

RECOVER

 SUSTAINABILITY REPORT 2022

ABOUT RECOVER



RECOVER GROUP

Recover is the market leader for non-discretionary property remediation and environmental services in the Nordics.

Recover provides emergency property remediation services to help mitigate the impact of water and fire damages, reduce costs associated with extreme weather events, and to make cities safer by maintaining mission-critical infrastructure.

+400 MEUR
2022 Revenue

~180 local branches

+2 800 Employees



OUR SERVICE LINES

PROPERTY REMEDIATION

Damage control

- Fire Damage (Kerosene, Oil & contaminated building structures)
- Technical Cleaning & Repair
- Content Treatment/Storage
- Water Damage
- Reconstruction
- Radon, Asbestos and Mold Removal
- Environmental remediation
- Remediation of technical/industrial equipment
- Selective Demolition
- Onshore and offshore damage control services
- Indoor climate services



Demolition & concrete drilling

- Selective Demolition
- Concrete Drilling & Sawing
- Radon, Asbestos and Mold Removal



ENVIRONMENTAL SERVICES

Traditional services | Special services | Pipe renewal

- Septic tanks
- Sand trap
- Grease separator
- Pipe inspection
- Pressure testing
- Pipe cleaning
- Relining
- Dry suction
- Crane and container
- Ventilation



VALUE CHAIN CAPABILITIES

DAMAGE CONTROL SERVICES



	First Response & Inspection	Remediation & Content Handling	Dehumidification	Reconstruction
				
				
				
				

ENVIRONMENTAL SERVICES



	Traditional Services			Pipe renewal	Special services		
	Pipe Services	Emptying services	Industrial services	Relining	Dry suction	Ventilation	Container
							
							
							

2022 IN NUMBERS

+400
MEUR Revenue

92%
Building waste recycled



+2 800
Employees

~180
Local Branches

16%
of C-suite positions held by women

~120 000
Yearly assignments

+12 200
Safety observations

100%
Renewable energy consumed in our buildings

25%
Reduction in work-related H1-injuries compared to last year

*H1 injuries resulting in absence as defined by Norsk Industri

SUSTAINABILITY AT RECOVER





A MESSAGE FROM OUR CEO

PLACING SUSTAINABILITY AND PEOPLE AT OUR STRATEGIC CORE

Over recent years the Recover Group has grown into a 400 MEUR company, employing more than 2 800 people. Our size is directly related to our footprint, and we recognize that our operations has a wider impact on people, society and our planet. Therefore, it is important to embrace accountability with regards to the mark we leave on the world around us.

At Recover we believe that by placing sustainability and people at our strategic core, will drive employee, customer, and supplier satisfaction and hence value creation in the long run. Therefore, we have placed sustainability as a centerpiece in our strategy and operations. During 2022 we expanded our reach of influence by increased collaboration with our partners. Identifying our collective impact on the environment enabled us to jointly work towards processes and methodologies driving increased sustainability in the property remediation and insurance industry. Key to making a positive impact is to have alignment on sustainability topics through-out the supply chain.

UN Global Compact Initiative

We recognize the importance of the ten principles within Human Rights, Fraud, Environmental Sustainability and Anti-Corruption, and we proudly express our continued support to the United Nations Global Compact Initiative.

As a considerable player in our market, we recognize our role in paving the way forward, continuing to improve not only ourselves, but also vendors, customers and peers in the industry.

The ten principles and the UN Social Development Goals are foundational to our strategy and materialize in the form of our triple zero strategy - We strive to do zero harm, create zero waste, and emit zero carbon.

During 2022 we have worked stringently on these topics. We are proud of achieving yet another year with accomplishments such as:

- A reduction in work-related H1-injuries* (25% reduction compared to 2021).
- We recycled 92% of all building waste.
- We consumed 100% renewable energy in our buildings.
- We delivered a GHG aligned scope 1-3 measurement for the group.
- We launched an updated code of conduct and continued with training and commitment to its content.

For the up-coming period we are eager to continue our development within the area of sustainability.



