



Green
landscaping group

Sustainability Report for 2021

Green Landscaping Group AB (publ)



SUSTAINABILITY REPORT

Sustainable ground maintenance for people and the environment



For maintenance and landscaping of outdoor environments, the basic starting point is responsibility for people and the environment. Upon the foundation of a safe, secure and stimulating work environment for our employees, we supply safe, functional and beautiful outdoor environments for residents and users in residential areas and cities.

The population in Sweden is growing and there is also a trend of increasing urbanization, with more people moving to cities and central locations. This increases the need for more urban green areas and that is where Green Landscaping Group's operations can add the most value. We shall contribute with economic, social, environmental and climate-related sustainable investments and initiatives that create a healthy society and thriving entrepreneurship.

Green Landscaping Group's sustainability platform

In order to work efficiently and in a structured way to continuously develop and improve our sustainability efforts, we have developed a sustainability platform that is based on the 17 Sustainable Development Goals of the UN.

We have conducted a materiality analysis, that has also provided insight and a decision basis for prioritization. Our sustainability platform consists of three focus areas:
 1. Climate-adapted production, 2. Safe, stimulating and inclusive workplace, 3. Sound business relations and stable financial development. There are strategic sustainability targets and KPIs for each focus area.



Climate adapted production

1



Safe, stimulating and inclusive workplace

2



Sound business relations for stable financial development

3



Strategic Sustainability Goals

Reduce CO₂ emissions equivalents of 5% annually from 2021

Annually reduce the number of workplace accidents

Zero tolerance for corruption

At least 5 new projects annually for increased biodiversity

Three people are hired after the implementation of the Green Steps program

Governance and materiality

Strategic sustainability goals

Green Landscaping Group has, based on our priority focus areas, decided to govern sustainability efforts based on five strategic sustainability goals:

1

Lowering emissions of CO₂ equivalents by 5 percent each year (base year 2021)

2

Lower the number of workplace accidents each year

3

Zero tolerance for corruption

4

At least five new projects each year focused on increasing biodiversity

5

Three of the participants from the Green Steps program were employed

Sustainability governance

The Board of Directors and CEO have ultimate responsibility for sustainability efforts within the Group. However, they have delegated some of that responsibility to the various subsidiaries.

Sustainability efforts are based on Green Landscaping Group's values and regulated via the Group's policies, where the Code of Conduct and Sustainability Policy serve as the foundation for this work. These policy documents provide us with guidance on how we shall create value, contribute to a sustainable society, prevent risks in our operations and manage unexpected events.

The Board is regularly updated on the sustainability platform (including the CSR and ESG strategy) and its progress.

Our sustainability efforts are characterized by responsibility, openness, ethical behavior and respect for our stakeholders. We shall achieve sustainable development via our work with continual improvements, long-term customer relationships, skilled employees and planning of our operations.

Follow-up of sustainability efforts

Follow-up and evaluation of sustainability efforts is on a regular basis that occurs at the business unit level in conjunction with other goal monitoring. It is also aggregated at the Group level. Results are discussed and action plans are implemented whenever there are deviations. Once per year, a more thorough evaluation is carried out of the current performance indicators and ongoing activities. In 2021, it resulted in a revision to the number of performance indicates, among other things. Updates were also made to comply with the EU Taxonomy Regulation.



UN Sustainable Development Goals most relevant to Green Landscaping Group

Green Landscaping Group has studied its own operations to identify the SDGs where it can make the most significant contribution. This was done during winter 2020/2021.

The conclusion was that Green Landscaping Group should focus its sustainability efforts on SDG 8, 9, 11, 12 and 15 in order to make the most significant contribution.

8 DECENT WORK AND ECONOMIC GROWTH



SDG 8 Decent work and economic growth

In its role as employer, client of subcontractors and owner of subsidiaries, Green Landscaping Group is responsible for ensuring that individuals involved in operations work in an environment that is safe, secure, stimulating and non-discriminatory. By running a strategically well-founded and financial sound business, Green Landscaping Group can also contribute to economic growth for individuals and society.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



SDG 9 Industry, innovation and infrastructure

Through its operations, Green Landscaping Group contributes to sustainable infrastructures. This occurs through maintenance and construction of parks and green areas, along with maintenance and snow & ice removal on roads, for example. In order to be relevant in these areas, innovation is an integral part of the company's business model. Green Landscaping Group strives to, at all times, develop more efficient and sustainable methods in order to meet the requirements and expectations of its clients.

11 SUSTAINABLE CITIES AND COMMUNITIES



SDG 11 Sustainable cities and communities

This is part of the company's business model. Green Landscaping Group maintains and constructs green areas with the intention of creating environments that are safe, inclusive and accessible to all, regardless of age, gender, ethnicity and functional ability.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



SDG 12 Sustainable consumption and production

Through responsible waste management activities and essentially zero use of chemicals in operations, Green Landscaping Group works in a very focused way to contribute to sustainable consumption and production within the area of ground maintenance. Diesel-fueled cars and petrol-powered tools are also being phased out and replaced by electric vehicles and tools. The digital transformation of society offers new opportunities in ground maintenance for making production even more resource efficient.

15 LIFE ON LAND



SDG 15 Ecosystems and biodiversity

When Green Landscaping Group is involved in a project, it typically involves giving consideration to, protecting and developing biodiversity by, for example, establishing meadows and eradicating invasive species. Resource-efficient water use is another important area in which the company also takes many measures, for example by using water sacks for tree watering and by participating in projects to utilize stormwater in new construction and renovations.

Stakeholder engagement

Stakeholder engagement is based on interviews with employees, customers, owners, suppliers and investors. Other stakeholders, such as government authorities, trade unions, industry associations and specialist networks, also have influence and expectations on the company's sustainability work, but the perspectives of these stakeholder groups have not been acquired specifically on this occasion. Feedback from these interviews served as the basis for the materiality analysis and it has influenced the selection of our focus areas. These experiences are also the basis for decisions in coming years.

Plan for engagement

Our strategy is based on decentralized decision-making and activities at the subsidiary level. It is important that customer communication occurs at the local level, to the greatest extent possible. Besides these in-depth interviews, Green Landscaping Group regularly collects various stakeholders' perspectives on the company's operations. An overall description of how this works is provided below.

