) on a full-time equivalent basis. The increase compared with the previous year is mainly linked to organic growth and the acquisition of Centrumstäd. For more information on Coor's employees and on how Coor promotes health and safety, and management and employee development, see the section *Employees and diversity*. For information on employee benefit expenses, see *Note 5 Employees and employee benefit expenses*.

### Distribution of employees (full-time equivalents) at 31 December 2022



### REMUNERATION OF SENIOR EXECUTIVES

The guidelines for remuneration of senior executives adopted at the AGM on 29 April 2022, which now apply, are presented below. See also *Note 6 Remuneration of senior executives*.

#### Guidelines for remuneration of senior executives

The executives covered by the guidelines are the CEO and the other members of the executive management team. The guidelines also cover any remuneration of Directors in addition to Directors' fees. Following their adoption by the 2022 AGM, the guidelines apply to new remuneration contracts as well as changes to existing contracts. The guidelines do not cover remuneration that is approved by the general meeting of shareholders. For employment relationships subject to other rules than Swedish rules, necessary adaptations may be made in respect of retirement benefits and other benefits to ensure compliance with mandatory rules or established local practice, provided that the general purpose of the guidelines is adhered to as far as possible.

#### Promotion of the company's business strategy, long-term interests and sustainability

Simply put, Coor's business strategy is to take over, manage and develop services in offices, at properties and production facilities, and in the public sector (facility management). We aim to run our business in an effective and sustainable manner that creates long-term value for our customers, employees and investors as well as for society at large and the environment. Coor's overall strategies are:

- Growth in integrated facility management.
- Growth in single FM services.
- Customised and flexible delivery model.
- Focus on operational efficiency.
- Nordic focus, with some flexibility to branch out into Europe.

For further information on Coor's business strategy, see Coor's website: <https://www.coor.com/investors2/strategy/>.

To successfully implement its business strategy and further the company's long-term interests, including its sustainability, Coor needs to be able to recruit and retain qualified personnel. To do this, Coor needs to be able to offer a competitive total remuneration package, which these guidelines allow the company to do.



The total remuneration is to be competitive, in line with market levels and reflect the individual's performance and responsibility and, with regard to any long-term variable remuneration, the appreciation of Coor's shares that accrues to the shareholders. Variable cash remuneration that is covered by these guidelines must be aimed at promoting the company's business strategy and long-term interests, including its sustainability.

The company has introduced long-term share-based incentive programmes in which the CEO and other senior executives have been offered to participate. The outcomes of these programmes are not pensionable for the participants. These programmes were approved by the respective AGMs and are therefore not subject to these guidelines. For the same reason, any future share-based incentive programmes adopted by the general meeting of shareholders will not be subject to the guidelines. For more information on performance criteria, conditions and costs for these programmes, see the complete texts of the Board of Directors' proposals to the respective AGMs on Coor's website (<https://www.coor.com/who-we-are/governance/annual-general-meetings/>).

#### **Forms of remuneration, etc.**

The remuneration of senior executives is to consist of a fixed salary, any variable remuneration, pension and other benefits. In addition, the general meeting of shareholders may, irrespective of these guidelines, resolve to approve share- and share price-based remuneration.

#### **Fixed salary**

The fixed salary is to comprise a cash salary. The fixed salary is revised annually for all members of the executive management team. The fixed salary is to be in line with market levels and be determined on the basis of factors such as position, skills, experience and performance.

#### **Variable salary**

Any variable salary is to comprise an annual variable cash salary. Variable cash remuneration is to be contingent on the achievement of defined and measurable goals and be capped at 75 per cent of the fixed annual salary. Fulfilment of criteria for disbursement of any annual variable cash salary is to be measured over a period of one year.

The variable cash salary is to be linked to one or several defined and measurable targets, such as consolidated EBITA, increase in net sales in respect of new deals (through organic growth or acquisitions) or cash flow. The targets may to some extent also comprise individual quantitative or qualitative criteria. The weight of each target for variable pay is to be adapted individually for each executive, but EBITA, the increase in net sales in respect of new deals or cash flow must represent at least 60 per cent of the weight for all targets. By linking the senior executives' remuneration to growth, profitability measures and cash conversion, the targets promote the implementation of the company's business strategy and long-term interests, including sustainability in its three dimensions (business, social and environmental), as well as the executive's long-term development. When the measurement period for

fulfilment of the criteria for payment of variable cash salary has ended, an assessment is to be made of the extent to which the criteria have been fulfilled. In respect of variable cash salary of the CEO, the assessment is to be made by the Remuneration Committee. In respect of variable cash salary of other senior executives, the assessment is to be made by the CEO. In respect of financial targets, the assessment is to be based on the most recent financial information published by the company.

The terms for variable remuneration are to be formulated so that the Board, in the event of exceptional circumstances, is able to limit or refrain from paying variable remuneration if such action is deemed reasonable.

In specific instances, agreements on variable non-recurring remuneration may be concluded, provided that such remuneration does not exceed 25 per cent of the fixed annual salary and is not paid more than once a year to the same individual. Such remuneration is not to be pensionable unless otherwise provided for in mandatory provisions of applicable collective agreements. Decisions on such remuneration are to be made by the Board of Directors based on a proposal submitted by the Remuneration Committee.

No other variable cash remuneration is to be paid.

#### **Pension**

For the CEO, retirement benefits are to be regulated by a collective bargaining agreement. Retirement benefits for the portion of an executive's salary that exceeds the maximum limit specified in the collective bargaining agreement are to take the form of defined contribution benefits and may not exceed 30 per cent of the fixed annual salary. Variable salary is not to be pensionable.

For other senior executives, retirement benefits are to take the form of defined contribution benefits unless the executive is covered by a defined benefit pension plan under mandatory provisions of a collective bargaining agreement. Variable salary is to be pensionable. Defined contribution retirement benefits may not exceed 30 per cent of the fixed annual salary.

#### **Other benefits**

Other benefits may include benefits such as health insurance and car benefits. The total amount of premiums and other costs incurred for such benefits may not exceed 5 per cent of the fixed annual salary.

#### **Payment of consulting fees to Directors**

In specific cases, Coor's AGM-elected Directors may, for a limited period of time, be remunerated for services in their respective areas of expertise that do not constitute Board work. For such services (including services rendered through an entity wholly owned by a Director), a market-based fee is to be paid, provided that such services contribute to the realisation of Coor's business strategy and further Coor's long-term interests, including its sustainability. For each Director, such consulting fees may never exceed two annual Directors' fees per year.

#### **Termination of employment**

Severance pay is normally paid in case of termination by the company. The contracts of the members of the executive

management team are to be terminable on no more than six months' notice and provide for severance pay of no more than 18 months' fixed salary. No severance pay is to be paid in case of termination by the employee.

### Salary and terms of employment

In preparing these proposed remuneration guidelines, the Board of Directors has taken account of salaries and employment terms of the company's employees by including information on employees' total remuneration, the components of the remuneration and its increase and rate of increase over time in the decision basis used by the Remuneration Committee in assessing the reasonableness of the guidelines and the limitations arising therefrom.

### Decision-making process for determining, reviewing and implementing the guidelines

The Board of Directors has established a Remuneration Committee. The duties of the committee include preparing the Board's proposed resolutions on guidelines for remuneration of senior executives. The Board is to prepare proposed new guidelines at least every fourth year and submit its proposal for adoption by the AGM. The guidelines are to apply until new guidelines are adopted by the general meeting of shareholders. The Remuneration Committee is also to monitor and evaluate the variable remuneration programme for management, the application of guidelines for remuneration of senior executives and the applicable remuneration structures and remuneration levels in the company. The members of the Remuneration Committee are independent of the company and management. During the preparation of and decisions on remuneration-related matters by the Board, the CEO or other members of the executive management team are not to be present, insofar as they are affected by the matters concerned.

### Deviation from the guidelines

The Board may decide temporarily to deviate, wholly or partially, from the guidelines adopted by the general meeting of shareholders if in an individual case there are special reasons for doing so and such deviation is necessary to safeguard the long-term interests of the company, including its sustainability, or to ensure the company's financial capacity. As stated above, it is part of the duties of the Remuneration Committee to prepare the Board's resolutions on remuneration matters, which includes resolutions on deviations from the guidelines.

### SHAREHOLDERS AND SHARE INFORMATION

Coor was listed on the Nasdaq Stockholm exchange on 16 June 2015. The number of shares is 95,812,022. At year-end, the three largest shareholders were Första AP-Fonden with 7.7 per cent of the share capital and voting rights, Mawer Investment Management with 6.6 per cent and Nordea Fonder with 5.6 per cent.

For more share information, see the sections *Coor as an investment*, *Share information* and *Note 15 Share capital and data per share*.

### PARENT COMPANY

The Group's parent company, Coor Service Management Holding AB, provides management services to its wholly owned subsidiary Coor Service Management Group AB. The parent company also manages shares in subsidiaries.

Profit after tax in the parent company amounted to SEK 1,303 (–11) million. In 2022, the parent company received dividends from subsidiaries of SEK 1,315 million. Total assets in the parent company at the end of the period were SEK 7,934 (7,926) million. Equity in the parent company amounted to SEK 5,925 (5,079) million. In 2022, the parent company paid a dividend of SEK 457 million to the shareholders.

### SUSTAINABILITY REPORT

Coor has prepared a Sustainability Report in accordance with the guidelines of the GRI (Global Reporting Initiative) Standards. This means that the content of the Sustainability Report reflects those issues which the company considers to have the most material impact on people, the environment and the economy. Coor's statutory sustainability report is submitted by the Board but does not form part of the formal annual report documents. The sustainability report prescribed by the Swedish Annual Accounts Act comprises the following pages in this document: 20–34, 61, 82–83 and 128–153. The report has been reviewed by Coor's auditors, whose opinion is presented on page 150 of this document.

### PROPOSED DIVIDEND

The Board of Directors proposes a dividend for 2022 of SEK 4.80 (4.80) per share, comprising an ordinary dividend of SEK 2.40 (2.40) and an extraordinary dividend of SEK 2.40 (2.40) to be distributed in two payments of SEK 2.40 and SEK 2.40 per share, respectively. This corresponds to a total distribution of SEK 460 million. Refer to the section *Proposed appropriation of retained earnings* for more information.

### OUTLOOK

Coor is a market-leading service company operating in a growing market. Coor is generally experiencing strong interest and high demand in the market, and sees interesting business opportunities throughout the Nordic region.

Coor is in a strong financial position after winning many new deals and completing acquisitions, and has the financial capacity to make further value-creating acquisitions. Coor is engaged in many positive dialogues with both existing and potential customers who need new solutions to streamline, adapt and develop their businesses. Coor believes its prospects to achieve growth, profitability and cash flow in line with our targets over time are good.

### SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

- No significant events occurred after the end of the year.

# Proposed appropriation of retained earnings

The parent company and consolidated income statements and balance sheets will be submitted for adoption at the AGM on 27 April 2023.

The AGM is asked to decide on the appropriation of the following retained earnings in the parent company:

	SEK
Retained earnings including share premium reserve	4,238,665,397
Profit for the year	1,302,628,029
<b>Total</b>	<b>5,541,293,426</b>

The Board of Directors proposes that the above amount be appropriated as follows:

	SEK
Dividend of SEK 4.80 per share to the shareholders	459,897,706
Carried forward	5,081,395,720
<b>Total</b>	<b>5,541,293,426</b>

The Board of Directors proposes that the dividend of SEK 4.80 per share, comprising an ordinary dividend of SEK 2.40 per share and an extraordinary dividend of SEK 2.40 per share, be divided into two payments of SEK 2.40 and SEK 2.40 per share, respectively.

The Board proposes Tuesday, 2 May 2023 as the record date for the first distribution. The Board proposes Wednesday, 4 October 2023 as the record date for the second distribution. The first dividend is expected to be paid to shareholders on Friday, 5 May 2023 and the second dividend on Monday, 9 October 2023.

## THE BOARD OF DIRECTORS' STATEMENT ON THE PROPOSED DIVIDEND

In reference to its proposed dividend, the Board of Directors hereby makes the following statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act:

The Board has proposed that the 2023 AGM approve the payment of a dividend of SEK 4.80 per share to shareholders as part of the appropriation of retained earnings. This would result in a total distribution of around SEK 460 million.

The Board has established that the company's restricted equity will be fully covered after the proposed dividend.

The Board also considers the proposed dividend to the shareholders to be justifiable in view of the factors set forth in Chapter 17, Section 3, second and third paragraphs of the Swedish Companies Act (nature, scope and risks of the operations, and consolidation requirements, liquidity and financial position). In reference thereto, the Board would like to state the following.

## Nature, scope and risks of the operations

In the Board's assessment, the equity of the company and of the Group after the proposed dividend will be sufficient in view of the nature, scope and risks of the operations. In making its assessment, the Board considered the historical and budgeted performance of the company and of the Group as well as the general economic situation.

## Consolidation requirements

The Board has made a comprehensive assessment of the company's and the Group's financial position and of the company's and the Group's ability to fulfil its short-term and long-term obligations. The proposed dividend represents 8 per cent of the company's equity and 24 per cent of the Group's equity.

After the dividend, the company's and the Group's equity/assets ratio will be 69 per cent and 22 per cent, respectively. The company's and the Group's equity/assets ratio is thus good in relation to the industry in which the Group operates. The Board believes that the company and the Group are in a position to take future business risks and also to sustain any losses. The dividend distribution will not impair the company's and the Group's ability to make further commercially motivated investments in accordance with the Board's plans.

## Liquidity

It is expected that it will be possible to maintain the company's and the Group's liquidity at a continued satisfactory level. The Board's view is that the proposed dividend will not affect the company's or the Group's ability to meet its payment obligations in the short or long term. The company and the Group have good access to both short-term and long-term credit. The credit facilities can be drawn at short notice, and the Board therefore considers that the company and the Group are well prepared to manage both changes in liquidity and unexpected events.

## Other financial circumstances

In addition to what has been stated above, the Board has considered other known circumstances that may be of significance for the financial position of the company and the Group. No circumstance has emerged indicating that the proposed dividend is not justifiable.

For further information on the parent company's and Group's results and financial position, see the following income statements, statements of comprehensive income, balance sheets, statements of cash flow and the notes to the financial statements.

# A structured approach to risk

The facility management industry is widely perceived as an industry with relatively low risks. To minimise the risks that exist, Coor engages in structured risk management activities based on mapping, analysis and control.

## RISKS TO THE BUSINESS

Coor is exposed to a number of strategic, operational, financial and legal risks. The risks that Coor has identified as being most material along with brief descriptions of how they are managed and of developments in 2022 are presented in the table on the next page.

## SUSTAINABILITY RISKS

From a sustainability perspective, the Nordic FM industry is perceived as an industry with a relatively low risk profile. In its risk analysis, the company has taken account of sustainability-related risks. Risks related to human rights and corruption have also been addressed but are currently not considered material enough to warrant inclusion in the detailed assessment of the Group's priority risk areas. The areas are discussed continuously to ensure that appropriate measures are implemented and to ensure continued progress. Read more about the human rights impact assessment (HRIA) that was carried out in 2022 in the sustainability notes. With regard to environmental risks, it should also be noted that the Coor Group only has minor operations that are subject to environmental permit requirements.

## A SOPHISTICATED RISK PROCESS

The objective of Coor's risk management activities is to secure the Group's long-term earnings performance and target achievement. Ultimate responsibility for the company's risk management rests with the Group's Board of Directors and management. These activities are guided by a central Group risk policy and risk management process and are based on an annual risk assessment covering all areas of activity. The past year's risk management activities are summarised and discussed by the executive management team and presented to the Board.

At the end of 2022, Coor started a project to develop the company's process for managing strategic risks. The goal is to strengthen the connection between strategic risks and the Group's overall goals and to ensure more efficient management and monitoring of the risks.

## RISK ASSESSMENT

Coor's risk analysis consists of an annual survey in which the key risks are identified. The probability of the identified risks occurring and their consequences are also assessed. The analysis also includes an assessment of the effectiveness of existing controls and measures aimed at minimising and managing the risks. The results are summarised in a risk map for each operating unit, which are then aggregated to Group level.



# Risks to the business

## Strategic and operational risks

MAIN RISKS	IMPACT PROBABILITY 1 2 3 4 5	RISK MANAGEMENT MEASURES	RISK MANAGEMENT
<p><b>Loss of material contracts</b> If a delivery deviates from the agreed services or agreed quality, this can lead to loss of revenue or lost contracts.</p>		<ul style="list-style-type: none"> <li>Structured monitoring of customer contracts at the strategic level.</li> <li>A focus on HSEQ issues and people engagement to increase employee satisfaction and ultimately also customer satisfaction.</li> <li>Special unit established for renegotiation of existing contracts.</li> <li>Coor takes stock of feedback from contracts won and lost in order to further improve our delivery and thus reduce the risk of losing contracts.</li> </ul>	
<p><b>Information leaks, cyber threats and non-compliance</b> The increasing prevalence of cyber attacks in the world raises the risk that Coor will experience disruptions to its own solutions and/or in the supply chain. In addition to information leaks and non-compliance, ransomware and information theft are the biggest risks in the area.</p>		<ul style="list-style-type: none"> <li>Establishment of a security monitoring centre.</li> <li>Automated technical protection of computers and user accounts.</li> <li>Cyber security training (awareness training) for employees.</li> <li>Management system for information security.</li> <li>Effective e-mail protection against phishing and malware.</li> <li>External threat analysis and renewed measurement of compliance with control framework. (CIS20) implemented.</li> <li>Enhanced governance model.</li> </ul>	
<p><b>Health and safety risk</b> A poor work environment can lead to mental and physical health problems among employees or third parties. Coor's vision is to achieve zero workplace-related injuries.</p>		<ul style="list-style-type: none"> <li>A systematic approach to preventive health and safety.</li> <li>Training to increase risk awareness.</li> <li>Ongoing monitoring and assessment for targeted risk prevention activities.</li> <li>Safety committee established</li> <li>Introduction of Life Saving Rules.</li> </ul>	
<p><b>Unforeseen events</b> Unforeseen events such as viruses/pandemics can affect the demand for specific services or the ability to deliver.</p>		<ul style="list-style-type: none"> <li>Preparedness with Coor Crisis Team at Group and country level.</li> <li>Ensuring the Board's involvement.</li> <li>Ongoing communication internally and externally as required.</li> <li>Continuous business continuity planning.</li> </ul>	
<p><b>Negative publicity</b> Poor handling of media attention can lead to negative publicity.</p>		<ul style="list-style-type: none"> <li>Media training.</li> <li>Stakeholder meetings.</li> <li>High awareness through ongoing monitoring and evaluation of actions taken.</li> </ul>	
<p><b>Cost-benefit analysis risk and contract risk</b> Incorrect cost estimates, poor contract terms or business models can lead to low margins or high contractual risks.</p>		<ul style="list-style-type: none"> <li>Compliance with tendering instructions and risk assessment process, focus on payment authorisations at all levels.</li> <li>Regular post cost-benefit analyses.</li> <li>Clear instructions and processes.</li> </ul>	
<p><b>Environmental impact and climate change</b> Environmental incidents, extreme weather and climate change impacting the supply of raw materials, for example, can affect deliveries.</p>		<ul style="list-style-type: none"> <li>Climate goals and climate calculations for reduced emissions and responsible consumption.</li> <li>Close monitoring in order to limit any effects.</li> <li>This area is part of the annual strategy process (identification, assessment and risk management measures).</li> <li>Certified environmental management system (ISO 14001).</li> <li>Training.</li> <li>Plan to start reporting according to the Task Force on Climate-related Financial Disclosures (TCFD).</li> </ul>	

## Financial risks

Read more about Coor's financial risk management in Note 16.

Good management    Satisfactory management    Need for improvement

# Consolidated financial statements

## CONSOLIDATED INCOME STATEMENT

	Note	2022	2021
Net sales	2, 3, 12	11,789	10,104
Cost of services sold	3, 4, 5, 12	-10,549	-8,928
<b>Gross profit</b>		<b>1,241</b>	<b>1,176</b>
Selling expenses	3, 4, 5, 6	-150	-129
Administrative expenses	3, 4, 5, 6, 7	-682	-645
<b>Operating profit</b>		<b>408</b>	<b>403</b>
Financial income	8	4	3
Financial expenses	8	-76	-63
<b>Net financial expense</b>		<b>-72</b>	<b>-59</b>
<b>Profit before tax</b>		<b>336</b>	<b>343</b>
Income tax	9	-79	-79
<b>PROFIT FOR THE YEAR</b>		<b>257</b>	<b>265</b>
<b>EARNINGS PER SHARE, SEK</b>	15		
Earnings per share, undiluted		2.70	2.78
Earnings per share, diluted		2.70	2.78
<b>DIVIDEND PER SHARE, SEK</b>	15		
Proposed ordinary dividend per share		2.40	2.40
Proposed extraordinary dividend per share		2.40	2.40
<b>TOTAL DIVIDEND PER SHARE, SEK</b>		<b>4.80</b>	<b>4.80</b>

The notes on pages 88–114 are an integrated part of the consolidated financial statements.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2022	2021
<b>PROFIT FOR THE YEAR</b>	<b>257</b>	<b>265</b>
<b>Other comprehensive income</b>		
Items that will not be reclassified to profit or loss	-	-
<b>Items that may be subsequently reclassified to profit or loss</b>		
Translation differences in foreign operations	108	73
Cash flow hedges	26	5
<b>Total</b>	<b>134</b>	<b>78</b>
<b>Total other comprehensive income for the year, net of tax</b>	<b>134</b>	<b>78</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>392</b>	<b>342</b>

**CONSOLIDATED BALANCE SHEET  
– ASSETS**

	Note	2022	2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
<i>Intangible assets</i>	10		
Goodwill		3,700	3,609
Customer contracts		305	435
Trademarks		46	50
Other intangible assets		151	128
<i>Property, plant and equipment</i>			
Land and buildings	11	1	1
Plant and equipment	11	88	85
Right-of-use assets	12	309	303
<i>Financial assets</i>			
Other non-current receivables	16	21	18
Other financial assets	16	42	8
Deferred tax asset	9	39	88
<b>Total non-current assets</b>		<b>4,702</b>	<b>4,724</b>
<b>Current assets</b>			
Inventories		27	18
Accounts receivable	2, 13, 16	1,511	1,346
Tax assets	9	–	1
Other receivables		19	24
Prepaid expenses and accrued income	2, 14	378	345
Cash and cash equivalents	16	484	628
<b>Total current assets</b>		<b>2,419</b>	<b>2,362</b>
<b>TOTAL ASSETS</b>		<b>7,121</b>	<b>7,086</b>

For pledged assets and contingent liabilities, see Note 20.  
The notes on pages 88–114 are an integrated part of the consolidated financial statements.

**CONSOLIDATED BALANCE SHEET  
– EQUITY AND LIABILITIES**

	Note	2022	2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	15	383	383
Other contributed capital		6,700	6,683
Other reserves		137	3
Retained earnings, including profit for the year		–5,283	–5,066
<b>Total equity</b>		<b>1,938</b>	<b>2,003</b>
<b>Liabilities</b>			
<i>Non-current liabilities</i>			
Borrowings	16	1,850	1,997
Lease liabilities	12, 16	166	189
Deferred tax liability	9	9	11
Provisions for pensions and similar obligations	5	25	22
Other provisions	17	2	3
<b>Total non-current liabilities</b>		<b>2,052</b>	<b>2,222</b>
<i>Current liabilities</i>			
Lease liabilities	12, 16	136	110
Accounts payable	16	1,102	788
Current tax liabilities	9	29	63
Other liabilities	18	352	294
Accrued expenses and deferred income	2, 19	1,502	1,592
Other provisions	17	10	14
<b>Total current liabilities</b>		<b>3,131</b>	<b>2,861</b>
<b>Total liabilities</b>		<b>5,183</b>	<b>5,083</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,121</b>	<b>7,086</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Other con-tributed capital	Other reserves	Retained earnings, including profit for the year	Total equity
<b>Opening balance, 1 January 2021</b>	<b>383</b>	<b>6,655</b>	<b>-75</b>	<b>-4,884</b>	<b>2,079</b>
Profit for the year	-	-	-	265	265
Total other comprehensive income for the year	-	-	78	-	78
Share-based payments	-	28	-	-	28
<i>Transactions with shareholders</i>					
Share buybacks	-	-	-	-29	-29
Dividend	-	-	-	-417	-417
<b>BS Closing balance, 31 December 2021</b>	<b>383</b>	<b>6,683</b>	<b>3</b>	<b>-5,066</b>	<b>2,003</b>
<b>Opening balance, 1 January 2022</b>	<b>383</b>	<b>6,683</b>	<b>3</b>	<b>-5,066</b>	<b>2,003</b>
Profit for the year	-	-	-	257	257
Total other comprehensive income for the year	-	-	134	-	134
Share-based payments	-	17	-	-	17
<i>Transactions with shareholders</i>					
Share buybacks	-	-	-	-18	-18
Dividend	-	-	-	-457	-457
<b>BS Closing balance, 31 December 2022</b>	<b>383</b>	<b>6,700</b>	<b>137</b>	<b>-5,283</b>	<b>1,938</b>

Other reserves refers to translation differences arising from translation of foreign subsidiaries and items recognised in other comprehensive income from the application of hedge accounting. The total translation difference for 2022 was SEK 108 (73) million. The translation difference was positive for all currencies.

For information on share capital and data per share see *Note 15 Share capital and data per share*. For information on the appropriation of retained earnings for the year, see *page 81*.

The effect which above is included in the line Share-based payments refers to accruals of employee benefit expenses in accordance with IFRS 2 and the effects arising from the share swap agreement that has been entered into to secure access to shares for the Group's long-term incentive programme.

### § ACCOUNTING PRINCIPLES

Ordinary shares are classified as equity. The dividend proposed by the Board will not reduce equity until it has been approved by the Annual General Meeting.



## CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2022	2021
<b>Operating activities</b>			
<b>IS Income statement</b>		408	403
Adjustment for non-cash items		380	404
Interest received		2	1
Interest paid		-67	-52
Financial expenses paid		-14	-6
Income tax paid		-80	-61
<b>Cash flow from operating activities before changes in working capital</b>		<b>629</b>	<b>689</b>
Increase (-)/decrease (+) in inventories		-9	-2
Increase (-)/decrease (+) in accounts receivable		-119	-75
Increase (-)/decrease (+) in other current receivables		-10	-54
Increase (+)/decrease (-) in accounts payable		288	132
Increase (+)/decrease (-) in other current operating liabilities		-102	48
<b>Cash flow from operating activities</b>		<b>676</b>	<b>737</b>
<b>Investing activities</b>			
Purchases of intangible assets	3, 10	-61	-36
Purchases of property, plant and equipment	3, 11	-38	-34
Proceeds from sale of property, plant and equipment		5	3
Acquisition of subsidiaries	22	-37	-646
Other items		0	1
<b>Cash flow from investing activities</b>		<b>-131</b>	<b>-713</b>
<b>Financing activities</b>	16		
Dividend		-457	-417
Proceeds from borrowings	16	-	750
Repayment of borrowings	16	-150	-29
Repayment, lease liabilities	12	-148	-131
Other items		-12	-13
<b>Cash flow from financing activities</b>		<b>-767</b>	<b>159</b>
<b>Cash flow for the year</b>		<b>-221</b>	<b>184</b>
Cash and cash equivalents at the beginning of the year		628	396
Foreign exchange difference in cash and cash equivalents		77	49
<b>BS Cash and cash equivalents at the end of the year</b>		<b>484</b>	<b>628</b>

## CASH CONVERSION

	Note	2022	2021
<b>IS Income statement</b>		408	403
Depreciation, amortisation and impairment	10, 11, 12	373	389
Adjustment for items affecting comparability	4	69	38
<b>Adjusted EBITDA</b>		<b>851</b>	<b>829</b>
Net investments in property, plant and equipment and intangible assets <sup>1)</sup>		-95	-68
Change in net working capital		47	49
<b>Cash flow for calculation of cash conversion</b>		<b>803</b>	<b>809</b>
<b>Cash conversion, %</b>		<b>94</b>	<b>98</b>

<sup>1)</sup> Net investments including capital gains on the sale of non-current assets.

## NON-CASH ITEMS

	Note	2022	2021
Depreciation and amortisation	10, 11, 12	373	389
Change in provisions		-3	3
Proceeds from sale of non-current assets		-2	-1
Other		12	14
<b>SCF Total</b>		<b>380</b>	<b>404</b>

## SPECIFICATION OF CASH AND CASH EQUIVALENTS

	Note	2022	2021
Cash and bank balances		484	628
<b>BS Total</b>		<b>484</b>	<b>628</b>

 ACCOUNTING PRINCIPLES

The statement of cash flows has been prepared using the indirect method. The recognised cash flow only comprises transactions resulting in incoming and outgoing payments. Cash and cash equivalents include, in addition to cash and bank balances, short-term financial investments that are exposed to insignificant risk of fluctuations in value, are traded on an open market for known amounts and have a remaining maturity of less than three months from the acquisition date.

# Notes to the consolidated financial statements

## Note 1. Summary of significant accounting principles

Coor Service Management Holding AB is the parent company of the Group. The parent company is a Swedish limited company with registered office in Stockholm, Sweden. The parent company has been listed on Nasdaq Stockholm since June 2015.

Consolidated financial statements for the financial year ended 31 December 2022 were approved for publication by the Board of Directors on 30 March 2023 and will be submitted for approval by the Annual General Meeting 2023.

The consolidated financial statements of the Coor Service Management Holding AB Group have been prepared in accordance with the Swedish Annual Accounts Act, Recommendation RFR 1 Supplementary Financial Reporting Rules for Corporate Groups of the Swedish Financial Reporting Board, the International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the EU.

The parent company's functional currency is the Swedish krona, which is also the reporting currency of the parent company and Group. The financial statements are therefore presented in Swedish kronor.

Unless otherwise indicated, all figures are rounded to the nearest million (SEK million). Figures in parentheses refer to the previous year. Due to rounding, some totals may differ from the sum of the individual items.

### § ACCOUNTING PRINCIPLES

#### How should the Coor Group's accounting principles be read?

General accounting principles and new financial reporting rules are presented below. Other accounting principles which Coor considers to be significant are presented under each note. Unless necessary for the understanding of the content of the note, the repetition of section references is avoided.

Amounts which are reconcilable to the balance sheet, income statement and statement of cash flows are indicated by the following symbols:

**IS** Income statement

**BS** Balance sheet

**SCF** Statement of cash flows

### ! CRITICAL ASSUMPTIONS

#### Judgements and estimates in the financial statements

The preparation of financial statements in compliance with IFRS requires the use of critical accounting estimates and judgements. Areas which involve a high degree of judgement, are complex or where assumptions and estimates have a material impact are presented in conjunction with the items they are considered to affect. The table shows where these descriptions are to be found:

#### Items which are subject to assumptions and judgements

	Note
Taxes	Note 9
Measurement of goodwill and other intangible assets	Note 10
Accounts receivable and revenue	Notes 2, 13
Financial risks	Note 16

### CHANGES TO ACCOUNTING PRINCIPLES AND DISCLOSURES

#### a) New and amended standards applied by the Group

Standards which the Group will apply for the first time for financial years beginning on 1 January 2022 are presented below:

- *Property, plant and equipment* – minor amendment to IFRS 16
- *Business combinations* – minor amendment to IFRS 3
- *Loss-making contracts* – clarification of IAS 37
- *Improvements cycle IFRS 2018–2020*

The amendments indicated above had no impact on the consolidated financial statements.

#### b) New standards and interpretations which have not yet been applied by the Group

A number of new standards and interpretations are effective for financial years beginning after 1 January 2022 but have not been applied in preparing these financial statements. These new standards and interpretations are not expected to have a material impact on the consolidated financial statements.

### CONSOLIDATION

#### Subsidiaries

The consolidated financial statements comprise the parent company Coor Service Management Holding AB and all subsidiaries in Sweden and abroad. All companies over which the Group has control are classified as subsidiaries. Control means that Coor is able to govern the subsidiary, has the right to a variable return on its investment in the company and is able to influence the return through its influence over the company. Subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group. They are excluded from the consolidated financial statements from the date when the Group ceases to have control. All subsidiaries in the Group are 100 per cent-owned.