TED SØDERHOLM
RECOVER GROUP CEO



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

*H1 injuries resulting in absence as defined by Norsk Industri

OUR FOUNDATION AND TRIPPEL ZERO STRATEGY

We are the guardians of everyday life for a sustainable world

Recover works for sustainability every day through saving people's homes, assets, and maintaining critical infrastructure. We are proud to call ourselves the guardians of everyday life for a sustainable world.

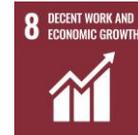
As a business our main contribution is to create a long-term, sustainable and value-creating company for our stakeholders and employees. These objectives ensure that business practices and investments contribute to long-term economic growth at the same time as they adhere to and accelerate environmental and social development.

As a UN Global Compact (UNGC) signatory, Recover follows the guidance of the 10 principles of human rights, labor, anti-corruption and environment.

Additionally, we recognize the importance of the UN Sustainable Development Goals (SDGs). Specifically, Recover is exerting an extended effort within three of the SDGs where we believe we can make the biggest impact.

The SDGs and the 10 principles of UNGC serve as the foundation for our way of operating. We have chosen to operationalize this in the form our Trippel zero strategy:

Trippel zero refers to our efforts of reaching zero harm, creating zero waste, and emitting zero carbon.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

WE DO ZERO HARM



Ensure sustainable consumption and production patterns

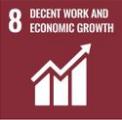
WE CREATE ZERO WASTE



Take urgent action to combat climate change and its impacts

WE EMIT ZERO CARBON

SUSTAINABILITY TARGETS AND PROGRESS

SDG	TOPIC	TARGET(s)	PROGRESS TO DATE	GOAL 2023
	WE DO ZERO HARM	<ul style="list-style-type: none"> Reach zero harm 	Reduced injuries by 40% in 2021, and further 25% during 2022 – resulting in a LTIFR of 5,6 (2022)	LTIFR < 5
		<ul style="list-style-type: none"> Zero tolerance to fraud, corruption and harassment 	Group code of conduct update and distributed to all employees for signing or training	Securing commitment and training for all new employees
	WE CREATE ZERO WASTE	<ul style="list-style-type: none"> Recycle all building waste 	<ul style="list-style-type: none"> >92% of building waste recycled in 2022 Implemented national partnerships with waste handling/recycling companies to improve coverage 	Recycle >90% of all building waste
	WE EMIT ZERO CARBON	<ul style="list-style-type: none"> Consume 100% renewable energy in our facilities 	100% in 2022	Consume 100% renewable energy in our own buildings
		<ul style="list-style-type: none"> All new light vehicle ordered hybrid or electric 	~40 % of car orders electric or hybrid in 2022.	Current charging infrastructure and range render this goal hard to reach in coming years. Therefore, we will work to replace this with goals towards total co2 reductions
		<ul style="list-style-type: none"> Set a scienced-based aligned target to reduce scope 3 emissions by 2030 	First step taken, identifying the scope 1-3 baseline across countries	Standardize measurements and improve operational data gathering across group and business area

*LTIFR = Lost Time Injury Frequency Rate

HEALTH AND SAFETY, OUR FIRST PRIORITY



With more than 2800 employees, Recover has a duty to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Recover will uphold labor standards across our own operations and value chains to ensure that productive employment delivers a fair income.

Our first priority will always be the health and safety of our people. Our employees are working in dangerous situations every day serving families, businesses and local communities in need of immediate assistance.

Our operations include hazardous tasks, such as entering fire damaged buildings, sanitizing asbestos, demolition, heavy lifting, use of chemicals, working with powered tools, and more. Workplace security is therefore one of our top priorities and we strive to reach zero harm.

All Recover employees should return home to their friends and families safe and sound, every day. Through our ISO certification 45001 Occupational health and safety management systems, we set a high standard to continue our development within this topic and ensure that Recover abide local laws that regulate health and safety. As a basis we:

- Execute risk assessments and analyses for all our main operations.
- Perform complementary and specific health, risk and safety assessment for larger projects
- Train all our employees carefully in the use of protective gear, and storage and use of chemicals.
- Execute on a mandatory safety week once a year in our property remediation business.