Stakeholder groups	Plan for engagement
Employees	Annual employee surveys, site meetings, performance appraisals, collaboration with unions
Customers	Regular meetings with customers, evaluation meetings and annual customer satisfaction surveys
Suppliers	Recurring contacts, procurements, requests for quotations, follow-up meetings, planning and coordination meetings
Shareholders and investors	Interim reports, annual general meeting and meetings/events with investors
Interest groups	Membership and participation in various industry organizations and interest groups
Society	Contact with government authorities, legislators and municipalities and meetings to discuss current matters, as needed





Materiality analysis

The point of departure for preparing the materiality analysis is Green Landscaping Group's business, the UN Sustainable Development Goals that the Group has decided to prioritize, along with feedback collected from engagement with stakeholders and perspectives of the Group's other stakeholders on the material sustainability issues that Green Landscaping Group should focus on.

The interviews carried out as part of the stakeholder engagement process focused on the sustainability issues that Green Landscaping Group has determined it can contribute the most to, or those most relevant to the Group's operations.

Green Landscaping Group has evaluated the results of its engagement with stakeholders and compared them to its own assessment of the company's ability to contribute to, and impact, the various sustainability issues. The results uncovered the issues that are most relevant to the Group's operations and thus the areas that the Group should focus on when pursuing its sustainability work.

Green Landscaping Group has decided to summarize these issues into three focus areas:

1

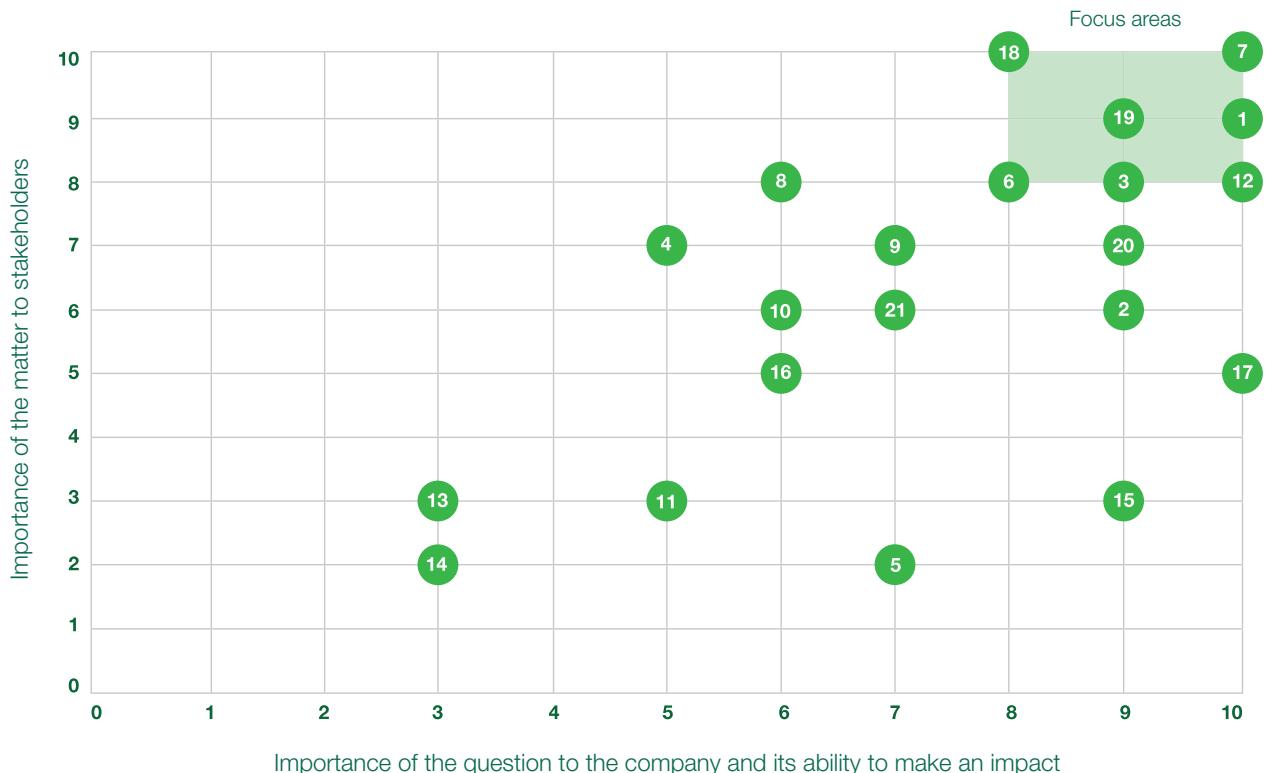
Climate-adapted production

2

**Safe, stimulating
and inclusive workplace**

3

**Sound business relations for
stable financial development**



ENVIRONMENTAL SUSTAINABILITY

1. On a scale of 1-10, how important do you feel that it is for Green to be working to lower the negative climate impact of its operations?

2. On a scale of 1-10, how important do you feel that it is for Green to be working to lower energy consumption?

3. On a scale of 1-10, how important do you feel that it is for Green to be working to lower resource consumption and for higher circularity?

4. On a scale of 1-10, how important do you feel that it is for Green to be working on responsible waste management?

5. On a scale of 1-10, how important do you feel that it is for Green to be working to preserve biodiversity?

6. On a scale of 1-10, how important do you feel that it is for Green to be working to lower the use of chemical pesticides and other chemicals?

SOCIAL SUSTAINABILITY

7. On a scale of 1-10, how important do you feel that it is for Green to be working to create a safe and secure work environment for its employees?

8. On a scale of 1-10, how important do you feel that it is for Green to be working for good health and well-being among its employees?

9. On a scale of 1-10, how important do you feel that it is for Green to be working on equality between men and women in its workplaces?

10. On a scale of 1-10, how important do you feel that it is for Green to be working on diversity among its employees?

11. On a scale of 1-10, how important do you feel that it is for Green to be actively working with initiatives to achieve better social integration in society?

12. On a scale of 1-10, how important do you feel that it is for Green to be working to achieve a high level of

employee engagement?

