

**Cary Group**  
Sustainability Report 2022

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This sustainability report is for the period 2022-01-01 - 2023-12-31, and refers to Teniralc Topco AB, in this report referred to Cary Group. For more information, see page 30.

# One of the European market leaders in the repair, replacement and calibration of vehicle glass

Cary Group specialises in sustainable solutions for repair and replacement of vehicle glass, with a complementary offering in auto body repair. With convenient locations, high-quality products and smart solutions, we help our customers make simplified and sustainable choices. We call it “Smarter solutions for sustainable car care”.

## CEO LETTER

# Committed to reducing carbon emissions throughout the value chain

During 2022, we have successfully continued to build towards our vision of offering more customers sustainable solutions for smarter car care. While drastic increases in raw material prices posed a significant challenge to the business, I am proud to say that we delivered a strong growth, both organic and acquired. Building on our learnings from 2021, we continued to improve our efforts of building “One Cary Group”, coming together as one company with the same values and jointly focusing on achieving our targets ahead.

Our vision is to lead the way in our industry when it comes to sustainability. During the year we made progress across all our three focus areas of sustainability – Climate, Our People and Governance.

## Climate

Cary Group has set a high and clear objective when it comes to minimizing our climate impact and to reduce emissions by 41 percent by 2030. The goal is in line with the criteria of Science Based Targets Initiative which we committed to in May 2022.

Our sustainable customer offering is integrated in every step of our work with a windscreen. Repairing instead of replacing material is fundamental to us since every windscreen that is replaced means 44 kg of CO<sub>2</sub> emissions. In 2022 our repair rate reached 30% which means that we saved 9,970 ton of CO<sub>2</sub> emissions.

Digital services for our customers play a key role, enabling them to handle most of their claim without needing to drive to a workshop. By offering smart and simplified solutions to them, we also make sure that their choices are sustainable. Our AI solution helps customers make a damage assessment at home, reducing the number of trips to our workshops. While at workshops in the Nordics, we offer courtesy bikes and within shortly a complete fleet of fully electric cars.

## Our employees

As we continued our expansion journey in 2022, our number of employees increased to approximately

2,800 from approximately 1,500 in 2021. We have a strong focus on becoming the most attractive employer in our industry, attracting new employees and retain our current ones. At the same time want to have a safe work environment. During 2022 we developed a Cary Group leadership profile to be launched in 2023, which is based on best practise from our industry and research. We are also focusing on competence development and knowledge sharing across the Group.

## Governance

We put great emphasis on good business ethics and proactive anti-corruption work. In 2022 a training course of our Code of Conduct was rolled out in Sweden and Germany. Training will be compulsory for all markets and new employees and will continue in 2023.

## Looking ahead

As we move into 2023, many key challenges of 2022 remain. However, I believe Cary Group is well equipped to deliver another successful year, thanks to our proven ability to manage change and the strength of the Cary Group team and of our business as a whole. 2023 will see us take more steps towards a more sustainable future, and it is with pride that we have committed to the Science Based Targets Initiative as a clear differentiator when it comes to reducing carbon emissions.

**Anders Jensen, CEO Cary Group**



**“Our vision is to lead the way in our industry when it comes to sustainability. During the year we made progress across all our three focus areas of sustainability – Climate, Our People and Governance.”**

# About Cary Group

**Cary Group is** one of the market leaders in Sweden, Denmark, Norway, the UK, Portugal, Spain, Germany, Austria and Luxemburg in the repair and replacement of vehicle glass, with a complementary offering in auto body repair and SMART repair (Small to Medium Area Repair Techniques).



**Cary Group** has national reach on all our markets, bringing us close to our end customers. Our decentralised business model emphasises entrepreneurial spirit at the workshops. The local workshop managers are the heroes of the company and are supported by central functions to ensure they have the tools they need to provide high-quality services in an efficient manner.



**Cary Group is** a problem-solver for both insurance companies and end customers. Thanks to efficient operations, geographical accessibility and outstanding reputation for quality and customer satisfaction, the group has grown and become a strong partner for insurance companies.

**Cary Group has** a sustainable strategy. With good local accessibility, high-quality products and smart solutions, we help our customers make simplified and sustainable choices. Wherever possible we strive to repair windscreens, resulting in a high repair rate. When there is no option but to replace a windscreen, Cary Group sends all windscreens to recycling, becoming mainly bottles, jars and building material.