In the end, however, safety will boil down to our employees practicing a safety-first mentality every

day. In other words, stop and assess any situation before acting. Consequently, we are devoting much attention and emphasis on health and safety communication as a means in building a diligent safety culture. This takes the form of sharing risk observations on Workplace, performing safety rounds, sharing safety themes on tv screens, and devoting time in town hall meetings.

Additionally, our safety representatives perform safety inspections, both scheduled and unnotified. For 2022 our goal was to reduce lost time injury frequency rate (LTIFR) from above 8 to below 5. During the year we reached 5,6. In total the group managed to reduce H1 injuries by 25% during the year (and 40% the year before that).

One of our most important tools for combating injuries is risk identification and reporting. Risk observations and evaluation of near misses are registered and followed up daily and reported on monthly. Our national safety committees, are responsible for categorizing, and implementing the knowledge that these observations are generating. During 2022 Recover made more than 12 200 risk observations.

OUR MOST IMPORTANT ASSET - OUR EMPLOYEES

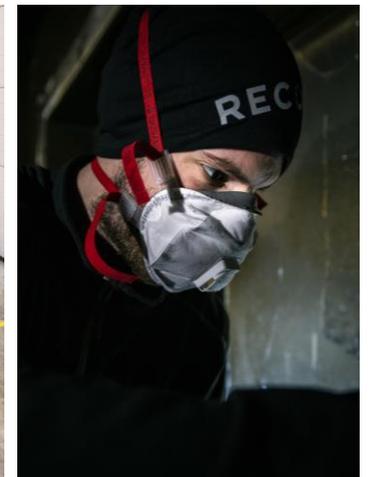
Employee involvement and Freedom of association

Our employees are our most important asset. In a distributed geography and decentralized management model, employees and management practices are at the essence of our business. Therefore, transparency, involvement, equality of pay, gender diversity and employee satisfaction are important parameters for Recover.

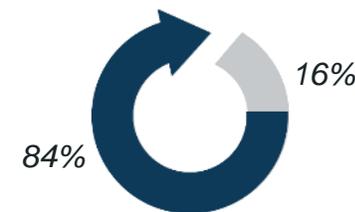
Recover strive to uphold freedom of association and the right to collective bargaining. Recover understand that this can contribute to more effective industrial relations and that in value chains, this can also lower social auditing costs. Field worker's pay is regulated through union negotiations and ensures equal pay. All employees are regulated through this process whether unionized or not. This also implies that tariff payments are followed.

Governed by local law all our countries have union representatives closely involved with business management in several levels of the organization. Examples of this are working environment committee and joint consultative committee with representatives from all categories the working staff. The goal is to enhance the business from both a people and performance perspective.

Starting in 2021 the group implemented a quarterly employee engagement survey for all employees. This has improved our ability to respond to issues, created an additional anonymous channel for communicating issues, and ultimately increase overall employee satisfaction. From the end of 2021 to end of 2022 our employee 'Net promoter score' has increased with 16 points.



Gender diversity management team (2022)



Gender diversity total (2022)



TAKING RESPONSIBILITY FOR THE NEXT GENERATION

Educating the next generation

In order to promote full and productive employment and decent work for all, we proudly take responsibility by offering apprenticeship for carpenters in certain regions.

We believe that early access to working-life and high degree of involvement from employer is key in educating the next generation of craftsmen. All apprentices in Recover receives guidance and training from dedicated people, and ultimately building the competence needed for their crafts certificate.

During the apprenticeship extra efforts is invested ensuring that development follows state-guided curriculums and that the apprentice is properly followed-up with regards to professional and social development and inclusion.