13. On a scale of 1-10, how important do you feel that it is for Green to prioritize activities that create security, within the scope of its work with maintenance of green areas and other public areas?

14. On a scale of 1-10, how important do you feel that it is for Green to prioritize activities that increase accessibility, within the scope of its work with maintenance of green areas and other public areas?

BUSINESS SUSTAINABILITY

15. On a scale of 1-10, how important do you feel that it is for Green to be working to achieve a higher level of entrepreneurship in society/within its business?

16. On a scale of 1-10, how important do you feel that it is for Green to be working to achieve a higher level of innovative power in society/within its business?

17. On a scale of 1-10, how important do you feel that it is for Green to be working with responsible purchasing and

relationships with its sub-suppliers and subcontractors?

18. On a scale of 1-10, how important do you feel that it is for Green to be working to counteract corruption?

19. On a scale of 1-10, how important do you feel it is that Green strives to have a sound and stable financial position?

20. On a scale of 1-10, how important do you feel that it is for Green to be working to achieve a good level of profitable economic growth through ethically and morally responsible operations?

21. On a scale of 1-10, how important do you feel that it is for Green to deliver cost-effective ground maintenance with focus on the user?

1

Focus area 1: Climate-adapted production

Green Landscaping Group shall run the business and carry out ground maintenance assignments with the aim of avoiding any negative climate impact. The long-term goal is to be climate-neutral by 2045, which is also a demand from our key customers. Through these priorities, Green Landscaping Group contributes to SDG 9, 11, 12 and 15. The work focuses on:



Conscientious efforts to improve energy and resource efficiency via the choice of machinery, tools and working methods. Petrol and diesel-powered vehicles and tools are being replaced with electrically powered ones, to the extent possible. Work methods can be made more energy efficient through work planning. Digitalization is a tool for achieving that.



Conscientious efforts to lower the amount of waste produced by the organization to facilitate circularity and improvements in waste management. Various measures to achieve this occur in the purchasing function, with the choice of working methods and in work planning.



Conscientious efforts to reduce the use of chemicals used in the business. Chemical pesticides are only used to a very limited extent. Alternative tools are regularly evaluated at the subsidiary level with the aim of lowering pesticide use to zero.

PERFORMANCE INDICATORS

KPI	2021	2020	Goal	Goal fulfill- ment	Comments
CO2 emissions, Scope 1, as a percentage of sales	2.55	2.69	5% annual decrease	✓	<p>Positive trend, attributable to electrification and newer machinery.</p> <p>Compared to last year, it corresponds to a decrease of 5.2%, which means that the target of an annual decrease of at least 5.0% has been achieved.</p>

Unit: X tons CO2 equivalents/SEK million in sales.

Data includes the companies that were part of the Green Landscaping Group at the beginning of each year.

Measures to lower energy consumption and greenhouse gas emissions

Green Landscaping Group falls under the scope of the Swedish Law on Energy Audits in Large Companies. The calculations show that the company's largest climate impact comes from transports and work with machinery, since these things primarily rely on fossil fuels. That is why it is within this area that measures are being prioritized.

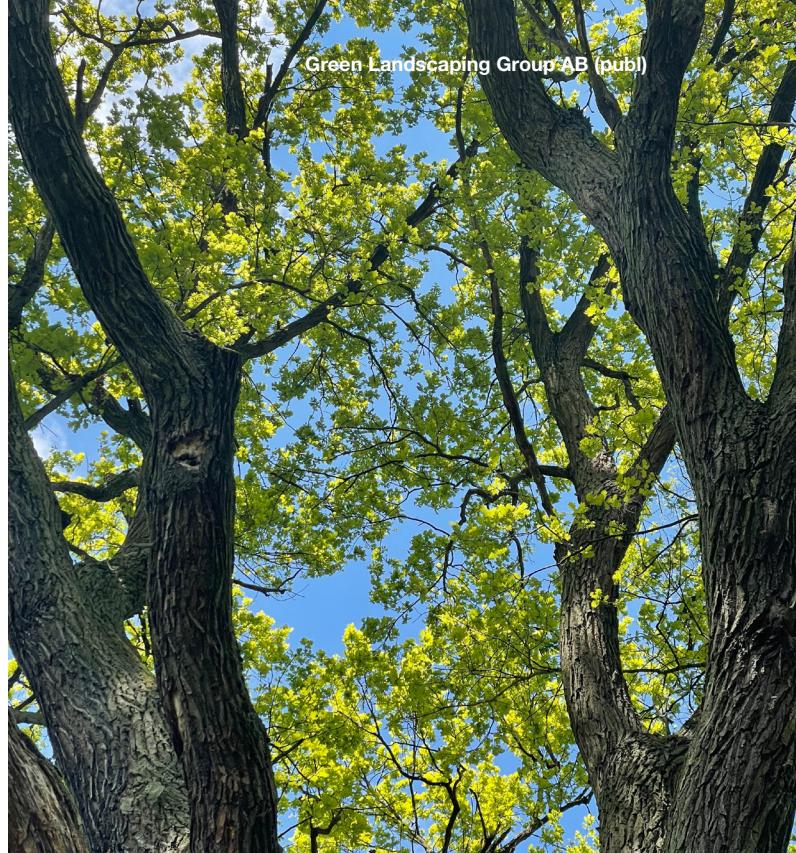
Subsidiaries are focusing on selling their oldest vehicles first and reallocating newer cars within the organization, to balance a higher need at one subsidiary with a lower need in another. Through the rejuvenation of the vehicle and machinery fleet, the proportion of fuel-efficient and fossil-free vehicles and machines is increasing, which helps lower the environmental impact.

Examples of other efforts that are also being made to reduce energy consumption and greenhouse gas emissions:

- More use of electric cars for shorter transports.
- More use of electric power tools.
- Implementation of a working method for route planning that results in shorter routes, lower fuel consumption and cost savings.
- Studies of, and measures to impact and lower, our energy consumption at office premises, storage facilities and staff rooms.
- Within the scope of its operations, Green Landscaping Group plants trees, bushes and sedum, which partially compensates for the company's own emissions.