Intercompany transactions and balances are eliminated. Where applicable, the accounting principles for subsidiaries have been amended to guarantee a consistent application of the Group's principles.

#### Recognition of acquisitions

The consolidated financial statements are prepared in accordance with the purchase method. In a business combination, the acquired assets and assumed liabilities are identified and measured at fair value at the acquisition date. In the purchase price allocation, an assessment is also made of whether there exist intangible assets that have not been recognised in the acquired entity. The amount by which the consideration exceeds the fair value of the acquired assets and assumed liabilities is recognised as goodwill. Any deficit, or "negative goodwill", is recognised through profit or loss. The consideration paid for the acquisition comprises the fair value of the transferred assets, liabilities and any shares issued by the Group. Any subsequent additional consideration is classified as a liability, which is then remeasured through profit or loss. Acquisition-related costs are expensed.

### TRANSLATION OF FOREIGN CURRENCY

Items included in the financial statements for the various entities of the Group are valued in the currency used in the economic environment in which each entity primarily operates (functional currency). The consolidated financial statements are prepared in Swedish kronor (SEK), which is the functional and reporting currency of the parent company. The financial statements of the Group companies are translated to the Group's reporting currency, SEK. Assets and liabilities in Group companies with a different functional currency than the parent company are translated at the closing rate. Income and expenses in Group companies which have a different functional currency than the parent company are translated at the average exchange rate. The translation difference arising on foreign currency translation is recognised in other comprehensive income. When a foreign operation is divested, such foreign exchange differences are recognised in profit or loss as part of the capital gain or loss.

Transactions in foreign currency are translated to the functional currency at the transaction date exchange rates. At the closing date, monetary assets and liabilities in foreign currency are translated to the functional currency and any exchange rate effect is recognised in profit or loss.

## Note 2. Recognition of revenue

### § ACCOUNTING PRINCIPLES

The Group's reported net sales mainly comprise revenue from sales of services that are provided under the terms of subscription contracts or on a fixed-price or time and materials basis. The services which the Group provides can be divided into workplace services (including cleaning, restaurant, reception, and mail and freight handling services) and property services (including property maintenance and security solutions).

The Group applies the five-step model under IFRS 15 to determine how revenue from each customer contract should be accounted for. Under the five-step model, revenue should be recognised when a customer receives control over the sold good or service and is able to use or obtains a benefit from the good or service. The Group's principal source of revenue is services in which control is transferred to the customer in connection with delivery. The customer receives and consumes the service as it is provided. The Group's revenue is thus recognised as the services are provided.

The Group does not expect to have any significant contracts where the transaction price needs to be adjusted for the effects of a significant financing component.

#### Revenue from subscription contracts

Subscription contract refers to a contract concluded by the Group for the regular provision of services over an extended period of time. The Group's subscription contracts include integrated FM contracts covering a broad range of services as well as contracts for the provision of a single or small number of combined FM services. To meet the definition of a contract in IFRS 15, call-off orders for subscription services for the month also need to be taken into account.

Each individual customer contract can thus cover several different services (performance obligations) to be provided by Coor. The services are provided to the customers on a daily basis over the term of the contract and the customer receives and consumes the services as they are provided. All performance obligations are satisfied over time and revenue is recognised as the services are provided.

The prices charged for the services which the Group provides under subscription contracts are generally fixed and are based on certain cost drivers, such as the number of employees or floor space. The volume, such as the number of employees or square meters of floor space, varies over time, and there is therefore a significant variable component in the total revenue from the customer. For major customer contracts, variable remuneration may be used. Variable remuneration is only included in recognised revenue to the extent that it is considered likely to accrue to Coor. Invoices are normally issued on a monthly basis in connection with the provision of the services. Exceptions are made for customer contracts under which Coor is responsible for long-term property maintenance. For these contracts, accruals need to be made for a portion of the invoiced revenue, as Coor will not have satisfied its performance obligation at the end of the period.

For major customer contracts, modifications are often made to the contract over time, resulting in changes to prices, volumes or service content. Changes to major customer contracts are made in consultation with the customer according to a defined process.

To meet the definition of a contract in IFRS 15, the subscription contract as well as call-off orders for subscription services for the month need to be taken into account, which means that the term of the contract does not exceed 12 months. The Group therefore does not provide disclosures on future unsatisfied performance obligations for subscription contracts.

#### Contract revenue

In addition to the subscription contracts which it has entered into with its customers, the Group also enters into call-off arrangements/contracts for services to be provided on an ongoing basis, generally over a relatively short period of time. Such projects are normally billed on a time and materials basis, which means that Coor receives compensation for costs incurred plus an agreed margin. Costs incurred can refer to the number of hours worked and/or purchased materials/services. Invoices are issued on a monthly basis and are based on the costs incurred for the services provided.

The customer obtains control over the service as it is provided, which means that revenue is also recognised as the service is provided.

All contracts linked to contract revenue have an original expected term of no more than one year or are invoiced on a time basis. In accordance with the rules of IFRS 15, no disclosure is made on the transaction price for these unsatisfied obligations.

#### Type of contract

The Group's services are provided under customer contracts of two main types:

- IFM (integrated FM contracts) covering a broad range of services and with a strong element of strategic advice.
- FM services (the provision of individual or a small number of combined FM services). The element of strategic advice is limited.

Both contract types may have subscription revenue as well as project revenue features. A breakdown of revenue by the Group's main contract types, IFM contracts and contracts for single or a small number of FM services, is presented in the table on the next page.

Revenue from external customers in Sweden and the breakdown for other countries are shown in the table on the next page.

### ! CRITICAL ASSUMPTIONS

The Group has certain customer contracts in which a part of the Group's performance obligation consists in long-term property maintenance. This performance obligation is normally included in the monthly subscription invoice that is issued, but at the end of the period the performance obligation had not yet been fulfilled. A portion of the revenue must therefore be recognised on an accrual basis in future periods. To estimate the cost of future property maintenance, management is required to make judgements on a number of parameters. Even if management has detailed maintenance plans at its disposal as a basis for its estimates, such judgements are subject to a degree of uncertainty.

### CONTRACT ASSETS AND CONTRACT LIABILITIES

The Group recognises the following assets and liabilities in the balance sheet related to contracts with customers.

	2022	2021
Accounts receivable	1,511	1,346
Accrued income	249	260
<b>Total contract assets</b>	<b>1,760</b>	<b>1,607</b>
Deferred income	-231	-245
<b>Total contract liabilities</b>	<b>-231</b>	<b>-245</b>

Accrued income refers partly to subscription revenue under contracts for which the performance obligations have been satisfied but where the invoice is issued at the beginning of the following month and partly to revenue from ongoing projects where the performance obligation has been satisfied but the invoice has not yet been issued.

Deferred income refers partly to subscription revenue under contracts where the invoice is issued in the month before the services are provided and partly to revenue related to performance obligations for long-term property maintenance. For property maintenance, an accrual is made for a portion of the monthly subscription revenue, as Coor will not have satisfied its performance obligation at the end of the period. Revenue is recognised as Coor satisfies its performance obligation under the agreed maintenance plan.

Of total deferred income at 31 December 2021, SEK 186 million was recognised as income in 2022.

## BREAKDOWN OF REVENUE FROM CONTRACTS WITH CUSTOMERS

2022	Sweden <sup>1)</sup>	Norway	Denmark	Finland <sup>2)</sup>	Other	Total
External revenue by segment	6,346	2,140	2,652	653	-1	11,789
<b>Breakdown by type of contract</b>						
IFM contracts	3,653	1,545	1,434	120	0	6,753
FM contracts	2,692	595	1,217	533	-1	5,037
<b>TOTAL</b>	<b>6,346</b>	<b>2,140</b>	<b>2,652</b>	<b>653</b>	<b>-1</b>	<b>11,789</b>

2021	Sweden <sup>1)</sup>	Norway	Denmark	Finland <sup>2)</sup>	Other	Total
External revenue by segment	5,079	2,318	2,071	636	-1	10,104
<b>Breakdown by type of contract</b>						
IFM contracts	3,172	1,825	900	178	-	6,075
FM contracts	1,907	493	1,171	458	-1	4,028
<b>TOTAL</b>	<b>5,079</b>	<b>2,318</b>	<b>2,071</b>	<b>636</b>	<b>-1</b>	<b>10,104</b>

<sup>1)</sup> The figure for Sweden includes sales of SEK 182 (234) million for Belgium.

<sup>2)</sup> The figure for Finland includes sales of SEK 16 (17) million for Estonia.

### Note 3. Segment information

#### § ACCOUNTING PRINCIPLES

Operating segments are accounted for in a way that is consistent with the internal reports submitted to the chief operating decision maker. The chief operating decision maker is the function that is responsible for allocating resources and assessing the results of operating segments. In Coor, this function has been identified as the executive management team.

The Group operates in Sweden, Norway, Finland and Denmark and has minor operations in Belgium and Estonia. Management mainly monitors the operations on a country by country basis. The Group's operations in Belgium are organisationally part of the Swedish business and the operations in Estonia are organisationally part of the Finnish business.

The Group's operations comprise a range of workplace and property services as well as related strategic advice. The services are provided under customer contracts of two main types: IFM and single FM services. Priority service areas for provision as single FM services are cleaning, restaurant and property services.

The operations conducted in the various countries are similar in nature but the markets differ somewhat in terms of the breakdown by contract type.

The Group's executive management team assesses the operating segments' results based on a measure called adjusted EBITA. This measure excludes the effects of items affecting comparability, such as restructuring costs, as well as amortisation and impairment charges on intangible assets arising from a business combination (primarily customer contracts and goodwill). Interest income and interest expense are not allocated to the segments, as these are affected by actions taken by the central finance function, which manages the Group's liquidity.

Group functions/other mainly refers to costs for central support functions, such as operational development, business development, the Group finance function and legal services.

The Group's executive management team does not monitor total assets or liabilities on a segment basis. The executive management team analyses the change in net working capital for each segment in connection with its analysis of operating cash flow.

The following segment information has been provided to the executive management team:

#### GEOGRAPHICAL SEGMENTS

Net sales	2022	2021
<b>Sweden</b>	<b>6,346</b>	<b>5,079</b>
Total sales	6,466	5,136
Internal sales	-120	-57
<b>Norway</b>	<b>2,140</b>	<b>2,318</b>
Total sales	2,150	2,327
Internal sales	-10	-9
<b>Finland</b>	<b>653</b>	<b>636</b>
Total sales	653	636
Internal sales	-	-
<b>Denmark</b>	<b>2,652</b>	<b>2,071</b>
Total sales	2,654	2,072
Internal sales	-3	-1
<b>Group functions/other</b>	<b>-1</b>	<b>-1</b>
<b>IS Total</b>	<b>11,789</b>	<b>10,104</b>

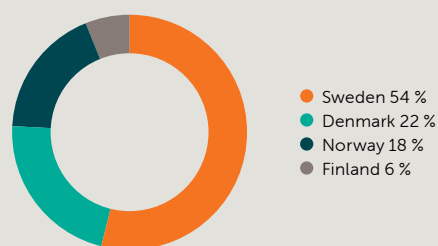
Adjusted EBITA	2022	2021
Sweden	627	564
Norway	101	146
Finland	13	25
Denmark	109	105
Group functions/other	-216	-208
<b>Total</b>	<b>634</b>	<b>631</b>

**Adjusted EBITA is reconciled to profit before tax as follows:**

Amortisation and impairment of customer contracts and trademarks (Note 10)	-156	-190
Items affecting comparability (Note 4)	-69	-38
IS Net financial expense	-72	-59
<b>IS Profit before tax</b>	<b>336</b>	<b>343</b>

Adjusted EBITA margin, %	2022	2021
Sweden	9.9	11.1
Norway	4.7	6.3
Finland	2.0	3.9
Denmark	4.1	5.0
Group functions/other	-	-
<b>Total</b>	<b>5.4</b>	<b>6.2</b>

**Net sales by country**



In 2022, the Group had no individual customer that accounted for more than 10 per cent of consolidated sales. In 2021, the Group had one such customer, which accounted for net sales of SEK 1,355 million. This customer was a customer of the Group's Norwegian business.

**OTHER INFORMATION**

Investments in non-current assets	2022	2021
Sweden	-15	-11
Norway	-5	-4
Finland	-3	-3
Denmark	-14	-17
Group functions/other	-61	-35
<b>SCF Total</b>	<b>-99</b>	<b>-70</b>

Intangible assets and property, plant and equipment	2022	2021
Sweden	3,157	3,240
Norway	619	621
Finland	177	160
Denmark	499	470
Group functions/other	147	120
<b>Total</b>	<b>4,599</b>	<b>4,610</b>

Change in net working capital	2022	2021
Sweden	114	-11
Norway	-84	-1
Finland	-19	9
Denmark	40	42
Group functions/other	-4	9
<b>SCF Total</b>	<b>47</b>	<b>49</b>

Net sales by type of contract	2022	2021
IFM	6,753	6,075
FM services	5,037	4,028
<b>IS Total</b>	<b>11,789</b>	<b>10,104</b>

## Note 4. Operating expenses

Coor has chosen to present its income statement by function, as this gives a more accurate picture of how the business is managed and monitored. A breakdown of costs by nature of expense is shown below.

Operating expenses by function	2022	2021
IS Cost of services sold	-10,549	-8,928
IS Selling expenses	-150	-129
IS Administrative expenses	-682	-645
<b>Total</b>	<b>-11,381</b>	<b>-9,701</b>

### COSTS BY NATURE OF EXPENSE

Costs by nature of expense	2022	2021
Personnel expenses	-6,766	-5,769
Subcontractors	-2,338	-2,047
Materials	-1,323	-999
External services	-381	-330
Depreciation and amortisation	-373	-389
Other operating expenses	-199	-166
<b>Total</b>	<b>-11,381</b>	<b>-9,701</b>

### ITEMS AFFECTING COMPARABILITY

Items affecting comparability are excluded from the measure of operating profit, adjusted EBITA, that management regards as the most relevant metric, as it gives a more accurate picture of the underlying business.

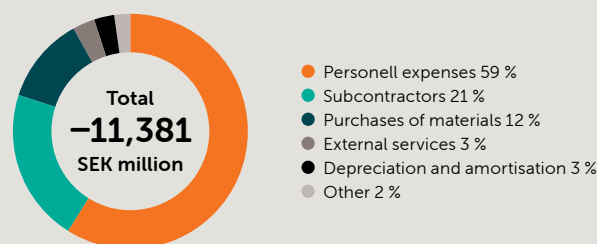
Items affecting comparability for 2022 mainly comprise costs for integration and restructuring. Integration and restructuring comprise organic transactions as well as acquisitions. Integration costs refer, for example, to costs for integrating IT systems while restructuring refers to costs related to staff reductions. Acquisition-related costs refer exclusively to transaction costs.

Reconciliation of adjusted EBITA	2022	2021
IS Operating profit (EBIT)	408	403
Amortisation and impairment of customer contracts and trademarks	156	190
Items affecting comparability	69	38
<b>Adjusted EBITA</b>	<b>634</b>	<b>631</b>

Items affecting comparability	2022	2021
Integration	-50	-24
Restructuring	-18	-13
Acquisition-related costs	0	-1
Other	-1	1
<b>Total</b>	<b>-69</b>	<b>-38</b>

Items affecting comparability by function	2022	2021
Cost of services sold	-61	-29
Selling and administrative expenses	-8	-8
<b>Total</b>	<b>-69</b>	<b>-38</b>

### Costs by nature of expense 2022



## Note 5. Employees and employee benefit expenses

### ACCOUNTING PRINCIPLES

#### TERMINATION BENEFITS

Remuneration in case of termination is paid when an employee's employment has been terminated by the Group before the normal time of retirement or when an employee accepts voluntary redundancy in exchange for such remuneration. The Group recognises severance pay when it is demonstrably obliged either to give notice to employees under a detailed formal plan without possibility of retraction or to provide remuneration on termination as a result of an offer to encourage voluntary redundancy. Benefits expiring more than 12 months after the balance sheet date are discounted to present value.

#### BONUS PLANS

The Group recognises a liability and a cost for bonuses to employees based on the applicable contracts.

#### SHARE-BASED PAYMENTS

Coor grants share-based payments to certain employees. These are mainly settled in the form of shares of the company and are known as equity-settled share-based payments. The cost of equity-settled share-based payments is based on the fair value of the share rights at the time when the remuneration programme was introduced. Such remuneration is recognised as an employee

benefit expense, which is recognised over the vesting period along with a corresponding increase in equity. To the extent that the vesting conditions for the programme are linked to market conditions, these are taken into account in determining the fair value of the share rights. Performance-based vesting conditions and terms and conditions of service affect the employee benefit expense during the vesting period by changing the number of shares that is ultimately expected to be allocated.

Coor recognises a liability for social security contributions on an ongoing basis for all outstanding share-based payments. The liability is remeasured on an ongoing basis based on the fair value of the share-based payment at the balance sheet date as allocated over the vesting period.

#### POST-EMPLOYMENT BENEFITS

The Group has a number of pension plans in different countries. Most of the Group's pension plans are defined contribution plans, under which contributions are paid to an authority or other body which then takes over the obligations to the employees. Once the contributions have been paid, the Group has no further payment obligations. Liabilities related to defined contribution plans are expensed in the income statement as they arise. Prepaid contributions are recognised as an asset to the extent that cash repayments or reductions of future payments may accrue to the benefit of the Group.

Defined benefit pension plans are post-employment benefit plans other than defined contribution plans. The defining characteristic of a defined bene-

fit plan is that it specifies an amount for the post-employment benefit which an employee will receive on retirement, normally based on one or several factors, such as age, length of service or salary. Only a small number of employees in the Group are covered by a defined benefit plan, for which the Group recognises a provision in the balance sheet.

Pensions insured with Alecia in Sweden as well as pensions covered by the new AFP scheme in Norway are defined as multi-employer defined benefit pension plans. However, there is insufficient data to produce reliable information concerning each company's share of the retirement benefit cost, pension obligation and plan assets, and it is therefore not possible to account for these as defined benefit plans.

#### NUMBER OF EMPLOYEES AND GENDER DISTRIBUTION

Average number of employees	2022			2021		
	Women	Men	Total	Women	Men	Total
Sweden	3,218	2,297	5,515	2,639	2,013	4,651
Norway	835	483	1,319	838	559	1,397
Finland	537	345	882	574	337	910
Denmark	1,430	1,005	2,435	1,306	835	2,141
Other countries	53	38	91	103	78	181
<b>Total</b>	<b>6,074</b>	<b>4,167</b>	<b>10,241</b>	<b>5,460</b>	<b>3,821</b>	<b>9,281</b>

#### Gender distribution among Directors, CEOs and senior executives

No. at balance sheet date	2022			2021		
	Women	Men	Total	Women	Men	Total
Directors	4	5	9	3	6	9
CEOs and senior executives	3	8	11	3	8	11
<b>Total</b>	<b>7</b>	<b>13</b>	<b>20</b>	<b>6</b>	<b>14</b>	<b>20</b>

#### EMPLOYEE BENEFIT EXPENSES

Salaries, other benefits and social security contributions

Employee benefit expenses	2022					2021				
	Salaries and benefits <sup>1)</sup>	Of which bonuses	Social security contributions	Of which retirement benefits	Total	Salaries and benefits <sup>1)</sup>	Of which bonuses	Social security contributions	Of which retirement benefits	Total
Directors and CEOs	36	7	13	5	49	35	8	12	4	47
Other employees	4,867	29	1,640	382	6,506	4,177	45	1,352	328	5,529
<b>Total</b>	<b>4,903</b>	<b>36</b>	<b>1,652</b>	<b>387</b>	<b>6,555</b>	<b>4,212</b>	<b>53</b>	<b>1,364</b>	<b>333</b>	<b>5,576</b>

<sup>1)</sup> Salaries and termination benefits totalled SEK 2 (3) million. Of this amount, SEK 0 (0) million refers to severance pay to CEOs and other senior executives. The figures for the group Directors and CEOs comprise the remuneration of the Board of Directors of Coor Service Management Holding AB, of the President and CEO of the Group and of the CEOs of all subsidiaries of the Group.

#### Employee benefit expenses by country, SEK million\*



**2022**  
 ● Sweden 52 %  
 ● Denmark 27 %  
 ● Norway 16 %  
 ● Finland 5 %

**2021**  
 ● Sweden 50 %  
 ● Denmark 26 %  
 ● Norway 18 %  
 ● Finland 6 %

\* Employee benefit expenses for Belgium are included in the figure for Sweden, as Belgium is operationally under Sweden. Employee benefit expenses for Estonia are included in the figure for Finland, as Estonia is operationally under Finland. Employee benefit expenses for Sweden also include costs related to Group functions.

## SHARE-BASED REMUNERATION PROGRAMMES

### The purpose of Coor's long-term incentive programmes

Coor's long-term incentive programmes (LTIP) are designed to increase and strengthen the company's ability to recruit and retain key individuals and to encourage participants to become long-term shareholders of Coor as a means of aligning the interests of participants and other shareholders. To participate in the programmes, participants are required to invest in Coor shares. By offering an allocation of performance-based share rights that is based on the achievement of defined performance and operational goals, participants are rewarded for increasing shareholder value. The programmes also promote loyalty and long-term value growth in the Group. The Board of Directors is therefore of the opinion that the programmes will have a positive impact on the Group's future performance, thus benefiting both the company and its shareholders. The programmes are aimed at senior executives of the Coor Group: the executive management team (EMT) and top management team (TMT).

### Criteria and conditions for participation in the incentive programmes

The incentive programmes cover a period of three years and require that participants acquire or already hold a certain number of Coor shares, known as investment shares. The participants are divided into three different categories, for each of which a maximum number of shares has been defined beforehand. Performance shares are allocated free of charge after the vesting period. The number of shares allocated varies among the different categories of participants.

The basic criteria for allocation of performance shares are that the participant has remained an employee of the Coor Group during the vesting period (except, in limited cases, where proportional allocation has been authorised) and has continued to hold his or her Coor shares over that period. The vesting periods will end in connection with the publication of Coor's interim reports for the first quarter of 2024 (LTIP 2021) and 2025 (LTIP 2022), respectively. Allocations of shares under LTIP 2019 were made in May 2022.

In addition to the employment condition, the allocation of performance shares is based on a number of performance conditions. The allocation of share rights depends on the extent to which the defined goals and performance conditions have been met during the performance period concerned.

### Description of performance conditions for the share programmes:

The performance conditions for LTIP 2021 and LTIP 2022 are the same, with the exception of series A for which different minimum and maximum levels for allocation apply. See below for a description of the conditions for each series.

#### Series A: Customer satisfaction index:

If Coor's average customer satisfaction score during the performance period is equal to or below the minimum level of 66 (LTIP 2021) or 68 (LTIP 2022), no shares will be allocated. If Coor's average customer satisfaction score is equal to or exceeds the maximum level of 70 (LTIP 2021) or 72 (LTIP 2022), 100 per cent of the shares will be allocated. The allocation will be adjusted on a proportional basis if the outcome is somewhere between the minimum and maximum levels.

#### Series B: Cumulative adjusted EBITA:

If Coor's cumulative adjusted EBITA over the performance period is equal to or below the minimum level, defined as 10 per cent below the cumulative adjusted EBITA targeted in Coor's business plan for the three-year period commencing at the start of each programme, no shares will be allocated. If the percentage change in Coor's cumulative adjusted EBITA is equal to or exceeds the maximum level, defined as 10 per cent above the cumulative adjusted EBITA targeted in Coor's business plan, 100 per cent will be allocated. The allocation will be adjusted on a proportional basis if the outcome is somewhere between the minimum and maximum levels.

#### Series C: Relative total shareholder return (TSR) growth:

The allocation of shares varies depending on Coor's TSR growth relative to the weighted average of a group of other companies (the "Benchmark Group"). If Coor's cumulative TSR growth over the performance period is equal to or below the weighted average index for the Benchmark Group (the minimum level), no shares will be allocated. If Coor's cumulative TSR growth is equal to or exceeds the weighted average index for the Benchmark Group by more than 6 percentage points (the maximum level), 100 per cent will be allocated. The allocation will be adjusted on a proportional basis if the outcome is somewhere between the minimum and maximum levels.

Number of share rights	Base value share price, SEK	Number of participants upon allocation	Measurement period	Number of outstanding share rights	
				31 Dec 2022	31 Dec 2021
LTIP 2019	84.2	33	1 Jan 2019–31 Dec 2021	–	216,774
LTIP 2021	71.0	57	1 Jan 2021–31 Dec 2023	395,886	403,376
LTIP 2022	87.5	54	1 Jan 2022–31 Dec 2024	380,863	–
<b>Total number of outstanding share rights</b>				<b>776,749</b>	<b>620,150</b>

Number of share rights	LTIP 2019		LTIP 2021		LTIP 2022	
	Change during the year	Accumulated	Change during the year	Accumulated	Change during the year	Accumulated
<i>Outstanding share rights at 1 January 2022</i>	216,774		403,376		–	
Allocated on issuance		281,338		391,830	369,084	369,084
Allocated compensation, dividend	4,933	16,940	22,752	34,298	11,779	11,779
Allocated	–214,193	–214,193	–	–	–	–
Forfeited	–7,514	–84,085	–30,242	–30,242	–	–
<b>Total number of outstanding share rights at 31 December 2022</b>	–	–	<b>395,886</b>	<b>395,886</b>	<b>380,863</b>	<b>380,863</b>

No share rights were redeemable at the end of the year.



### SECURING OF FINANCIAL OBLIGATIONS UNDER LTIP 2019, 2021 AND 2022

To secure the Group's financial obligation under LTIP 2019, Coor repurchased 340,000 shares in 2019 for SEK 28 million at an average price of SEK 82.5 per share. In connection with the allocation of shares under LTIP 2019 in May 2022, 214,193 shares were exercised. To secure the Group's financial obligation under LTIP 2021, Coor repurchased 400,000 shares in 2021 for SEK 29 million at an average price of SEK 72.4 per share. To secure the Group's financial obligation under LTIP 2022, Coor repurchased 300,000 shares in 2022 for SEK 18 million at an average price of SEK 59.5 per share. Coor had a total of 825,807 treasury shares at 31 December 2022.

### ACCOUNTING OF COST LINKED TO LTIP:

The total cost for outstanding share rights under the incentive programme is expensed over the vesting period with a corresponding increase in equity. The cost for social security contributions is recognised as a liability, as this cost will be paid in cash at the end of the programme.

### Call option programme

In addition to the share programme, the Group's LTIP 2018 incentive programme also included a call option programme.

For each investment share that was allocated to LTIP 2018, participants in the call option programme were offered the opportunity to acquire 10 call options on Coor shares. Each call option entitles the holder to purchase one Coor share during three exercise periods at the end of the programme period, but no later than 31 May 2022.

A market-based premium was paid for the call options. The price per share on exercise of the call option is SEK 80.3.

The option programme was aimed at members of the executive management team (EMT) and comprised 320,000 options. 265,000 options were exercised in 2021 and the remaining 55,000 options in 2022. There was thus no outstanding obligation linked to LTIP 2018 at 31 December 2022.

	Expense for the year before tax		Accumulated cost before tax		Liability, social security contributions at balance sheet date	
	2022	2021	2022	2021	2022	2021
LTIP 2018	–	4	20	20	–	–
LTIP 2019	5	7	19	15	–	3
LTIP 2021	8	5	14	5	4	1
LTIP 2022	3	–	3	–	1	–
<b>Total</b>	<b>17</b>	<b>17</b>	<b>57</b>	<b>40</b>	<b>5</b>	<b>4</b>

### POST-EMPLOYMENT BENEFITS

Retirement benefit costs recognised in the income statement	2022	2021
Retirement benefits, defined benefit plans	0	0
Retirement benefits, defined contribution plans	387	333
<b>Total</b>	<b>387</b>	<b>333</b>

Contributions for the year to pension plans held with Alecta amounted to SEK 92 (86) million. Alecta's surplus can be distributed to the policy owners and/or insured parties. At the end of 2022, Alecta's surplus, defined as the collective funding ratio, was 172 (172) per cent. The collective funding ratio is defined as the market value of Alecta's assets as a percentage of its commitments to policyholders calculated using Alecta's actuarial assumptions, which do not comply with IAS 19.

Contributions for the year to pension plans covered by the new AFP scheme in Norway amounted to SEK 39 (34) million.

Retirement benefit costs recognised in the balance sheet	2022	2021
Endowment policies*	23	19
Retirement benefits, defined benefit plans	1	3
<b>BS Total</b>	<b>25</b>	<b>22</b>
Non-current receivable, endowment policies*	–19	–15
<b>Net total</b>	<b>6</b>	<b>6</b>

\* Coor has taken out endowment policies with a small number of employees as beneficiaries. As it is the employee that is the beneficiary, a pension provision is recognised in the balance sheet along with a non-current receivable equal to the fair value of the endowment policy. A provision has been made for special payroll tax, which will be paid to the Swedish Tax Agency in connection with the payment to the employee.

Change in defined benefit pension obligations	2022	2021
<b>At the beginning of the year</b>	<b>3</b>	<b>3</b>
Payments made	0	0
Actuarial gains/losses	0	0
Foreign exchange differences	0	0
Other changes during the year	–1	–
<b>Total defined benefit pension obligation at the end of the year</b>	<b>1</b>	<b>3</b>

### Retirement benefit costs in the coming year

Expected contributions to post-employment benefit plans for the 2023 financial year amount to SEK 0 (0) million for defined benefit pension plans, SEK 94 (90) million for pension plans held with Alecta, SEK 40 (37) million for the new AFP scheme in Norway and SEK 304 (261) million for other defined contribution pension plans.

## Note 6. Remuneration of senior executives

### REMUNERATION OF SENIOR EXECUTIVES

Directors refer to members of the Board of Directors of the parent company in accordance with the resolution of the AGM. For information on the current composition of the Board of Directors, see the section *Presentation of the Board of Directors*.

Executive management team refers to the Chief Executive Officer and the other members of the executive management team. For information on the current composition of the EMT, see the section *Presentation of management*.

Remuneration of the Board of Directors and executive management team	2022	2021
Remuneration of the Board	3.2	3.2
Remuneration of the executive management team	61.8	62.8
<b>Total</b>	<b>65.0</b>	<b>66.1</b>

### REMUNERATION OF THE BOARD OF DIRECTORS – GUIDELINES

Fees are paid to the Chairman and members of the Board of Directors in accordance with the resolution of the general meeting of shareholders. The following tables specify the fees expensed during the year for each Director. For a specification of fees approved by the AGM, see the *Corporate Governance Report*.

SEK '000	Directors' fee		Fee for committee work		Total	
	2022	2021	2022	2021	2022	2021
Mats Granryd (Chairman)	845	812	158	167	1,003	979
Anders Ehrling	–	232	–	140	–	373
Heidi Skaaret	302	290	107	100	408	390
Karin Jarl Månsson	203	–	34	–	237	–
Kristina Schauman	302	290	263	250	565	540
Linda Wikström	203	–	51	–	253	–
Magnus Meyer	302	201	165	51	467	252
Mats Jönsson	99	290	24	75	123	365
Monica Lindstedt	99	290	16	50	115	340
Other members of the Board	–	–	–	–	–	–
<b>Total</b>	<b>2,352</b>	<b>2,407</b>	<b>819</b>	<b>834</b>	<b>3,172</b>	<b>3,240</b>

### GUIDELINES FOR REMUNERATION OF SENIOR EXECUTIVES

The executives covered by the guidelines are the CEO and the other members of the executive management team. The guidelines also cover any remuneration of Directors in addition to Directors' fees. Following their adoption by the 2022 AGM, the guidelines apply to new remuneration contracts as well as changes to existing contracts. The guidelines do not cover remuneration that is approved by the general meeting of shareholders. For employment relationships subject to other rules than Swedish rules, necessary adaptations may be made in respect of retirement benefits and other benefits to ensure compliance with mandatory rules or established local practice, provided that the general purpose of the guidelines is adhered to as far as possible.