From intern to apprentice to permanent employment



*Victor Bilstad
Steinkjer, Norway*

"I started as an apprentice in Recover in 2021 after a year as an intern. My apprenticeship was a fantastic 2-year journey, with great colleagues and exciting tasks. I want to commend the project managers and carpenters at the Steinkjer department, who have been excellent in setting me up with tasks relevant to the curriculum and my learning path. Instead of assigning me the simple tasks, they assigned tasks they knew would challenge me to grow as much as possible. I have seen this mindset consistently throughout my apprenticeship and this is a major reasons why I have looked forward to work every day. Of course, the friendly people, variety of tasks and workplaces have played a huge role as well.

I can now proudly say that I completed my trade exam with the highest grade possible - 'passed with distinction'. I tribute this to my skilled and patient colleagues, who have utilized every opportunity to explain and teach me during my apprenticeship years.

After finishing my trade exam, I joined the other apprentices for a gathering filled with valuable professional discussions and social interactions. A highly appreciated initiative to spur new professional and personal relationships.

Now I have been offered permanent employment, with my own company car and tools, and I'm enjoying it more than ever!"

POLICIES AND TRAINING

Human Rights, Labor Rights and Anti-Corruption

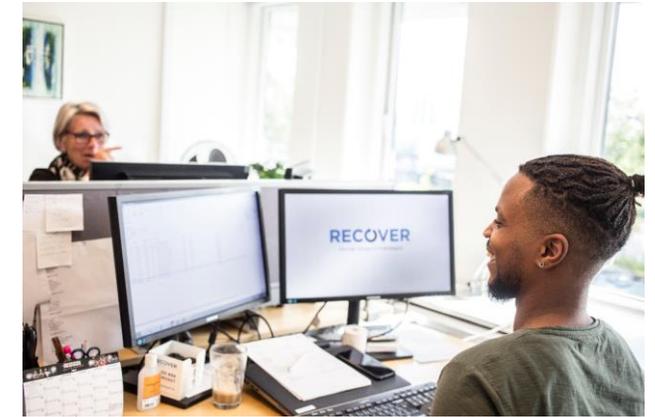
Recover’s operations impact people’s everyday lives by saving homes and maintaining critical infrastructure. We also recognize that our operations can affect people in a mental and physical capacity. We must therefore not only comply with laws and regulations but expand our obligations to include a responsible and ethical behavior with all stakeholders throughout our value chain. These responsibilities pertain to the following fields and guidelines:

- *Recover supports the protection of international human rights and recognizes the accountability of our operations through our employees, vendors, and other stakeholders.*
- *Recover stand for equal opportunities irrespective of sex, civil status, gender identification, ethical background, nationality, religion, age, and/or disabilities.*
- *Recover work against corruption in all its forms, including extortion and bribery.*
- *Recover upholds the freedom of association and right to collective bargaining, and the elimination of forced labor, child labor and employment discrimination*

The group has grown rapidly both in terms of organic growth and acquisitions. Therefore, during 2022 the group decided to develop and implement a unified code of conduct for all companies, updating and complementing previous local versions.

In order to reinforce the importance of these topics' employees have formally accepted the code of conduct and received trainings specifically related to our business. Topics span the code of conduct, such as ethical behavior, anti-corruption, and harassment.

During 2022 all employees have received instructions and/or training related to the updated code of conduct.





MEASURING OUR ENVIRONMENTAL IMPACT

Starting with a baseline

In 2021 our property remediation business in Norway and Denmark started measuring green house gas emissions. For 2022 the entire group did the first group-wide calculation. Using the GHG protocol, the measurements triggered a better understanding of our total emissions baseline, as well as insights on areas where Recover could make a significant impact. One key learning in 2021 was that

material use is one of the biggest impactors of our business. Therefore, reducing material usage is of essence in reducing our environmental impact. Subsequently, during 2022 we initiated a pilot to increase our understanding of how to reduce CO2 emissions by adapting new, less material-intensive, methodologies.

