

ESG Questionnaire



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General industry

Please list the industry's three biggest sustainability (ESG)-related challenges and briefly describe the process for identifying these challenges

Environmental impact: Within Facility Management, especially as a company with a wide range of services with ability to deliver both single services as well as integrated FM, a majority of CO₂e (carbon dioxide equivalent) emissions are categorized as Scope 3 (indirect) emissions, which presents a significant challenge. These emissions are often more complex and harder to influence compared to Scope 1 (direct emissions from owned or controlled sources) and Scope 2 (indirect emissions from purchased energy) emissions. Key challenges include limited controls and ability to implement reduction measures, diverse supply chains as well as data availability. To address these challenges, the industry must engage in collaborative efforts with suppliers, invest in sustainable supply chain practices, and develop strategies to mitigate the environmental impact of the entire value chain. This may involve setting emission reduction targets, working with suppliers to adopt cleaner technologies, and fostering transparency and accountability throughout the supply chain.

Social responsibility: For a service-oriented industry that revolves around people, the largest challenge within social responsibility lies in managing and ensuring the well-being of workforce and customer employees. This includes market common agreements for fair labor practices, diversity and inclusion, customer privacy and data security, health and safety, human rights compliance, and impact on society. Effectively addressing these challenges requires a comprehensive and proactive approach to social responsibility with a need to integrate ethical considerations into business strategy, engage with stakeholders, and continuously evaluate and improve social responsibility practices. This involves not only compliance with regulations but also a commitment to creating positive social impact through sustainable and ethical business practices.

Governance and compliance: Operating in several countries, Coor faces the complexity of complying with various local and international regulations in parallel. This is tackled through continuously monitoring market trends, regulatory changes, and competitive dynamics, to gather information that can influence areas that affect us. Maintaining accurate financial reporting and effective risk management is another important governance area Coor focuses on. By basing the internal control systems on the COSO framework, involving strong control environments, ongoing risk assessment, and continuous monitoring, we are managing the risks in our daily operations. A crucial focus within the governance and compliance area is ensuring that the Code of Conduct and Anti-corruption Policy are consistently followed throughout the organization. This involves embedding these policies in employment terms, regular reviews, mandatory training, and a stricter-than-law approach to prevent corruption, conflicts of interest, and discrimination. Coor places a high emphasis on the efficient operation of our whistleblower function, ensuring confidentiality and protection for whistleblowers while promptly addressing reported issues. This function is key in fostering a culture that encourages reporting without fear and maintaining high governance standards.

Have you conducted any preliminary assessments of your company in relation to the EU Taxonomy? If so, what was the outcome?

Coor has conducted preliminary assessments in relation to the EU Taxonomy. However, the outcome shows that only a small part of Coor's operations currently falls under the Taxonomy-eligible categories. Specifically, activities like installation projects for electric vehicle charging equipment, energy-efficient lighting, and property energy efficiency advice were identified as Taxonomy-eligible, but these represent just 0.2% of Coor's total sales. In 2022, Coor didn't report any of these activities as Taxonomy-aligned, as we are still in the process of quality-assuring the assessments to ensure accuracy. Our investments and costs related to Taxonomy-eligible activities are reported as eligible but

not yet aligned, mainly due to ongoing work to verify compliance with the required criteria. The Group's total OpEx based on the Taxonomy definition is very limited.

Coor is also focused on meeting the EU Taxonomy's minimum safeguards, including anti-corruption, fair competition, and human rights standards. We have reviewed policies and processes in these areas and consider us conducting operations in compliance with these requirements. However, we acknowledge that this is an ongoing process that requires continuous attention and adaptation.

E - Environment

Please list the firm's three primary risks related to climate change and if any, the firm's climate-related opportunities

Risks	Opportunities
Increased costs due to disruptions in the supply chain. Expensive and shortage of products. (risk)	Enhanced market position and demand for climate-resilient services. Support the customers with sustainable and smart targeted solutions (opp)
Emission fines, taxes and tolls could lead to higher prices. Expensive and shortage of products - lower margin or higher prices to consumers. (risk)	Due to climate smart profile where is a possibility to gain market shares - market demand for low-carbon products and services (opp)
Loss of business if competitors adopt more sustainable practices (risk)	Growth in IFM - Half of the FM services market has yet to be outsourced. In economic downturns and in uncertain times, many companies look to create efficiencies and many choose to outsource services that they previously chose to handle themselves (opp)

Does the firm anticipate any climate-related investments, and if so to what extent?

Environmental investments will likely become an integrated part of how both we as a company and the wider world view investments in the future. In our industry with our Nordic conditions, we will be able to continue and even accelerate our investments in innovation and collaborations with external partners in the innovation area. This involves both utilizing new technology in existing services and utilized products, as well as developing new solutions for future needs. The transition of our car fleet is also a major investment. Associated with this, there's also a focus on investing in the necessary infrastructure. When we look at potential acquisitions, we include environmental aspects, such as considering the transition costs for vehicle fleets, depending on where the evaluated company itself stands in its ongoing transition journey.