#### Promotion of the company's business strategy, long-term interests and sustainability

Simply put, Coor's business strategy is to take over, manage and develop services in offices, at properties and production facilities, and in the public sector (facility management). We aim to run our business in an effective and sustainable manner that creates long-term value for our customers, employees and investors as well as for society at large and the environment. Coor's overall strategies are:

- Growth in integrated facility management.
- Growth in single FM services.
- Customised and flexible delivery model.
- Focus on operational efficiency.
- Nordic focus, with some flexibility to branch out into Europe.

For further information on Coor's business strategy, see Coor's website: <https://www.coor.com/investors2/strategy>.

To successfully implement its business strategy and further the company's long-term interests, including its sustainability, Coor needs to be able to recruit and retain qualified personnel. To do this, Coor needs to be able to offer a competitive total remuneration package, which these guidelines allow the company to do. The total remuneration should be competitive, in line with market levels and reflect the individual's performance and responsibility and, with regard to any long-term variable remuneration, the appreciation of Coor's shares that accrues to the shareholders. Variable cash remuneration that is covered by these guidelines must be aimed at promoting the company's business strategy and long-term interests, including its sustainability.

The company has introduced long-term share-based incentive programmes in which the CEO and other senior executives have been offered to participate. The outcomes of these programmes are not pensionable for the participants. These programmes were approved by the respective AGMs and are therefore not subject to these guidelines. For the same reason, any future share-based incentive programmes adopted by the general meeting of shareholders will not be subject to the guidelines. For more information on performance criteria, conditions and costs for these programmes, see the complete texts of the Board of Directors' proposals to the respective AGMs on Coor's website (<https://www.coor.com/who-we-are/governance/annual-general-meetings>).

**Forms of remuneration, etc.**

The remuneration of senior executives is to consist of a fixed salary, any variable remuneration, pension and other benefits. In addition, the general meeting of shareholders may, irrespective of these guidelines, resolve to approve share- and share price-based remuneration.

**Fixed salary**

The fixed salary is to comprise a cash salary. The fixed salary is revised annually for all members of the executive management team. The fixed salary is to be in line with market levels and be determined on the basis of factors such as position, skills, experience and performance.

**Variable salary**

Any variable salary is to comprise an annual variable cash salary. Variable cash remuneration is to be contingent on the achievement of defined and measurable goals and be capped at 75 per cent of the fixed annual salary. Fulfilment of criteria for disbursement of any annual variable cash salary is to be measured over a period of one year.

The variable cash salary is to be linked to one or several defined and measurable targets, such as consolidated EBITA, increase in net sales in respect of new deals (through organic growth or acquisitions) or cash flow. The targets may to some extent also comprise individual quantitative or qualitative criteria. The weight of each target for variable pay is to be adapted individually for each executive, but EBITA, the increase in net sales in respect of new deals or cash flow must represent at least 60 per cent of the weight for all targets. By linking the senior executives' remuneration to growth, profitability measures and cash conversion, the targets promote the implementation of the company's business strategy and long-term interests, including its sustainability in all three dimensions (business, social and environmental), as well as the executive's long-term development.

When the measurement period for fulfilment of the criteria for payment of variable cash salary has ended, an assessment is to be made of the extent to which the criteria have been fulfilled. In respect of variable cash salary of the CEO, the assessment is to be made by the Remuneration Committee. In respect of variable cash salary of other senior executives, the assessment is to be made by the CEO. In respect of financial targets, the assessment is to be based on the most recent financial information published by the company.

The terms for variable remuneration are to be formulated so that the Board, in the event of exceptional circumstances, is able to limit or refrain from paying variable remuneration if such action is deemed reasonable.

In specific instances, agreements on variable non-recurring remuneration may be concluded, provided that such remuneration does not exceed 25 per cent of the fixed annual salary and is not paid more than once a year to the same individual. Such remuneration is not to be pensionable unless otherwise provided for in mandatory provisions of applicable collective agreements. Decisions on such remuneration are to be made by the Board of Directors based on a proposal submitted by the Remuneration Committee.

No other variable cash remuneration is to be paid.

**Pension**

For the CEO, retirement benefits are to be regulated by a collective bargaining agreement. Retirement benefits for the portion of an executive's salary that exceeds the maximum limit specified in the collective bargaining agreement are to take the form of defined contribution benefits and may not exceed 30 per cent of the fixed annual salary. Variable salary is not to be pensionable.

For other senior executives, retirement benefits are to take the form of defined contribution benefits unless the executive is covered by a defined benefit pension plan under mandatory provisions of a collective bargaining agreement. Variable salary is to be pensionable. Defined contribution retirement benefits may not exceed 30 per cent of the fixed annual salary.

**Other benefits**

Other benefits may include benefits such as health insurance and car benefits. The total amount of premiums and other costs incurred for such benefits may not exceed 5 per cent of the fixed annual salary.

**Payment of consulting fees to Directors**

In specific cases, Coor's AGM-elected Directors may, for a limited period of time, be remunerated for services in their respective areas of expertise that do not constitute Board work. For such services (including services rendered through an entity wholly owned by a Director), a market-based fee is to be paid, provided that such services contribute to the realisation of Coor's business strategy and further Coor's long-term interests, including its sustainability. For each Director, such consulting fees may never exceed two annual Directors' fees per year.

**Termination of employment**

Severance pay is normally paid in case of termination by the company. The contracts of the members of the executive management team are to be terminable on no more than six months' notice and provide for severance pay of no more than 18 months' fixed salary. No severance pay is to be paid in case of termination by the employee.

**Salary and terms of employment**

In preparing these proposed remuneration guidelines, the Board of Directors has taken account of salaries and employment terms of the company's employees by including information on employees' total remuneration, the components of the remuneration and its increase and rate of increase over time in the decision basis used by the Remuneration Committee in assessing the reasonableness of the guidelines and the limitations arising therefrom.

**Decision-making process for determining, reviewing and implementing the guidelines**

The Board of Directors has established a Remuneration Committee. The duties of the committee include preparing the Board's proposed resolutions on guidelines for remuneration of senior executives. The Board is to prepare proposed new guidelines at least every fourth year and submit its proposal for adoption by the AGM. The guidelines are to apply until new guidelines are adopted by the general meeting of shareholders. The Remuneration Committee is also to monitor and evaluate the variable remuneration programme for management, the application of guidelines for remuneration of senior executives and the applicable remuneration structures and remuneration levels in the company. The members of the Remuneration Committee are independent of the company and management. During the preparation of and decisions on remuneration-related matters by the Board, the CEO or other members of the executive management team are not to be present, insofar as they are affected by the matters concerned.

**Deviation from the guidelines**

The Board may decide temporarily to deviate, wholly or partially, from the guidelines adopted by the general meeting of shareholders if in an individual case there are special reasons for doing so and such deviation is necessary to safeguard the long-term interests of the company, including its sustainability, or to ensure the company's financial capacity. As stated above, it is part of the duties of the Remuneration Committee to prepare the Board's resolutions on remuneration matters, which includes resolutions on deviations from the guidelines.

## REMUNERATION OF THE CEO AND EXECUTIVE MANAGEMENT TEAM – 2022

2022	Basic salary	Variable remuneration	Share-based payments	Other benefits	Retirement benefit costs	Severance pay	Other remuneration	Total
<b>Remuneration of the CEO</b>								
AnnaCarin Grandin	7.6	2.2	1.7	0.1	2.2	–	–	13.8
<b>Remuneration of rest of executive management team</b>								
Rest of executive management team, 10 persons	27.5	7.9	5.1	1.0	6.6	–	–	48.0
<b>Total</b>	<b>35.2</b>	<b>10.1</b>	<b>6.7</b>	<b>1.0</b>	<b>8.8</b>	<b>–</b>	<b>–</b>	<b>61.8</b>

## REMUNERATION OF THE CEO AND EXECUTIVE MANAGEMENT TEAM – 2021

2021	Basic salary	Variable remuneration	Share-based payments	Other benefits	Retirement benefit costs	Severance pay	Other remuneration	Total
<b>Remuneration of the CEO</b>								
AnnaCarin Grandin	6.8	3.4	1.1	0.1	1.9	–	–	13.3
<b>Remuneration of rest of executive management team</b>								
Rest of executive management team, 10 persons	26.3	10.0	6.0	0.9	6.4	–	–	49.5
<b>Total</b>	<b>33.1</b>	<b>13.4</b>	<b>7.1</b>	<b>1.0</b>	<b>8.3</b>	<b>–</b>	<b>–</b>	<b>62.8</b>

## Share-based payments to the CEO and executive management team

At 31 December 2022, the current CEO AnnaCarin Grandin held 114,603 (69,941) outstanding share rights under the Group's LTIP 2021 and LTIP 2022 incentive programmes. The other members of the executive management team held 259,832 (246,026) share rights at 31 December 2022.

Under LTIP 2018, members of the EMT also had the option of acquiring call options. The former CEO Mikael Stöhr subscribed for 90,000 options, the current CEO AnnaCarin Grandin for 27,500 options and the other members of the

EMT for 202,500 options under the options part of the incentive programme. 265,000 options were exercised in 2021 and the remaining 55,000 options in 2022.

For more information on the Group's incentive programmes, see the section Share-based payments in Note 5. The cost linked to LTIP for the CEO and the EMT is presented in the table above under Share-based payments.

	LTIP 2019		LTIP 2021		LTIP 2022	
	AnnaCarin Grandin	Other senior executives	AnnaCarin Grandin	Other senior executives	AnnaCarin Grandin	Other senior executives
<b>Number of share rights</b>						
Allocated on issuance	13,750	108,725	54,000	128,750	54,000	125,000
<b>Outstanding at 1 January 2022</b>	<b>14,350</b>	<b>113,482</b>	<b>55,591</b>	<b>132,544</b>	<b>–</b>	<b>–</b>
Allocated compensation, dividend	379	2,975	3,288	7,454	1,723	3,989
Allocated	–14,729	–116 457	–	5,000*	–	–
Forfeited	–	–	–	–14,155	–	–
<b>Total number of outstanding share rights at 31 December 2022</b>	<b>–</b>	<b>–</b>	<b>58,879</b>	<b>130,843</b>	<b>55,723</b>	<b>128,989</b>

\* Reclassification of allocated share rights as a result of organisational change.

## Pensions and other benefits

The CEO and all senior executives are covered by an ITP supplementary pension plan solution (or an equivalent solution in other countries). In addition to this, the CEO has the right to pension contributions of 30 per cent for that part of his salary which exceeds 30 income base amounts. In addition to the CEO, two senior executives are entitled to pension contributions of 30 per cent of

that portion of their salary which exceeds 30 income base amounts and two senior executives are entitled to pension contributions of 20 per cent of that portion of their salary which exceeds 30 income base amounts, in addition to the normal ITP solution. There is no contractual retirement age for the CEO or other senior executives, which means that the retirement age is subject to the local rules which apply in each country.

## Note 7. Audit fees

Audit fees	2022	2021
<b>PwC</b>		
Audit engagement	6	5
Audit services in addition to the audit engagement	–	–
Tax advisory services	0	0
Other services	1	2
<b>Total</b>	<b>7</b>	<b>7</b>

Audit fees paid to other audit firms were SEK 0 (0) million.

Audit engagement refers to the examination of the annual accounts, annual report and accounting records and of the Board of Directors' and CEO's management of the company, other tasks incumbent on the company's auditor as well as advice and other assistance occasioned by observations made in the course of such examination or the performance of such other tasks. Everything else is defined as other services.

## Note 8. Financial income and expenses

Net financial income/expense in the income statement	2022	2021
<b>Financial income</b>		
Interest income	1	1
Foreign exchange differences	2	1
Other financial income	–	1
<b>IS Total</b>	<b>4</b>	<b>3</b>
<b>Financial expenses</b>		
Interest expense	–60	–44
Interest expense, leases	–7	–9
Foreign exchange differences	0	0
Other financial expenses	–8	–10
<b>IS Total</b>	<b>–76</b>	<b>–63</b>
<b>Total net financial expense</b>	<b>–72</b>	<b>–59</b>

Interest expense refers mainly to interest on bank loans and bonds as well as lease-related interest. Foreign exchange differences refer principally to results of the revaluation of cash and cash equivalents in foreign currency. The Group only has loans in SEK. Other financial expenses refer mainly to borrowing costs and bank charges. The expense incurred in connection with the raising of loans is allocated over the term of the loan.

See also *Note 16 Borrowing and financial risk management* for more information on borrowing and financial risks.

## Note 9. Taxes

### § ACCOUNTING PRINCIPLES

The Group's tax expense comprises current and deferred tax. Tax is recognised in profit or loss, except when the tax refers to items which are recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or equity.

Current tax is calculated on the taxable profit for the period based on the applicable tax rules in the Group's countries of operation. As taxable profit excludes non-tax-deductible expenses as well as non-taxable income, the amount differs from profit before tax in the income statement. Current tax also includes adjustments related to reported current tax in previous periods.

Deferred tax is calculated on temporary differences between the carrying amounts and tax bases of assets and liabilities. Deferred tax is also recognised for tax losses to the extent that it is probable that these can be used to offset future taxable profits. The measurement of deferred taxes is based on the nominal amounts and the tax rates that have been enacted at the balance sheet date. Deferred tax is not calculated for the initial recognition of goodwill or on the initial recognition of an asset or liability, provided that the asset or liability does not relate to an acquisition.

Tax assets and tax liabilities are offset if there is a legally enforceable right to set off the recognised amounts. A legally enforceable right of set-off has been deemed to exist when the tax assets and tax liabilities relate to taxes levied by the same taxation authority and refer either to the same taxable entity or to different taxable entities and there is an intention to settle the balances on a net basis.

### ! CRITICAL ASSUMPTIONS

The reporting of income tax, value-added tax and other taxes is based on the applicable rules, including practice, instructions and legislation, in the Group's countries of operation. Due to the general complexity of these issues, the application, and thus also the financial reporting, is in some cases based on interpretations, and estimates and judgements of possible outcomes. On complex issues, the Group engages the assistance of external experts to assess possible outcomes based on current practice and interpretations of applicable regulations.

In the Group, significant tax losses exist in Finland and Sweden. In Sweden, there are no time limitations on the use of tax losses. In Finland, tax losses must be used within a ten-year period from when they arise. In Finland, a deferred tax asset arising from tax losses has only been recognised to the extent that it can be offset against the deferred tax liability attributable to Finland. This is due to the uncertainty that exists with regard to the possibility of using the tax losses against taxable profits within the ten-year time limit. In Sweden, it has been deemed that it will be possible to use all tax losses against future taxable profits. All tax losses have therefore been recognised as a deferred tax asset.

The assessment of how large a portion of the tax losses it will be possible to use is made in connection with the impairment test of goodwill, see *Note 10 Intangible assets* for more information.

### APPROACH TO TAX

The companies in the Coor Group pay several types of tax, primarily employee-related taxes, value-added tax and income tax. Political decisions resulting in changes to tax laws or their interpretation could lead to a changed tax situation for Coor.

The key elements of Coor's tax policy are as follows:

- Coor strives to ensure that the right tax is paid in all its countries of operation.
- Coor continuously monitors changes in laws and case law to ensure that tax is managed in accordance with applicable laws and regulations.
- The evaluation of tax management should be integrated into the company's business decisions and general risk management.
- Coor does not acquire businesses to obtain tax advantages but because they fit into Coor's business model. Coor adheres to applicable laws and regulations when making acquisitions.
- Cross-border intercompany transactions must be made at arm's length and pricing must follow OECD guidelines.
- Coor should take an ethical, legal and commercial approach to its tax expense but should not act in grey areas or engage in aggressive tax planning.
- Coor's contacts with the tax authorities in each country should be characterised by openness and transparency. In cases where regulations are unclear or ambiguous, Coor should seek to interpret the spirit of the law and act proactively and transparently by making open claims, applying for preliminary rulings or entering into dialogue with the tax authority.
- Coor's tax policy must be revised annually and approved by the Board.

### TAX EXPENSE IN INCOME STATEMENT

Tax expense (–), tax income (+)	2022	2021
Current tax	–44	–63
Deferred tax	–35	–15
<b>IS Total</b>	<b>–79</b>	<b>–79</b>

Tax attributable to components in other comprehensive income was SEK –7 (–1) million.

*Difference between reported tax expense and tax expense based on the applicable tax rate* The difference between the reported and calculated tax expense is explained below. The estimated tax expense is based on the profit before tax in each country multiplied by the country's tax rate.

### DIFFERENCE BETWEEN REPORTED TAX EXPENSE AND TAX EXPENSE BASED ON THE APPLICABLE TAX RATE

	2022	%	2021	%
<b>IS Reported profit before tax</b>	<b>336</b>		<b>343</b>	
<b>IS Tax expense</b>	<b>–79</b>	<b>–24</b>	<b>–79</b>	<b>–23</b>
Calculated tax expense	–70	–21	–72	–21
<b>Difference</b>	<b>–9</b>	<b>–3</b>	<b>–7</b>	<b>–2</b>
Use of previously unrecognised tax losses	–1	–0	–3	–1
Tax effect of non-deductible expenses less non-taxable income	9	3	10	3
Other effects	0	0	0	0
<b>Total</b>	<b>9</b>	<b>3</b>	<b>7</b>	<b>2</b>

The weighted average tax rate was 21 (21) per cent and the effective tax rate 24 (23) per cent.

### Non-deductible expenses/non-taxable income

The Group's non-tax-deductible expenses are primarily attributable to the rules on limitation of interest deductibility that came into force in 2019.

### Tax losses

The Group has tax losses in Sweden and Finland, which means that the company pays low income tax in relation to its earnings in these countries.

### DEFERRED TAX LIABILITY AND TAX ASSET IN THE BALANCE SHEET

In those countries where the Group has several legal entities and it is possible to offset tax liabilities and tax assets between legal entities through the use of Group contributions, deferred tax asset and tax liability are recognised on a net basis for each country.

Deferred tax by country, net	2022	2021
<b>Deferred tax asset</b>		
Sweden	39	88
<b>BS Total deferred tax asset</b>	<b>39</b>	<b>88</b>
<b>Deferred tax liability</b>		
Norway	5	3
Denmark	4	8
Finland	0	0
<b>BS Total deferred tax liability</b>	<b>9</b>	<b>11</b>
<b>Net deferred tax</b>	<b>30</b>	<b>76</b>

## SPECIFICATION OF CHANGE IN DEFERRED TAX LIABILITY/TAX ASSET

2022	Goodwill arising from asset acquisitions	Tax losses	Cash flow hedge	Customer relationships and trademarks	Other	Total
<b>At 1 January 2022</b>	<b>-1</b>	<b>141</b>	<b>-2</b>	<b>-88</b>	<b>26</b>	<b>76</b>
Recognised in profit or loss	-4	-45	-	29	-14	-35
Recognised in other comprehensive income	-	-	-7	-	-	-7
Acquired companies	-	-	-	-4	-	-4
Foreign exchange differences	-	0	-	-1	0	-1
<b>At 31 December 2022</b>	<b>-6</b>	<b>96</b>	<b>-8</b>	<b>-64</b>	<b>12</b>	<b>30</b>

2021	Goodwill arising from asset acquisitions	Tax losses	Cash flow hedge	Customer relationships and trademarks	Other	Total
<b>At 1 January 2021</b>	<b>0</b>	<b>200</b>	<b>0</b>	<b>-91</b>	<b>19</b>	<b>128</b>
Recognised in profit or loss	-1	-53	-	38	1	-15
Recognised in other comprehensive income	-	-	-1	-	-	-1
Acquired companies	-	-	-	-34	0	-34
Foreign exchange differences	-	0	-	-1	0	-1
Other	-	-6	-	-	6	-
<b>At 31 December 2021</b>	<b>-1</b>	<b>141</b>	<b>-2</b>	<b>-88</b>	<b>26</b>	<b>76</b>

Of the above net asset related to deferred tax, the Group estimates that SEK -21 (-32) million will be used within a 12-month period. In this amount, that portion of the Group's reported tax losses that will be used in the coming year has been excluded.

## TAX LOSSES

The Group has tax losses of SEK 112 (161) million, of which SEK 96 (141) million has been recognised in the balance sheet. All tax losses attributable to Sweden have been recognised in the balance sheet while tax losses attributable to Finland have been recognised only to the extent that there exists an equivalent deferred tax liability.

Tax losses at 31 Dec 2022	Total	Of which recognised in balance sheet
Sweden	96	96
Finland	15	-
<b>Total</b>	<b>112</b>	<b>96</b>

## CURRENT TAX LIABILITY/TAX ASSET

The current tax liability at 31 December 2022 was SEK 29 (63) million and the current tax asset SEK 0 (1) million.

## VALUE-ADDED TAX (VAT)

Companies in the Coor Group pay output VAT on essentially all sales to customers and receive a deduction for input VAT on supplier invoices (where there is no limitation on deductibility under local rules). As Coor is engaged in labour-intensive business activities, the company pays significant amounts of VAT to the tax authority in each country every month. On a net basis, Coor paid SEK 1,618 (1,472) million in VAT during the year.

## EMPLOYEE-RELATED TAXES

Employers in Sweden pay 31.42 per cent in social security contributions based on salaries and 24.26 per cent in payroll tax on pension premiums. In addition, withholding tax is deducted from employees' salaries and paid to the Swedish Tax Agency. In other countries where Coor operates the local regulations are slightly different, but employee-related taxes are paid in some form in each country. In total, Coor's businesses generated SEK 2,275 (1,960) million in employee-related taxes during the year.

## SUMMARY OF TOTAL TAX PAYMENTS

In total, Coor's businesses generated SEK 3,973 (3,494) million in taxes of various types in 2022, broken down as shown below.

## Total taxes paid in 2022



## Note 10. Intangible assets

### § ACCOUNTING PRINCIPLES

#### GOODWILL

Goodwill arises in connection with business combinations and consists of the amount by which the cost exceeds the fair value of the acquired net assets.

Goodwill has an indefinite useful life. It is therefore not amortised but is tested annually for impairment. Goodwill is recognised at cost less accumulated impairment.

Goodwill is allocated to those cash-generating units which are expected to benefit from the business combination that gave rise to the goodwill item. For Coor, the cash-generating units are the same as the Group's operating segments. This allocation constitutes the basis for the annual impairment test.

In the annual impairment test, the carrying amounts of the cash-generating units are compared with the recoverable amounts. The recoverable amount is determined by discounting future cash flows for the cash-generating unit based on the Group's business plan, which covers a three-year period. Cash flows beyond the three-year period are extrapolated based on the business plan and an assumption about future sustainable cash flow. If the carrying amount of an asset or cash-generating unit is less than the recoverable amount, the asset is written down to the recoverable amount. Impairment losses on goodwill are never reversed.

#### CUSTOMER CONTRACTS

Customer contracts which have been identified as intangible assets in connection with a business combination are recognised at fair value at the acquisition date by discounting the expected future after-tax cash flow. Subscription sales and additional sales are taken into account. Management also makes an estimate of the likely number of contract renewals.

The customer contracts have a determinable useful life covering the remaining term of the contract and estimated contract renewal periods. The contracts are recognised at cost less accumulated amortisation and are amortised on a straight-line basis so that the cost for the customer contracts is distributed over their estimated useful lives. The carrying amount is tested for impairment when there are indications that the carrying amount is less than the recoverable amount. Previously recognised impairment losses are reversed if the reasons for the impairment loss have ceased to exist.

Customer contracts that have been recognised and measured in connection with an acquisition have a remaining useful life of one to ten years.

#### TRADEMARKS

Trademarks that have been identified as intangible assets in connection with a business combination are recognised at fair value at the acquisition date. Trademarks which the company considers to have a lasting value and which are therefore considered to have indefinite useful lives are not amortised. Such trademarks are instead tested annually for impairment based on the same principle as for goodwill. Other trademarks are amortised over their useful life, which is estimated at three years.

#### OTHER INTANGIBLE ASSETS

Other intangible assets mainly comprise software and licences.

Acquired software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Development expenditure directly attributable to the development and testing of identifiable and unique software products which are controlled by the Group is accounted for as an intangible asset to the extent that the products are expected to generate economic benefits. Other development costs are expensed as incurred.

Capitalised software and licences are amortised over their useful life, which is estimated at three to five years.

### ! CRITICAL ASSUMPTIONS

#### IMPAIRMENT TESTING OF GOODWILL

In connection with the annual impairment test of goodwill, the recoverable amount is estimated. The calculation is based on the Group's three-year business plan, which constitutes management's best estimate of the future performance of the business. The business plan includes critical assumptions and judgements, of which the most significant are those relating to forecasts for organic growth and margin growth.

##### – Forecasts for organic growth

Growth is achieved partly through additional sales to existing customers and partly through sales to new customers. Assumptions on new sales are based on the company's historical experience and take account of ongoing and coming procurements.

The expected future sustainable cash flow beyond the planning horizon of the business plan is extrapolated using an assumed sustainable growth rate of 2 (2) per cent.

##### – Profit margin growth

The most significant cost components in the Group's operations are remuneration of employees and the cost of engaging subcontractors. Estimates for these cost components therefore have a material impact on the Group's margins. To achieve and maintain a satisfactory EBITDA margin, the Group is dependent on being able to implement continuous operational efficiencies with the aim of offsetting increases in cost. Estimates of future margins are based on historical experience of operational efficiencies.

##### – Discount rate

The discount rate used is the relevant weighted average cost of capital (WACC) for the markets in which the Group operates. WACC is calculated based on a debt structure comprising 20 per cent loans and 80 per cent equity. The after-tax discount rate for 2022 was 7.9 (7.7) per cent in all entities. The Group has not deemed that the risks differ materially among the various Nordic countries and has therefore applied the same WACC in calculating value in use. In the sensitivity analysis, management has assessed whether an increase in WACC would result in impairment.

The Group has chosen to use an after-tax WACC in the impairment tests, as the cash flow figure used in the Group's impairment tests is measured after tax and because WACC after tax is a more relevant measure for understanding the impairment test. The estimated pre-tax WACC would have been 9.5 (9.2) per cent.

##### – Sensitivity analysis

The following sensitivity analyses of the calculation of value in use made in connection with the impairment test have been performed, on an assumption by assumption basis:

- A general decrease of 1 per cent in the operating margin after the forecasting period
- A general increase of 1 per cent in WACC
- A general decrease of 1 per cent in future sustainable cash flow

In 2022, the recoverable amount for the Coor Group's operations exceeded the carrying amount for all segments, which means that no impairment existed. Management has also tested whether there still exists an excess based on the above changes in critical assumptions. As the excess varies from one segment in the Group to another, the segments have differing degrees of sensitivity to changes in the above assumptions.

The conclusion from the sensitivity analyses is that a decrease of 1 percentage point in two of the above parameters would give rise to impairment in the Finnish business. The sensitivity analyses did not indicate any impairment in the other cash-generating units.



### VALUATION OF CUSTOMER CONTRACTS

In connection with the acquisition of certain subsidiaries, intangible assets relating to customer contracts were identified in preparing the purchase price allocation. In many cases, no quoted prices are available for these assets. It is therefore necessary to use various measurement techniques that are based on several different assumptions. The most significant assumptions used as a basis for the valuation of customer contracts are the current WACC, the expected number of contract renewals and expected future margins for the contract.

The assessment of value in use for customer contracts is strongly influenced by renegotiations with customers, which take place on an ongoing basis. In its initial valuation of the customer contracts, the Group has based its

estimate on the assumption that a certain number of contracts will be renewed at a certain volume and margin.

The Group's customer contracts are renegotiated at a weighted average interval of five years. In its assessment made as at 31 December 2022, management factored in the risk of changes to volumes or reduced margins in the most imminent renegotiations.

There is also a risk that a customer contract will be lost to a competitor in connection with a renegotiation. As at the closing date, management did not see any apparent risk that the Group will lose any of those customer contracts for which a carrying amount has been recognised in the balance sheet.

As at the closing date, there were in management's view no indications of impairment of those customer contracts for which a carrying amount has been recognised in the balance sheet.

Intangible assets	Goodwill		Customer contracts		Trademarks		Other intangible assets	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening cost	3,922	3,433	2,392	2,640	59	50	336	303
SCF Investments	–	–	–	–	–	–	61	36
Acquired businesses	32	440	18	226	–	9	–	–
Sales and disposals	–	–	–1,296	–510	–11	–	–9	–4
Reclassifications	–	–	–	–	–	–	–	–
Translation differences for the year	87	50	43	35	1	0	1	0
<b>Closing accumulated cost</b>	<b>4,041</b>	<b>3,922</b>	<b>1,156</b>	<b>2,392</b>	<b>49</b>	<b>59</b>	<b>388</b>	<b>336</b>
Opening amortisation and impairment	–313	–308	–1,956	–2,248	–10	–8	–208	–176
Sales and disposals	–	–	1,296	510	11	–	9	4
Amortisation for the year	–	–	–152	–181	–4	–2	–37	–36
Impairment for the year	–	–	–	–7	–	–	–	–
Reclassifications	–	–	–	–	–	–	–	–
Translation differences for the year	–28	–6	–39	–30	–1	0	–1	0
<b>Closing accumulated amortisation and impairment</b>	<b>–341</b>	<b>–313</b>	<b>–852</b>	<b>–1,956</b>	<b>–4</b>	<b>–10</b>	<b>–237</b>	<b>–208</b>
<b>BS Closing carrying amount</b>	<b>3,700</b>	<b>3,609</b>	<b>305</b>	<b>435</b>	<b>46</b>	<b>50</b>	<b>151</b>	<b>128</b>
<b>Specification of amortisation and impairment by function</b>								
Cost of services sold	–	–	–152	–188	–4	–2	–37	–36
Administrative expenses	–	–	–	–	–	–	0	0
<b>Total amortisation and impairment</b>	<b>–</b>	<b>–</b>	<b>–152</b>	<b>–188</b>	<b>–4</b>	<b>–2</b>	<b>–37</b>	<b>–36</b>

The allocation of intangible assets to the Group's cash-generating units is as follows:

Breakdown by segment	Goodwill		Customer contracts		Trademarks		Other intangible assets	
	2022	2021	2022	2021	2022	2021	2022	2021
Sweden (incl. Group functions)	2,632	2,601	254	344	45	49	151	127
Norway	542	526	30	50	0	1	–	–
Finland	136	125	0	3	–	–	1	1
Denmark	389	357	22	39	–	–	–	–
<b>BS Total</b>	<b>3,700</b>	<b>3,609</b>	<b>305</b>	<b>435</b>	<b>46</b>	<b>50</b>	<b>151</b>	<b>128</b>

## Note 11. Property, plant and equipment

### ACCOUNTING PRINCIPLES

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment. Cost does not include additional expenditure directly attributable to the acquisition of the asset. Repairs and maintenance are recognised as expenses in the income statement in the period in which they are incurred.

Property, plant and equipment are depreciated systematically over the asset's estimated useful life, down to the estimated residual value. If there are indications of impairment of an item of property, plant and equipment at the closing date, the item is tested for impairment.

#### Estimated useful lives

Buildings	25–40 years
Plant and machinery	5–15 years
Equipment, tools, fixtures and fittings	5–10 years

Property, plant and equipment	Land and buildings		Plant and equipment	
	2022	2021	2022	2021
<b>Opening cost</b>	<b>6</b>	<b>6</b>	<b>324</b>	<b>302</b>
SCF Investments	–	–	38	34
Acquired businesses	–	–	1	5
Sales and disposals	–2	–	–58	–21
Reclassification	–1	0	0	–3
Translation differences for the year	0	0	12	6
<b>Closing accumulated cost</b>	<b>4</b>	<b>6</b>	<b>316</b>	<b>324</b>
<b>Opening depreciation and impairment</b>	<b>–5</b>	<b>–5</b>	<b>–239</b>	<b>–220</b>
Sales and disposals	1	–	55	19
Depreciation for the year	0	0	–34	–33
Acquired businesses	–	–	–1	–2
Reclassification	1	0	–1	2
Translation differences for the year	0	0	–8	–4
<b>Closing accumulated depreciation and impairment</b>	<b>–3</b>	<b>–5</b>	<b>–228</b>	<b>–239</b>
<b>BS Closing carrying amount</b>	<b>1</b>	<b>1</b>	<b>88</b>	<b>85</b>
<b>Specification of depreciation and impairment by function</b>				
Cost of services sold	0	0	–33	–32
Administrative expenses	–	–	–1	–1
<b>Total depreciation and impairment</b>	<b>0</b>	<b>0</b>	<b>–34</b>	<b>–33</b>

## Note 12. Leases

### ACCOUNTING PRINCIPLES

#### Accounting as lessee:

All assets and liabilities related to leases where Coor is a lessee are recognised in the balance sheet. Exceptions are made for low-value assets and leases with a term of less than 12 months, for which lease payments are recognised as expense on a straight-line basis over the term of the lease.