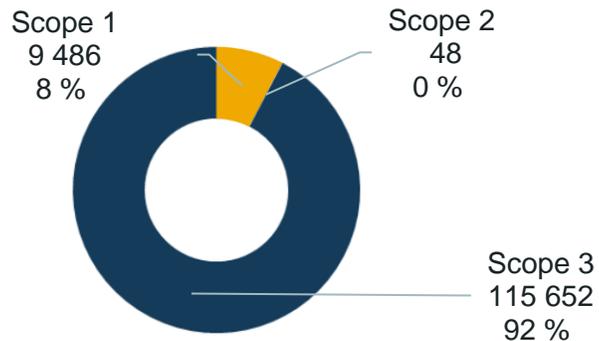
Scope 1 - emissions from sources that the organization owns or controls directly – for Recover this is predominantly related to vehicles

Scope 2 - Emissions caused indirectly from consumption of (purchased) energy – for Recover this corresponds to energy usage in buildings and machinery

Scope 3 - encompasses emissions that are not produced by the company itself, and not the result of activities from assets owned or controlled by them, but by those that it's indirectly responsible for, up and down its value chain. For Recover this includes all sources not included in scope 1 and 2, predominately but not limited to, material use

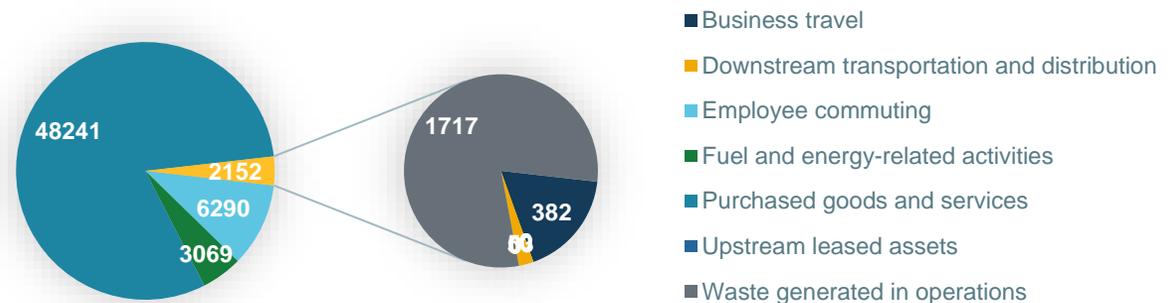
Scope 1-3 emissions in tCo2-eq

Location based according to the Green house gas protocol



Scope 3 per category (tCo2-eq)

Location based according to the Green house gas protocol



WE HOLD OUR SUPPLIERS ACCOUNTABLE

Suppliers

Recover uses many suppliers, both for material and tools purchases and services. Our suppliers are expected to uphold the same level of responsibility and transparency as Recover within the fields of labor rights, anti-corruption, human rights and environment.

Our contractual agreements contain declarations regarding these topics in the form of a supplier code of conduct. As an example, in our standardized agreements we set conditions for equal pay, and that all employees (whether unionized or not) should have right to tariff level salaries. Requirements are also extended to apply through vendors sourcing value chain.

Our Norwegian Property Remediation operations is only entering frame agreements with Startbank certified vendors, requiring them among other things, to have occupational Injuries Insurances. During 2022 we have started with surveying suppliers in terms of evaluating how they have implemented their supplier code of conduct, holding them accountable.



WHISTLEBLOWING

Whistleblowing routine

Recover aims to uphold a transparent business culture and ethical behavior. We value safety, security, and fair competition for all our stakeholders. Our whistleblowing process is an important tool for upholding this transparency and ethics. In order to secure easy access to our whistleblowing process it is available at our webpages.

<https://recover.no/tjenesteomrader/whistleblowing>

<https://recover.se/om-recover/whistleblowing>

<https://recover.dk/politikker/whistleblowing>

<https://recover.fi/articles/whistleblowing>

We encourage all external and internal stakeholders to speak up in terms of breaches or suspicions of breaches to human rights, labor rights, and corruption. Whistleblowing can be anonymous.



ISO CERTIFICATES

DENMARK



NORWAY



SWEDEN



The Finnish organization had not undertaken a certification process by 2022

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