Circular Economy: how are purchases and waste managed? If the firm rely on any scarce resources, please describe what efforts are made to mitigate the risk of those resources becoming scarcer in the future, e.g. recycling, reusing substitutes or improved resource efficiency?

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. 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. Areas that are highly relevant for us from a resource effective perspective include the energy area. This encompasses various forms of optimization, installations, maintenance, and smart solutions. It is also reasonable to assume that we will work more with renewable energy solutions on behalf of our clients and assist them in developing and main their own local renewable energy production.

We see growing demand for circular services, such as subscribing to furniture, where Coor together with partners right now explores further possibilities.

Coor's main purchases consist of services and products in property services, cleaning, and food and beverages. 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 requirements 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 considered.

Transition-related risks (for example changed customer preferences or legislation): Do you anticipate any risks or opportunities due to the transition to a carbon-neutral society? Is there any risk of the firm's offer being negatively affected? If yes, how has the firm positioned itself to handle that risk?

While we recognize the risks associated with the transition to a carbon-neutral society, we are committed to adapting and evolving our strategies to mitigate risks and capitalize on opportunities that arise from this global transition. One anticipated risk is the increased operational costs stemming from disruptions in the supply chain. These disruptions may lead to shortages and elevated prices of products, affecting our margins and potentially necessitating higher prices for consumers. We also foresee potential financial liabilities such as emission fines, taxes, and tolls, which could further impact our pricing structure and profitability. There is a risk of losing business if competitors adopt more sustainable practices faster or more effectively than we do, which could lead to a loss of market share.

Our approach to managing these risks is multi-faceted. Our executive management team conducts a comprehensive risk assessment. We maintain clear processes around identified risks and review these at least annually or as new risks emerge. Recognizing the relatively low-risk profile of the facility management industry, we engage in structured risk management activities, which include mapping, analysis, and control of potential risks. This structured approach extends to sustainability risks, with considerations for human rights and anti-corruption measures. This is part of our risk management process, overseen by the Board of Directors and executive management, and guided by a central Group risk policy.

To further mitigate these risks and assert our position as a forward-thinking leader in the facility management industry, it is crucial to accelerate the focus on innovation and adaptation. This involves implementing new/smart/more efficient technologies to streamline operations, development of innovative solutions to not only address current sustainability challenges but also anticipate future trends and regulations. Engaging in collaborations with tech companies, environmental experts, and academic institutions may be even more important going forward; at the same time fostering a culture of continuous learning and adaptation to new realities.

Have you set a target to become carbon neutral? If so, how have you defined carbon neutrality?

In February 2023, Coor's Board of Directors resolved to commit to Net-Zero emissions of greenhouse gases (GHG) in accordance with the Science Based Targets initiative by 2040. This is ten years earlier than the SBTi's standard requirement for companies. To achieve Net-Zero, Coor needs to eliminate GHG emissions in its own operations and reduce emissions throughout the value chain by 90 per cent compared with the baseline (2018). The target has been sent for validation by the Science Based Targets initiative (SBTi) while Coor has commenced the transition.

Emissions from operations are divided into Scope 1 – direct emissions from our vehicle fleet, Scope 2 – indirect emissions from premises where Coor has operational control over energy consumption, and Scope 3 – mainly emissions from purchased goods and services. Coor calculates GHG emissions according to the definitions and guidelines adopted by the GHG Protocol.

Please list the firm's (1-2) primary means of making a positive environmental impact or minimising negative environmental impact. Please list the corresponding most relevant UN Sustainable Development Goals. What proportion of sales can be directly linked to selected UN SDGs?

We help our customers with green/sustainable advice for reduced resource use as well as advice on reduced energy use- and management. We promote innovative new solutions for customers for more circular service solutions and efficient resource use.

*Responsible consumption & production (Goal 12) and
Climate action (Goal 13), Affordable & clean energy (Goal 7)*

S – Social

Does the firm have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?

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 as well as policies in place. A key success factor to realise this vision is to address health and safety in collaboration with customers as well as suppliers.

Work-related injuries, Coor employees	2022	2021
Number of work-related injuries	138	141
TRIF¹	7.0	8.9
LTIF²	6.2	8.3
Number with injuries with serious consequences³	0	0
Accident frequency, serious injuries³	0	0

1) 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.

2) 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.

3) Injuries with serious consequences are defined as those resulting in more than six months' absence, excluding death.

During 2022 and 2023 we 'we had a high focus on:

- 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.

If applicable, please state your targets for gender and cultural equality and indicate the relative split of men/women at every level of the firm

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. The goal is a 50/50 gender balance at management level. The share of female managers during 2022 was 50 (51) per cent.

Share of women at different levels	2022	2021
Board of directors	44 %	33 %
Executive Management Team	27 %	27 %
Employees with staff management responsibilities	50 %	49 %
Other employees	60 %	58 %
Total number of employees	59 %	58 %
Coor Group, total number of employees	51 %	46 %
Norway, total number of employees	63 %	60 %

Denmark, total number of employees	59 %	61 %
Sweden, total number of employees	59 %	55 %
Finland, total number of employees	61 %	63 %

Does the company conduct any other community engagement activities aside from those directly connected to the business?