Management of environmentally hazardous products

The subsidiaries have routines in their management systems for storage, use and waste management of environmentally hazardous products. Management of chemical products is continually monitored. In addition, the safety and product information for the chemical products we use is available in a mobile app so that our employees can easily access the information on site. Chemical products are generally used to a very small extent. For ground maintenance, essentially all of the work is based on mechanical methods. When that is not possible however, we always choose the least hazardous products and have strict rules and documentation requirements for our use of chemical pesticides.



Waste and recycling

Green Landscaping Group's business generates various types of waste, such as organic waste from land management and unsorted waste from bins. With landscaping activities, waste is often generated in the form of old, torn-up asphalt, concrete and wood. From the organization's own activities, there is office waste, electronics and some chemical residues and packaging. In the company's management system there are routines for how all types of waste are to be managed such that there is the lowest possible environmental impact. Most of the waste is sorted and left for recycling. Organic waste is reused in the company's own operations.

Risk inventory

The Group has primarily identified two types of risks related to the focus area of climate-adapted production:

- Climate change could result in a higher need for ground maintenance as a result of more rainfall and warmer temperatures. A higher level of activity will result in higher costs during summer. However, higher temperatures in winter also lower the demand for services, and thus our revenue (when we get rain instead of snow).

2

Focus area 2: Safe, stimulating and inclusive workplace

Green Landscaping Group's most important resource is its employees. Committed, motivated employees create the conditions for being able to deliver effectively and with high quality. Green Landscaping Group prioritizes activities in three areas in order to be an attractive employer and create the best possible conditions for its employees. In this way, the Group contributes to SDG 8.



Green Landscaping Group has a zero vision for workplace accidents. It also has established routines for incident and accident reporting. Safety training is regularly offered to employees and subcontractors. Regular, systematic workplace inventories are also carried out to identify situations and tasks where action is required to develop and improve the work environment and safety.



Training and skill development are prioritized in order to create a participatory, motivating and stimulating workplace. Managers are offered training in coaching techniques.



Green Landscaping Group absolutely believes in diversity in the workplace. The Group is working proactively to increase awareness within the organization about this, which includes the recruitment function and leadership positions in particular.

PERFORMANCE INDICATORS

KPI	2021	2020	Goal	Goal fulfillment	Comments
Number of incidents* per FTE**	0.17	0.20	Reduction	✓	More focus on injury risks.
Number of accidents FTE**	0.08	0.11	Reduction	✓	More training initiatives
Accidents resulting in death per FTE**	0.00	0.00	0	✓	

Unit: Number/FTE**

* Incident = Events that might have resulted in an LTA

** FTE = Full-Time Equivalent

*** LTA = Lost Time Accident (accidents where a person needs to be put on sick leave)

Regular employee surveys

Most of our employees are working at one of our local subsidiaries, where they meet with customers to discuss and implement the maintenance and landscaping of their outdoor environments.

During the year, 52 percent of our subsidiaries carried out some form of employee survey.

The results from our employee survey provide an important tool for further developing the company and workplace for our employees.

Skill development

Green Landscaping Group strives to be an attractive workplace for our potential and existing employees, offering them interesting tasks and assignments, competent leadership, short decision paths, skill development and opportunities to both influence and make a difference.

Skill development in combination with social integration

Green Landscaping Group has developed an integration program, called Green Steps where, in collaboration with customers and government authorities, we help get new immigrants and the long-term unemployed into the workforce. We offer a combination of training and work experience during the 24-month duration of the program.

The initiative strives to create an inclusive society and for the Group, ensure that we have the expertise we require over the long term. Candidates who apply are selected much on the basis of their own individual interests. However, other criteria are also evaluated and used in the selection process, such as Swedish language skills and the candidate's own motivation. The program is entirely based on the OCN (Open College Network) method. It is a method that is increasingly being used within the outdoor environment sector.

The results were achieved within the scope of Green Academy in 2021:

- There are currently 12 participants in the Green Steps program.
- Of the four participants who completed the program in 2021, three have obtained employment within the Group.
- The Green Steps program has been carried out as a collaboration between the City of Gothenburg and Region Västra Götaland. The training started up in January 2021 and runs through April 2022, with the goal of fifteen Green Steps participants becoming validated and certified to work in our sector (YB1 or BAS).
- During spring 2021, collaboration was initiated with the City of Gothenburg's Committee for the Labor Market

and Adult Education (NAV), which resulted in another three participants joining the Green Steps program in Gothenburg.

Safe environment and healthy employees

Green Landscaping Group's operations fall within the scope of laws and regulations on health & safety and the work environment. To prevent accidents at work sites, we keep statistics and provide regular training at the subsidiary level to ensure that the appropriate personal protective equipment is always used.

Through our training initiatives and input from TCYK, we identify the skill areas that our employees would like to develop that would mitigate the work environment risks.

As part of our management of accidents and incidents, we identify root causes and remedy problems at the source. We also improve the quality of our work and prevent both risks and recurring problems.

Equality and diversity

All employees are treated equally and we have an HR policy that is distributed to all employees. We value and encourage diversity in the organization, with a desire for it to reflect the diversity in our market. Everyone is assessed on the basis of their competence, both job seekers and employees alike. No forms of discrimination or harassment are tolerated and such behavior is proactively counteracted. Green Landscaping Group shall offer a workplace where all employees treat each other with respect. For all employees, this promotes health, work satisfaction and opportunities for developing their skills.

Green Landscaping Group is convinced that diversity is essential and neither discrimination nor harassment should ever occur. These are the prerequisites for creating a healthy, thriving work environment where we can derive the greatest benefits from each employee's expertise, while helping them further develop their skills. It also enables us to improve the company's offering and enhance profitability. The purpose is to ensure that everyone, regardless of differences, has the same opportunities regarding employment, working conditions and development opportunities.

UN Principles on Human Rights

We are committed to following international standards stated in the UN Guiding Principles on Business and Human Rights, along with the ILO Declaration on Fundamental Principles and Rights at Work. Respect for human rights should permeate the entire organization. This is also a fundamental component of how we interact with our customers. Throughout the entire value chain, with suppliers and businesses, there are risk areas where violations of human rights would have a negative impact

on the company. For example, if a supplier were to violate our standards on human rights, it would not only damage our reputation, but also have a negative impact on daily production capacity when severing the relationship.