**In 2022,** our international Group had local presence on 9 markets through 1,400 workshops.

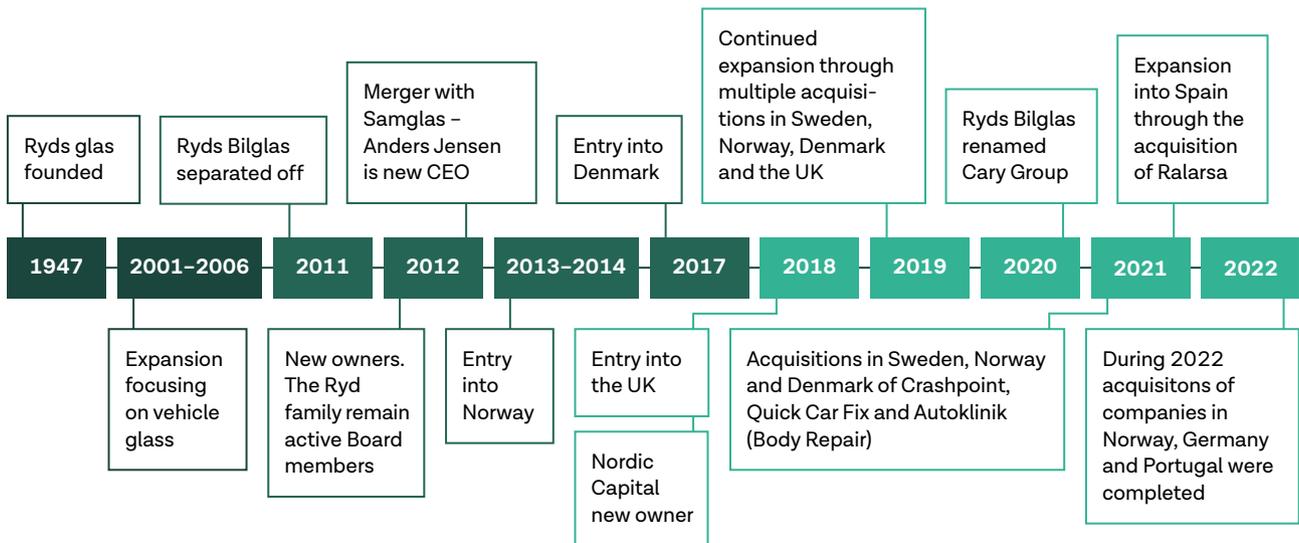


# Millions of repairs later

Ryds Bilglas was founded in Sundsvall by the Ryd family in 1947 as part of Ryds Glas and has a family legacy of more than 70 years. The company then became part of Cary Group, and this was the start of the Cary Group journey.

**The company began life as** a glazing firm in 1947 and has since developed and grown to become a leading corporate group in vehicle glass repair and replacement in Scandinavia, the UK, Spain, Portugal, Germany, Austria and Luxembourg, with a complementary range of services in auto body repair. The company was separated out under the name Ryds Bilglas in 2011. In 2020, the group was renamed Cary Group in prepara-

tion for broader international expansion, with several local brands keeping their names. The Group has grown strongly in recent years but has not lost its entrepreneurial spirit. There is a strong sense of belonging and the company strives to use centralised processes and systems throughout the organisation, without sacrificing the legacy of a family company with a strong local grounding.



## Beginnings

Ryds Glas was founded in Sundsvall in 1947 by the Ryd family. The company worked with glass products and services for many years. During 2001–2006, there was a rapid expansion with a clear focus on vehicle glass.

## Nordic expansion

In 2011, Ryds Bilglas was separated off to continue its expansion in vehicle glass.

Ryds Bilglas was merged with Samglas and Anders Jensen (CEO of Cary Group) was appointed Group President. A Nordic expansion began with the company launching on the Norwegian market, and a few years later on the Danish market.

## International expansion

Broader international expansion began, including entry into the UK, Germany, Spain and Portugal.

The continued expansion on the Nordic market involves acquisitions in areas such as auto body repair, while in Europe the process of expansion is primarily within vehicle glass.

# Focus on three sustainability areas

Sustainability is at the heart of Cary Group’s identity and strategy. The company strives to have brands that are “top of mind” in each market when it comes to its services, and to be at the forefront of digitisation and minimising climate impact.

Our vision is to be the most sustainable company in our industry, with a strong connection between business strategy, brand value and sustainability management. Our focus for our sustainability work covers three areas including environment, social and governance issues.