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 as we believe community engagement is one of our key foundations. All initiatives are also related to 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 and 2023, Coor implemented initiatives aimed at getting people into work and organised a number of charity events among other activities.

How often does the firm conduct audits of its suppliers, and how often do you discover incidents not compliant with your code of conduct?

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. During 2022, 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.

Please list the firm's (1-2) primary means of making a positive social impact or minimising negative social impact. Please list the corresponding most relevant UN Sustainable Development Goals. What proportion of sales can be directly linked to selected UN SDGs?

We offer decent wages and working conditions to our employees. Our employees include many foreign-born people, and we are often the first employer for new arrivals to our countries. 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.

*Decent work and economic growth (Goal 8) and
Good health and well-being (Goal 3)*

G – Governance

Do all staff members receive continuing education on anti-corruption? Are there any ongoing or historical incidents involving corruption, cartels, or any other unethical business conduct? Have any preventive measures been taken?

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. Sustainability and compliance issues are a recurring theme in Board discussions. Coor have an 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. Coor have 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.

Please state the firm's business tax residence (i.e. where the firm pays tax) and explain why that specific tax residence was chosen

The ultimate parent company of the Coor Group, Coor Service Management Holding AB, has its tax residence in Sweden. The subsidiaries within the Coor Group pay taxes in the respective country where the business is conducted.

How many independent members sits on the Board of Directors?

As of 31 December 2023, Coor's Board of Directors consists of six ordinary Directors elected by the general meeting of shareholders and three employee representatives. All six ordinary board members are independent of both the company and the major shareholders.

Please state if and to what extent, the company has transactions with related parties

There are only related part transactions between companies within the Coor Group. Board members or senior executives have not been involved in any related party transactions.

Which KPIs dictate the remuneration to management (are sustainability and diversity goals included)?

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 within Scope 3 that the emissions from purchased goods and services must come from suppliers with goals approved by SBTi. The remuneration is contingent on achievement of defined and measurable targets and is capped at 75 per cent of the fixed annual salary

Describe the company's process for monitoring and reporting ESG issues and performance to senior management/the Board. In your response please confirm what KPIs are monitored (if any) and how frequently reporting is undertaken

Coor report on several KPIs within the ESG area.

Environmental KPIs:

- Scope 1 & 2 targets
 - o Reduce our Scope 1 and 2 emissions by 75 per cent by 2030 compared with our baseline year 2018. Reported quarterly (scope 1) and yearly (scope 2).
 - o Share of renewable electricity reported yearly.
- Scope 3 targets
 - o kgCO₂e/kg purchased food & beverages, reduce emissions by 30 percent by 2025, from base year 2018. Reported quarterly.
 - o Supplier engagement target; 75% 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.
- Other environmental KPIs
 - o Foodwaste reduction, measured as g foodwaste/guest. Reported quarterly.
 - o Proportion of eco-labelled chemicals used in cleaning.

Social KPIs:

- Work-related injuries, risk observations, sick leave etc., see more in the social chapter. Reported quarterly and yearly, depending on area.
- Share of women in different levels, see more in the social chapter. Reported quarterly and yearly, depending on area/granularity.
- Percentage of workforce covered by collective bargaining agreements, reported yearly.

Governance KPIs:

- Number and percentage of individuals in executive positions (excl. Board) who have received training in anti-corruption. Reported yearly.
- Monitoring of compliance with the Code of Conduct (reported and investigated cases of suspected breaches). Reported yearly.
- Customer satisfaction and share of extended contracts. Reported yearly.

Governance of sustainability area:

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. The Board of Directors has delegated operational responsibility for the company and its management to the company's President and CEO. 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. Each sustainability and ESG dimension have a council/ management team/staff function that is responsible for ensuring that the strategy is put into effect by developing and implementing the strategy.

Have you signed a Union agreement?

Coor has signed a large number of Union agreements. 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.

Percentage covered by collective bargaining agreements	2022	2021
Percentage covered by collective bargaining agreements	93 %	90 %

PAI – Principle Adverse Impacts

Numeric answers (2022)			
Revenue (EUR)	1 037 000 000 (2022 FY)		
Greenhouse gas emissions	Scope 1	Scope 2	Scope 3
	3 369	333	113 512
Share of non-renewable energy consumption	36% (electricity)		
Share of non-renewable energy production	N/A		
Energy consumption in GWh	6,3 GWh		
Tonnes of emissions to water	N/A		
Tonnes of hazardous waste and radioactive waste generated	N/A		
Unadjusted gender pay gap	N/A – do not measure		
Board gender diversity	44% women		

Yes/No Answers	
Fossil fuel operations	Yes – service car fleet
Sites/operations located in or near to biodiversity-sensitive areas where activities negatively affect those areas	No
Science Based Target	Yes
Reports to CDP	Yes
UN Global Compact Signatory	Yes
Involved in the manufacture or selling of controversial weapons	No
Whistle blower policy	Yes
Supplier code of conduct	Yes