The leases are recognised as right-of-use assets with corresponding lease liabilities on the day when the leased asset is available for use by the Group. The asset and liability are measured at present value at the start of the lease.

The value of the lease liability mainly consists of fixed lease payments and variable payments that are contingent on an index or other variable. Lease payments are discounted to present value using the adopted discount rate. In many cases, the interest rate implicit in the lease is not known. The Group has therefore instead used the incremental borrowing rate for each country for different types of assets and lease terms. Each lease payment is apportioned between the finance charge and repayment of the outstanding liability. The finance charge is allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The value of the asset held under a right of use agreement consists mainly of the lease liability at the start of the lease and any payments made before the start date of the lease. The right-of-use asset is depreciated on a straight-line basis from the start date of the lease over the asset's useful life or to the end of the lease term, whichever is shorter.

#### Useful lives of right-of-use assets under leases:

Commercial premises	2–7 years
Cars	3–6 years
Other assets	3–6 years

#### Lease payments

Coor has decided to separate lease components and non-lease components for all assets. Expenditure attributable to non-lease components is expensed as incurred and is not included in the basis for calculating the right-of-use asset and lease liability.

Certain leases, mainly for the lease of premises used for restaurant and catering activities, provide for rental fees that are commission-based. The percentage rate ranges from 4 to 10 per cent of sales. Commission-based rent is treated as variable payments and is not included in the basis for calculating the right-of-use asset and lease liability.

When an index adjustment is made to the lease payment, the value of the asset and liability is recalculated.

#### Lease term

The Group defines the lease term as the non-cancellable period of the lease plus any option to extend the lease term in cases where the Group considers it likely that this option will be exercised.

The Group reviews the length of the lease term when the non-cancellable lease term is changed or when something occurs that changes the Group's assessment of whether the option to extend will be exercised.

When the lease term is changed the lease liability is remeasured, with a corresponding change in the value of the associated right-of-use asset.

#### Accounting as lessor:

When assets are leased to another party under a finance lease, the present value of the lease payments is recognised as a non-current or current receivable. Finance lease payments are apportioned between repayment of the receivable and interest income in order to apply a constant interest rate on the remaining balance of the receivable. For operating leases where Coor is the lessor, the payments are recognised as revenue on a straight-line basis over the term of the lease.

### RIGHT-OF-USE ASSETS UNDER LEASES

The following table shows rights of use held by Coor under leases.

	Commercial premises		Cars		Other		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
<b>Right-of-use assets</b>								
<b>Opening cost</b>	<b>364</b>	<b>330</b>	<b>225</b>	<b>192</b>	<b>19</b>	<b>23</b>	<b>609</b>	<b>545</b>
New leases during the year	39	4	73	46	4	2	115	51
New leases through business acquisitions	–	13	1	12	–	–	1	24
Change in value of existing leases	21	24	6	–5	0	0	27	19
Leases terminated during the year	–2	–9	–40	–23	–6	–5	–49	–38
Translation differences for the year	4	4	10	3	1	0	15	7
<b>Closing accumulated cost</b>	<b>426</b>	<b>364</b>	<b>275</b>	<b>225</b>	<b>17</b>	<b>19</b>	<b>718</b>	<b>609</b>
<b>Opening depreciation and impairment</b>	<b>–180</b>	<b>–119</b>	<b>–115</b>	<b>–81</b>	<b>–11</b>	<b>–11</b>	<b>–306</b>	<b>–211</b>
Depreciation for the year	–77	–69	–65	–55	–4	–6	–146	–130
Leases terminated during the year	2	9	40	23	6	5	49	38
Translation differences for the year	–2	–1	–4	–2	0	0	–6	–3
<b>Closing accumulated depreciation and impairment</b>	<b>–257</b>	<b>–180</b>	<b>–142</b>	<b>–115</b>	<b>–10</b>	<b>–11</b>	<b>–409</b>	<b>–306</b>
<b>Closing carrying amount</b>	<b>170</b>	<b>185</b>	<b>132</b>	<b>111</b>	<b>7</b>	<b>8</b>	<b>309</b>	<b>303</b>

### LEASE LIABILITIES

The following table shows lease liabilities recognised by Coor for its leases.

	Commercial premises		Cars		Other		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
<b>Lease liabilities</b>								
<b>Opening balance</b>	<b>177</b>	<b>203</b>	<b>112</b>	<b>112</b>	<b>10</b>	<b>15</b>	<b>299</b>	<b>330</b>
New leases during the year	37	4	73	46	4	2	114	51
New leases through acquisitions	–	13	1	12	–	–	1	24
Changes to existing leases	21	24	6	–5	0	0	27	19
Repayment for the year	–78	–69	–64	–55	–5	–7	–148	–131
Translation differences for the year	3	2	6	2	0	0	9	4
<b>Closing balance</b>	<b>160</b>	<b>177</b>	<b>133</b>	<b>112</b>	<b>9</b>	<b>10</b>	<b>301</b>	<b>299</b>
<b>Of which current liability</b>	<b>77</b>	<b>55</b>	<b>56</b>	<b>50</b>	<b>4</b>	<b>5</b>	<b>136</b>	<b>110</b>

## Lease liabilities fall due as follows

	Commercial premises		Cars		Other		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Within one year	81	60	57	51	4	5	141	116
Between one and two years	55	62	37	33	2	3	94	98
Between two and three years	20	43	26	18	1	1	48	62
Between three and four years	8	19	12	9	1	1	21	29
Between four and five years	2	3	3	2	0	0	6	6
After five years	1	1	1	–	0	–	2	1
<b>Total future nominal payments</b>	<b>167</b>	<b>188</b>	<b>135</b>	<b>113</b>	<b>9</b>	<b>10</b>	<b>311</b>	<b>311</b>
Future financial expenses	–7	–10	–2	–2	0	0	–10	–12
<b>Recognised present value of lease liabilities</b>	<b>160</b>	<b>177</b>	<b>133</b>	<b>112</b>	<b>9</b>	<b>10</b>	<b>301</b>	<b>299</b>

The following table shows all lease-related expenses recognised in the income statement.

Amounts recognised in the income statement	2022	2021
Depreciation of right-of-use assets for the year	–146	–130
Expenditure attributable to variable lease payments not included in recognised lease liabilities	–2	0
Expense for the year for low-value leases	–93	–81
Expense for the year for leases with a term of less than 12 months	–1	–1
Lease interest expense for the year	–7	–9
<b>Total</b>	<b>–250</b>	<b>–220</b>

The following table shows all amounts recognised in the statement of cash flows in respect of leases.

Amounts recognised in the statement of cash flows	2022	2021
Lease repayments related to leases recognised in the balance sheet	–148	–131
Lease interest related to leases recognised in the balance sheet	–7	–9
Low-value and short-term lease payments	–93	–81
Variable payments not included in the measurement of the lease liability	–2	0
<b>Total</b>	<b>–250</b>	<b>–220</b>

## COOR AS LESSOR

As lessor, the Group has concluded finance leases for trucks and trailers.

The breakdown by nominal value of future minimum finance lease payments is as follows:

	2022	2021
Due within 1 year	1	1
Due after more than 1 year but not more than 5 years	0	1
Due after more than 5 years	–	0
<b>Total</b>	<b>1</b>	<b>2</b>
Unearned financial income from finance leases	0	0
<b>Present value of finance lease receivables</b>	<b>1</b>	<b>2</b>

## OPERATING LEASES:

As lessor, the Group has entered into operating leases mainly for machinery such as trucks and trailers.

The distribution of future minimum operating lease payments is as follows:

	2022	2021
Due within 1 year	0	0
Due after more than 1 year but not more than 5 years	0	0
Due after more than 5 years	–	0
<b>Total</b>	<b>0</b>	<b>0</b>

Lease payments under operating leases for the year amounted to SEK 2 (3) million.

## Note 13. Accounts receivable

### ACCOUNTING PRINCIPLES

Accounts receivable are amounts due from customers for goods sold or services provided in the ordinary course of business. If payment is expected within one year or earlier, accounts receivable are classified as current assets. If not, they are classified as non-current assets.

The Group applies the simplified approach for calculating expected credit losses. Under the simplified approach, expected losses over the entire life of the receivable are used as a basis for accounts receivable. The calculation of expected credit losses is based on an analysis of historical data on payment patterns and credit losses over the last two years. Historical data are then adjusted to take account of current and forward-looking macroeconomic factors that may affect the customers' ability to pay their receivables. The analysis of historical data shows very low credit losses. Nor has Coor been able to identify significantly different loss patterns for different customer segments or economic conditions.

### CRITICAL ASSUMPTIONS

Accounts receivable have been stated at amortised cost, net of provisions for estimated and actual bad debts. The assessment of bad debts is a critical estimate. Further information on credit risk in accounts receivable is provided in Note 16 Borrowing and financial risk management.

Accounts receivable	2022	2021
Accounts receivable	1,517	1,354
Provision for impairment of accounts receivable	-7	-7
<b>BS Total</b>	<b>1,511</b>	<b>1,346</b>

The fair value of accounts receivable is considered to approximate the carrying amount.

### AGING ANALYSIS OF ACCOUNTS RECEIVABLE:

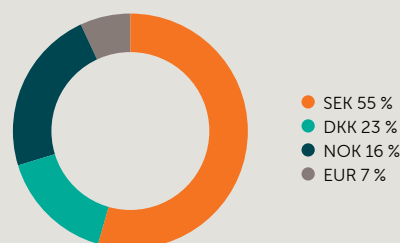
The Group's calculation of expected credit losses on accounts receivable not past due shows a very low credit risk and the amount is considered insignificant. With regard to accounts receivable past due, the analysis is supplemented by taking into account individual circumstances such as bankruptcy, known insolvency and similar events.

Ageing analysis of accounts receivable	2022	2021
Accounts receivable which are neither past due nor impaired	1,328	1,219
<b>Accounts receivable which are past due but not impaired</b>		
0-3 months	150	128
>3 months	39	7
<b>Accounts receivable which are past due but not impaired</b>	<b>189</b>	<b>135</b>
Provision for impairment of accounts receivable	-7	-7
<b>BS Total</b>	<b>1,511</b>	<b>1,346</b>

### ANALYSIS OF THE CHANGE IN THE GROUP'S PROVISION FOR DOUBTFUL DEBTS:

Provision for doubtful debts	2022	2021
Provision at the beginning of the year	-7	-10
Provision for expected losses	-2	2
Actual losses	3	1
Foreign exchange differences	0	0
<b>Total</b>	<b>-7</b>	<b>-7</b>

### Accounts receivable by currency 2022



## Note 14. Prepaid expenses and accrued income

Prepaid expenses and accrued income	2022	2021
Accrued income, subscriptions	81	61
Accrued income, projects	167	199
Prepaid expenses	129	85
<b>BS Total</b>	<b>378</b>	<b>345</b>

## Note 15. Share capital and data per share

The company's share capital at 31 December 2022 comprised 95,812,022 (95,812,022) ordinary shares. The quotient value of the shares at 31 December 2022 was SEK 4.0 (4.0) per share. All shares registered at the closing date were fully paid up. The share capital at 31 December 2022 was SEK 383,248,088 (383,248,088).

Data per share	2022	2021
Share price at end of period	64.3	82.7
Number of shares at end of period	95,812,022	95,812,022
Number of treasury shares	-825,807	-740,000
<b>Number of outstanding shares at end of year</b>	<b>94,986,215</b>	<b>95,072,022</b>
Number of ordinary shares (weighted average)	95,159,790	95,225,657
<b>Dividend per share, SEK <sup>1)</sup></b>		
Ordinary dividend, SEK	2.40	2.40
Extraordinary dividend, SEK	2.40	2.40
<b>Total</b>	<b>4.80</b>	<b>4.80</b>
<b>Earnings per share, undiluted and diluted, SEK <sup>2)</sup></b>	<b>2.70</b>	<b>2.78</b>
<b>Equity per share, SEK</b>	<b>20.40</b>	<b>21.07</b>

<sup>1)</sup> For 2022, the figure refers to the proposed dividend, which is subject to adoption at the AGM on 27 April 2023.

<sup>2)</sup> There was no dilutive effect in 2021 or 2022.

## Note 16. Borrowing and financial risk management

### § ACCOUNTING PRINCIPLES

The Group classifies its financial instruments as either financial assets and liabilities at amortised cost or financial assets and liabilities at fair value through other comprehensive income.

Financial liabilities are recognised in the balance sheet on the settlement date. Liabilities are initially stated at fair value, net of transaction costs, and subsequently at amortised cost using the effective interest method. Costs incurred in connection with the raising of new loans are capitalised as borrowing costs and allocated over the term of the loan. For note disclosures on borrowing, account is taken of market interest rates in calculating the fair value.

Financial liabilities with maturities of less than 12 months are accounted for as short-term borrowings and financial liabilities with maturities of more than 12 months are accounted for as long-term borrowings.

The Group enters into interest rate swaps to hedge a portion of its variable-rate borrowings. The effectiveness of a hedge is assessed at the inception of the hedge. Interest rate swaps must have the same critical terms as the hedged item. Critical terms may refer to the reference rate, interest rate fixing dates, payment dates and nominal amount.

### ! CRITICAL ASSUMPTIONS

As part of its current financing solution, Coor has concluded agreements which are subject to certain covenants. If Coor were to breach any of these covenants, this could lead to increased costs as well as a risk that the current financing agreement would be terminated. At 31 December 2022, Coor was complying with all covenants.

### BORROWINGS

Borrowings	2022	2021
<b>Long-term borrowings</b>		
Liabilities to credit institutions	850	1,000
Bonds	1,000	1,000
Capitalised borrowing costs	-2	-5
Other non-current liabilities	2	2
<b>BS Total</b>	<b>1,850</b>	<b>1,997</b>

At 31/12/2022, the Group only had liabilities to credit institutions and outstanding bonds denominated in SEK. The financing agreement comprises a revolving credit facility with a total credit limit of SEK 1,500 million and incurs interest at STIBOR plus 0.95 percentage points in the current interest rate tier. The financing agreement has an IBOR floor. The average interest rate on amounts drawn under the Group's revolving credit facility in 2022 was 1.7 (0.95) per cent.

In March 2019, Coor issued SEK 1,000 million in bonds with a maturity of five years and a variable interest rate of 3-month STIBOR plus 230 bps. The variable interest rate on the bonds has been hedged using a 0.0 per cent interest rate swap. The average interest rate during the year was therefore equal to the margin, 2.3 per cent.

The limit on the Group's revolving credit facility at 31 December 2022 was SEK 1,500 (1,500) million, of which SEK 850 (1,000) million had been drawn.

A new financing agreement was signed in December 2022 that will become effective in January 2023, see the section *Refinancing risk*.

The fair values of the Group's borrowings at the balance sheet date were as follows:

Carrying amounts and fair values of borrowings	Carrying amount		Fair value	
	2022	2021	2022	2021
Bank loans (including capitalised borrowing costs)	848	995	848	995
Bonds	1,000	1,000	1,000	1,000
Lease liabilities	301	299	301	299
Other interest-bearing liabilities	2	2	2	2
<b>Total</b>	<b>2,152</b>	<b>2,296</b>	<b>2,152</b>	<b>2,296</b>

The existing credit margin in the Group's financing agreements is considered to be consistent with market terms, and the carrying amount therefore approximates fair value. The Group is of the opinion that the liabilities have been mea-

sured in accordance with Level 2 of the fair value hierarchy, which means that the measurement is based on observable market inputs. The Group has not provided any collateral to credit institutions for the issued loans.

## Reconciliation of net debt

2022	Cash and cash equivalents	Lease liabilities	Liabilities to credit institutions	Bonds	Net pensions	Other	Total
<b>Opening balance, 1 January 2022</b>	<b>628</b>	<b>-299</b>	<b>-995</b>	<b>-1,000</b>	<b>-5</b>	<b>8</b>	<b>-1,663</b>
Repayment of borrowings	-150	-	150	-	-	-	-
Acquisition of subsidiaries	-37	-	-	-	-	-	-37
Dividend	-457	-	-	-	-	-	-457
Other cash flow	423	148	-	-	-	-	570
Foreign exchange differences	77	-9	-	-	-	-	69
Other non-cash changes	-	-141	-3	-	-1	35	-111
<b>Closing balance, 31 December 2022</b>	<b>484</b>	<b>-301</b>	<b>-848</b>	<b>-1,000</b>	<b>-6</b>	<b>43</b>	<b>-1,629</b>

2021	Cash and cash equivalents	Lease liabilities	Liabilities to credit institutions	Bonds	Net pensions	Other	Total
<b>Opening balance, 1 January 2021</b>	<b>396</b>	<b>-330</b>	<b>-241</b>	<b>-1,000</b>	<b>-6</b>	<b>-25</b>	<b>-1,207</b>
Repayment of borrowings	-29	-	-	-	-	29	-
New liabilities to credit institutions	750	-	-750	-	-	-	-
Acquisition of subsidiaries	-646	-	-	-	-	-	-646
Dividend	-417	-	-	-	-	-	-417
Other cash flow	526	131	-	-	-	-	657
Foreign exchange differences	49	-4	-	-	-	-	44
Other non-cash changes	-	-95	-4	-	1	3	-94
<b>Closing balance, 31 December 2021</b>	<b>628</b>	<b>-299</b>	<b>-995</b>	<b>-1,000</b>	<b>-5</b>	<b>8</b>	<b>-1,663</b>

## FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

The following tables show financial assets and liabilities at amortised cost.

In 2019, the Group entered into interest rate swaps that are measured at fair value through other comprehensive income. At 31 December 2022, these had a value of SEK 42 (8) million.

Loans and receivables	2022	2021
Lease receivables	1	2
BS Accounts receivable	1,511	1,346
BS Cash and cash equivalents	484	628
<b>Total</b>	<b>1,996</b>	<b>1,976</b>

Financial liabilities at amortised cost	2022	2021
Bank loans including capitalised borrowing costs	848	995
Bonds	1,000	1,000
Lease liabilities	301	299
Other interest-bearing liabilities	2	2
BS Accounts payable	1,102	788
<b>Total</b>	<b>3,254</b>	<b>3,085</b>

## FINANCIAL RISK MANAGEMENT

The management of the financial risks to which the Group is exposed is based on the Group's treasury policy. The treasury policy focuses on the unpredictability of financial markets and is designed to minimise potential adverse effects on the Group's financial results.

The Group is exposed to a number of financial risks, which are described in the section below.

RISK	POLICY / MEASURE
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### CURRENCY RISK

#### Transaction exposure

Transaction risk is the risk that Coor is exposed to when making purchases and sales in currencies other than the company's functional currency and when paying interest on and converting loans in currencies other than the company's functional currency.

As the Group's subsidiaries conduct their business almost exclusively in local currency, the transaction risk in the commercial flow is low. Both revenue and expenses are in the local currency of each country.

The Group only has borrowings in SEK, and Coor is therefore not affected by changes in exchange rates in connection with interest payments and the revaluation of borrowings.

#### Translation exposure

Translation risk is the risk that Coor is exposed to on translation of its foreign subsidiaries' income statements and balance sheets to Swedish kronor.

In 2022, operations with a different functional currency than Swedish kronor accounted for 46 (47) per cent of operating profit (EBITA). NOK 17 (23) per cent, EUR 7 (7) per cent and DKK 22 (17) per cent.

The translation difference in equity for the year was SEK 108 (73) million.

In 2022, a weakening of the Swedish krona by 10 per cent against the currencies listed below would have had the following impact on consolidated profit after tax and equity:

Translation exposure	Profit after tax ± 2022	Equity ± 2022
DKK	5	16
EUR	2	7
NOK	5	57
<b>Total</b>	<b>12</b>	<b>80</b>

### INTEREST RATE RISK

Interest rate risk is the risk that changes in market interest rates will have a negative impact on net profit, cash flow or the fair values of financial assets and liabilities.

For variable-rate assets and liabilities, a change in market interest rates would have a direct impact on net profit and cash flow.

For fixed-rate assets and liabilities, the impact is on fair value.

The Group's debt creates an exposure to interest rate risk, as the Group borrows at variable rates. To hedge the interest rate risk related to the bonds, the Group has chosen to enter into interest rate swaps which effectively match the critical terms of the bonds. The critical terms were matched throughout the year and no ineffectiveness therefore arose. For the interest rate risk related to the revolving credit facility, the Group has chosen not to enter into any interest rate swaps.

At 31 December 2022, SEK 850 (1,000) million of the revolving credit facility and SEK 1,000 (1,000) million of the bonds had been drawn.

The Group analyses its exposure to interest rate risk by simulating the impact on earnings and cash flow from a specified change in interest rates. Based on the loan liabilities and fixed-rate terms applying at year-end, a change of 1 percentage point in the market interest rate would have an impact of SEK ±9 million on the Group's annual interest expense.



RISK	POLICY / MEASURE
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### CREDIT RISK

Credit risk is the risk that a counterparty to a transaction will be unable to fulfil its contractual financial obligations and that this will have a negative impact on the Group's financial position and results. The Group's credit risk refers mainly to receivables from customers, which consist partly of accounts receivable and partly of contract revenue that has been earned but not yet invoiced.

Credit risk is managed through careful assessment of each customer's creditworthiness in connection with the conclusion of customer contracts as well as close and active monitoring of overdue accounts receivable with clear procedures for reminders, demands and debt collection.

In 2022, the Group's ten largest customers accounted for 39 (46) per cent of consolidated net sales. Historically, the Group has had a low level of bad debts relative to sales. The maximum credit exposure in accounts receivable at 31 December 2022 was SEK 1,517 (1,354) million. The concentration of credit risk based on the situation at 31 December 2022 is shown below. The indicated figures are based on the amount of the Group's exposure to each customer at the balance sheet date.

Concentration of credit risk	2022		2021	
	Share of total accounts receivable	Percentage of portfolio	Share of total accounts receivable	Percentage of portfolio
Exposure <SEK 15m	996	66 %	784	58 %
Exposure SEK 15–50m	275	18 %	427	32 %
Exposure >SEK 50m	246	16 %	142	11 %
<b>Total</b>	<b>1,517</b>	<b>100 %</b>	<b>1,354</b>	<b>100 %</b>

Provisions for doubtful debts at 31 December 2022 amounted to SEK 7 (7) million, representing 0.4 (0.5) per cent of total accounts receivable. For further information on provisions for doubtful debts, see *Note 13 Accounts receivable*.

At 31 December 2022, the Group had accrued but not yet invoiced revenue of SEK 249 (260) million. This revenue consists partly of revenue from subscription contracts under which invoices are issued in the month after the work has been performed and partly of accrued revenue from ongoing projects. The Group performs aging analyses of all accrued income on an ongoing basis to minimise the risk in recognised but not yet invoiced revenue.

### LIQUIDITY RISK

Liquidity risk is the risk that the Group will find it difficult to meet its financial obligations due to the unavailability of liquid assets.

To ensure adequate short-term liquidity, management analyses the Group's liquidity requirements by continuously monitoring the liquidity reserve (undrawn revolving credit facility, and cash and bank deposits). Liquidity forecasts are prepared on an ongoing basis to ensure that the Group has sufficient cash assets to meet its operational requirements.

Longer-term, the Group ensures that adequate liquidity is maintained by forecasting future cash flows and monitoring these forecasts on an ongoing basis. The Group's liquidity requirement is met through existing credit facilities.

The table below shows a breakdown of the Group's financial liabilities by time to contractual maturity at the balance sheet date. The indicated amounts are the undiscounted cash flows. The Group's revolving credit facility can be drawn as required until the maturity date in 2024.

A new financing agreement was signed in December 2022 that will become effective in January 2023, see the section *Refinancing risk*.

2022 – Maturity analysis	Within 1 year	Between 1–2 years	Between 2–3 years	Between 3–4 years	Between 4–5 years	More than 5 years
Accounts payable	1,102	–	–	–	–	–
Lease liabilities	141	94	48	21	6	2
Revolving credit facility	–	850	–	–	–	–
Bonds	–	1,000	–	–	–	–
Interest, borrowings	52	6	–	–	–	–
<b>Total</b>	<b>1,295</b>	<b>1,950</b>	<b>48</b>	<b>21</b>	<b>6</b>	<b>2</b>

2021 – Maturity analysis	Within 1 year	Between 1–2 years	Between 2–3 years	Between 3–4 years	Between 4–5 years	More than 5 years
Accounts payable	788	–	–	–	–	–
Lease liabilities	116	98	62	29	6	1
Revolving credit facility	–	–	1,000	–	–	–
Bonds	–	–	1,000	–	–	–
Interest, borrowings	34	34	6	–	–	–
<b>Total</b>	<b>938</b>	<b>132</b>	<b>2,068</b>	<b>29</b>	<b>6</b>	<b>1</b>

RISK	POLICY / MEASURE
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### REFINANCING RISK

Refinancing risk is the risk that financial expenses will be higher and/or that refinancing opportunities will be more limited or non-existent when the Group's liabilities fall due and need to be refinanced.

To reduce the financing risk, the Group strives to use diversified funding sources by maintaining commercial relations with at least two financial operators as well as through financing via the capital market.

In January 2019, Coor entered into a financing agreement with two credit institutions. The agreement provides a credit line of SEK 1,500 million consisting of a revolving credit facility which matures in January 2024. The interest rate on the revolving credit facility is a variable interest rate defined as 3-month STIBOR with a STIBOR floor and a tiered margin based on the company's level of debt. In 2022, the margin was 0.95 per cent.

With the aim of increasing the Group's financial flexibility and extending the company's maturity profile, Coor issued SEK 1,000 million in senior unsecured bonds in March 2019. The bonds have a maturity of five years and a variable interest rate defined as 3-month STIBOR plus 230 bps.

Both the revolving credit facility and the bonds are denominated in SEK and are subject to normal restrictions and financial covenants. The key ratios reported to the banks under the covenants for the financing agreement are leverage (the ratio of net interest-bearing debt to adjusted EBITDA) and interest coverage ratio (the ratio of adjusted EBITDA to net interest expense). For the current financial year, the Group has met all the requirements specified in the loan agreements.

In the fourth quarter of 2022, Coor signed a new agreement on sustainability-linked refinancing of its existing revolving credit facility that secures in advance the option of refinancing the non-redeemable bonds which mature in March 2024. The purpose of the loan agreement is to refinance the existing SEK 1,500 million revolving credit facility and to secure the option of refinancing Coor's non-redeemable bonds, in the amount of SEK 1,000 million. The new facility, which initially runs until January 2026, includes two one-year options to extend. The options can be exercised by Coor subject to approval by the banks. The facility has been entered into with four financial institutions: Coor's existing lenders DNB and SEB as well as the Swedish Export Credit Corporation (SEK) and Danske Bank.

### CAPITAL RISK

Capital risk is the risk that the Group will be unable to maintain an optimal capital structure and therefore be unable to continue to generate returns to the shareholders and other stakeholders in line with its objectives.

The Group strives to maintain an efficient capital structure that promotes the long-term development of the Group while also generating returns for its shareholders and benefits for other stakeholders. The Group's objective is to have a leverage of less than 3.0.

The table below shows the Group's capitalisation and debt at 31 December 2022:

Net debt	2022	2021
Liabilities to credit institutions	848	995
Bonds	1,000	1,000
Leases, net	301	297
Other	-36	-1
	<b>2,113</b>	<b>2,291</b>
Cash and cash equivalents	-484	-628
<b>Net debt</b>	<b>1,629</b>	<b>1,663</b>
Leverage, times	1.9	2.0
Equity	1,938	2,003
Equity/assets ratio, %	27	28

The Group's dividend policy states that, over the course of an economic cycle, approximately 50 per cent of the Group's adjusted net profit for the period should be distributed to the shareholders.

In addition to targets for capital structure and dividends, the Group has defined quantitative financial targets for organic sales growth, adjusted EBITA margin and cash conversion.

For definitions and information on target achievement in respect of the financial targets for 2022, see the section *Goals and results on pages 24–25*.

## Note 17. Provisions

### ACCOUNTING PRINCIPLES

Provisions are recognised when the Group has a legal or constructive obligation arising from past events, it is more probable than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably measured. The provision is measured at the present value of the amount expected to be required to settle the obligation.

Provisions for restructuring are recognised when a detailed formal plan for the restructuring measure exists and a well-founded expectation among those affected has been created. No provisions are made for future operating losses. Restructuring costs refer mainly to costs for large-scale integration projects or major organisational changes.

### SPECIFICATION OF CHANGE IN PROVISIONS:

2022	Restructuring	Other provisions	Total
<b>At 1 January 2022</b>	<b>13</b>	<b>4</b>	<b>16</b>
Recognised in the income statement:			
– additional provisions	15	3	17
– reversal of unused amounts	–7	0	–7
Utilised during the year	–15	–1	–15
Translation difference	0	0	1
<b>BS At 31 December 2022</b>	<b>6</b>	<b>6</b>	<b>12</b>

2021	Restructuring	Other provisions	Total
<b>At 1 January 2021</b>	<b>15</b>	<b>0</b>	<b>15</b>
Recognised in the income statement:			
– additional provisions	12	4	16
– reversal of unused amounts	0	–	0
Utilised during the year	–14	0	–14
Translation difference	0	–	0
<b>BS At 31 December 2021</b>	<b>13</b>	<b>4</b>	<b>16</b>

### OTHER PROVISIONS ARE DISTRIBUTED BETWEEN NON-CURRENT AND CURRENT COMPONENTS AS FOLLOWS:

	2022	2021
Non-current component	2	3
Current component	10	14
<b>BS Total</b>	<b>12</b>	<b>16</b>

## Note 18. Other liabilities

Other liabilities	2022	2021
VAT liability	192	174
Employee withholding tax	155	91
Other current liabilities	5	30
<b>BS Total</b>	<b>352</b>	<b>294</b>

## Note 19. Accrued expenses and deferred income

Accrued expenses and deferred income	2022	2021
Social security contributions	206	240
Holiday pay	614	583
Other personnel-related liabilities	307	306
Accrued interest expense	4	2
Deferred income, subscriptions	228	238
Deferred income, projects	3	7
Other accrued expenses	140	217
<b>BS Total</b>	<b>1,502</b>	<b>1,592</b>

## Note 20. Pledged assets and contingent liabilities

### ACCOUNTING PRINCIPLES

A contingent liability is recognised when there is a possible obligation arising from past events and whose existence is confirmed only by the occurrence or non-occurrence of one or more uncertain events which are not fully within the control of Coor. A contingent liability may also be an obligation arising from past events that is not recognised as a liability or provision because it is unlikely that the obligation will be settled or that the size of the obligation can be calculated with sufficient accuracy.

Contingent liabilities	2022	2021
Performance bonds	182	181
<b>Total</b>	<b>182</b>	<b>181</b>

Companies in the Group have issued performance bonds to external parties to ensure that the company fulfils its commitments. Certain companies in the Group are involved in legal proceedings which have arisen in the course of their operations. Any liability in connection with such legal proceedings is not considered to materially affect the Group's operations or financial position.

Pledged assets	2022	2021
Bank guarantees	41	49
<b>Total</b>	<b>41</b>	<b>49</b>

Pledged assets comprise bank guarantees issued on behalf of a number of customers. The main purpose of the bank guarantees is to ensure delivery to the customers.