## FOCUS AREA 1 Climate



**Target**

To reduce our climate footprint by 41 percent 2020–2030

**Focus areas**

- Reduction of CO<sub>2</sub>e
- Recycle rate
- Purchase of recycled materials
- Repair rate
- Sustainable transportation

## FOCUS AREA 2 Our people



**Target**

To be an attractive workplace with no work-related injuries

**Focus areas**

- Continue reduce work-related injuries
- Employee Satisfaction Index
- Employee Net Promoter Score
- Employee Engagement Index
- Improve diversity

## FOCUS AREA 3 Governance



**Target**

To ensure good compliance throughout the Group

**Focus areas**

- Cases in whistleblowing system
- Training in Code of Conduct and anti-corruption

FOCUS AREA 1

# Climate

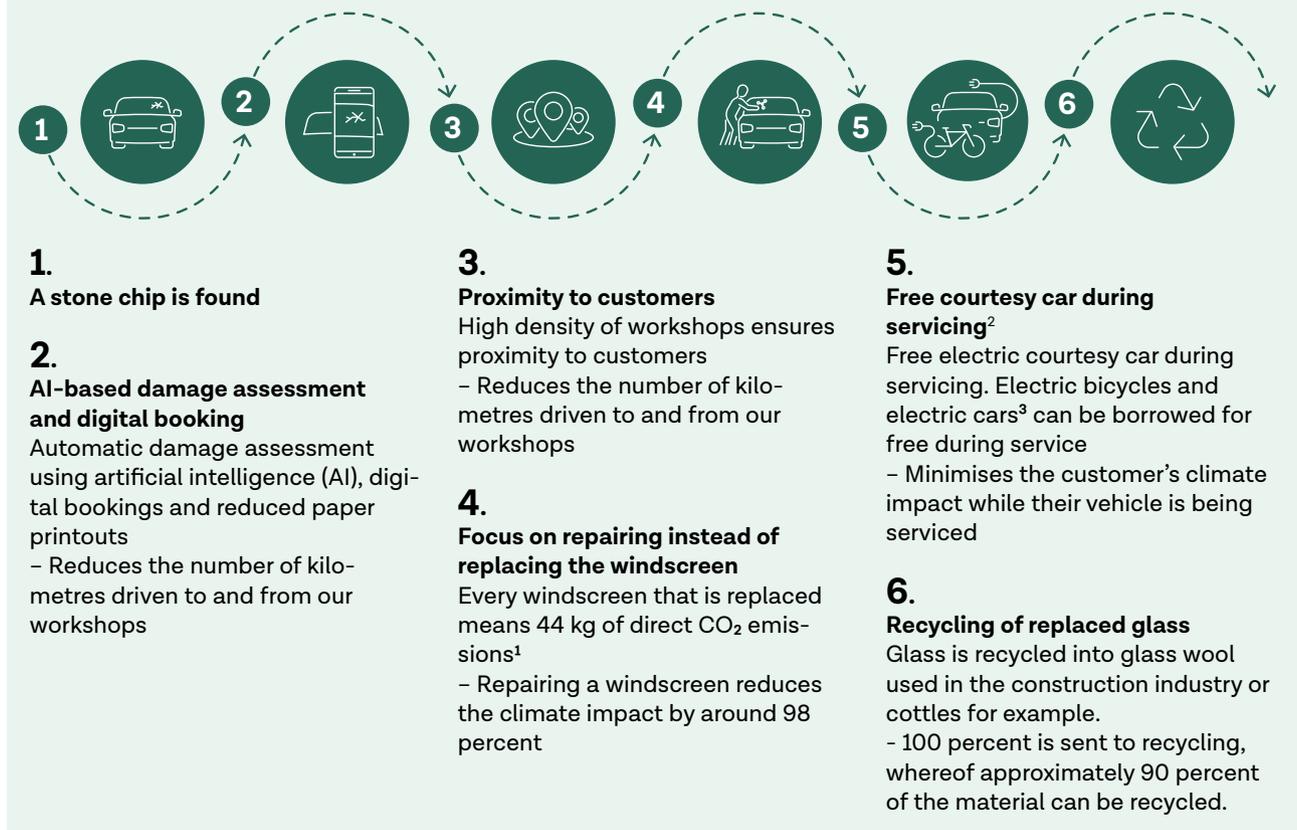
Sustainability is integrated in every step of our work with a windscreen, from the initial contact with the customer when a stone chip is found, through damage assessment and the entire repair or replacement process until the windscreen is repaired or recycled.