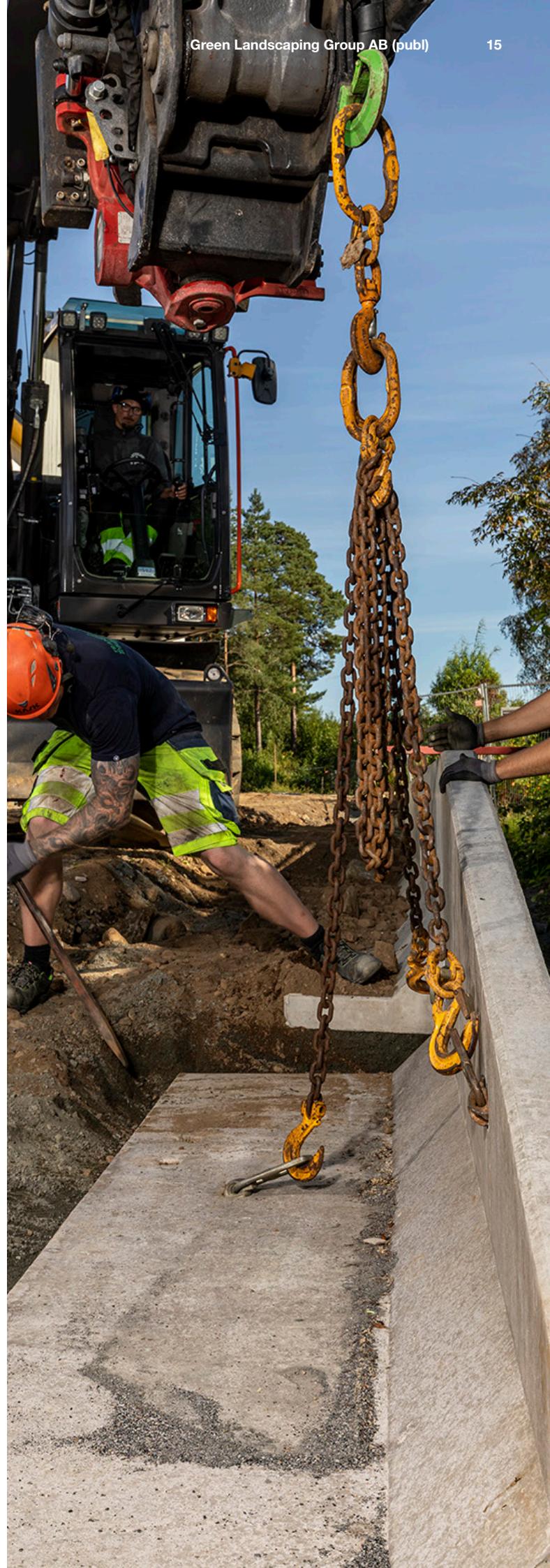
Our Code of Conduct states that all employees must respect the Universal Declaration of Human Rights adopted by the UN and follow international laws and agreements on child labor. Furthermore, no employee should ever experience discrimination based on age, gender, religion, sexual orientation, political opinions, ethnicity or membership in a trade union. All employees are encouraged to report violations of applicable laws/regulations or lack of compliance with our Code of Conduct. Our Code of Conduct and policies specify the standards upon which we run the business, along with how our employees and suppliers are expected to behave such that we meet our obligation of respecting human rights. Overall responsibility lies with the CEO and Board of Directors.

Risk inventory

We monitor the various external analysis programs that are used to establish our Sustainability Rating. Doing so gives us an indication of the requirements the market has on us.

Green Landscaping Group has identified the following risks related to the focus area of safe, stimulating and inclusive workplace:

- There is a risk that our employees, subcontractors or other third parties fail to comply with health & safety regulations, environmental regulations or that they fail in other ways. In conjunction with providing services, such failures could result in personal injury, or in the worst case, death.
- There are risks of human rights not being fulfilled in our daily activities. This can be due to incorrect or failed internal processes associated with social commitments, human error, legal risks and corruption.



3

Focus area 3: Sound business relations for stable financial development

A prerequisite for successful business relations is having sound relations with customers, suppliers and other business partners, along with a stable financial position that makes it possible to run and develop a successful business. In order to achieve that, Green Landscaping Group prioritizes two areas and in doing so, contributes to SDG 8.



To counteract corruption, Green Landscaping Group has routines in place for ensuring that its suppliers comply with laws and regulations. Employees of the Group must also comply with the Code of Conduct, which clearly prohibits and distances itself from illicit benefits and bribes.



Green Landscaping Group achieves a stable financial position through the strategy adopted by the Board, which shall make it possible to achieve annual sales growth of 10 percent, an EBITA margin of 8 percent as a measure of profitability and a gearing ratio that should not exceed 2.5.

PERFORMANCE INDICATORS

KPI	2021	2020	Goal	Goal fulfillment	Comments
Confirmed cases of corruption, number	0	0	0	✓	Only Swedish suppliers are being checked at this time.
Reported whistleblower cases, number	0	1	0	✓	A new whistleblower system was introduced in 2021.
Total revenue, SEK m	3,182	2,135	+10%	✓	The increase in total revenue is primarily attributable to several acquisitions having been made during the year, along with organic growth.
EBITA margin, %	7.3	4.7	8%	✗	Acquisition of new companies with high margins, along with higher profitability in the existing companies.
Gearing ratio, times	2.4	2.8	< 2.5	✓	Net debt is reduced through higher profit, new share issues and higher cash flow.



Code of Conduct

The purpose of the Code of Conduct is to communicate our ethical values and business principles to all of our employees, customers, suppliers, business partners and owners. It also provides us with guidance when carrying out our everyday tasks. Areas covered include conflicts of interest, gifts and entertainment, bribery and many other important topics. The Code of Conduct has been adopted by Green Landscaping Group's Board of Directors. The Group's CEO has delegated responsibility for its implementation and ensuring compliance with the Code to the CEO of each subsidiary. All employees are informed of the Code of Conduct and required to sign that they have read, understood and are committed to following the principles therein.