## Note 21. Related-party transactions

### Ownership

Coor's shares were listed on Nasdaq Stockholm on 16 June 2015. For information on Coor's shares and ownership structure, see the section *Share information*.

The following transactions have been made with related parties:

No material transactions took place between Coor and any related parties during the year.

For information on remuneration of senior executives, see *Note 6 Remuneration of senior executives*.

## Note 22. Business acquisitions

### § ACCOUNTING PRINCIPLES

The Group applies IFRS 3 Business Combinations in connection with acquisitions. In a business combination, the acquired assets and assumed liabilities are identified and classified at fair value at the acquisition date. In preparing the purchase price allocation, an assessment is also made of whether there are intangible assets such as trademarks and customer contracts that have not been recognised in the acquired entity. In case of acquisitions where the cost exceeds the net value of the acquired assets and assumed liabilities and identified intangible assets, the difference is recognised as goodwill. Any premiums are amortised over the asset's estimated useful life. Goodwill is not amortised but is tested for impairment in the annual impairment test. Transferred payments that are contingent on future events are measured at fair value. Any change in value is recognised in profit or loss for the period. Transaction costs in connection with acquisitions are not included in cost but are expensed as incurred. Entities acquired during the period are included in the consolidated financial statements from the acquisition date.

### ACQUISITIONS DURING THE YEAR

#### Acquisition of Centrumstäd i Malmö AB

The acquisition of Centrumstäd i Malmö AB was completed on 2 May 2022. The company is a well-run family business that provides cleaning services to businesses, the single largest customer segment being commercial business centres. With annual sales of around SEK 50 million, the company will strengthen Coor's geographic presence in Skåne. The consideration paid was SEK 56 million and transaction costs for the acquisition were SEK 0 million.

In conjunction with the acquisition of Centrumstäd i Malmö AB, intangible assets were identified in the form of customer contracts valued at SEK 18 million and goodwill of SEK 25 million. The goodwill arising from the acquisition is mainly attributable to the expertise of the employees. No portion of the recognised goodwill is expected to be tax-deductible.

Centrumstäd AB increased consolidated net sales by SEK 32 million for the period from 1 January to 31 December 2022. If the acquisition had taken place on 1 January 2022, the acquired business would have increased consolidated net sales by SEK 48 million on a pro forma basis for the period 1 January to 31 December 2022.

#### Other

During the year, Coor paid an adjustment of the final purchase consideration related to the acquisition of Inspira amounting to SEK 7 million.

SEK million	2022 Centrumstäd i Malmö AB <sup>1)</sup>
Purchase price	56
<b>Total consideration</b>	<b>56</b>
<b>The assets acquired and liabilities assumed that have been recognised as a result of the acquisitions are the following</b>	
Property, plant and equipment	1
Intangible assets – customer contracts	18
Cash and cash equivalents	26
Accounts receivable and other current receivables	4
Deferred tax liability	–4
Lease liabilities	–1
Accounts payable and other operating liabilities	–13
<b>Acquired identifiable net assets</b>	<b>31</b>
Goodwill	25
<b>Total acquired net assets</b>	<b>56</b>
<b>Cash flow attributable to acquisitions for the period</b>	
Consideration paid	56
Cash in acquired businesses	–26
<b>Net outflow, cash and cash equivalents</b>	<b>30</b>

<sup>1)</sup> Preliminary amounts. The purchase price allocation has not yet been completed.

## Note 23. Events after the balance sheet date

- No significant events occurred after the end of the year.



# Parent company financial statements

## PARENT COMPANY INCOME STATEMENT

	Note	2022	2021
Net sales		6	9
<b>Net sales</b>		<b>6</b>	<b>9</b>
Selling and administrative expenses	25, 26, 27	-33	-37
<b>Operating loss</b>		<b>-26</b>	<b>-28</b>
Income from investments in Group companies	28	1,315	-
Other interest income and similar income	28	0	0
Interest expense and similar charges	28	-48	-46
<b>Net financial expense</b>		<b>1,267</b>	<b>-46</b>
<b>Group contributions</b>		<b>68</b>	<b>68</b>
<b>Profit/loss before tax</b>		<b>1,308</b>	<b>-6</b>
Tax on profit for the year	29	-6	-6
<b>PROFIT/LOSS FOR THE YEAR</b>		<b>1,303</b>	<b>-11</b>

No component of profit or loss is attributable to other comprehensive income in the parent company.

## PARENT COMPANY BALANCE SHEET

	Note	2022	2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
<i>Financial assets</i>			
Shares in subsidiaries	32	7,789	7,789
Deferred tax asset	29	51	51
Other financial assets		6	3
<b>Total non-current assets</b>		<b>7,846</b>	<b>7,843</b>
<b>Current assets</b>			
Receivables from Group companies <sup>1</sup>		73	73
Tax assets	29	1	–
Other receivables		1	8
Prepaid expenses and accrued income		11	1
<b>Total current receivables</b>		<b>86</b>	<b>83</b>
Cash and cash equivalents*		2	0
<b>Total current assets</b>		<b>88</b>	<b>83</b>
<b>TOTAL ASSETS</b>		<b>7,934</b>	<b>7,926</b>

<sup>1</sup>The company is part of the Group cash pool, in which the subsidiary company Coor Service Management Group AB is the master account holder with the bank. The company's balance in the Group cash pool is accounted for as a receivable from or liability to Group companies.

## PARENT COMPANY BALANCE SHEET

	Note	2022	2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital, 95,812,022 shares	15	383	383
<b>Total restricted equity</b>		<b>383</b>	<b>383</b>
<i>Non-restricted equity</i>			
Share premium reserve		6,700	6,683
Retained earnings		–2,462	–1,976
Profit/loss for the year		1,303	–11
<b>Total non-restricted equity</b>		<b>5,541</b>	<b>4,696</b>
<b>Total equity</b>		<b>5,925</b>	<b>5,079</b>
<b>Liabilities</b>			
<i>Non-current liabilities</i>			
Borrowings	30	1,848	1,995
Provisions for pensions		8	5
<b>Total non-current liabilities</b>		<b>1,856</b>	<b>2,000</b>
<i>Current liabilities</i>			
Accounts payable		1	1
Liabilities to Group companies <sup>1</sup>		141	818
Tax liabilities	29	–	13
Other liabilities		1	1
Accrued expenses and deferred income	31	11	15
<b>Total current liabilities</b>		<b>153</b>	<b>847</b>
<b>Total liabilities</b>		<b>2,009</b>	<b>2,847</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,934</b>	<b>7,926</b>

## PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium reserve	Retained earnings	Profit/loss for the year	Total equity
<b>Opening balance, 1 January 2021</b>	<b>383</b>	<b>6,655</b>	<b>-1,519</b>	<b>-10</b>	<b>5,509</b>
Transfer of profit/loss from previous year according to resolution of AGM	-	-	-10	10	-
Profit/loss for the year	-	-	-	-11	-11
Share-based remuneration programmes	-	28	-	-	28
Share buybacks	-	-	-29	-	-29
Dividend	-	-	-417	-	-417
<b>BS Closing balance, 31 December 2021</b>	<b>383</b>	<b>6,683</b>	<b>-1,976</b>	<b>-11</b>	<b>5,079</b>
<b>Opening balance, 1 January 2022</b>	<b>383</b>	<b>6,683</b>	<b>-1,976</b>	<b>-11</b>	<b>5,079</b>
Transfer of profit/loss from previous year according to resolution of AGM	-	-	-11	11	-
Profit for the year	-	-	-	1,303	1,303
Share-based remuneration programmes	-	17	-	-	17
Share buybacks	-	-	-18	-	-18
Dividend	-	-	-457	-	-457
<b>BS Closing balance, 31 December 2022</b>	<b>383</b>	<b>6,700</b>	<b>-2,462</b>	<b>1,303</b>	<b>5,925</b>

For information on share capital, see *Note 15 Share capital and data per share*. For information on the appropriation of retained earnings for the year, see *page 81*.

The effect which above is included in the line Share-based payments refers to accruals of employee benefit expenses in accordance with IFRS 2 and the effects arising from the share swap agreement that has been entered into to secure access to shares for the Group's long-term incentive programme.



## PARENT COMPANY STATEMENT OF CASH FLOWS

	2022	2021
<b>Operating activities</b>		
<b>IS Operating loss</b>	-26	-28
Other non-cash items	14	14
Interest paid and other financial expenses	-45	-41
Tax paid	-20	-7
<b>Cash flow from operating activities before changes in working capital</b>	<b>-77</b>	<b>-62</b>
Increase (+)/decrease (-) in net working capital	-6	-3
<b>Cash flow from operating activities</b>	<b>-83</b>	<b>-65</b>
<b>Cash flow from investing activities</b>	<b>-</b>	<b>-</b>
<b>Financing activities</b>		
Group contribution received	68	64
Dividends received from subsidiaries	1,315	-
Dividend	-457	-417
Share-based remuneration programmes	4	15
Share buybacks	-18	-29
Proceeds from borrowings	-	750
Repayment of borrowings	-150	-29
Change in cash pool balance	-678	-288
<b>Cash flow from financing activities</b>	<b>84</b>	<b>65</b>
<b>CASH FLOW FOR THE YEAR</b>	<b>2</b>	<b>0</b>
Cash and cash equivalents at the beginning of the year	0	1
Foreign exchange difference in cash and cash equivalents	0	0
<b>BS Cash and cash equivalents at the end of the year</b>	<b>2</b>	<b>0</b>

# Notes to the parent company financial statements

## Note 24. Accounting principles

### § ACCOUNTING PRINCIPLES

The parent company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board. Under RFR 2, the parent company is required to apply all EU-adopted IFRS and interpretations in the annual accounts for the legal entity insofar as this is possible under the Annual Accounts Act and with regard to the relationship between accounting and taxation. The recommendation specifies which exemptions and additions should be made in relation to IFRS. Differences between the Group and parent company accounting principles are described in the following.

The following accounting principles for the parent company have been applied consistently for all periods presented in the parent company's financial statements.

#### Related-party disclosures

The parent company has related-party relationships which include a controlling interest over its subsidiaries, see Note 32 Shares in Group companies. All transactions with related parties have been made on market terms.

Sales to other Group companies totalled SEK 6 (9) million in 2022. In 2022, the parent company paid interest of SEK 7 (12) million to other Group companies.

#### Group contributions

Group contributions paid and received are accounted for as appropriations through the income statement.

#### Dividend

Dividend income is recognised when the right to receive payment is deemed to be secure.

#### Shares in subsidiaries

The parent company recognises all investments in Group companies at cost less accumulated impairment. Shareholder contributions are converted into shares and participations insofar as no impairment loss is required.

## Note 25. Costs by nature of expense

Costs by nature of expense	2022	2021
External services	-4	-4
Payroll costs	-29	-33
Other operating expenses	0	0
<b>IS Total</b>	<b>-33</b>	<b>-37</b>

## Note 26. Audit fees

Audit fees	2022	2021
<b>PwC</b>		
Audit engagement	2	2
Audit services in addition to the audit engagement	-	-
Tax advisory services	0	0
Other services	0	1
<b>Total</b>	<b>2</b>	<b>2</b>

Audit engagement refers to the examination of the annual accounts, annual report and accounting records and of the Board of Directors' and CEO's management of the company, other tasks incumbent on the company's auditor as well as advice and other assistance occasioned by observations made in the course of such examination or the performance of such other tasks. Everything else is defined as other services.

## Note 27. Employees and employee benefit expenses

Employee benefit expenses	2022				2021			
	Salaries and benefits	Of which bonuses	Social security contributions	Of which retirement benefits	Salaries and benefits	Of which bonuses	Social security contributions	Of which retirement benefits
Directors and CEO	15	2	7	2	15	3	7	2
Other employees	4	0	3	1	7	2	4	1
<b>Total</b>	<b>19</b>	<b>2</b>	<b>10</b>	<b>3</b>	<b>21</b>	<b>5</b>	<b>11</b>	<b>3</b>

### AVERAGE NUMBER OF EMPLOYEES

The company had 2 (2) employees during the year, of whom 1 (1) was a man.

At the balance sheet date, the Board of Directors of the parent company, not including employee representatives, consisted of 6 (6) members, of whom 2 (3) were men. There are also 3 (3) employee representatives.

**Note 28. Financial income and expenses**

	2022	2021
<b>Financial income</b>		
Foreign exchange differences	0	0
<b>IS Total</b>	<b>0</b>	<b>0</b>
<b>Financial expenses</b>		
Interest expense, Group companies	-7	-12
Interest expense, external	-36	-26
Foreign exchange differences	0	0
Other financial expenses	-4	-7
<b>IS Total</b>	<b>-48</b>	<b>-46</b>
<b>Total net financial expense</b>	<b>-48</b>	<b>-46</b>

Profit from shares in Group companies of SEK 1,315 (0) million refers to dividends from subsidiaries.

**Note 29. Income tax**

Tax expense (-), tax income (+)	2022	2021
Current tax	-6	-6
Deferred tax	1	0
<b>IS Total</b>	<b>-6</b>	<b>-6</b>

**DIFFERENCE BETWEEN REPORTED TAX EXPENSE AND TAX EXPENSE BASED ON THE APPLICABLE TAX RATE**

	2022	%	2021	%
<b>IS Reported profit/loss before tax</b>	1,308		-6	
<b>IS Tax expense</b>	-6	-0.4	-6	100.0
Calculated tax expense	-270	-20.6	1	-20.6
<b>Difference</b>	<b>264</b>	<b>20.2</b>	<b>-7</b>	<b>120.6</b>
Tax effect of non-deductible expenses	7	0.5	7	-120.6
Tax effect of non-taxable income	-271	-20.7	-	-
<b>Total</b>	<b>-264</b>	<b>-20.2</b>	<b>7</b>	<b>-120.6</b>

Deferred tax asset	2022	2021
<b>BS Opening balance</b>	<b>51</b>	<b>50</b>
Change in deferred tax on temporary differences	1	0
<b>BS Closing balance</b>	<b>51</b>	<b>51</b>

At 31 December 2022, the company had a current tax liability of SEK 0 (13) million. At 31 December 2022, the company had a current tax asset of SEK 1 (0) million.

**Note 30. Borrowings**

Borrowings	2022	2021
Liabilities to credit institutions	850	1,000
Bonds	1,000	1,000
Capitalised borrowing costs	-2	-5
<b>BS Total</b>	<b>1,848</b>	<b>1,995</b>

In January 2019, Coor entered into a financing agreement with two credit institutions. The agreement provides a credit line of SEK 1,500 million consisting of a revolving credit facility which matures in January 2024.

In March 2019, the company issued SEK 1,000 million in senior unsecured bonds. The bonds have a maturity of five years.

In the fourth quarter of 2022, Coor signed a new agreement on sustainability-linked refinancing of its existing revolving credit facility that secures in advance the option of refinancing the non-redeemable bonds which mature in March 2024.

For further information on borrowing and financial risks, see *Note 16 Borrowing and financial risk management*.

**Note 31. Accrued expenses and deferred income**

Accrued expenses and deferred income	2022	2021
Social security contributions	3	5
Holiday pay	3	3
Other personnel-related liabilities	2	5
Other items	2	1
<b>BS Total</b>	<b>11</b>	<b>15</b>

**Note 32. Investments in Group companies**

2022	Corp. ID no.	Regd office	Share of equity	Carrying amount
<b>Direct</b>				
Coor Service Management Group AB	556739-7665	Stockholm	100 %	7,789
<b>Indirect</b>				
Coor Service Management AB	556084-6783	Stockholm	100 %	
Coor Service Management APS AB	556764-1328	Stockholm	100 %	
Addici Security AB	556555-5314	Stockholm	100 %	
Coor Service Management CTS AB	556912-0156	Stockholm	100 %	
Coor Norrland Lokalförvaltning AB	556180-2959	Stockholm	100 %	
Coor ILV AB	556478-2646	Stockholm	100 %	
Middlepoint AB	556789-6864	Stockholm	100 %	
Centrumstad i Malmö AB	556441-0545	Malmö	100 %	
Coor Service Management LB 3 AB	556994-4506	Stockholm	100 %	
Coor Service Management LB 4 AB	556994-4498	Stockholm	100 %	
Coor Service Management A/S	10 68 35 48	Denmark	100 %	
Coor Service Management AS	983 219 721	Norway	100 %	
Coor Cleaning Catering and Property AS <sup>1)</sup>	912 523 918	Norway	100 %	
Coor Offshore AS	814,493,962	Norway	100 %	
Coor Service Management Øst AS	815 367 952	Norway	100 %	
Coor Service Management OY	1597866-9	Finland	100 %	
Coor Service Management NV	0480-088-929	Belgium	100 %	
Addici Security NV	0559-876-971	Belgium	100 %	
Coor DOC NV	0668-588-237	Belgium	100 %	
Coor Service Management sp. z.o.o <sup>2)</sup>	0000350979	Poland	100 %	
Coor Service Management OÜ	12169810	Estonia	100 %	

<sup>1)</sup> In 2022, R&K Service AS (corp. ID no. 984 231 083) was merged with Coor Cleaning Catering and Property AS.

<sup>2)</sup> Company in course of liquidation.

Change during the year	2022	2021
Opening cost	8,489	8,489
<b>Closing accumulated cost</b>	<b>8,489</b>	<b>8,489</b>
Opening impairment	-700	-700
<b>Closing accumulated impairment</b>	<b>-700</b>	<b>-700</b>
<b>BS Closing carrying amount</b>	<b>7,789</b>	<b>7,789</b>

**Note 33. Pledged assets and contingent liabilities**

The parent company has provided a parent company guarantee of SEK 33 (31) million covering financial obligations of the Finnish subsidiary in respect of leases and bank guarantees. The parent company has no other pledged assets or contingent liabilities.

# Declaration of the Board of Directors

The Board of Directors and Chief Executive Officer certify that the annual accounts have been prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards as well as generally accepted accounting principles, and give a true and fair view of the financial positions and results of the parent company and Group. The Directors' Report for the parent company and

Group gives a true and fair view of the parent company's and Group's activities, their financial position and results, and describes significant risks and uncertainties faced by the parent company and the companies in the Group.

The consolidated statement of comprehensive income and balance sheet and the parent company statement of comprehensive income and balance sheet will be submitted for adoption at the AGM on 27 April 2023.

Stockholm, 30 March 2023

**Mats Granryd**

*Chairman of the Board*

**Karin Jarl Månsson**

**Magnus Meyer**

**Kristina Schauman**

**Heidi Skaaret**

**Linda Wikström**

**Glenn Evans**

*Employee representative*

**Rikard Milde**

*Employee representative*

**Urban Rääf**

*Employee representative*

**AnnaCarin Grandin**

*President and CEO*

Our auditor's report was submitted on 30 March 2023

Öhrlings PricewaterhouseCoopers AB

**Niklas Renström**

*Authorised Public Accountant*

*Auditor-in-charge*

# Auditor's Report

To the general meeting of the shareholders of Coor Service Management Holding AB (Publ), org.nr 556742-0806

## Report on the annual accounts and consolidated accounts

### OPINIONS

We have audited the annual accounts and consolidated accounts of Coor Service Management Holding AB (publ) for the year 2022. The annual accounts and consolidated accounts of the company are included on pages 74–123 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

### BASIS FOR OPINIONS

We conducted our audit in accordance with International Standards on Auditing (ISA) 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 the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

## Our audit approach

### AUDIT SCOPE

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

### MATERIALITY

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

## Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the

context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

### KEY AUDIT MATTERS

#### Testing for impairment of goodwill and other acquisition-related intangible assets

Refer to Note 1 for a description of significant accounting principles and to Note 10 Intangible assets for a description of the yearly impairment test. At 31 December 2022, Coor had goodwill and other acquisition-related assets, including contracts, of SEK 4,050 million, representing 57 per cent of total assets. The principal risk is the risk that the value of these assets will need to be Impaired. Each year, Coor performs a test to measure goodwill and other intangible assets in order to determine whether any impairment has occurred. The test is complex and relies on management's estimates in respect of material parameters, including future sales performance, cash flows, margins and interest rates (WACC). Coor has an established process for testing the measurement that is based on cash-generating units (CGU). The process is described in Note 10. For 2022, there were four identified cash-generating units. Acquired identifiable contracts are handled in the same manner. When contracts can be separated from a purchase price allocation, assumptions are made about the duration of the contracts, expected volumes and margins. These assumptions are tested annually. Coor's conclusion is that no impairment had occurred for the aforementioned assets in 2022.

### HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

In testing goodwill and other acquisition-related intangible assets for impairment, we performed a number of audit procedures aimed primarily at confirming the valuation and accuracy. In particular, we:

- We have evaluated and assessed Coor's models, methods and assumptions.
- Through sampling, assessed and challenged the information used in the calculations in relation to Coor's financial plan and, where possible, external information. In doing so, we focused on assumed growth rates, margin growth rates and discount rates for each cash-generating unit. We also assessed the accuracy and inherent quality of the company's process for preparing business plans and financial plans based on historical outcomes.
- Reviewed the sensitivity of the measurements to negative changes in all parameters which, individually or in the aggregate, could result in impairment.
- Assessed whether the disclosures made in the annual report are correct based on tests of the measurements made, with a particular emphasis on disclosures on the sensitivity of the measurements.
- Compared the disclosures included in the annual report with the requirements of IAS 36.

Based on our work performed, it is our conclusion that Coor's valuation and disclosures are in line with IAS 36 and that the assumptions that form the basis of the valuation are deemed reasonable.

## Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–55 and 128–160. The information in Coor Service Management's remuneration report for 2022. Which is published on the company's website at the same time as this report, also continues other information. The Board of Directors and the Managing Director are responsible for this other information.

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

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated 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 DIRECTOR'S AND THE MANAGING DIRECTOR

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. 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 and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated 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 intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

### AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated 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 and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

## Report on other legal and regulatory requirements

### OPINIONS

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Coor Service Management Holding AB (publ) for the year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's 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 the parent company and the group 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 DIRECTOR'S 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 parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization 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 fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### AUDITOR'S RESPONSIBILITY

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.

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.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.



## The auditor's examination of the ESEF report

### OPINIONS

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Coor Service Management Holding AB (publ) for the financial year 2022.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

### BASIS FOR OPINIONS

We have performed the examination in accordance with FAR's recommendation RevR 18 *Examination of the Esef report*. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Coor Service Management Holding AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

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

### RESPONSIBILITIES OF THE BOARD OF DIRECTOR'S AND THE MANAGING DIRECTOR

The Board of Directors (and the Managing Director) are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report has been marked with iXBRL in accordance with what follows from the Esef regulation.

Öhrlings PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm, was appointed auditor of Coor Service Management Holding AB (Publ) by the general meeting of the shareholders on the 29 April 2022 and has been the company's auditor since December 2004.

Stockholm, 30 march 2023

Öhrlings PricewaterhouseCoopers AB

Niklas Renström  
Authorized Public Accountant

# Sustainability at all stages

Coor’s ambition is to run a sound business in a sustainable manner. This ambition extends across the whole value chain, from supplier to end customer.

## SUSTAINABILITY GOVERNANCE

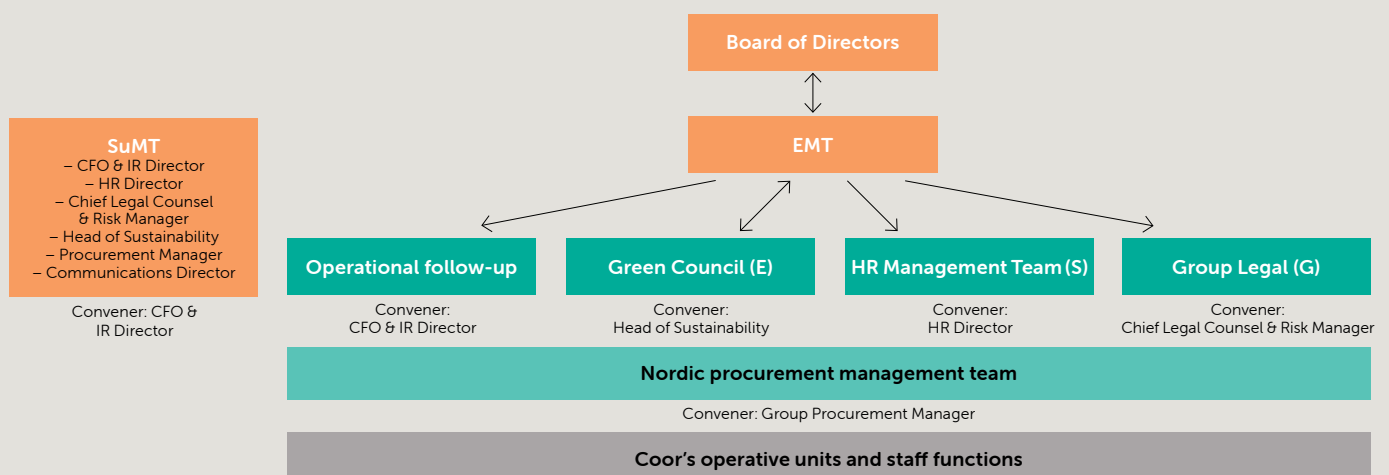
Coor’s framework for sustainability work consists of the Group’s sustainability policy, Code of Conduct and values/ guiding stars. The Board of Directors has ultimate responsibility for Coor’s organisation and operations, and continuously assesses the company’s performance from a triple bottom line perspective. The Board addresses strategic matters, financial performance and matters relating to customers, employees, sustainability and risk management. They also monitor progress towards the company’s sustainability goals and Coor 2025 – the company’s ambition to become a truly sustainable company. The Board of Directors has delegated operational responsibility for the company and its management to the company’s President and CEO, AnnaCarin Grandin, who leads the activities within the limits and guidelines established by the Board. This responsibility includes setting goals for the company’s operational activities, allocating resources and monitoring sustainability issues. Members of the executive management team have been assigned responsibility for strategic development of the various sustainability dimensions. The business dimension is led by the CFO, the social dimension, which includes diversity and inclusion, by the HR Director, and the environmental dimension by the Head of Sustainability, who is invited to attend meetings of the executive management team when necessary. The CFO monitors the issues addressed at all meetings. A separate management team, the Sustainability Management Team (SuMT), which reports directly to the EMT, is responsible for governance, decisions on focus areas for Coor 2025 – a truly sustainable company, and

prioritisation of major strategic sustainability initiatives as well as monitoring. The SuMT acts as a sponsor for the strategy and has a mandate to make decisions at the executive level and ensure compliance with policy decisions related to sustainability management. As part of its remit, the SuMT also prepares draft triple bottom line decisions for the consideration of the executive management team.

Each sustainability and ESG dimension has a council/ management team/ staff function that is responsible for ensuring that the strategy is put into effect by developing and implementing the strategy for a truly sustainable company. Each council/ management team/ staff function also secures the necessary resources, builds commitment in the organisation, makes operational decisions and eliminates obstacles. The teams for business, social and environmental sustainability includes representatives from each country, such as Green Council bringing all sustainability/ environmental managers together. Its remit includes reporting on the progress of the strategy to the EMT. The same level is also responsible for initiating and driving changes that need to be implemented throughout Coor, such as new and improved working methods and processes. The team can identify needs and establish subordinate subject-related forums.

Coor 2025, and any goals beyond the strategy, are heavily dependent on strategic sourcing. The Nordic procurement management team has a decisive role and is tasked with supporting the Group’s goals. The management team establishes strategic plans, builds a consensus among the countries and ensures that the plans are realised.

Coor’s sustainability governance



Based on a central governance model and a sustainability organisation with operational responsibility, we ensure that sustainability is integrated into all activities.

Coor manages health, safety and environmental issues nationally, as regulations and practices sometimes differ from one country to another.

### COOR'S SUSTAINABILITY AGENDA

Sustainable business is about taking long-term responsibility for the activities in which you are engaged. The overall objective is to ensure that the business is successful and generates the highest possible economic return, without compromising on respect for human beings or the environment. Coor's sustainability agenda, which is designed to support the strategy to build a truly sustainable company, has been developed through analysis, internal discussions and dialogue with target groups and stakeholders. The agenda is based partly on the UN Global Compact, local and global opportunities and challenges, risk management, Coor's stakeholders' priorities and its opportunities to create value for them.

### Stakeholder dialogue and communication with target groups

To create sustainable values, Coor needs to understand and analyse our stakeholders' expectations. Coor therefore engages in continuous dialogue with its stakeholders. This communication is both transparent and objective, and is aimed at building good and trusting relationships with the stakeholders.

Coor continuously identifies those issues that are most important in its communication with its various stakeholder groups. Personal meetings (on-site or online) are a key element of Coor's stakeholder dialogue. Personal meetings are complemented with several other communication channels. We also conduct regular surveys to measure key indicators, the most important of which are the annual customer and employee surveys. Responsibility for communication with a particular stakeholder group is decentralised to the person who knows most about the group, and this is clearly defined in the company's communication policy.

Based on the in-depth stakeholder dialogue that Coor conducted in 2021, we continued to engage in continuous dialogue in 2022 in accordance with the approved processes.

### External initiatives and membership of organisations

Coor's sustainability management activities are guided by the following international agreements:



### Information on the Sustainability Report

Coor Service Management Holding AB (corp. ID no. 556742-0806), with registered office in Stockholm, publishes an annual Sustainability Report which describes the company's activities from a sustainability perspective. The report covers all Group companies. This report refers to the year 2022 and is published together with the annual report. The data presented follows relevant reporting and consolidation principles for financial reporting.

The Sustainability Report has been prepared in accordance with the guidelines for GRI Standards 2021. This means that the content of the Sustainability Report reflects those issues which the company considers to have the most material impact on people, the environment and the economy. Coor's statutory Sustainability Report is submitted by the Board but does not form part of the formal annual report documents. The Sustainability Report prescribed by the Swedish Annual Accounts Act comprises the following pages: 20–34, 61, 82–83 and 128–153. The report has been reviewed by Coor's auditors, whose opinion is presented at the end of the report.

- The ten principles of the UN Global Compact (UNGC)
- The UN Universal Declaration of Human Rights
- The ILO core conventions on labour rights
- The OECD Anti-Bribery Convention
- The Science Based Targets initiative (SBTi)
- Reporting in accordance with the Global Reporting Initiative (GRI)

In addition to these, Coor adheres to the principles of the Swedish Corporate Governance Code, including the gender equality principles set forth therein. Coor is also active in a number of organisations and has an extensive commitment to innovation that promotes the company's sustainability management, for example through:

- The UNGC
- The Swedish Risk Management Association (SWERMA)
- The International Facility Management Association (IFMA)
- Säkerhetskulturnätverket (SÄKU)
- Nätverket för Hållbart Näringsliv (NMC)
- Things Stockholm
- PropTech Denmark & PropTech Sweden
- As lead partner to Nordic PropTech Awards 2023

# Material topics and impact

Material topic	Footprint (negative impact)	Handprint (positive impact)	SDGs, Sustainable development goals
<b>Business responsibility</b>			
<b>Business ethics</b>	Potential and low risk of corruption (anti-corruption and compliance). Potential risk of digital security issues.	Increased transparency and available data.	
<b>Profitability</b>	n/a	Contributes to the economic development of society.	 
<b>Social responsibility</b>			
<b>Health and safety</b>	Risk of occupational injuries and sick leave.	A good working environment and better indoor climate contribute to our customers' health and well-being.	
<b>Diversity and inclusion</b>	Low risk of discrimination.	Creates work for people who are far from the labour market and promotes equality and increased diversity in the organisation.	 
<b>Employment and education</b>	Low risk of unsafe employment conditions.	Provides employees with continuous training and skills development. Ensures decent employment conditions.	 
<b>Environmental responsibility</b>			
<b>Climate emissions</b>	Emissions are generated through transport and purchased goods and services.	Helps to reduce customers' emissions through smarter route planning and a more sustainable product range in the service delivery.	 
<b>Resource use</b>	Resources such as water are used in the delivery and are affected by chemicals use.	Promotes innovative new solutions for customers for more circular service solutions and efficient resource use.	 
<b>Energy</b>	The business uses energy.	Offers services that reduce the customers' energy use.	 
<b>Waste</b>	Waste is generated in the delivery to the customer.	Helps customers reduce their waste and increase the degree of waste separation.	