## A sustainable customer offering

Cary Group completed 758,000 repair and replacement jobs in 2022. The sustainability aspect of our customer offering is therefore very important, both for

reducing environmental impact and for educating and inspiring employees and customers.

### Sustainability integrated in each step of the windscreen’s journey



1) Based on a calculation of direct emissions in the Nordics.  
2) Offer viable in the Nordic countries.  
3) With a maximum environmental impact of 115 CO<sub>2</sub>e g/km, in the Nordic market.

Our business model is based on simplicity, speed and convenience. We have high-quality services and develop smart solutions to make it easier for customers to take good care of their vehicles. With digital tools such as automatic damage assessment, digital signatures, and online payment, we make sure the business offering are as sustainable as possible.

**Repairing when possible**

Replacing a windscreen means direct emissions of approximately 44 kg CO<sub>2</sub>e (carbon dioxide equivalents), including production, transport and recycling. For comparison, repairing a windscreen has a carbon footprint of close to 0 kg CO<sub>2</sub>e. To ensure that we repair wherever possible, our technicians follow clear guidelines regarding when a windscreen can be repaired and when it has to be replaced. In close collaboration with the insu-

rance companies, we work to reduce the number of replaced windscreens. We strive to find new ways to inform about the benefits of repairing in time to avoid replacement. The insurance companies monitor our repair rate, which is a measure of damage repaired as a proportion of the total number of jobs, continuously to ensure that we do not replace windscreens unnecessarily. The repair rate is one of the most important sustainability measures of Cary Group and our insurance company customers. When a windscreen needs replacing, we strive to minimise the environmental impact. All windscreens are transported to recycling facilities. Around 90 percent of the material in all these replaced windscreens can be recycled and reused for other purposes. At Group level, we had a repair rate of 30 percent for 2022, in Sweden it was slightly over 40%.



### Sustainable transportation

Cary Group operates through workshops and mobile service units. At the workshops in the Nordics, we offer customers free courtesy cars, courtesy bicycles or courtesy scooters while waiting for their car windscreen to be repaired or replaced. In 2021, the work began to electrify the courtesy car fleet. In Norway, all our courtesy cars are now electric, while in Sweden the proportion is 21 (13) percent. In Sweden, 180 new electricity courtesy cars have already been ordered for 2023. When we are unable to offer an electric courtesy car, we make sure that the car does not have emissions that exceed 115 g CO<sub>2</sub>e per kilometre driven. The Mobile

service units are mainly vans, and the electrical van market is not as mature as the passenger cars. Therefore we have started to test different types of electrical vans in Spain, Sweden and Norway, to assess which best meet our requirements.