The Code of Conduct is based on five main areas:

1. Compliance with all applicable laws and regulations, along with the collective agreements that the company has signed.
2. Maintaining a high level of ethical behavior and respecting the rights and dignity of all people and partners with whom we engage. Furthermore, we must never accept, offer or confer illegal benefits or gifts.
3. Never, in any way, competing with the company's business operations and completely avoiding conflicts of interest that could damage the Group.
4. Keeping the company's business, financial and technical information along with internal business documents strictly confidential and never abusing Green Landscaping's or other companies' tangible or intangible assets.
5. Actively striving to comply with Green Landscaping Group's Code of Conduct.

Green Landscaping Group's Code of Conduct has been published on the company's website, <https://www.glgroupt.se/wp-content/uploads/A12.-Code-of-Conduct-eng-1.pdf>

Measures to combat corruption

Green Landscaping Group's size makes it possible for us to set requirements on sustainability at many levels. We also strive to lower the total number of suppliers so that we can ensure integrity and sustainability throughout the entire supply chain.

For Green Landscaping Group, anti-corruption efforts are a strategic sustainability goal and we actively pursue anti-corruption initiatives both internally and externally. Our Code of Conduct covers many areas, such as conflict of interest, gifts and entertainment, the environment, work environment, and our relationships with both suppliers and subcontractors. We have routines in place for assessing and approving our suppliers. The aim is to ensure that our suppliers comply with all binding requirements and that we have control over our supplier base. The routines involve checks on the following:

1. Reports on the supplier's credit rating and that the supplier has an F-tax certificate.
2. That the supplier has ID06 (a system for electronic personnel registries in the construction industry for the purpose of creating a safer work environment and ensuring that only a legal workforce is present on the construction site).
3. The supplier must confirm with Green Landscaping Group that they comply with the applicable legislation, our purchasing terms and our Code of Conduct.

Our goal is for all of Green Landscaping Group's suppliers to have been issued and informed about our Code of Conduct and Sustainability Policy.

Whistleblower function

In 2021, Green Landscaping Group implemented a new routine for its whistleblower function, in accordance with the new legal requirements. It gives employees additional ways of reporting irregularities in the company. A stated goal is that all employees should be treated well and feel safe and secure.

The routine is part of Green Landscaping Group's preventive efforts to combat corruption, irregularities and misconduct. Reports are made to the Chairman of the Audit Committee, Åsa Källenius, who is independent. In 2021, zero cases were reported through the whistleblower function.

Third-party certified management system

for quality, the environment and work environment

Some of the Group's subsidiaries have management systems that have been certified by a third party. The system covers environmental management in accordance with ISO 14001:2015, quality management in accordance with ISO-9001:2015 and health & safety management in accordance with OHSAS 18001:2007. The standards and management systems put demands on the companies and their employees to follow the applicable legislation, along with other rules and regulations. Examples of such are Swedish laws, regulations issued by the national and/or municipal authorities, industry regulations, etc. We do this by:

- Monitoring changes in the relevant legislation, rules and regulations.
- We then alter our routines and guidelines based on such changes.
- We ensure that our employees are informed about the applicable rules, regulations and legislation.

Purchasing

The Group's subsidiaries collaborate with carefully selected suppliers of both goods and services, always striving to set up long-term business relationships. The suppliers we recommend represent us when carrying out their assigned tasks, which exposes us to various quality, environmental and work environment risks. The goal is for all them to have accepted our Code of Conduct.

Satisfied customers

Good service is important to us. Satisfied customers is a key success factor for growing the company and developing our business. Otherwise, we face the risk of slow processes, appeals and negative publicity. We also have a responsibility to contribute to social sustainability and tolerance in society. Our interaction with customers occurs both digitally and directly. Some of our subsidiaries conduct customer surveys.



Stable financial development

Much of our sustainability work is focused on making responsible financial decisions. For our customers, it is very important that Green Landscaping Group has sustainable, stable operations and a good credit rating. Since 2017, Green Landscaping Group has been focusing on profitable growth via both organic growth and acquisitions. Green Landscaping Group strives to maintain solid creditworthiness corresponding to at least an "A" rating in the Bisnode Soliditet credit rating system.

Risk inventory

Green Landscaping Group has identified the following risks related to the focus area of sound business relations for stable financial development:

- Corruption primarily arises through interaction with suppliers since collaboration with suppliers on the service side often is relationship-based. This is a risk that exists within the purchasing function of all companies belonging to the Group.
- Subsidiaries engage subcontractors to supplement their own staff. There is a risk that subcontractors fail to comply with the laws and requirements applicable to our operations concerning such things as quality, the environment and work environment.

Fulfillment of strategic goals

GOAL	RESULT	GOAL FULFILLMENT	COMMENTS
Lowering emissions of CO2 equivalents by five percent each year (base year 2021)	5.2%		The goal is to reduce our emissions of CO2 equivalents by five percent from the level in 2021. Because we are growing the business, the level of emissions in tons is weighted against our sales.
Lower the number of workplace accidents each year/ FTE	-25%		We have a vision of zero workplace accidents and strive to decrease the number each year. In 2021, the weighted statistic fell by 25 percent (from 0.11 to 0.08 accidents/FTE).
Zero tolerance for corruption	0		No cases of corruption were reported or brought to our attention.
At least five new projects each year focused on increasing biodiversity	>50		There were many biodiversity projects during the year at subsidiaries. Examples were the projects to establish new meadows and homes for pollinators, creation/preservation of wetlands, etc.
Three of the participants from the Green Steps program were employed	3		Three of the four participants in Green Steps obtained employment after completing the training.

EU Taxonomy Regulation

The EU taxonomy establishes a classification system or framework that aims to provide companies and investors with a common language to identify whether economic activities can be considered environmentally sustainable. The EU taxonomy provides companies, such as the Green Landscaping Group, with appropriate definitions of which economic activities can be considered environmentally sustainable.

This framework can play a major role in helping EU companies to strengthen sustainable investment, create security for investors by avoiding greenwashing and help companies become more sustainable.