Stakeholder group	How we engage in dialogue	Key issues	How we address the issues
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Performance reviews</li> <li>• Regular workplace meetings</li> <li>• Training activities</li> <li>• Employee surveys</li> <li>• Management meetings</li> <li>• Liaison meetings</li> <li>• Improvement meetings (Actio)</li> </ul>	<ul style="list-style-type: none"> <li>• Work environment, health and safety</li> <li>• Equal treatment: diversity and safety</li> <li>• Corporate culture and ethics</li> <li>• Fair wages</li> <li>• Development opportunities</li> <li>• Motivated employees</li> </ul>	<ul style="list-style-type: none"> <li>• Training in the Code of Conduct, introductory course for new employees and skills development programmes</li> <li>• ISO 45001:2018 Health and safety management standard</li> <li>• Liaison with trade union representatives, including business council meetings, liaison meetings and health and safety committee meetings</li> <li>• Salary reviews</li> <li>• Performance reviews</li> <li>• Talent assessment</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Ongoing engagement with customers through defined channels (defined for each customer)</li> <li>• Customer visits, customer meetings</li> <li>• Delivery monitoring</li> <li>• Customer and market surveys</li> <li>• Website, social media</li> </ul>	<ul style="list-style-type: none"> <li>• Work environment, health and safety</li> <li>• Customer insight</li> <li>• Environmental impact, environmental labelling, energy efficiencies, resource efficiency, chemicals use</li> <li>• Monitoring of compliance</li> <li>• Quality</li> <li>• Innovation/improvement</li> <li>• Relationship</li> </ul>	<ul style="list-style-type: none"> <li>• Individual suggestions for improvements</li> <li>• Delivery monitoring</li> <li>• Supplier control</li> <li>• Green advice, including energy efficiencies</li> <li>• Monitoring of suppliers' compliance with the Code of Conduct</li> <li>• Product life cycle analyses</li> </ul>
<b>Potential customers</b>	<ul style="list-style-type: none"> <li>• Market dialogue</li> <li>• Visits, meetings</li> <li>• Market events</li> <li>• Market surveys</li> <li>• Website, social media</li> <li>• Annual, interim and sustainability reports</li> </ul>	<ul style="list-style-type: none"> <li>• Service requirements and service level</li> <li>• Keeping it simple</li> <li>• Corporate culture and ethics</li> <li>• Motivated employees</li> <li>• Health and safety</li> <li>• Environmental impact</li> <li>• Monitoring of compliance</li> <li>• Quality</li> <li>• Innovation/improvement</li> <li>• Relationship</li> </ul>	<ul style="list-style-type: none"> <li>• Quality reviews</li> <li>• Active development of management systems and certifications under ISO 9001, 14001 and 45001</li> <li>• The UN SDGs, UN Global Compact, as a framework</li> </ul>
<b>Investors and analysts</b>	<ul style="list-style-type: none"> <li>• General meeting of shareholders</li> <li>• Open analyst meetings in connection with interim reports</li> <li>• Analyst and investor meetings in smaller forums</li> </ul>	<ul style="list-style-type: none"> <li>• Integrated and strategic sustainability management</li> <li>• Long-term profitable growth and strong cash flows</li> <li>• Total return</li> <li>• Responsible behaviour in the value chain</li> </ul>	<ul style="list-style-type: none"> <li>• Clear Nordic strategy</li> <li>• Strong local business acumen, clear financial control and a focus on efficiency</li> <li>• Strong customer relationships</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Ongoing supplier engagement dialogue</li> <li>• Supplier monitoring</li> <li>• Digital monitoring tools</li> <li>• Supplier controls</li> </ul>	<ul style="list-style-type: none"> <li>• Market terms</li> <li>• Corporate culture and business ethics</li> <li>• Work environment, health and safety</li> <li>• Equal treatment: diversity and safety</li> <li>• Innovation/improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring of suppliers' compliance with the Code of Conduct</li> <li>• Audits</li> <li>• Risk assessment process for purchases</li> </ul>
<b>Trade unions</b>	<ul style="list-style-type: none"> <li>• Major trade unions are represented on the Board</li> <li>• Forum for meetings with major unions centrally</li> <li>• Local meetings with local unions</li> </ul>	<ul style="list-style-type: none"> <li>• Labour law issues in accordance with the Co-determination Act (and equivalent laws outside Sweden)</li> <li>• Compliance</li> <li>• Work environment, health and safety</li> </ul>	<ul style="list-style-type: none"> <li>• Health and safety inspections with participants from the employers' association, health and safety officers, and trade union representatives</li> <li>• Staff training</li> <li>• Risk and incident reporting</li> <li>• Preventive measures</li> <li>• Monitoring of compliance</li> <li>• Internal and external audits</li> </ul>
<b>Authorities</b>	<ul style="list-style-type: none"> <li>• Structured monitoring</li> <li>• Specialist networks</li> <li>• Meetings</li> <li>• Internal and external audits</li> </ul>	<ul style="list-style-type: none"> <li>• Laws, regulations and rules</li> <li>• Compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Quality reviews</li> <li>• Certification under the ISO 9001, 14001 and 45001 standards</li> </ul>
<b>Stakeholder organisations and specialist networks, e.g. SWERMA, IFMA, SÅKU, NMC</b>	<ul style="list-style-type: none"> <li>• Active membership through participation in forums and initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Relevant specialist issues</li> <li>• Exchange of experience</li> <li>• Good practical examples from the business</li> </ul>	<ul style="list-style-type: none"> <li>• Membership and engagement in organisations</li> </ul>

### Materiality analysis

Coor's materiality analysis is based on our stakeholders, risks and opportunities, external factors and impact assessments of people, the environment and society in our value chains. Based on Coor's vision and strategy, priorities are then decided on in the SuMT, which are validated by the councils/management teams/staff functions responsible for the various sustainability and ESG dimensions, and by the executive management team. Based on the materiality analysis, Coor annually reviews selected focus areas in the Responsible Business framework, including the company's long-term ambitions.

In 2021, a thorough review of the materiality analysis platform was carried out which resulted in a new overview of key focus areas. The platform was redesigned to highlight the most relevant issues, which areas we should continue to safeguard and in which areas we need to focus on strategic improvements. Building on that work, Coor continued to develop the materiality analysis in 2022 by describing how the material topics affect our footprint and handprint, and with a clear connection to the UN SDGs. This work also resulted in the identification of energy as a material topic, and we have therefore expanded our focus on the SDGs to also include Goal 7: Sustainable energy for all.

### Continued need to develop material topics

Issues related to renewable and efficient resource management (especially CO<sub>2</sub>e emissions, energy and water consumption, and consumables) are becoming ever more important and Coor's stakeholders expect us to continuously improve our ability to manage these areas and report on our progress. This applies also to digital security, transparency and data, where our stakeholders expect an increased focus and where we see a growing need for process development. Access to transparent and reliable data remains crucial to Coor's strategic activities in data-driven development.

Diversity and inclusion remain key concerns and it is expected that further progress will be made. In this area, Coor continued its efforts to build support for and provide training related to the framework for social responsibility that was presented in 2021. The framework includes several important KPIs that are designed to ensure progress with a focus on gender distribution (an area where Coor is performing in line with its expectations and goals on a general level but where there is room for improvement in local management teams). Another initiative in 2022 that will help to ensure progress is the development of a new inclusion and diversity policy.

Our stakeholders continue to stress areas such as safety, decent working conditions (including training and skills development and fair wages) and employee engagement. These are processes where the employees are signalling through the annual employee survey that Coor has good control.

### Operational targets

To ensure a clear link between the materiality analysis and Coor's performance, operational targets are linked to each focus area. The targets are defined by the executive management team and monitored based on Coor's process for

management by objectives. Based on the business plan, internal operational targets are defined for a three-year period. Action plans for achieving the targets are followed up through Actio. Actio is the Group's mandatory system for target-oriented activities and action plans in all sustainability related areas as well as for deviations and reporting of risk observations, incidents and workplace injuries.

### MONITORING OF SUSTAINABILITY MANAGEMENT AND CERTIFICATIONS

To ensure a high-quality and environmentally friendly delivery in a safe and secure work environment, all Coor businesses have been certified under the ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 standards. During the year, we also certified a limited operation in Coor's Swedish business under the ISO 55001:2014 Asset Management standard. The management system covers all employees of the company. The activities are monitored continually through external and internal audits.

The 2022 external audits were carried out by DNV. The results highlighted Coor's good ability to meet its customers' needs and expectations. In general, Coor's systematic approach to managing changes and their consequences is effective. The basis is the clear and strong commitment of executive management and Coor's managers. Internal control and legal compliance activities are monitored regularly through internal audits and reported through the management review process. The management review is divided up and conducted quarterly in conjunction with internal target reporting.

Coor's management system is considered to be well implemented in the business and the company has a forward-looking attitude to business intelligence, covering areas such as technological development, stakeholder requirements, improvement work and information security. Areas for improvement that have been reported have been included as development areas for 2023.

In its management system, Coor has gathered Group policies which provide guidance on decisions in areas such as sustainability, risk management, communication, IT and purchasing. New employees are informed about these policies and revisions to the policies are communicated. A document management system is linked to the management system to ensure correct and traceable management of Coor's governing documents.

### BUSINESS RESPONSIBILITY

#### Code of Conduct

Coor's business ethics principles are set forth in a Code of Conduct, which provides guidance for the employees in their daily work. The Code of Conduct is stricter than the applicable legislation and covers the whole company. Among other matters, the Code describes how Coor and the company's employees should work to prevent corruption, conflicts of interest and discrimination. Coor's Code of Conduct forms part of the employees' terms of employment and is discussed annually in employee performance reviews. The Code of Conduct can be found on Coor's intranet and website and is included in information packs given to potential customers, for example in tendering processes. Small customer contracts are normally based on Coor's contract template,



which includes Coor's Code of Conduct. Major customer contracts can be entered into based on the customer's own contract templates and normally refer to a document which in terms of content is equivalent to Coor's Code of Conduct, such as the customer's own Supplier Code of Conduct. Coor's Board of Directors reviews and approves the Code of Conduct annually, including any revisions.

Sustainability and compliance issues are a recurring theme in Board discussions.

In 2022, Coor launched a new, updated online course on the Code of Conduct, which also includes the areas covered in our Anti-corruption Policy. This is an annual course that is mandatory for all employees, regardless of role and country. Coor's Directors also participate in the course. Following the update, the course is better adapted to the size of Coor's workforce as the scenarios used are closer to real-life situations and because technological opportunities have been harnessed to make the course more accessible to the participants, who can now access the course on their mobile phones. The new course also provides better opportunities for monitoring implementation. New employees take the course in connection with their introduction. Certain categories of employees, including managers, will take an expanded course to ensure that they are even better equipped to meet the challenges they face in their roles.

Monitoring of compliance with the Code of Conduct	Result 2022	Result 2021	Result 2020
Number of reported and investigated cases of suspected breaches of the Code of Conduct <sup>1) 2)</sup>	11	10	7

<sup>1)</sup> Cases reported through Coor's whistleblower system, where employees, suppliers and customers can anonymously report suspected breaches of Coor's Supplier Code of Conduct and employees, and breaches of Coor's Anti-corruption Policy.

<sup>2)</sup> In 2022, four suspected violations (out of a total of 11 reported cases) of Coor's Anti-corruption Policy were investigated specifically.

### Anti-corruption

In 2021, Coor produced an Anti-corruption Policy, which defines the company's clear stand against corruption. The policy defines what corruption is, establishes what Coor's employees may and may not do in various situations, and is in many cases stricter than the applicable laws. The policy also includes rules relating to the know your customer process, money laundering risks and conflicts of interest. The policy is

owned by Coor's Chief Legal Counsel and has been adopted by Coor's executive management team. In 2022, four suspected violations of Coor's Anti-corruption Policy were reported and investigated. As in previous years, anti-corruption training formed part of Coor's online course on the Code of Conduct. As described above, the course was updated in 2022 and is mandatory for all employees, regardless of role and country.

Number and percentage of individuals in executive positions (excl. Board) who have received training in anti-corruption	2022	
	Number	%
Sweden (including Belgium)	410	85
Finland (including Estonia)	47	64
Norway	118	72
Denmark	161	58
<b>Total number</b>	<b>736</b>	<b>74</b>

### Whistleblower portal

Coor has an online whistleblower function provided by an external supplier. Through the function, employees, suppliers and customers can anonymously report suspected irregularities at the company through encrypted messages. The whistleblower function is accessible via Coor's website and intranet. Dialogue with anonymous whistleblowers is enabled by allowing the whistleblower to obtain a personal code at the time of submitting a report. The whistleblower logs in using his or her personal code and can read answers from Coor's whistleblower team that is investigating the matter. The dialogue can continue for as long as desired and is entirely anonymous. Discrimination or reprisals against a person who reports a suspected irregularity in good faith will not be tolerated. The whistleblower function is available in the ten most widely spoken languages at Coor. All reports submitted through the portal are handled within seven days, in most cases immediately. Cases that are incorrectly submitted through the portal are forwarded to the right recipient in the organisation.

### Competition

Coor is committed to promoting healthy competition and complying with applicable competition laws. Coor's policy is to not exchange information with or enter into agreements or arrangements with competitors, customers or suppliers in a manner that risks impeding, restricting or distorting competition in the market.

Coor's position on competition issues is set out in Coor's

Code of Conduct and in certain internal guidelines which describe how specific situations should be handled. Any concerns regarding Coor's actions in competition matters can be communicated through various channels, including Coor's whistleblower portal, which is thus available to both employees and outside parties. Coor's Chief Legal Counsel is responsible for competition law issues, and any complaints are handled in accordance with Coor's guidelines for handling whistleblower cases.

During the period 2019–2022, Coor was not involved in any legal actions regarding anti-competitive practices, nor did it receive any complaints regarding such practices.

### Human rights

The equal value of all human beings is a fundamental value that governs all of Coor's activities. This value is integrated into the company's Code of Conduct and into relevant processes. In autumn 2022, Coor started an in-depth risk analysis (human rights impact assessment, HRIA) in social sustainability with the aim of identifying Coor's main risks linked to human rights and labour rights. Globally, there is an increased expectation from legislators, investors, customers and employees that companies should respect human rights and take responsibility for negative impacts linked to their business operations. Examples of this that have a direct impact on Coor include the adoption of the Norwegian Transparency Act and ongoing proposals for mandatory EU legislation on environmental and human rights. The analysis was carried out by a project group with the assistance of external experts and the results were reported to the SuMT. The risk analysis was completed in December 2022 and is the first step in Coor's human rights due diligence (HRDD) process in accordance with the UN Guiding Principles on Business and Human Rights.

By taking this first step, Coor has gained a better understanding of how our activities can cause, contribute to or be linked to negative human rights impacts. This is particularly true in the supply chain and in jurisdictions with weak regulations, but also in connection with outsourcing. In the company's own operations, aspects linked to health and safety and language barriers were highlighted as significant. In the analysis, it was identified that Coor has a good foundation for managing human rights, but that greater coordination within the Group is required to further raise the minimum level, and that a separate and clearer human rights policy would further raise the baseline. The developed policy is an initial version and is intended to supplement the company's Code of Conduct. The policy applies to all operations, including the supply chain.

Based on the risk analysis, we are now working on a more in-depth action plan that aims to prevent, mitigate or remedy what is relevant in line with our ambition to integrate human rights practices into our way of working. We are also reviewing the way we conduct environmental and social due diligence in connection with new deals, acquisitions and supplier collaborations with the aim of developing our existing processes where required. A more detailed report and action plan will be published in 2023.

Security personnel employed by Coor are to 100 percent trained within the framework for human rights.

### Information security

The global situation with regard to security issues in general, including cyber security, deteriorated further in 2022. In addition to the long-running negative trend in cyber attacks against government agencies and businesses from primarily criminal actors, there is now also an increased threat from nation states. Continued digitalisation, both in business and society, is facing increasingly sophisticated methods of attack. Cyber security is an area requiring constant vigilance.

Coor has an up-to-date threat analysis that is used as a basis for safeguards and regularly renews measurements of the company's maturity against frameworks such as CIS 20 and ISO 27001. CIS 20 and ISO 27001 continue to serve as a basis for technical safeguards and procedures.

The existing security solutions were further strengthened during the year through the company's security collaboration with Microsoft, which began in 2021. The monitoring of security events has been greatly improved in order to meet the existing threats and enable a faster response, partly through the automation of measures. This work will continue through 2023 and beyond. The roll-out of a modern cyber security awareness platform has begun. Coor's efforts to further increase awareness, and thereby the level of protection, will continue in 2023.

Information security is managed through our IT Board and Information Security Management Council, both with executive representation, as well as the roles of Chief Information Officer (CIO), Chief Information Security Officer (CISO), Head of IT Security and Data Protection Officer (DPO). These report to the executive management team and Board of Directors.

### Customer relationships

Every year, Coor conducts a survey among its customers with the help of an external research firm with the aim of monitoring its performance as a service provider. Coor's customer satisfaction score was down slightly in the 2022 survey but remains at a high and stable level, 71 (74). The results from the customer survey provide valuable input for the future, with regard to the development of Coor's relationships with its customers as well as its internal development as a company.

As a supplement to the annual survey, we continuously follow up on customer satisfaction. This qualitative and quantitative monitoring is customised based on the specific customer and focuses on both service delivery and customer relations. Quantitative surveys are carried out using pulse surveys, for example.

Maintaining customer relationships and retaining satisfied customers over time are crucial to achieving stable and profitable growth. Coor works proactively to develop its service offering and continuously proposes improvements to its customers. In 2022, 6,310 (6,838) suggestions for improvement were made, of which 4,116 (4,436) were implemented at the customers' premises.

We have not identified any matters or complaints regarding breaches of customer privacy or loss of customer data.



Customer satisfaction	Result 2022	Result 2021	Result 2020
Number of registered and implemented improvement initiatives <sup>1)</sup>	6,310	6,838	6,490
Customer survey score <sup>2)</sup>	71	74	70
Percentage of customer contracts extended <sup>3)</sup>	82	58	92

<sup>1)</sup> Number of implemented suggestions for improvement, as registered in Coor's IT-based Actio system.

<sup>2)</sup> Each year, Coor conducts a comprehensive customer survey with the help of an external research firm.

<sup>3)</sup> The customer retention rate is commented on in the Directors' Report.

## EMPLOYEES

Coor's employee processes form the basis for the company's social responsibility. Coor's employees work continuously to improve the company's service delivery to the customers, but to be able to do a good job they need to have the right conditions and need to feel that they are being seen, heard and acknowledged. We refer to Coor's efforts to build employee engagement as Passion for People. The Group's HR Director is responsible for Coor's strategic development activities in the area of social sustainability. Since 2021, the Group's HR Director, together with all the country HR Managers, have formed a management team tasked with promoting joint development, not least in the area of social responsibility. The management team has created a common development plan for those areas where the Group has common interests. The management team also continuously monitors the common Group goals as well as other strategic KPIs in social sustainability and evaluates the initiatives that are implemented to achieve the goals. Coor is a service company whose most important asset is our employees. As part of Passion for People, Coor therefore monitors staff turnover to ensure that the company has the talent it needs. This monitoring also provides indications regarding the employees' well-being and is an important parameter as the company grows.

The vast majority, 93 per cent, of our employees are covered by collective bargaining agreements. Employees not covered by a collective bargaining agreement are offered terms of employment equivalent to those of the relevant collective bargaining agreement in the industry. To run our business, we occasionally need temporary help from consultants and subcontractors. The roles and duties involved differ depending on the function. The roles engaged, through consultancies or staffing agencies, include IT consultants, electricians, cleaners and receptionists.

### Continuous skills development

Coor strives to be the most attractive employer in the Nordic FM industry, and in order to succeed in this ambition our employees need to continuously be given opportunities to develop. Employees are therefore given an individual development plan that is prepared with their manager at the annual performance review, Coor Development Dialogue. After two years dominated by the pandemic, we gradually entered the new normal in 2022. It was possible to conduct some courses in person again. During the year, we also developed our range of online training courses and we now also offer our managers development opportunities through a range of webinars.

In cases where it is necessary to scale back operations, our employees are covered by provisions in national laws or collective bargaining agreements that are designed to secure their future training and opportunities to find employment outside the company. In Sweden, for example, all employees are eligible for redeployment support through TRR Trygghetsrådet and the Job Security Foundation (Trygghetsstiftelsen).

Employee surveys	Result 2022	Result 2021	Result 2020
<b>Sweden</b>			
Employee survey score	76	76	76
Leadership Index	79	80	79
Inclusion Index	81	83	n/a
Safety Index	83	83	n/a
<b>Denmark</b>			
Employee survey score	78	81	83
Leadership Index	79	83	86
Inclusion Index	81	84	n/a
Safety Index	79	80	n/a
<b>Norway</b>			
Employee survey score	74	76	74
Leadership Index	79	83	80
Inclusion Index	80	83	n/a
Safety Index	87	88	n/a
<b>Finland</b>			
Employee survey score	78	81	78
Leadership Index	78	80	78
Inclusion Index	77	79	n/a
Safety Index	82	83	n/a
<b>Total Group</b>			
Employee survey score	76	78	78
Leadership Index	79	81	81
Inclusion Index	81	83	n/a
Safety Index	82	83	n/a

### Average number of training hours per employee

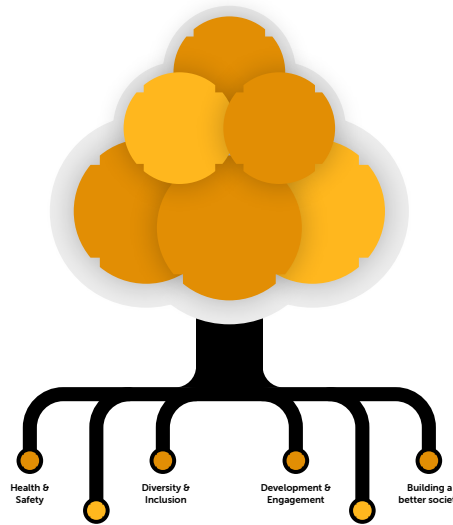
	2022		2021	
	Women	Men	Women	Men
Board of Directors	1	1	0	0
Executive management team	14	14	16	16
Employees with staff management responsibilities	11	9	14	14
Other employees	7	6	5	2

### Percentage of employees who have received regular performance and career development evaluations and reviews, %

	2022		2021	
	Women	Men	Women	Men
Executive management team	100 %	100 %	100 %	100 %
Employees with staff management responsibilities	77 %	77 %	74 %	70 %
Other employees	76 %	77 %	59 %	64 %

## Coor's framework for social responsibility

At Coor, we have chosen to illustrate our framework for social responsibility with a tree where the roots symbolise a stable foundation. The leaves at the top represent Coor Society Program where Coor reaches out to the most vulnerable groups in the societies in which we operate. The best ideas and partnerships from Coor Society Program are then developed into Coor's next strategic development initiatives, for which broad support is built across the business, as symbolised by the trunk. An example of the latter is Coor's language courses – an initiative that began as a local activity under Coor Society Program but is now being implemented in our various countries. Some of these development initiatives in turn become part of Coor's fundamental employee processes – symbolised by the root system. Just as a root system grows over time, this growth is gradual and the tree remains stable. Through this framework, Coor ensures continuous development, with flows between the foliage and root system. Coor's social responsibility activities, from Coor Society Program all the way through the trunk, must have a clear connection to our daily operations and our processes, from customers and employees to suppliers.



**COOR SOCIETY PROGRAM**  
Society engagement

**SOCIAL DEVELOPMENT**  
Strategic development projects increasing Coor's impact

**FOUNDATION**  
Well anchored people processes

### Models of success

Coor's success models clearly define the skills that are required to be successful in one's role. The models also describe desired behaviours linked to each skill. Coor has three different success models: one for service personnel, one for specialists and one for leaders. The models are based on Coor's vision, overall goals and the company's three guiding principles: We see further, We listen and We create success.

### Internal training programmes

Coor has several internal training programmes for new employees, including Coor Service School for service personnel and Coor Business School for managers and specialists. In these programmes, a strong emphasis is placed on understanding Coor's business and its culture.

In the last few years, we have produced targeted training programmes for first-line managers to ensure that they have the best possible knowledge and skills for leading their employees and delivering first-class service. The courses First Line Manager Training – Property and First Line Manager Training – Cleaning were conducted during the year and we also developed a concept for first-line managers in food and beverages. Coor has also stepped up its online training activities. For example, the course linked to our Code of Conduct, which is aimed at all employees, was digitalised in 2022. Coor also has local and service-specific training programmes for specific categories of employees or assignments. For example, we have a training programme in service skills – Star-class Service.

The number of training hours increased in 2022 compared with 2021 due to wider use of digital channels as well as improved opportunities for physical participation.

### Diversity and inclusion

At Coor, we believe firmly that a diversity of personalities, backgrounds, experiences and knowledge creates the right

conditions for the company's continued success. Coor's Code of Conduct states clearly that every employee must be treated fairly and with respect. Efforts to achieve an equal representation of men and women at management level continued during the year, and the balance has remained stable. The share of female managers during the year was 50 (51) per cent.

Percentage of workforce covered by collective bargaining agreements	2022	2021
Percentage covered by collective bargaining agreements <sup>1)</sup>	93 %	90 %

<sup>1)</sup> The majority of our employees are covered by collective bargaining agreements. Employees not covered by a collective bargaining agreement are offered terms of employment equivalent to those of the applicable collective bargaining agreement in the industry.

Our employees include a large number of foreign-born people and we are often the first employer for new arrivals to the country. Coor's annual employee survey monitors a number of different areas. One is employee motivation, which is measured through an index, in which Coor achieved a score of 76 (78) in 2022. This shows that our employees feel valued, that their expectations are being met and that they are monitored and receive feedback continuously. An inclusive culture is essential to ensuring that employees are able to be themselves and feel respected. We monitor this through the survey's inclusion index and health and safety index as well as by other means.

Any form of harassment is unacceptable at Coor, and in the annual employee survey employees are specifically asked if they have experienced discrimination at work.

The results for the year showed that 3 (3) per cent had experienced some form of discrimination. Incidents are followed up by HR together with the organisation concerned where possible. In other cases, targeted initiatives are implemented along with broader communication about measures. During the year, 203 (227) cases of discrimination were reported. There are no legal proceedings in the organisation based on any incidents.

Employees at 31 Dec	2022		2021	
	Employees	Share of women	Employees	Share of women
<b>Coor Group</b>				
Total number of employees	138	51 %	118	46 %
No. of permanent employees	138	51 %	118	46 %
– Of whom full-time	136	50 %	114	42 %
– Of whom part-time	2	3 %	4	3 %
No. of fixed-term employees	0	0 %	0	0 %
Contract staff	278	20 %	236	26 %
Auxiliary/on-call staff <sup>2)</sup>	4	n/a	n/a	n/a
<b>Norway</b>				
Total number of employees	1,588	63 %	1,433	60 %
No. of permanent employees	1,540	61 %	1,367	59 %
– Of whom full-time	1,092	57 %	1,000	55 %
– Of whom part-time	448	77 %	367	71 %
No. of fixed-term employees	30	63 %	66	67 %
Contract staff	41	32 %	961	3 %
Auxiliary/on-call staff <sup>2)</sup>	473	n/a	n/a	n/a
<b>Denmark</b>				
Total number of employees	4,123	59 %	3,885	61 %
No. of permanent employees	4,121	59 %	3,882	61 %
– Of whom full-time	1,437	48 %	1,141	47 %
– Of whom part-time	2,684	65 %	2,741	66 %
No. of fixed-term employees	2	0 %	3	33 %
Contract staff	37	43 %	45	38 %
Auxiliary/on-call staff <sup>2)</sup>	5	n/a	n/a	n/a
<b>Sweden <sup>1) 3)</sup></b>				
Total number of employees	5,732	59 %	4,914	55 %
No. of permanent employees	5,509	58 %	4,754	55 %
– Of whom full-time	4,165	54 %	3,874	51 %
– Of whom part-time	1,344	71 %	880	72 %
No. of fixed-term employees	223	66 %	160	61 %
Contract staff	184	38 %	200	41 %
Auxiliary/on-call staff <sup>2)</sup>	1,515	n/a	n/a	n/a
<b>Finland including Estonia</b>				
Total number of employees	1,020	61 %	993	63 %
No. of permanent employees	982	61 %	976	63 %
– Of whom full-time	752	60 %	779	61 %
– Of whom part-time	230	64 %	197	70 %
No. of fixed-term employees	38	55 %	17	76 %
Contract staff	8	75 %	9	67 %
Auxiliary/on-call staff <sup>2)</sup>	232	n/a	n/a	n/a
<b>Total number of employees</b>	<b>12,601</b>	<b>59 %</b>	<b>11,343 <sup>3)</sup></b>	<b>58 %</b>

<sup>1)</sup> 2022: Including Belgium, excluding Centrumståd.

<sup>2)</sup> Auxiliary/on-call staff are introduced in reports from 2022.

<sup>3)</sup> 2021: Excluding Belgium, Inspira and Middlepoint.

Employees at different levels <sup>1)</sup>	2022		2021	
	Number	Share of women	Number	Share of women
<b>Board of Directors</b>	<b>9</b>	<b>44 %</b>	<b>9</b>	<b>33 %</b>
Under 30 years	0	0 %	0	0 %
30–50 years	1	100 %	0	0 %
Over 50 years	8	38 %	9	33 %
<b>Management</b>	<b>11</b>	<b>27 %</b>	<b>11</b>	<b>27 %</b>
Under 30 years	0	0 %	0	0 %
30–50 years	2	0 %	2	0 %
Over 50 years	9	33 %	9	33 %
<b>Employees with staff management responsibilities</b>	<b>1,052</b>	<b>50 %</b>	<b>938</b>	<b>49 %</b>
Under 30 years	31	71 %	31	61 %
30–50 years	585	52 %	536	48 %
Over 50 years	436	47 %	371	48 %
<b>Other employees</b>	<b>11,600</b>	<b>60 %</b>	<b>10,604</b>	<b>58 %</b>
Under 30 years	1,693	62 %	1,608	59 %
30–50 years	5,748	60 %	5,280	58 %
Over 50 years	4,159	60 %	3,716	59 %

<sup>1)</sup> Including Belgium, excluding Centrumståd.

Staff turnover	2022		2021	
	Employees	Share of women	Employees	Share of women
<b>New hires during the year</b>				
<b>Coor Group</b>				
Under 30 years	6	66 %	5	40 %
30–50 years	23	70 %	11	27 %
Over 50 years	3	100 %	1	100 %
<b>Norway</b>				
Under 30 years	40	83 %	37	43 %
30–50 years	173	73 %	128	64 %
Over 50 years	63	59 %	36	61 %
<b>Denmark</b>				
Under 30 years	227	59 %	448	68 %
30–50 years	560	57 %	948	60 %
Over 50 years	349	54 %	407	59 %
<b>Sweden <sup>1)</sup></b>				
Under 30 years	296	55 %	283	59 %
30–50 years	562	54 %	681	51 %
Over 50 years	189	54 %	392	57 %
<b>Finland including Estonia</b>				
Under 30 years	307	64 %	203	68 %
30–50 years	281	54 %	177	68 %
Over 50 years	90	67 %	54	67 %
<b>Total no. of new hires</b>	<b>3,169</b>	<b>58 %</b>	<b>3,811</b>	<b>60 %</b>
<b>Share of new employees</b>	<b>25 %</b>		<b>34 %</b>	

<sup>1)</sup> Including Belgium, excluding Centrumståd.