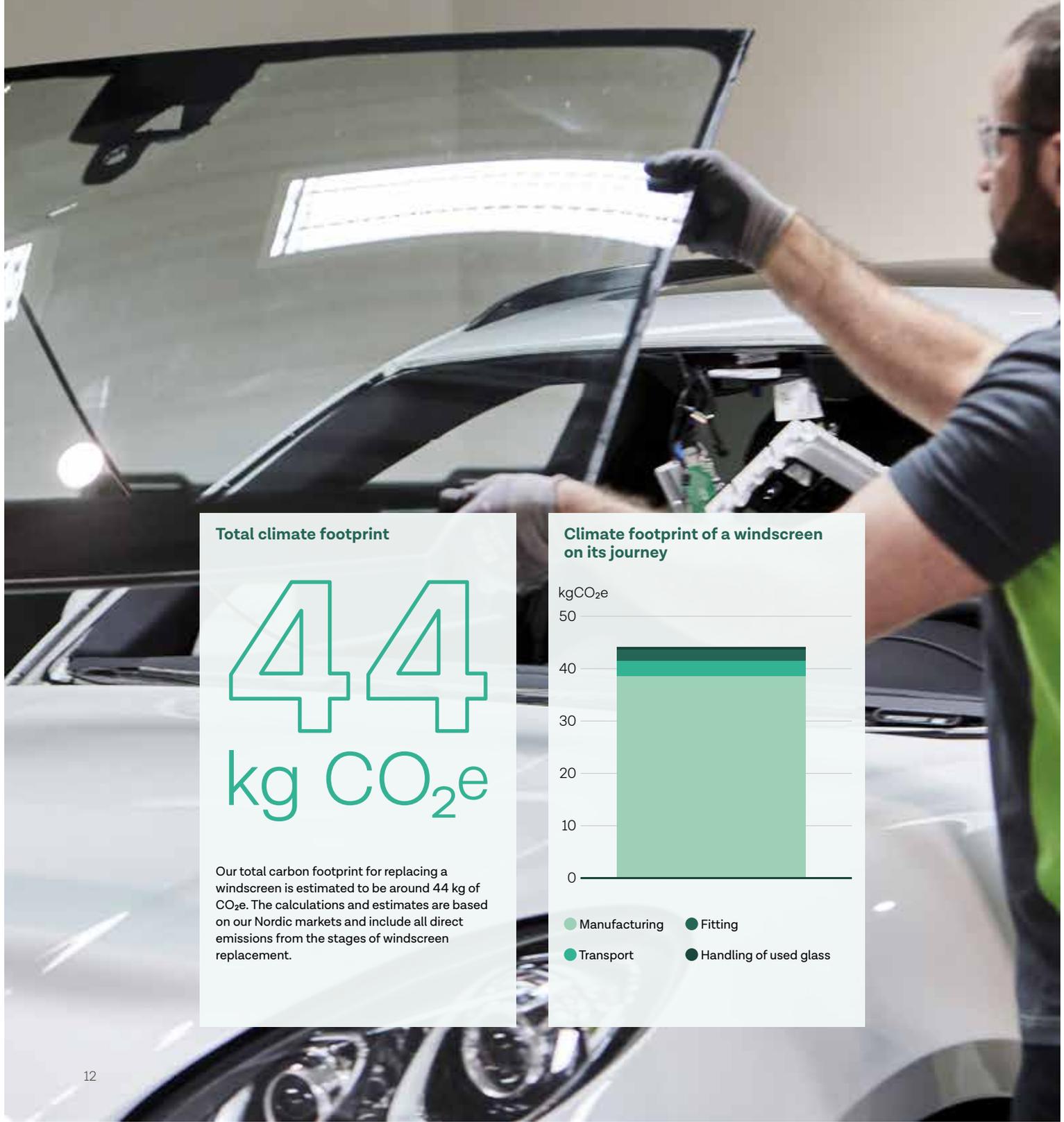
### Customer satisfaction

The Net Promoter Score (NPS) is a measure of customer loyalty and customer satisfaction. The result is obtained from asking end customers how likely, on a scale of 0–100, they are to recommend the company’s products or services to others. Cary Group currently measures NPS in five markets: Sweden, Norway, UK, Spain and Portugal.



CASE

# Climate footprint of a windscreen

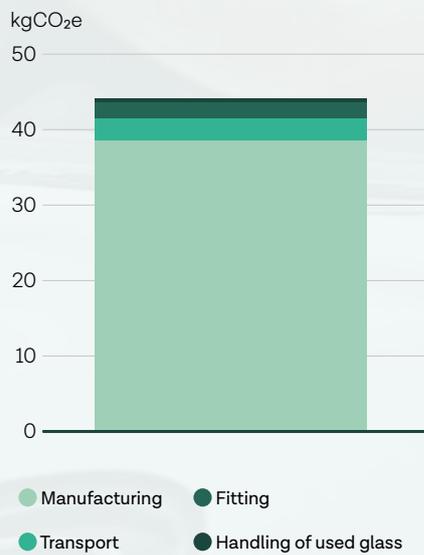


### Total climate footprint

44  
kg CO<sub>2</sub>e

Our total carbon footprint for replacing a windscreen is estimated to be around 44 kg of CO<sub>2</sub>e. The calculations and estimates are based on our Nordic markets and include all direct emissions from the stages of windscreen replacement.

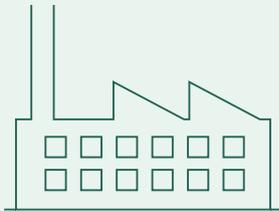
### Climate footprint of a windscreen on its journey



CASE

## Carbon emissions of a windscreen

The replacement of a windscreen can be divided into four phases, all included in our total estimated carbon footprint per windscreen: manufacturing, transport to our workshops, fitting on the car and recycling of the broken glass..



### Manufacturing

The manufacturing of car glass begins in float plants using the following raw materials: sand (~73%), soda ash (~13%), limestone (~9%), dolomite (~4%), other trace materials (~1%).

From the float plants, the glass is transported to and processed in various plants. The windscreens and laminated side lights are constructed using the above glass combined with PVB. Following toughening or laminating of the glass, various attachments are added for fitting to the vehicle and/or vehicle functionality, for example housing clips, mirror attachments, ADAS brackets and so on.