A third-party analysis has been carried out by [CEMASys.se](#), which concluded that some of Green Landscaping Group's activities fall under the scope of the EU Taxonomy Regulation. It has been concluded that the activities covered by the EU Taxonomy Regulation are compliant with the Regulation, as well as the Taxonomy Climate Delegated Act (EU) 2021/2139 for the 2021 financial year and they also meet the requirements that will enter into force for the 2022 financial year.

The company's total sales and green percentage are defined in the KPIs of sales*, CapEx** and OpEx*** below.

Scope

Green Landscaping Group has identified economic activities that fall under the scope of the EU Taxonomy Regulation and the Taxonomy Climate Delegated Act (EU) 2021/2139 based on the list of NACE codes. The next step involved assessing whether the EU Taxonomy activities, as per NACE, were consistent with the Group's own business activities. Based on that, it was concluded that some of the activities of Mark & Miljö Projekt i Sverige AB are covered by the EU Taxonomy Regulation. The economic activity it is involved in is:

7.1 Construction of new buildings (F43)

It accounts for 10 percent of Mark & Miljö's sales, CapEx and OpEx. For Green Landscaping Group overall, it means that 0.2 percent of sales* are covered, 0.0 percent of CapEx** and 0.1 percent of OpEx***. The vast majority of the Group's sales, CapEx and OpEx is thus not covered by the EU Taxonomy Regulation.

	Percentage of economic activities covered by the Taxonomy		Percentage of economic activities not covered by the Taxonomy	
	SEK m	%	SEK m	%
Sales	3,181.5	0.2	6.2	99.8
CapEx	451.3	0.0	0.2	100.0
OpEx	150.0	0.1	0.2	99.9

*Green Landscaping Group's definition of sales: all revenue for the company during the year.

** Green Landscaping Group's definition of CapEx: Acquisitions of intangible assets and PPE during the period, not including goodwill or new right-of-use assets. It also includes business combinations.

*** Green Landscaping Group's definition of OpEx: Operating and maintenance costs for PPE during the period.

Green percentage

Further analysis was done to determine whether activities covered by the EU Taxonomy Regulation qualify for being classified as green. The criteria for that are that they contribute substantially to one or more of the environmental objectives, do not significantly harm any of the environmental objectives and that the activities can be carried out in compliance with the minimum safeguards of the Taxonomy.



Green Landscaping Group meets those criteria and its Green KPIs are as follows:

- Sales: 0.2%
- CapEx: 0.0%
- OpEx: 0.1%

Green Landscaping Group feels we should be assessed on our activities associated with economic sustainability, smart and environmentally-friendly choices and social engagement, not just the activities that are included in the Taxonomy.

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Green Landscaping Group AB (publ), corporate identity number 556771-3465

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2021 on pages 26-49 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

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

Opinion

A statutory sustainability report has been prepared.

Stockholm April 2022

Grant Thornton Sweden AB

Camilla Nilsson
Authorized Public Accountant

Sustainability work in 2021

There is a great deal of commitment and enthusiasm for sustainability at the subsidiaries.

Here are a few examples of activities and initiatives.

Reduction of emissions

Fossil-free vehicles

Akerhusgartneren AS in Oslo has invested in an emission-free electric excavator. There are clients who prefer emission-free machinery and transports.

Thus far, the evaluation shows that the excavator is suitable for lighter tasks, but there are challenges with keeping it charged and efficiency.





Biodiversity

Establishing new meadows and a home for pollinators

Most people are aware of how important insects are to the ecosystem and the crucial role that insects play as pollinators. As much as 90 percent of wild plants are, at least partially, dependent on pollinators for propagation. The plants, in turn, are a source of food and protection for many wild animals. Without pollinators, we would not have a functioning, stable ecosystem.

At Staffanstorp, Green Landscaping Skåne has collaborated with the municipality on establishing new meadows and a home for pollinators on plots with poor soil conditions. Sand and bulky organic matter has been used to improve the clay soil so that flowers and other plants can thrive there. The project is still ongoing and the final results are not yet available.

Stormwater management

In the design of many new buildings, solutions on how to manage heavy rainfall are an important aspect. Green Landscaping Malmö has been contracted by a housing cooperative in central Malmö to help them find solutions for dealing with the recurrent problem of basement flooding at a century-old residential building.

Basins for stormwater collection have been built, 1.5 meters in depth, at the center of the two courtyards. Now, all of the runoff from the gutters and above-ground pipes is collected there. Around the courtyards, containers have also been set up, each with a capacity for 1 cubic meter of water. When they are full, the overflow runs into the basins as well. Other improvements planned at the property are to build a new bike shed and install a sedum roof (which will also absorb water and help prevent flooding).





Biodiversity

Meadow mowing

Markservice STHLM has been contracted by Tumba Municipality for meadow mowing using a method that promotes biodiversity. The method involves using special mowing machinery with toothed mower blades.

Sustainable company strategy

During the fall, Markservice STHLM completely revised its company strategy, based on sustainability as a fundamental value.

Many of the company's employees have been involved in the work of creating the new sustainable business strategy. In collaboration with new and existing customers, they have focused on the sustainability of both products and services.





Efficient transports

Digitized planning and evaluation

Digitalization efforts have been underway in Gothenburg since 2021. GPS trackers have been installed on our vehicles to collect data that can be used to schedule and coordinate our transports and thereby make them more efficient.

The type of data gathered is the amount of time spent at a site and transport time. It is then tracked and used for minimizing our transports and using our vehicle fleet in the most efficient way possible.

Organic products

Eco gravel

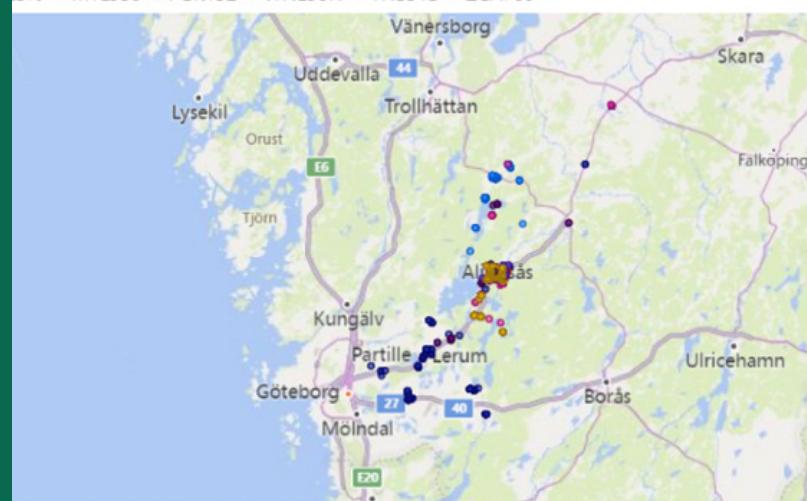
ECO-Binder is a special binding powder that is being marketed by Västsvensk Markservice.