Terminations during the year	2022		2021	
	Employees	Share of women	Employees	Share of women
<b>Coor Group</b>				
Under 30 years	3	100 %	0	0 %
30–50 years	9	33 %	9	44 %
Over 50 years	2	100 %	1	100 %
<b>Norway</b>				
Under 30 years	29	55 %	35	51 %
30–50 years	126	52 %	292	60 %
Over 50 years	65	68 %	158	58 %
<b>Denmark</b>				
Under 30 years	312	64 %	270	73 %
30–50 years	676	58 %	413	64 %
Over 50 years	405	60 %	261	62 %
<b>Sweden <sup>1)</sup></b>				
Under 30 years	254	63 %	118	61 %
30–50 years	428	48 %	255	51 %
Over 50 years	208	53 %	131	48 %
<b>Finland including Estonia</b>				
Under 30 years	144	73 %	78	69 %
30–50 years	195	63 %	95	63 %
Over 50 years	70	69 %	32	78 %
<b>Total no. of terminations</b>	<b>2,926</b>	<b>59 %</b>	<b>2,148</b>	<b>61 %</b>
<i>Share of terminations</i>	<i>23 %</i>		<i>19 %</i>	

<sup>1)</sup> Including Belgium, excluding Centrumstād.

## HEALTH AND SAFETY

### Preventing risks at the workplace

All employees should be able to work in a good and safe environment, both physically and psychosocially. Coor's efforts to promote health and safety are based on identified risks and general legal requirements. Coor's health and safety management is well implemented, governed by the executive management team and developed continuously through the Safety Committee, which consists of the national and Group health and safety officers. We have a clear vision to achieve zero workplace-related injuries. A key success factor to realise

this vision is to address health and safety in collaboration with customers as well as suppliers. The majority of Coor's employees work in our customers' premises and often in collaboration with subcontractors, which is why continuous dialogue, joint efforts and analysis are important and prioritised. Risks are identified through risk surveys, risk assessments, continuous safety inspections and daily reporting of risk observations. In 2022, there were good opportunities to implement and follow up on planned initiatives. Some activities are carried out through Microsoft Teams.

The focus has been on the following areas:

- Nationwide initiatives in the form of preventive activities to increase proactive risk awareness in the business.
- The introduction of Life Saving Rules and First Line Manager Training courses.
- Operational monitoring of safety inspections, risk surveys and assessment of injuries to develop targeted risk prevention activities. The introduction of escalation processes to deal with injuries in all countries.
- Collaboration with customers on safety inspections, training and supplier meetings.
- Internal and external audits in accordance with the ISO 45001:2018 health and safety standard.

As part of the above risk management activities, the executive management team and national management teams took part in safety inspections in a number of different areas to identify risks. This is a very important and appreciated effort.

### Reporting and monitoring

All employees are encouraged and expected to report observed risks as part of their duties. Processes and procedures contain instructions for how events should be reported and investigated. Risk observations, incidents and injuries are reported directly to the relevant manager by mobile phone or computer. The reports are then followed up and the implemented risk prevention activities are assessed. The results are followed up and

analysed at country and Group level on a monthly basis. Based on the results, targeted measures and training activities are carried out. Actio is used as system support.

The increased number of risk observations and reported events in 2022 reflects an increased risk awareness and willingness to report risks in the business. The results help us to identify operations where there is a need for training and preventive measures. The most common categories of injuries reported were falls from the same height, falls from high heights and stab/cut injuries.

In 2022, we stepped up our efforts to promote health and safety activities aimed at preventing injuries by introducing Life Saving Rules. These rules will help us all, and especially those directly involved in the delivery of our services, to understand how we should act in situations where there is a risk of injury. If we can't do it safely, we shouldn't be doing it. This is a key maxim to bear in mind as we work towards our vision of zero work-related injuries. The rules are based on the most common hazards and risks encountered in Coor's activities and were drawn up towards the end of 2021 on the basis of actual incidents. In 2023, Coor will continue its training activities in order to raise the level of knowledge in the company, and to establish a common view and enhanced safety culture in our day-to-day activities.

Coor uses the US OSHA (US Occupational Safety and Health Administration) definitions and classifications as guidelines for the classification of injuries.

#### Fatal accident in Denmark

In May 2022, an accident with a fatal outcome occurred in the course of the provision of cleaning services to Ballerup Municipality in Denmark. Coor worked with the authorities, trade union and Ballerup Municipality to determine the root cause of the accident. The investigation was important to ensure that we are able to actively prevent anything similar from happening again, both in the delivery concerned and in the company as a whole. In order to continuously learn from our experiences of this incident, Coor has continued to carry out site inspections and provide training to employees and managers in order to increase risk awareness and compliance with Coor's procedures. Coor has supported the family of the deceased as well as the employees and managers working on the contract. Coor has also accepted the verdict of the police and paid a fine.

#### Health promotion activities

Coor has continued its efforts to reduce sick leave. Apart from direct activities aimed at reducing sick leave, our efforts to strengthen employee engagement and motivation are also considered to have a positive impact on sick leave. After two years in which the pandemic had a major impact, we are now moving towards a more normal situation, and sick leave fell from 7.7 per cent to 6.8 per cent during the year.

At country level, Coor is engaged in various types of health promotion activities, such as ensuring that all employees have access to occupational health services, wellness benefits and health checks. In connection with the introduction of new managers and employees, Coor communicates the importance of health and safety at the workplace. Managers also take a mandatory course in health and safety.

Work-related accidents, Coor employees	2022	2021
Number of work-related injuries	138	141
TRIF <sup>1)</sup>	7.0	8.9
LTIF <sup>2)</sup>	6.2	8.3
Number of injuries with serious consequences <sup>3)</sup>	0	0
Accident frequency, serious injuries <sup>3)</sup>	0	0
Work-related accidents, non-Coor employees <sup>4)</sup>	2022	2021
Number of work-related injuries	10	10
Number of injuries with serious consequences <sup>3)</sup>	0	0

<sup>1)</sup> TRIF (total recordable injury frequency rate) measures the total number of injuries during the period. The following formula was used to calculate TRIF: total number of injuries x 1,000,000/number of hours worked. Injuries on the journey to and from work are excluded.

<sup>2)</sup> LTIF (lost time injury frequency rate) measures the total number of injuries resulting in an employee's absence from work for more than 8 hours. The following formula was used to calculate LTIF per million hours worked: number of injuries resulting in sick leave (8 hours) x 1,000,000/number of hours worked. The number of hours worked in 2022 was 18,845,988.

<sup>3)</sup> Injuries with serious consequences are defined as those resulting in more than six months' absence, excluding death.

<sup>4)</sup> The figures for "Work-related accidents, non-Coor employees" refer to people who perform work for Coor but are employed by a subcontractor. The fatal accident that occurred in 2022 is not included in the reported figures as the individual concerned was neither employed by Coor nor by a subcontractor.

Health and wellness activities <sup>1)</sup>	Result 2022	Result 2021	Result 2020
Sick leave, %	6.8	7.7	6.2
Number of risk observations	9,126	9,673	7,195
Number of incidents	916	986	841

<sup>1)</sup> Including Belgium, excluding Centrumst ad.

## SOCIAL COMMITMENT

Coor Society Program is our platform for our social commitment. Coor has great potential to make a positive contribution to the development of society, for example by helping to integrate new arrivals and providing a route to employment for those who for various reasons are outside the labour market.

Coor Society Program initiatives can be implemented both centrally and locally. Coor seeks to ensure that all initiatives are run through partnerships with well-established partners and that all relevant topics are closely related to Coor's core business and values as well as the company's four focus areas for social responsibility: health & safety, diversity & inclusion, development & engagement, and building a better society. The initiatives are monitored continuously by the HR Management Team, which is led by the Group's HR Director.

In 2022, Coor implemented initiatives aimed at getting people into work and organised a number of charity events among other activities. Read more about some of these events in the section *Operations – Employees and diversity*.

## ENVIRONMENTAL HANDPRINT

Environmental handprint is what Coor calls the measures we implement to help our customers reduce their environmental footprint. Handprint is an important part of our customer offering.

### Green advice

Through its *Coor Green Services* auditing tool, Coor has been identifying and presenting environmental improvement measures to customers for over ten years. The tool is now being

discontinued to make room for new development initiatives. When Coor first developed Green Services, it was a unique tool that created considerable added value for our customers. Today, most of the services we offer through Green Services are included in our basic offering, which is a natural consequence of our focus on more environmentally friendly services and a high minimum service level. It has therefore been decided at Group level to discontinue Green Services. However, we still see the value of helping our customers to become more sustainable. We also see that there is a lack of effective measurement tools for analysis and monitoring, and we are therefore developing a new concept. The goal is for this concept to be aimed at customers who really want to take a stand in the green transition. More information about this concept will be presented in 2023.

### Energy advice

Qualified energy advice is a service that is increasingly demanded by customers. This is partly because energy auditing became mandatory for all large companies in the EU in 2016 and partly because of a desire among our customers to reduce their climate impact. Coor helps its customers to reduce their actual energy consumption through energy audits coupled with a systematic approach that harnesses the latest technology. Examples of Coor services linked to energy efficiency:

- Systematic energy management – Coor leads ongoing energy management activities together with the customer and the local operations staff to achieve the customer's own energy objectives.
- Energy audits – Coor carries out detailed energy audits in accordance with the Act on Energy Audits in Large Enterprises.
- Energy-efficient operation of data centres – Coor is certified to provide services in this area, which is growing fast in Sweden.
- Technical site assessments – Coor performs assessments of specific energy-saving measures or to establish whether the existing systems can cope with the customers' extensions to and redevelopment of the facilities.
- Energy controller services – Coor helps customers whose contracts include energy-related administrative services to reduce their costs. This is done, for example, through energy monitoring, energy budgeting, lease analysis, electricity agreements, reclamation of energy tax, quality-assured statistics and documentation. All with the aim of enabling our customers to gain insight into, monitor and improve the efficiency their energy consumption.

### ENVIRONMENTAL FOOTPRINT

Environmental footprint is the environmental impact that Coor's operations give rise to. Coor's own activities have a significant environmental impact in the form of energy consumption, emissions from transports and the management of chemicals, waste and raw materials. To ensure systematic, high-quality environmental management throughout the company (both internally and in Coor's efforts to improve its customers' environmental management), the company has introduced a mandatory basic environmental training course which all employees are required to complete during their first year of employment.

### Emissions

Coor calculates greenhouse gas emissions according to the Greenhouse Gas Protocol (GHG Protocol). Coor's operations give rise to direct emissions of greenhouse gases from our vehicle fleet and machinery (Scope 1), indirect emissions from energy consumption in the form of electricity, heating and cooling (Scope 2) and emissions that occur in our value chain where Coor does not always own the process or have direct control over production (Scope 3). These include, amongst other things, purchases of goods and services, business trips and employees commuting to and from work. Our goal is to reduce our Scope 1 and 2 emissions by 75 per cent by 2030 compared with our baseline year 2018. Scope 1 emissions are generated by our vehicle fleet, which includes service vehicles and company cars for private use, in cases where Coor pays for the fuel, as well as our machinery. The transition to an electrified vehicle fleet has begun. There are challenges regarding access to infrastructure and we continued to experience challenges resulting from longer delivery times for electric vehicles, as in 2021.

Scope 2 comprises energy consumption in the form of electricity, heating and cooling in the premises where Coor has operational control over energy consumption. Energy is consumed mainly in the form of electricity and heat. District heating is the principal form of heating. Energy reviews are carried out annually.

Coor works continuously to reduce energy consumption in its premises. In each country, initiatives and changes are implemented continuously. In 2022, an important perspective in our efforts to reduce energy use was behavioural change and awareness, with the aim of saving energy in our daily activities.

In the last few years, Coor has been verifying the quality of its energy consumption data, and this effort continued in 2022. Compared with the baseline from 2018, measures have been implemented that have reduced the absolute level of tCO<sub>2</sub>e. In 2022, 64 per cent of the electricity came from renewable sources, compared with 57 per cent in 2021. An important part of this work is to continue the transition to renewable electricity.

We also want to do what we can to reduce our Scope 3 emissions. We therefore also have targets and developed processes for monitoring some of our indirect Scope 3 emissions. For food and beverages, we are aiming to reduce CO<sub>2</sub>e/kg by 30 percent by 2025, from the base year 2018. For 2022, the reduction is 16 percent (2.20 kgCO<sub>2</sub>e/kg) compared to the base year 2018 (2.62 kgCO<sub>2</sub>e/kg).

For Scope 3, we presented a further goal in 2022, related to our supply chain. The goal is for 75 per cent of emissions from the Scope 3 categories purchased goods and services as well as upstream transportation to come from suppliers who have had their targets approved by the Science Based Targets initiative or an equivalent body by 2026. This new goal was introduced in autumn 2022, and the fourth-quarter interim report was the first time we communicated our progress on achievement of the goal to external parties.

Coor is also driving change in property services and cleaning, with a clear ambition to reduce greenhouse gas emissions there as well. This will be achieved partly through remote monitoring and control of customers' energy systems, which reduces the

need for travel to and from the customer, a switch to electric vehicles and Nordic Eco-labelled cleaning processes.

Supplier engagement	2022
Percentage of suppliers validated by SBTi <sup>1)</sup>	4

1) The goal is for 75 per cent of emissions from the Scope 3 categories purchased goods and services as well as upstream transportation to come from suppliers who have had their targets approved by the Science Based Targets initiative or an equivalent body by 2026.

### Tool for analysing Coor's greenhouse gas emissions

In 2019, Coor calculated its total greenhouse gas emissions to obtain a complete overview of the climate impact of the company's operations, including raw material consumption. One of the insights gained from this study was that the calculations needed to be refined and be made more frequent to enable us to identify measures to reduce greenhouse gas emissions and reflect the effect of implemented measures. In 2022, Coor continued to develop a tool to calculate the climate impact of greenhouse gas emissions (CO<sub>2</sub>e). The tool was taken into use in spring 2022 and work on further validating the data and automating the processes continued throughout the year. In addition to Scopes 1 and 2, Coor is focusing on three main service areas that account for the largest share of emissions in developing the climate impact tool: food and beverages, property services and cleaning. To assist this effort, Coor has forged partnerships with leading experts in life cycle analysis and climate impact calculation. The aim is to carry out a thorough measurement of greenhouse gas emissions from the company's operations and consumption of raw materials, including the development of an analysis tool that will support decision-makers in making more data-driven decisions when it comes to reducing Coor's climate impact.

The method for calculating emissions from food and beverages is based on supplier data supplemented with climate scores from a climate database for food, which in turn is based on life cycle analyses of more than 750 food categories and more than 1,500 climate scores. The approach and method of calculating emissions from our delivery of cleaning and property services differ from the calculation of the carbon footprint of food. The goods consist of consumables, capital goods and leased products, and the fact that the goods consist of many different components and materials and that there are currently no databases containing climate data for these types of products and services makes the calculations more complex. The purpose of calculating emissions from cleaning and property services is to learn more about the biggest drivers of emissions and what Coor can do to reduce them. In the vast majority of cases, a collaboration with our business partners is required to reduce CO<sub>2</sub> emissions from our service delivery in cleaning and property services. Through the newly developed tool, we have also been able to pilot customer reports in order to tailor our own Footprint Calculator, which shows Coor's emissions on behalf of the customer. These pilot analyses have been well received, are continuing to be fine-tuned and will be rolled out on a wider front and offered to additional customers in 2023.

Energy consumption in the organisation, kWh <sup>1)</sup>	2022	2021	2020
Fuel consumption (non-renewable)	n/a	21,593	n/a
Electricity	3,656,243	3,272,354	3,759,795
Heating	1,952,190	3,279,215	5,769,747
Cooling	725,317	314,023	130,592
<b>Total energy consumption</b>	<b>6,333,750</b>	<b>6,887,184</b>	<b>9,660,133</b>

<sup>1)</sup> Coor reports in accordance with the Greenhouse Gas Protocol and reports energy consumption for buildings where Coor has operational control over energy consumption. Energy consumption is based on actual consumption where possible. In buildings where it was not possible to collect data on actual energy consumption the figure has been estimated based on energy consumption for an equivalent operation in Coor in the same national market, on a per square metre basis.

Greenhouse gas emissions, tCO <sub>2</sub> e	2022	2021	2020
<b>Scope 1 <sup>1)</sup></b>	<b>3,369</b>	<b>3,243</b>	<b>3,038</b>
Mobile combustion	3,358	3,237	3,038
Stationary combustion	11	6	0
<b>Scope 2 <sup>2)</sup></b>	<b>333</b>	<b>445</b>	<b>637</b>
Electricity (market-based)	264	318	469
Electricity (location-based)	150	128	146
District heating	69	126	168
District cooling	0	1	0
<b>Scope 3 <sup>3)</sup></b>	<b>113,512</b>	<b>89,553</b>	<b>86,735</b>
Purchased goods and services	94,880	77,046	74,576
Cleaning	14,043	25,737	22,381
Property and security	19,241	17,758	16,935
Food and beverages	27,167	19,646	20,273
Workplace services	5,754	4,713	5,422
Other services	28,632	9,095	9,496
Water use	43	96	70
Capital goods	N/A	N/A	N/A
Fuel- and energy-related activities (not included in Scope 1 or 2)	1,835	1,122	1,132
Upstream transportation and distribution	7,711	5,207	4,892
Waste generated in operations	98	5	7
Wastewater treatment	90	N/A	N/A
Food waste	8	N/A	N/A
Business travel	1,844	378	503
Employee commuting	1,641	5,795	5,626
Upstream leased assets	N/A	N/A	N/A
Downstream transportation and distribution	N/A	N/A	N/A
Processing of sold products	N/A	N/A	N/A
Use of sold products	5,507	N/A	N/A
End-of-life treatment of sold products	N/A	N/A	N/A
Downstream leased assets	N/A	N/A	N/A
Franchises	N/A	N/A	N/A
Investments	N/A	N/A	N/A
Other (upstream)	N/A	N/A	N/A
Other (downstream)	N/A	N/A	N/A
<b>Total</b>	<b>117,217</b>	<b>93,241</b>	<b>90,409</b>
Biogenic emissions (not included in Scopes 1, 2 and 3)	194	278	44

<sup>1)</sup> The base year for Coor's climate calculations is 2018. In 2018, Scope 1 emissions totalled 2,678 tCO<sub>2</sub>e. Scope 1 emissions are calculated based on purchased

volume of fuel and fuel type and are multiplied by emission factors for each fuel type. The consolidation method is operational control.

<sup>2)</sup> The base year for Coor's climate calculations is 2018. In 2018, Scope 2 emissions totalled 772 tCO<sub>2</sub>e (market-based) and 350 tCO<sub>2</sub>e (location-based). The consolidation method is operational control. Location-based is not included in the total in the table above.

<sup>3)</sup> The base year for Coor's climate calculations is 2018. In 2018, Scope 3 emissions totalled 123,596 tCO<sub>2</sub>e. Coor calculates its carbon emissions in accordance with the Greenhouse Gas (GHG) Protocol. Emission factors for food and beverages have been taken from the RISE Food Climate Database and emission factors based on spend have been developed in collaboration with climate experts. The category "Use of sold products" is reported for the first time in 2022.

### Water use

Water as a resource is a material topic. Coor consumes water in its own offices but water is also used in our service delivery in the form of laundries in cleaning services and irrigation of outdoor environments. However, that water use is often under the operational control of our customers and is therefore included in their reports. Coor, on the other hand, has a strong focus on reducing water pollution, for example from the use of chemicals, and is taking active measures in this area. Refer to the section *Chemicals management*. The search for innovative solutions related to water as a resource remains a high priority.

Measuring and monitoring water use, partly in our own premises but above all in our service delivery, continues to be challenging and Coor is continuously evaluating methods for meeting this need. There is still no comprehensive solution in place.

Coor is collaborating with Mimbly, which provides a sustainable and innovative laundry solution that we use ourselves at certain sites and that we also offer to our customers. The solution, called Mimbox, reduces most of the environmental effects of washing by drastically reducing the washing machine's water and energy use and by filtering out microplastics.

### Management of raw materials

Of Coor's emissions calculated in the base year 2018, 3 per cent of greenhouse gases came directly from our operations (Scopes 1 and 2). The vast majority of Coor's greenhouse gas emissions are indirect Scope 3 emissions, arising from purchased goods and services linked to our service delivery to the customer. In addition to reducing our direct emissions, we also want to reduce those indirect emissions that we can influence. Coor's greatest opportunity to help address the global climate challenge right now is to reduce our footprint in food and beverages. Coor provides restaurant and café services across the Nordic region and serves patient meals under the Signatur by Coor brand. This makes Coor a major buyer of food. The goal is to reduce greenhouse gas emissions from purchased food by 30 per cent by 2025 compared with 2018. One issue that is close to our hearts is how to create new eating habits, such as increasing the intake of plant-based foods. Coor is addressing this issue in different ways. The company has, for example, hired change leaders who are working on sustainability in food and beverages. We are also working with chefs, suppliers and influencers to increase knowledge about and encourage greater interest in plant-based foods among diners and staff.

In 2022, Coor had a strong focus on skills development. To take one example, all restaurant managers in the Swedish business had the opportunity to participate in a sustainability

training course that included inspiration and knowledge about sustainable production. The course also included inspiration on how to communicate sustainability clearly to the guests of the restaurant as well as practical plant-based cooking. The restaurant business also focused on the new EU regulation on reusable materials, and work is under way to connect our restaurants to deposit return schemes with the aim of reducing and ultimately eliminating the use of reusable materials from our restaurants.

For several years, Coor has been working actively to increase the share of organic and locally produced ingredients, but the company has also sought to make greater use of the ingredients, using parts that have not traditionally been used. Another initiative is aimed at improving animal welfare and minimising the number of animal transports. In 2022, Coor in Norway continued working on Matfloken, an initiative aimed at promoting better, more sustainable and nutritious eating habits. Coor is also participating in the Food (R) evolution and Food Alliance projects. The latter project is being promoted by the UN Global Compact with the aim of establishing guidelines for best practices for sustainable food distribution and consumption.

Together with a number of universities, Coor is supporting the research centre PAN Sweden in its project to study the entire chain from food production to human health and well-being. PAN Sweden is aiming to improve our understanding of plant-based proteins and establish a scientific basis for developing good and healthy foods that consumers want to eat.

Coor in Sweden is a member of SAMS (Collaboration for Reduced Food Waste), a voluntary agreement between different players in the food chain that forms part of the Swedish government's food strategy. Coor is represented in the steering group for this collaboration, whose purpose is to contribute to achieving Target 12.3 of UN SDG 12 – a halving of global food waste by 2030. In Norway, Coor has entered into a partnership with Matvett, a similar restaurant industry collaboration that has the same goal and ambition.

In Denmark, Coor has continued and intensified its collaboration with Slow Forest Coffee through which we gain insight into the entire cultivation process for increased biodiversity and ensure good working conditions for the plantation employees. This collaboration and commitment earned Coor in Denmark the Copenhagen Stock Exchange Sustainability Award for protection and restoration of biodiversity and ecosystems. Coor in Denmark has started the process for Nordic Eco-labelling of the majority of its restaurants. The Nordic Eco-label indicates that a restaurant has clear standards for the proportion of organic raw materials, chemicals use, food waste and other sustainability aspects. Many of Coor's Danish restaurants already use at least 30 per cent organic products.

### Chemicals management

With chemicals management remaining a key focus area, Coor has continued its efforts to replace chemicals with greener options in all countries. Each country uses chemicals management systems that provide guidance on the environmental impact of different products, safety data sheets and



risk assessments.

Coor has continued its ongoing monitoring of chemicals to reduce the environmental and health impacts. Coor identifies the number of chemicals containing substances included in Coor’s list of chemical substances that are prohibited for health and environmental reasons. The focus during the year was on reducing the proportion of prohibited chemicals. Coor reduced the number of prohibited chemicals by 30 per cent in 2022 compared with 2021. The chemicals that still need to be replaced are used primarily in property services and a small number in cleaning. The chemicals concerned are disinfectants used in care environments and certain floor care and deep clean chemicals. A further positive effect of replacing these chemicals with better alternatives is that the replacement product is often eco-labelled. For some of our recently acquired companies, it was not possible to transfer chemical-related purchases to Coor’s product range and framework suppliers until the fourth quarter of 2022, and we were therefore unable to fully influence certain purchases during the year.

Chemicals management, % <sup>1)</sup>	2022	2021	2020
Proportion of eco-labelled chemicals used in cleaning	60	64	51

<sup>1)</sup> The indicator was introduced in 2021 and includes the entire Group. The figure for 2020 is based on data from the Norwegian business only. The percentage is calculated based on spend.

**Waste management**

Waste management is ultimately governed by Coor’s sustainability policy and is thus part of Coor’s sustainability management. Coor has been sorting waste at its main offices for a number of years, and a large portion of all waste is recycled. We continuously monitor movement patterns to ensure that

suitable sorting bins are available at appropriate locations. Computers and other hardware that are no longer used are handed to specialists, who ensure that they are reused or recycled in a responsible manner. For Coor, it also goes without saying that we should reduce the use of plastic products and replace single-use products with more eco-friendly options in our delivery. Hazardous waste is handled locally in the various deliveries, where responsibility rests with the contract manager, with support from HSEQ coordinators. We are constantly looking for new innovations in waste management, both in our own business and in our customer deliveries. Coor also expects a high standard from our partners in terms of striving for efficiency and continuous improvement with the aim of reducing the amount of waste going to landfill and promoting circular flows.

For several years, Coor has been working actively to reduce food waste in both the preparation and serving stages, with good results. Targets for food waste are set and followed up on a quarterly basis.

There is a high level of commitment and interest from both employees and guests in how we can work together to reduce food waste. Coor works continuously to optimise procedures in its restaurants and to obtain the most accurate measurements possible. To succeed in reducing food waste, we need to work with the guests, through information and nudging. Internally, Coor uses guides and webinars, in addition to ongoing monitoring, to maintain its focus on this area. Thanks to a strong focus on reducing food waste through measures such as refined work processes, Coor reduced its food waste by 11 per cent in 2022 compared with 2021.

Waste management, g/guest	2022	2021	2020
Food waste	38.2	42.7	49.2



**SUSTAINABLE SUPPLY CHAIN**

Coor’s main purchases consist of services and products in property services, cleaning, and food and beverages. With purchased goods and services accounting for an important part of the delivery to the customers, Coor is working to build sustainable long-term supplier relationships in order to achieve its strategic sustainability goals.

Purchases should contribute to Coor’s long-term profitability through a range of sustainable products and services in both the short and long term. Coor expects a high standard at all stages of the value chain and strives to ensure that it operates in accordance with sound business ethics in its relations with suppliers. Coor is a signatory to the UN Global Compact and contributes to the achievement of its goals by taking a clear position in its purchasing policy and purchasing model, which are inspired by the *UN Global Compact Management Model* and its six steps: *commit, assess, define, implement, measure, communicate*. In 2022, we updated our procurement policy in order to further clarify our position regarding the UN Global Compact, human rights, labour rights, the environment and anti-corruption. In 2022, we also updated our framework and process for sustainable purchases. See the model below.

**Requirements for suppliers**

To ensure a sustainable supply chain, Coor has developed contract templates that support Coor’s long-term ambitions to become truly sustainable. This includes setting clear requirements for Coor’s supply chain with regard to the Code of Conduct, the Supplier Code of Conduct, Sustainability require-

ments and information security requirements. To ensure that our requirements are met, Coor places a strong emphasis on compliance with our Code of Conduct and with contract terms. The supplier must be able to demonstrate sound sustainability practices for design, manufacture and delivery. Negative social and environmental consequences throughout the life cycle must be reduced and factors such as energy consumption, material use and final disposal must be taken into account. In 2022, Coor had its climate goals validated by Science Based Targets initiative, SBTi, which will require activities at the supplier level as well. One of the goals is for 75 per cent of emissions from the Scope 3 categories of purchased goods and services as well as upstream transportation to come from suppliers who have had their targets approved by the Science Based Targets initiative or an equivalent body by 2026. In 2022, Coor started informing its suppliers about this new goal and engaging in dialogue and will continue to do so going forward. Read more about our supplier engagement goal in the section *Environmental footprint*.

**Supplier Code of Conduct**

Coor’s goal is to become a truly sustainable company. This means that Coor strives to act as a good corporate citizen that not only takes responsibility for its own development but also for its impact on all people, the environment and society as a whole. The basis for corporate responsibility, and for Coor’s sustainability management, is determined by the UN through its “Protect, Respect and Remedy” framework and the accompanying Guiding Principles on Business and Human Rights.

Since 2014, Coor has been working actively on a Supplier



*Supply chain sustainability refers to the management of environmental, social and economic impacts and encouraging good governance practices, throughout the life cycles of goods and services.\**



\* Supply Chain Sustainability: A Practical Guide for Continuous Improvement, Second Edition, 2015, UN Global Compact and BSR.

Code of Conduct, which suppliers are required to accept before a contract is signed. A breach of the Code is treated as a breach of contract and can lead to the termination of Coor’s relationship with the supplier. Among other requirements, the Code requires that all Coor’s suppliers comply with the principles of the UN Global Compact, the UN international human rights framework, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Anti-Bribery Convention. In 2022, we updated our Supplier Code of Conduct and further clarified our requirements regarding the SDGs, human rights, working conditions, climate, modern slavery and child labour. Our information security requirements for suppliers were also tightened and updated in 2022.

Coor takes a systematic approach to risk management and applies a model for assessing risk in different purchasing categories. The categories are classified based on a risk perspective in which the commercial risk is weighed up together with the risks identified in the Code of Conduct: human rights, labour standards, working conditions, environment and anti-corruption. The higher the risk posed by a category, the more stringent the controls that are required before a contract is signed and during the contract term. The risks identified in the supply chain are working conditions and working environment. In 2022, 98 suppliers were classified as high-risk suppliers.

A new supplier is required to meet our sustainability and information security requirements, sign our Supplier Code of Conduct and accept our general terms of purchase before being approved to deliver products or services to Coor. All new suppliers undergo this process to ensure compliance with environmental and social requirements. In 2022, 81 per cent of Coor’s purchases were made under contracts with suppliers

awarded through a bidding process. Coor’s Supplier Code of Conduct is available to all business partners on Coor’s external website.

**Monitoring of suppliers**

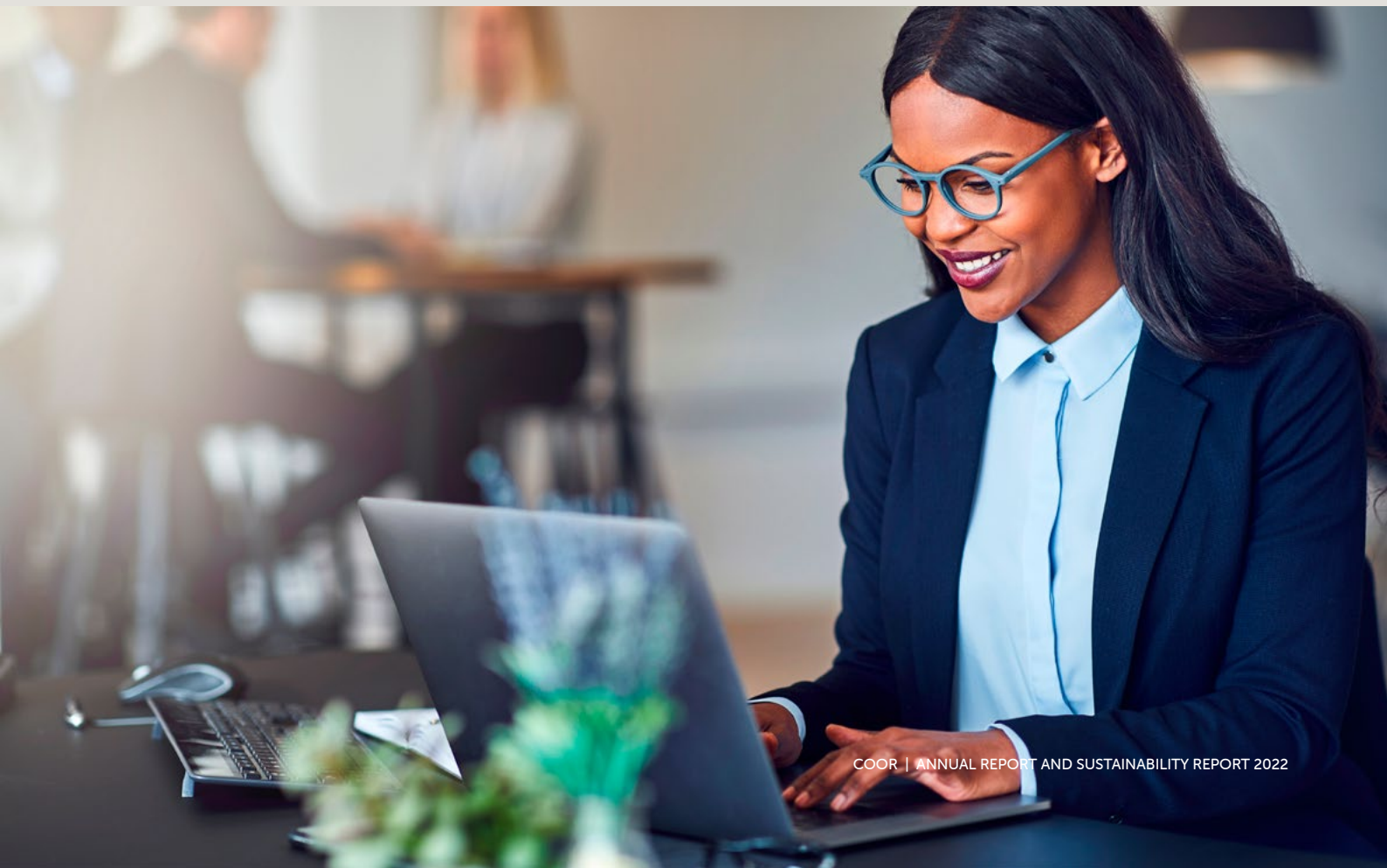
Coor actively monitors compliance with the company’s Supplier Code of Conduct. Every year, a plan for supplier monitoring is formulated based on the risk assessment for our supply chain, which states which suppliers need to be evaluated and audited.