Based on calculations performed by our largest suppliers of glass, we estimate the carbon footprint of manufacturing a windscreen to be around 38.5 kg CO<sub>2</sub>/windscreen (1.2m<sup>2</sup>).



### Transport

The manufactured windscreens are transported from the manufacturing plants to our workshops in the Nordics. Cary Group does not store any glass items in the Nordics. Instead they are ordered and delivered Just In Time (JIT) to our workshops the day before they are used.

This transportation is carried out by our glass suppliers and in some cases their local transport suppliers. Based on their calculations, the carbon footprint from transportation is estimated to be 3 kg CO<sub>2</sub> per windscreen.

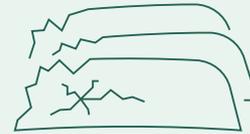


### Fitting

The main material used for replacing a windscreen is glue. During a replacement, we mainly use two kinds of tools: cutting tools and a glue gun – both of which are electrical. A windscreen replacement takes around two hours and includes cutting out the broken glass, cleaning the frame of the car, applying glue and fitting the new windscreen. On many

modern cars, we also handle the electronics in the windscreen, such as lane assistance and rain sensors, which often need calibrating. We strive for all our workshops to run solely on green electricity originating from carbon-free power sources such as wind and hydro.

We estimate the average carbon footprint of fitting a windscreen to be around 2 kg CO<sub>2</sub> per replacement.



### Handling of used glass

When the windscreen replacement is complete, 100 percent of the broken glass is transported for recycling. Currently, around 90 percent of the materials from the broken glass can be recycled – mostly becoming insulation products for the construction industry.

Based on calculations, we estimate the average carbon footprint of transporting the windscreen to recycling to be around 0.6 kg CO<sub>2</sub> per replacement

## Measure, reduce and bind GHG emissions

Cary Group strives to lead the way in implementing climate measures in its industry. We have therefore, as part of our strategy, drawn up clear and ambitious targets to reduce our climate footprint.

Cary Group's active and thorough climate strategy is based on three pillars – measure, reduce and bind greenhouse gas (GHG) emissions. Since Cary Group wants to take responsibility for our current emissions, we choose to not only measure and reduce our carbon footprint, but from 2021 we also climate compensate for all of our emissions.

### Measure – Calculate GHG emissions

To measure and calculate emissions according to viable standards are prerequisite when reducing emissions. Since 2020 Cary Group has calculated emissions in line with Greenhouse Gas (GHG) protocol corporate standard including Scope 1, 2 and 3.



Cary Group's GHG emissions in tonnes CO <sub>2</sub> e	2020*	2021*	2022 Total
Direct GHG emissions (Scope 1)	1,820	3,422	7,629
Indirect GHG emissions from energy (Scope 2 market-based)	1,870	1,936	1,432
Other indirect GHG emissions (Scope 3)	18,410	26,650	52,065
<b>Total</b>	<b>22,100</b>	<b>32,008</b>	<b>61,126</b>

\*2020 and 2021 is not adjusted for new acquisitions.

## Measure and calculate results

Cary Group's GHG emissions in line with GHG protocol corporate standard in 2022 was 61,126 tonnes CO<sub>2</sub>e compared to 32,008 tonnes CO<sub>2</sub>e in 2021. Even though Cary Group works actively to reduce its emissions the total emissions have increased due to the rapid expansion phase.

2021 has not been adjusted for new acquisitions in 2022.

For more information see Page 32 Appendix - Sustainability data and reporting- GHG emissions Cary Group

Cary Group's GHG emissions in kg CO <sub>2</sub> e/ SEK million	2020*	2021*	2022 Total
Direct GHG emissions (Scope 1)	1,108	1,589	2,025
Indirect GHG emissions from energy (Scope 2 market-based)	1,138	899	380
Other indirect GHG emissions (Scope 3)	11,204	12,379	13,819
<b>Total</b>	<b>13,450</b>	<b>14,867</b>	<b>16,224</b>

\*2020 and 2021 is not adjusted for new acquisitions.

**SCOPE 1** includes emissions from company vehicles and direct energy. The calculation methodology was changed between 2021 and 2022 to improve accuracy, were input data changed from km to litres/kWh. The increase from 2021 to 2022 is due to new acquisitions in the UK and Spain having a larger vehicle fleet with mobile units in form of diesel driven service vans. The increase was also due to direct energy, much more commonly used in the UK, Spain, Portugal and Germany (countries that became part of Cary Group in 2022). Entering the Body and Paint vertical adds to the direct emissions as paint ovens commonly are run by fossil fuels.