It is a chemical-free product that is 100% from psyllium seeds. The binding powder is mixed with gravel and water and used as an organic top coat for creating attractive surfaces that are durable and easy to maintain. It can be used instead of asphalt and is much more environmentally friendly.

Till Maskingatan

Startadress	Starttid
SE, 441 30 Alingsås, Kungsgatan	2021-04-06 05:01:45
SE, 441 31 Alingsås, Norra Strömgatan	2021-04-06 08:06:49
SE, 441 30 Alingsås, Drottninggatan	2021-04-06 09:20:32
SE, 441 30 Alingsås, Drottninggatan	2021-04-06 09:20:32
SE, 441 30 Alingsås, Drottninggatan	2021-04-06 09:20:32
SE, 441 30 Alingsås, Drottninggatan	2021-04-06 09:20:32
SE, 441 36 Alingsås, Kometgatan	2021-04-06 09:20:32
SE, 441 36 Alingsås, Kometgatan	2021-04-06 09:20:32
SE, 441 36 Alingsås, Vintergatan	2021-04-06 09:20:32
SE, 441 36 Alingsås, Kometgatan	2021-04-06 12:51:50
SE, 441 36 Alingsås, Kometgatan	2021-04-06 15:16:02
SE, 433 38 Partille, Gamla Kronvägen	2021-04-06 05:01:45

E37J ● MYL950 ● PGK152 ● WNE98N ● YHB518 ● ZCA780



Green Academy

Skill development

Green Landscaping Group strives to be an inclusive employer and the obvious choice in our sector. We want to attract and retain the best talent, along with creating opportunities for development for our employees. We also continually strive to ensure that our employees have the right expertise required for the Group's own processes while simultaneously meeting all legal requirements. This is a key success factor for winning major public sector tenders.

In 2021, the leadership program was once again offered and approximately 90 participants from our subsidiaries completed the training.

Board training was also offered for some of the subsidiary Board members in regions Middle and South.

Green Academy has been discontinued at the Group level however, which is in line with our strategy of decentralization.

Responsibility for skill development and promoting learning is thus now at the subsidiary level. Some higher level training might still be offered by the Group in the future however.



Green Steps

Integration program

Green Steps is an initiative of the Green Landscaping Group to demonstrate that it is possible to create win-win situations for taking social responsibility in collaboration with society and individuals.

In 2020, unemployment was more than five times higher for people with a low education compared to those who had at least three years of post-secondary education. Almost one in every four (22.7%) with only pre-secondary education were unemployed and it is primarily foreign-born individuals who are low-educated. Of the 456,000 unemployed persons (16-74 years old) registered with the Swedish Public Employment Service in December 2020, a total of 38% had been unemployed more than 1 year and 20% more than 2 years.* Of all unemployed persons 20-64 years old (16-74 years old)** with only pre-secondary education, slightly more than 83% were foreign-born*. For foreign-born individuals with only pre-secondary education, unemployment was (2020) 40.1%***.

The program started up in 2018 and it has been successful. It has generated the following effects:

PARTICIPANT	GREEN	MUNICIPALITY	SOCIETY
Obtains employment at a fixed salary of as least SEK 22,600/month (fixed-term) with a trained supervisor for "on-the-job" learning.	Ensures the supply of skilled employees.	Tax revenue.	Lower costs.
Paid external and internal training, based on need.	Obtains financial support during the training period.	Less income support.	Less exclusion
Validation of achieved skill levels leading to certification	Establishes channels for procurement and opportunities to influence certain evaluation criteria, such as skill requirements and social considerations.		Sustainability.
Provides immigrants with opportunities to develop their Swedish language skills.	Greater understanding for multicultural society.		Sustainability.
Opportunities to advance within the company and in working life in general with verified skills and expertise.	Goodwill and over time, increased competitiveness.		

Sources:

*Arbetslösenträppen 2021 (SCB, AKU), report from Statistics Sweden on unemployment

** The age span in the 2021 report was changed from that used in the 2019 report.

*** Ekonomifakta (SCB) Arbetslöshet - utrikesfödda (2021), report from Statistics Sweden on unemployment among immigrants

This is the main target group for Green Steps.

For each person who transitions from unemployment benefits to gainful employment, society saves around SEK 342,000/year. And for the individual, it means extra income of around SEK 50,400/year**. For those who are in the establishment phase or receiving income support, the societal benefits are much higher. If we make a conservative calculation that, on average, it takes eight years (49.9% after 8 years***) for each new immigrant with only pre-secondary education to gain employment, each non-employed person costs SEK 2.7 million.

The program focuses on new immigrants and long-term unemployed who lack meritorious education or work experience.

After a short internship period, employment is in the form of a trainee program that stretches over 24 months. The participant receives contractual salary throughout the entire training (currently, the minimum is SEK 22,600/month). The goal is for the participants to become validated and certified to work in our sector (YB1 certification or BAS).



Green Steps is an initiative of the Green Landscaping Group to demonstrate that it is possible to create win-win situations for taking social responsibility in collaboration with society and individuals.

Results in 2021

There are currently 12 participants in the Green Steps program.

Of the four participants who completed the program in 2021, three have obtained employment.

Region Middle has been most active with Green Steps during the year by creating a training program for participants in collaboration with the City of Gothenburg and Region Västra Götaland. The training started in January 2021 and it has been extended until April 2022. The goal for 2021 was to validate 16 people. It was not achieved though, due to pandemic restrictions that limited training opportunities.

In Region Middle, now that the restrictions have eased, the aim is to complete the validation in 2022.





Green
landscaping group

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