In a supplier evaluation, suppliers answer questions regarding compliance with Coor’s Supplier Code of Conduct, quality, environment, working environment, and health and safety. In 2022, 27 evaluations were carried out. The supplier audits are carried out either on site at the supplier’s premises or online. The auditors monitor compliance by interviewing staff, reviewing documents and, where possible, inspecting the work environment. During the year, Coor conducted 50 audits with the support of the company’s internal auditors or a third party.

Deviations in the social area were identified for 25 per cent of the audited suppliers. No supplier has been terminated as a result of audit results.

Supplier monitoring	2022
Number of suppliers for which actual or potential risks regarding social aspects have been identified	98
Number of suppliers audited for social compliance	77
– of which percentage where deviations were identified	25%
– of which percentage of contracts terminated as a result of the audit	0%
Contractual loyalty in respect of purchases, annual average, % <sup>1)</sup>	81

<sup>1)</sup> Percentage of purchases from central and local framework suppliers.



## THE TAXONOMY REGULATION

In 2019, the European Commission presented a new growth strategy called the European Green Deal, which is aimed at reducing net greenhouse gas emissions to zero by 2050 and supporting economic growth through efficient and sustainable use of natural resources. Regulation (EU) 2020/852 of the European Parliament and of the Council ("the Taxonomy Regulation") was introduced in order to establish a common classification system for sustainable economic activity. The purpose is to scale up sustainable investments and redirect capital flows towards technologies and companies that are considered sustainable.

Coor is covered by the EU Non-Financial Reporting Directive and is required to describe the extent to which its activities meet the criteria of the EU Taxonomy. The Taxonomy Regulation is still under development and it is important to note that the current legislation only covers a tiny part of Coor's operations. This means that turnover, investments made (CapEx) and costs incurred (OpEx) for the purpose of reducing the climate impact in food and beverages, for example, are not included in the reported figures, even though the company is engaged in extensive initiatives and several research and development projects in that field. In its annual report, Coor provides comprehensive information on the Group's sustainability performance, including details on greenhouse gas emissions and climate impact that go beyond the legal requirements for the Taxonomy Regulation.

### Reporting principles

One of the goals of the Taxonomy Regulation is to prevent "greenwashing". Coor naturally respects this and has adopted a conservative approach when reporting the activities described in the Taxonomy delegated acts and therefore does not include activities that are not specifically mentioned in the regulation or that are not clearly distinguishable in the reporting.

In their reports for the 2022 financial year, companies are to disclose their Taxonomy-eligible economic activities as well as which of these activities are Taxonomy-aligned. For an economic activity to be Taxonomy-aligned, it must meet the technical screening criteria described in the Taxonomy delegated acts, both the screening criteria for making a substantial contribution to climate change mitigation and the technical screening criteria for doing no significant harm to the other environmental objectives. Coor is also required to show that the company as a whole meets the minimum safeguards.

### Taxonomy-eligible activities

Coor has evaluated the Group's economic activities and established that the proportion of the Group's distinguishable economic activities that generated Taxonomy-eligible external turnover is extremely small. See the table on the next page.

### Turnover

Total turnover comprises net sales as reported in the income statement. The majority of Coor's operations are currently not Taxonomy-eligible. Eligible turnover comprises the external sales generated from the economic activities which Coor has identified as being Taxonomy-eligible. These activities consist

of sales of installation projects for electric vehicle charging equipment (7.4), installation of energy-efficient lighting fixtures (7.3) and advice regarding the energy efficiency of properties (9.3). Eligible turnover represents 0.2 per cent of total sales. Of this turnover, no proportion is reported as Taxonomy-aligned for 2022 as Coor is still quality-assuring its processes in order to ensure that this assessment is made correctly.

### Investments (CapEx)

Total CapEx includes acquisitions of property, plant and equipment and intangible assets, excluding goodwill, made in the 2022 financial year as well as new right-of-use assets for the year. See Note 10 Intangible assets, Note 11 Property, plant and equipment, and Note 12 Leases. Assets identified as part of a business combination (excluding goodwill) are also included in the amount of total investments.

Eligible CapEx consists of investments in the 2022 financial year in property, plant and equipment, intangible assets and right-of-use assets used in the economic activities considered eligible as well as investments linked to an activity that is expected to generate sales in activities that are expected to be eligible within the next five years. For 2022, CapEx for purchases from suppliers with Taxonomy-eligible activities is also included. During the year, Coor signed leases for cars (6.5, Transport by motorbikes, passenger cars and light commercial vehicles) and commercial premises (7.7, Acquisition and ownership of buildings) with suppliers. Otherwise, no share of the Group's investments is linked to operations covered by the taxonomy.

Purchases from suppliers can only be assessed as Taxonomy-aligned if it has been possible to verify that the respective supplier has conducted Taxonomy-aligned activities. To determine that the economic activity is Taxonomy-aligned, Coor must ensure that the technical screening criteria for making a substantial contribution and doing no significant harm to the other environmental objectives have been met. Moreover, the supplier must have all processes for minimum safeguards in place. During the year, Coor was not able to verify this with certainty and is therefore reporting these investments as eligible but not Taxonomy-aligned. Coor is working with these processes to ensure that verification will be possible in the future.

Of additional leasing agreements for cars, 48 percent consist of electric cars. Coor's goal is to replace all cars with electric cars over time. However, as described above, these are not reported as taxonomy aligned as all the criteria of the supplier are not met as described above.

### Costs (OpEx)

The total costs (OpEx) included in the Taxonomy definition consist of costs for research and development, costs for service, repair and maintenance of the Group's fixed assets and costs for short-term leases (as defined in IFRS 16). The Group's non-current assets consist primarily of leases, small machines with low service, repair and maintenance costs, and IT solutions. Research and development largely consist of dedicated development resources. Research and development largely consist of dedicated development resources. In development and innovation, Coor's strategy is to establish partnerships with

other players engaged in developing innovative solutions where Coor provides the areas of application and contributes to concept development. The Group's total OpEx based on the Taxonomy definition is very limited.

### Minimum safeguards

Coor has taken support from the *Platform on Sustainable Finance's* Final Report on Minimum Safeguards to assess its compliance with the minimum safeguards established in Article 18 of Regulation (EU) 2020/852. We have processes in place to ensure compliance with the minimum safeguards for anti-corruption, fair competition and taxation. We also follow the OECD's six steps for human rights due diligence. We have not been subject to any court judgments in any of these areas. In addition to requiring that the economic activities make a substantial contribution to the green transition and do no significant harm (DNSH) to the other environmental objectives, the EU Taxonomy Regulation states that the activities can only be considered sustainable if they are carried out in compliance with certain minimum safeguards. This means, in

particular, that the activities must be carried out in accordance with the UN Guiding Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises. In order to meet this requirement, implemented processes are required to ensure that the company's activities to promote sustainability do not violate human rights or labour rights, and that the company does not engage in corruption, anti-competitive practices or controversial tax strategies. Violations are also considered to exist if there are legally binding court orders against the company in the four main areas. Coor has carried out a review of the company's policies and implemented processes in the four areas, and of any violations. While mindful that the effort to ensure compliance with the minimum safeguards is an ongoing process of identifying and addressing risks that arise in response to changes in the operations and the external environment, Coor is of the opinion that its operations are being conducted in compliance with the requirements. Read more in the sections Anti-corruption, Competition and Human rights in the sustainability notes and Note 9 in the statutory annual report.

### Turnover

Economic activities	Codes	Absolute turnover SEK million	Proportion of turnover %	Substantial contribution criteria							DNSH criteria							Taxonomy-aligned proportion of turnover, 2022 %	Taxonomy-aligned proportion of turnover, 2021 %	Category (transitional activity) Category (enabling activity)	
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N	Minimum safeguards Y/N	F			T	
<b>A. Taxonomy-eligible activities</b>																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Installation, maintenance and repair of energy efficiency equipment		7.3	2	0.0%																	
Installation, maintenance and repair of charging stations for electric vehicles in buildings		7.4	4	0.0%																	
Professional services related to energy performance of buildings		9.3	18	0.2%																	
<b>Total (A.1 + A.2)</b>		<b>24</b>	<b>0.2%</b>																		
<b>B. Taxonomy-non-eligible activities</b>																					
Turnover of Taxonomy-non-eligible activities (B)		11,765	99.8%																		
<b>Total (A + B)</b>		<b>11,789</b>	<b>100%</b>																		

Investments (CapEx)

Economic activities	Codes	Absolute CapEx SEK million	Proportion of CapEx %	Substantial contribution criteria							DNSH criteria							Taxonomy-aligned proportion of CapEx, 2021		Taxonomy-aligned proportion of CapEx, 2022	
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	F	T	F	T	
<b>A. Taxonomy-eligible activities</b>																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Transport by motorbikes, passenger cars and light commercial vehicles		6.5	74	31.5%																	
Acquisition and ownership of buildings		7.7	39	16.5%																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)			112	48.0%																	
<b>Total (A.1 + A.2)</b>			<b>112</b>	<b>48.0%</b>																-	
<b>B. Taxonomy-non-eligible activities</b>																					
CapEx of Taxonomy-non-eligible activities (B)			122	52.0%																	
<b>Total (A + B)</b>			<b>234</b>	<b>100%</b>																	

Costs (OpEx)

Economic activities	Codes	Absolute OpEx SEK million	Proportion of OpEx %	Substantial contribution criteria							DNSH criteria					Taxonomy-aligned proportion of OpEx, 2022 %	Taxonomy-aligned proportion of OpEx, 2021 %	Category (enabling activity) E	Category (transitional activity) T
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Water and marine resources Y/N	Climate change adaptation Y/N	Climate change mitigation Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N				
<b>A. Taxonomy-eligible activities</b>																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Transport by motorbikes, passenger cars and light commercial vehicles		6.5	6	37.1%															
Professional services related to energy performance of buildings		9.3	3	16.9%															
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)			8	54.0%															
<b>Total (A.1 + A.2)</b>			<b>8</b>	<b>54.0%</b>													-		
<b>B. Taxonomy-non-eligible activities</b>																			
OpEx of Taxonomy-non-eligible activities (B)			6	46.0%															
<b>Total (A + B)</b>			<b>15</b>	<b>100.0%</b>															

# Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Coor Service Management Holding ABs (Publ), corporate identity number 5566742-0806

## **Engagement and responsibility**

It is the board of directors who is responsible for the statutory sustainability report for the year 2022 on pages 20-34, 61, 82-83 and 128-153 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 auditing 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.

Stockholm, 30 March 2023  
Öhrlings PricewaterhouseCoopers

Niklas Renström  
*Authorized Public Accountant*



# GRI Index 2022

<b>Statement on use</b>	Coor Service Management Holding AB hereby reports in accordance with the GRI Standards and the report covers the reporting period 1 January 2022–31 December 2022.
<b>GRI 1 standard</b>	GRI 1: Foundation 2021
<b>GRI Sector Standard</b>	No sector standard is yet available

## General standard disclosures

GRI STANDARD	DISCLOSURE	DISCLOSURE NAME	PAGE REFERENCE	DEVIATION		
				REQUIREMENT DEVIATED FROM	REASON FOR DEVIATION	EXPLANATION
<b>GRI 2: General disclosures 2021</b>	2-1	Organisational details	56, 58, 75, 122			
	2-2	Entities included in the organisation's sustainability reporting	128–129 88, 122			
	2-3	Reporting period, frequency and contact point	128–129			
	2-4	Restatements of information	n/a			
	2-5	External assurance	58–69, 150			
	2-6	Activities, value chain and other business relationships	2, 10–11, 14, 16–19 22–23, 46, 139–145			
	2-7	Employees	135–138			
	2-8	Workers who are not employees	135–138			
	2-9	Governance structure and composition	58–73, 128			
	2-10	Nomination and selection of the highest governance body	58–62			
	2-11	Chair of the highest governance body	58, 61–62			
	2-12	Role of the highest governance body in overseeing the management of impacts	58, 61–63, 128–132			
	2-13	Delegation of responsibility for managing impacts	58, 61–63, 128–129			
	2-14	Role of the highest governance body in sustainability reporting	61–62, 63, 128–129			
	2-15	Conflicts of interest	61–62			
	2-16	Communication of critical concerns	66–67, 132–134			
	2-17	Collective knowledge of the highest governance body	62, 70–71			
	2-18	Evaluation of the performance of the highest governance body	61–62			
	2-19	Remuneration policies	59–60, 65, 78–80, 92–98			
	2-20	Process to determine remuneration	60, 65, 78–80, 96–98			
	2-21	Annual total compensation ratio	96–98	2–21 a, b, c	Information unavailable	
	2-22	Statement of sustainable development strategy	8, 57, 63, 128–132			
	2-23	Policy commitments	61, 130–139, 144–145			
	2-24	Embedding policy commitments	61, 130–139, 144–145			
	2-25	Processes to remediate negative impacts	128–145			
	2-26	Mechanisms for seeking advice and raising concerns	133–134			
	2-27	Compliance with laws and regulations	133			
	2-28	Membership associations	20–22, 129			
	2-29	Approach to stakeholder engagement	129–131			
	2-30	Collective bargaining agreements	135–136			

## MATERIAL TOPICS

GRI STANDARD	DISCLOSURE	DISCLOSURE NAME	PAGE REFERENCE	DEVIATION		
				REQUIREMENT DEVIATED FROM	REASON FOR DEVIATION	EXPLANATION
<b>GRI 3: Material Topics 2021</b>	3-1	Process to determine material topics	128–132			
	3-2	List of material topics	130			
<b>Economic performance</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	58–68			
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed	54, 84–109			
<b>Anti-corruption</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–145			
<b>GRI 205: Anti-corruption 2016</b>	205-2	Communication and training about anti-corruption policies and procedures	132–133			
<b>Anti-competitive behaviour</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–134			
<b>GRI 206: Anti-competitive Behaviour 2016</b>	206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	133–134			
<b>Tax</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132			
<b>GRI 207: Tax 2019</b>	207-1	Approach to tax	99–101			
	207-2	Tax governance, control, and risk management	68, 82–83 99–101			
<b>Energy</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132			
<b>GRI 302: Energy 2016</b>	302-1	Energy consumption within the organisation	140–141			
<b>Emissions</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132			
<b>GRI 305: Emissions 2016</b>	305-1	Direct (Scope 1) GHG emissions	140–141			
	305-2	Energy indirect (Scope 2) GHG emissions	140–141			
	305-3	Other indirect (Scope 3) GHG emissions	140–141			
<b>Waste</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132			
	Compa-ny-specific	Food waste	142–143			
<b>Resource use</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132			
	Compa-ny-specific	Chemicals use	142–143			
<b>Supplier assessment – Environmental criteria</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132, 144–145			
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	New suppliers that were screened using environmental criteria	20, 144–145			
<b>Employment</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132			
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	137–138			
<b>Occupational health and safety</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132			

GRI STANDARD	DISCLOSURE	DISCLOSURE NAME	PAGE REFERENCE	DEVIATION		
				REQUIREMENT DEVIATED FROM	REASON FOR DEVIATION	EXPLANATION
<b>GRI 403: Occupational Health and Safety 2018</b>	3-3	Management of material topics	63, 128–132			
	403-1	Occupational health and safety management system	132			
	403-2	Hazard identification, risk assessment and incident investigation	138–139			
	403-3	Occupational health services	139			
	403-4	Worker participation, consultation and communication on occupational health and safety	138–139			
	403-5	Worker training on occupational health and safety	138–139			
	403-6	Promotion of worker health	21, 34, 138–139			
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	138–139			
	403-9	Work-related injuries	138–139			
<b>Training and education</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132			
<b>GRI 404: Training and education 2016</b>	404-1	Average hours of training per year per employee	135–136			
	404-2	Programmes for upgrading employee skills and transition assistance programmes	135–136			
	404-3	Percentage of employees receiving regular performance and career development reviews	135			
<b>Diversity and equal opportunity</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132			
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees	31–34, 137			
<b>Non-discrimination</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132			
<b>GRI 406: Non-discrimination 2016</b>	406-1	Incidents of discrimination and corrective actions taken	132–133, 136			
<b>Security practices</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132			
<b>GRI 410: Security practices 2016</b>	410-1	Security personnel trained in human rights policies or procedures	134			
<b>Supplier social assessment</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132, 144–145			
<b>GRI 414: Supplier assessment Social Assessment 2016</b>	414-1	New suppliers that were screened using social criteria	144–145			
	414-2	Negative social impacts in the supply chain and actions taken	144–145			
<b>Customer privacy</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	63, 128–132, 134			
<b>GRI 418: Customer Privacy 2016</b>	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	134			



# Five-year summary, selected key performance indicators

	2022	2021	2020	2019	2018
<b>Net sales</b>					
Net sales, SEK million	11,789	10,104	9,591	10,313	9,489
Net sales growth, %	16.7	5.3	-7.0	8.7	22.9
of which organic growth, %	5.0	3.3	-6.8	5.3	10.2
of which acquired growth, %	9.1	2.5	2.0	2.4	9.9
of which FX effect, %	2.6	-0.4	-2.2	1.0	2.8
<b>Earnings and margins</b>					
Operating profit (EBIT), SEK million	408	403	318	299	219
EBIT margin, %	3.5	4.0	3.3	2.9	2.3
EBITA, SEK million	565	593	511	484	394
EBITA margin, %	4.8	5.9	5.3	4.7	4.2
Adjusted EBITA, SEK million	634	631	556	549	490
Adjusted EBITA margin, %	5.4	6.2	5.8	5.3	5.2
Adjusted EBITDA, SEK million	851	829	756	749	558
Adjusted EBITDA margin, %	7.2	8.2	7.9	7.3	5.9
Profit before tax, SEK million	336	343	252	228	157
Profit after tax, SEK million	257	265	191	169	104
Adjusted net profit, SEK million	414	455	384	355	280
<b>Cash flow</b>					
Cash conversion, %	94	98	108	104	80
<b>Capital structure</b>					
Net working capital, SEK million	-1,018	-940	-881	-774	-626
Net working capital/Sales, %	-8.6	-9.3	-9.2	-7.5	-6.6
Net debt, SEK million	1,629	1,663	1,207	1,741	1,318
Leverage, times	1.9	2.0	1.6	2.3	2.4
Equity/assets ratio, %	27	28	34	29	33
Dividend per share, SEK	4.80 <sup>1)</sup>	4.80	4.40	0.00	4.00
<b>Other key performance indicators</b>					
Number of employees (FTE) at year-end	10,267	10,075	9,029	9,296	9,082
Customer Satisfaction Index (CSI)	71	74	70	68	68
Equal opportunities (gender distribution managers at end of period), % women/% men	50/50	51/49	50/50	48/52	47/53
Employee Motivation Index (EMI)	76	78	78	77	74
TRIF	7.0	8.9	9.9	10.6	13.6
tCO <sub>2</sub> e from our vehicle fleet (Scope 1)	3,358	3,237	3,038	3,092	2,678
tCO <sub>2</sub> e from our premises (Scope 2)	333	445	637	873	772
kgCO <sub>2</sub> e/kg purchased food from food and beverages (Scope 3)	2.20	2.16	2.23	2.27	2.62

<sup>1)</sup> Proposed dividend subject to adoption at the AGM on 27 April 2023.

# Purpose of the selected key performance indicators

To give its investors and other stakeholders clearer information about the Group's operations and its underlying success factors, Coor has chosen to provide information about a number of key performance indicators. The purpose of these indicators is explained below. For definitions of terms and information on how the key performance indicators are calculated, see the section *Definitions*.

## **Growth**

The Group considers that organic growth best reflects the underlying growth of the business, as this measure excludes the effect of acquisitions and fluctuations in exchange rates.

## **Earnings and profitability**

To reflect the performance and profitability of the underlying business more accurately, the Group has defined key performance indicators in which earnings have been adjusted for items affecting comparability and for amortisation and impairment of goodwill, customer contracts and trademarks. The Group considers that adjusted EBITA is the measure of operating profit which most clearly reflects the underlying profitability. It is also based on this measure of earnings that the Group's segments are followed up and evaluated internally.

The adjusted net profit measure of earnings excludes the non-cash items amortisation and impairment of goodwill, customer contracts and trademarks from consolidated net profit and is used as a basis for deciding on dividends to the shareholders.

## **Cash flow and working capital**

Coor always works proactively to safeguard its cash flow, from a working capital as well as an investment perspective. Coor focuses on analysing cash conversion, which is defined as the ratio of a simplified operating cash flow to adjusted EBITDA.

The Group's target is a cash conversion of at least 90 per cent on a rolling 12-month basis. To ensure that the measure provides a true and fair picture over time, the Group calculates cash conversion using measures of operating profit and operating cash flow which exclude items affecting comparability.

To achieve the defined target for cash conversion, strong emphasis is placed on minimising working capital and maintaining negative working capital. The Group therefore continuously monitors the size of working capital relative to net sales.

## **Net debt and leverage**

To ensure that the Group has an appropriate funding structure at all times and is able to fulfil its financial obligations under its loan agreement, it is relevant to analyse net debt and leverage (defined as net debt divided by adjusted EBITDA). The Group's objective is to maintain a leverage of less than 3.0 times.

Reconciliation of selected key performance indicators, SEK million	2022	2021	2020	2019	2018
<b>Operating profit (EBIT)</b>	<b>408</b>	<b>403</b>	<b>318</b>	<b>299</b>	<b>219</b>
Amortisation and impairment of customer contracts and trademarks (Note 10)	156	190	193	186	176
<b>EBITA</b>	<b>565</b>	<b>593</b>	<b>511</b>	<b>484</b>	<b>394</b>
Items affecting comparability (Note 4)	69	38	46	65	95
<b>Adjusted EBITA</b>	<b>634</b>	<b>631</b>	<b>556</b>	<b>549</b>	<b>490</b>
Depreciation and amortisation	217	198	199	199	68
<b>Adjusted EBITDA</b>	<b>851</b>	<b>829</b>	<b>756</b>	<b>749</b>	<b>558</b>
<b>Profit for the period, continuing operations</b>	<b>257</b>	<b>265</b>	<b>191</b>	<b>169</b>	<b>104</b>
Amortisation and impairment of customer contracts and trademarks	156	190	193	186	176
<b>Adjusted net profit</b>	<b>414</b>	<b>455</b>	<b>384</b>	<b>355</b>	<b>280</b>
<b>Specification of working capital</b>					
Inventories	27	18	15	16	14
Accounts receivable	1,511	1,346	1,144	1,310	1,343
Other receivables	19	24	32	21	123
Prepaid expenses and accrued income	378	345	210	401	352
Accounts payable	-1,102	-788	-607	-978	-1,023
Other liabilities	-352	-294	-249	-242	-249
Accrued expenses and deferred income	-1,502	-1,592	-1,424	-1,303	-1,185
Less interest-bearing receivables/liabilities	3	1	-1	0	-1
<b>Net working capital</b>	<b>-1,018</b>	<b>-940</b>	<b>-881</b>	<b>-774</b>	<b>-626</b>
<b>Specification of net debt</b>					
Long-term borrowings	1,850	1,997	1,273	1,856	1,744
Short-term borrowings	-	-	-	12	4
Lease liabilities	301	299	330	381	0
Provisions for pensions	25	22	18	20	20
Cash and cash equivalents	-484	-628	-396	-497	-435
Interest-bearing financial assets	-63	-26	-18	-31	-14
Current interest-bearing receivables	-1	-1	-1	-1	-1
<b>Net debt</b>	<b>1,629</b>	<b>1,663</b>	<b>1,207</b>	<b>1,741</b>	<b>1,318</b>
<b>Cash conversion</b>					
Adjusted EBITDA	851	829	756	749	558
Change in net working capital	47	49	133	101	-27
Net investments	-93	-67	-65	-63	-83
Other	-2	-1	-5	-5	-1
<b>Cash flow for calculation of cash conversion</b>	<b>803</b>	<b>809</b>	<b>818</b>	<b>781</b>	<b>447</b>
<b>Cash conversion, %</b>	<b>94</b>	<b>98</b>	<b>108</b>	<b>104</b>	<b>80</b>

# Definitions

## Definitions

### Cost of services sold

Costs which are directly related to the performance of the invoiced services, depreciation and impairment of machinery and equipment, and amortisation and impairment of goodwill, customer contracts and trademarks.

### Items affecting comparability

Items affecting comparability mainly comprise costs for integration of contracts and acquisitions as well as more extensive restructuring programmes. Items affecting comparability are included either in cost of services sold or selling and administrative expenses.

### EBITA

Operating profit before amortisation and impairment of goodwill, customer contracts and trademarks.

### Adjusted EBITA

Operating profit before amortisation and impairment of goodwill, customer contracts and trademarks, excluding items affecting comparability.

### Adjusted EBITDA

Operating profit before depreciation, amortisation and impairment of all property, plant and equipment and intangible assets, excluding items affecting comparability.

### Adjusted net profit

Profit after tax excluding amortisation and impairment of goodwill, customer contracts and trademarks.

### Net working capital

Non-interest-bearing current assets less non-interest-bearing current liabilities at the balance sheet date.

### Net investments

Investments in property, plant and equipment and intangible assets less consideration from sale of property, plant and equipment and intangible assets.

### Equal opportunities

Gender distribution between men and women in management positions.

### Employee Motivation index (EMI)

Each year, Coor conducts a comprehensive employee survey with the help of an external research firm.

### Customer Satisfaction Index (CSI)

Each year, Coor conducts a comprehensive customer survey with the help of an external research firm.

### Scopes 1–3

Scope 1 encompasses all direct greenhouse gas emissions. For Coor, this includes emissions from the combustion of fossil fuels from vehicles and machinery.

Scope 2 includes indirect emissions from energy consumption in the form of electricity, heating and cooling.

Scope 3 includes all other indirect emissions from purchased goods and services, business travel, capital goods, investments, employee commuting, waste disposal, upstream transportation and distribution.

## Calculation of key performance indicators

### Net sales growth

Change in net sales for the period as a percentage of net sales for the same period in the previous year.

### Organic growth

Change in net sales for the period as a percentage of net sales for the previous year, excluding acquisitions and FX effects.

### Acquired growth

Net sales for the period attributable to acquired businesses, excluding foreign exchange effects, as a percentage of net sales for the same period in the previous year.

### Operating margin (EBIT margin)

Operating profit as a percentage of net sales.

### EBITA margin

EBITA as a percentage of net sales.

### Adjusted EBITA margin

Adjusted EBITA as a percentage of net sales.

### Adjusted EBITDA margin

Adjusted EBITDA as a percentage of net sales.

### Earnings per share

Profit for the period attributable to shareholders of the parent company divided by the average number of ordinary shares.

### Equity per share

Equity at the end of the period attributable to shareholders of the parent company divided by the number of shares at the end of the period.

### Cash conversion

Adjusted EBITDA less net investments and adjusted for changes in working capital, as a percentage of adjusted EBITDA.

### Net working capital/net sales

Working capital at the balance sheet date as a percentage of net sales (rolling 12 months).

### Net debt

Non-current and current interest-bearing assets less non-current and current interest-bearing liabilities at the end of the period.

### Leverage

Net debt at the end of the period divided by adjusted EBITDA for the last 12-month period.

### Equity/assets ratio

Consolidated equity and reserves attributable to shareholders of the parent company, as a percentage of total assets at the end of the year.

### TRIF (total recorded injury frequency rate)

Total number of injuries multiplied by 1,000,000 working hours. Injuries to and from the workplace are excluded.

### Scope 1 CO<sub>2</sub> emissions

Emissions of carbon dioxide equivalents from purchased fuel for owned and leased machinery and vehicles are reported in absolute values (tCO<sub>2</sub>e).

### Scope 2 CO<sub>2</sub> emissions

Emissions of carbon dioxide equivalents from electricity, heating and cooling in premises where Coor has operational control over its energy consumption, in absolute values (tCO<sub>2</sub>e).

### Scope 3 CO<sub>2</sub> emissions – food and beverages

Emissions of carbon dioxide equivalents from purchased foods included in the food and beverage service delivery (kgCO<sub>2</sub>e/kg purchased foods).

### Scope 3 supply chain CO<sub>2</sub> emissions

The sum of emissions from suppliers with SBT (for the reporting year) divided by the sum of emissions from purchased goods and services and upstream transportation and distribution (for the reporting year).

## General concepts

### The company

When Coor uses "the company," this refers to Coor Service Management Holding AB and all companies in the Group, including subsidiaries.

### FM and the FM market

Services in and around a property, such as property maintenance, cleaning, food and beverages, and security.

### Full-time equivalents

Full-time employee equivalents, or FTE. The number of employees on a full-time equivalent basis.

### HSEQ

Short for health, safety, environment and quality.

### IFM

Integrated facility management, also called TFM (total facility management) and IFS (integrated facility services). Coordinated management and control of two or more facility management services.

### Nordic region

Denmark, Finland, Norway and Sweden (Iceland excluded).

### Service management

Service management is defined as coordinated control and management of a number of services. The idea is to manage one or several services in a more structured and coordinated way, and to deliver what has been agreed more efficiently using established processes, and at the agreed cost and quality.

### Triple bottom line

Monitoring the operations in three dimensions: business, social and environmental dimension.



# Specific shareholder information

## 2023 AGM

### Participation in the AGM

Coor's AGM will be held on 27 April 2023 at Kista Entré, Knarrarnäsgatan 7, Kista, Stockholm. The Board of Directors has decided that shareholders should also be able to exercise their right to vote at the meeting through postal voting in accordance with the provisions of the company's Articles of Association.

### Issue of notice and registration

The notice was published on 20 March 2023. The deadline to register for the AGM is 21 April 2023.

### Record date

The record date for participation in the AGM is 19 April 2023.

## FINANCIAL CALENDAR

26 April 2023	Interim report January–March 2023
27 April 2023	2023 AGM
14 July 2023	Interim report January–June 2023
25 October 2023	Interim report January–September 2023
8 February 2024	Year-end report January–December 2023

A continuously updated calendar is available at [coor.com/investors](https://coor.com/investors).

### Distribution policy

All financial reports are available in English and Swedish, and are published on Coor's website under the tab [coor.com/investors](https://coor.com/investors).

A printed version of Coor's annual report is distributed to investors who specifically request a copy by e-mail: [ir@coor.com](mailto:ir@coor.com)

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