**SCOPE 2** includes purchased, electricity, and district heating. It decreased between 2021-2022 as the portion of renewable energy has continuously increased in the Group. In 2022, new solar panels were installed in Sweden, Germany and Spain and Guarantees of origins were procured retroactively for the non-renewable electricity via STX from Sweden, Norway, Denmark Germany, Spain, and Portugal. District cooling is not used in Cary Group's operating business.

**SCOPE 3** includes indirect emissions throughout the value chain. 2021 and 2022 also include emissions from the use of chemicals, unlike 2020. Purchased glass production increased as the emissions factors for bus windscreens and other bus glass were adjusted up, due to improved data accuracy gaining new information. The category Franchise stands for the majority of the increase as the estimations have been improved and all franchises are included.

For more information about changes see Page 32-37 Appendix - Sustainability data and reporting- GHG emissions Cary Group, Reporting principles.

### Reduce - Carbon emission reduction target in line with Science Based Target initiative

In 2020 Cary Group set a high and clear objective on what to reduce to minimize its climate impact. Based on calculations of the Group’s carbon emissions in 2020, Cary Group set the target to reduce its emissions by 41 percent from 2020 to 2030. The target was set

in line with the criteria of the Science Based Targets Initiative (SBTi) and the calculations that form the basis for the Paris Agreement’s goal of 1.5°C.

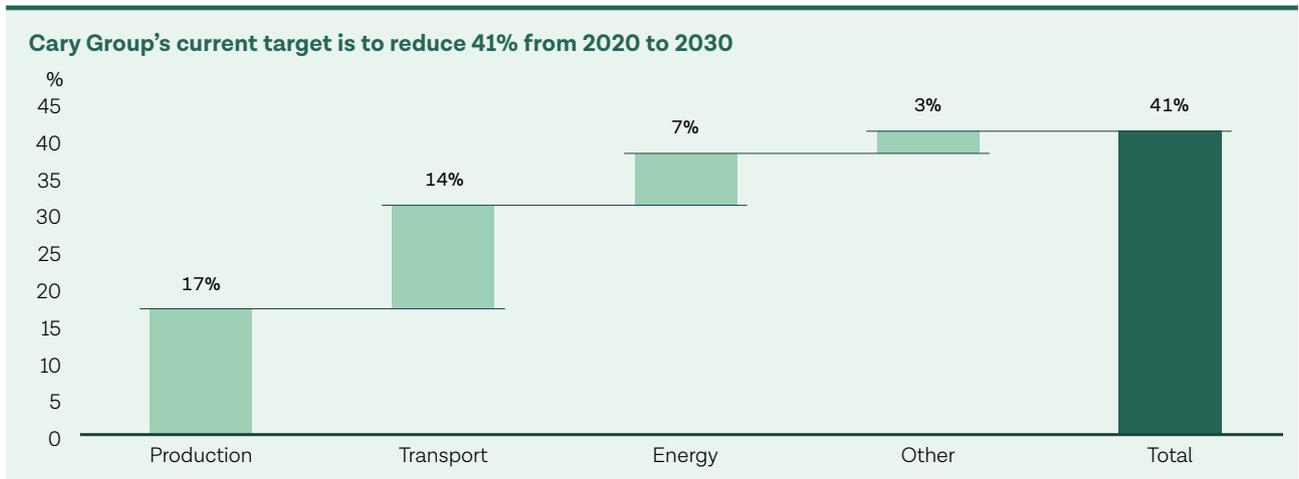
In May 2022, however, Cary Group decided to commit to the SBTi (which means getting the target verified by SBTi). Therefore the current target of reducing emissions of 41 percent from 2020 to 2030 will be reassessed during 2023, and the new base year will be 2022, due latest years expansive growth.



### Reduction areas for cutting the Group’s carbon emissions

The Group’s reduction targets are based on three reduction areas, where reduction actions and targets have been defined within each area. Reduction actions are implemented in all markets and are followed up as part of the strategic initiatives at Group and country

level. Based on Cary Groups three biggest emission areas the prioritised reduction actions are divided in Production, Transport and Energy. The Group need to reduce the climate impact of the produced glass we procure (Production), transition to a fossil-free vehicle fleet and ensure fossil-free third-party transport (Transports), and continuously increase the share of renewable electricity and heat (Energy).

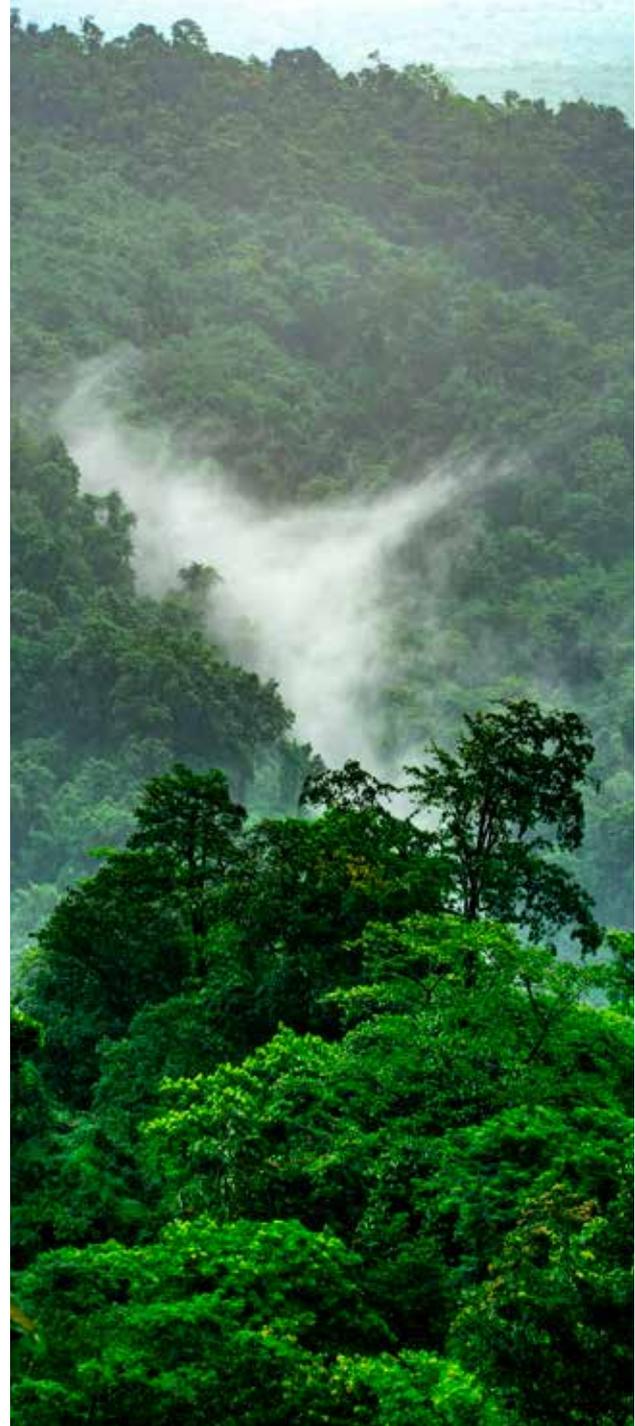


## Bind- Climate neutrality via CO<sub>2</sub>e compensation

Since 2020, Cary Group has offset a portion of our emissions through Plan Vivo's tree-planting projects. In 2021, Cary Group became climate neutral in accordance with the ISO 14021 standard, meaning that we need to capture as much carbon-equivalent emissions as the company itself emits, so that the final sum of emissions becomes zero. Being climate neutral means that Cary Group offsets all emissions including those in Scope 1, 2 and 3<sup>1</sup> – as per Cary Group's current knowledge and understanding of its GHG emissions and latest science<sup>2</sup>. It means that we not only take responsibility for emissions from our own services when repairing or replacing a windscreen but also include, for example, emissions from our suppliers that provide products such as windscreens and glue, customer journeys to the workshops and emissions from recycling the used broken glass.



Through the certified and renowned Plan Vivo via Zero Emission, Cary Group offsets in carbon emission binding activities such as tree-planting projects, with a 10 percent margin. The trees that are planted are native species and the projects also include agroforestry, poverty alleviation and water provision – All aspects of sustainability are taken into consideration. Cary Group has projects all over the world, for example in Uganda, Nicaragua, Bolivia and Fiji.



- 1) In 2022 all GHG emissions is calculated and compensated for with 10% margin except MPS' franchises. As MPS is a newly acquired company the focus for 2022 was to map and collect data for the owned business. The franchises will be in 2023's Climate compensation and forward.
- 2) Calculation of GHG emissions including standards is a constantly evolving practice both internally and externally. Internally, Cary Group is continuously looking for improvements to increase its accuracy and data quality and thus cannot state that the calculations cover all of our emissions with a 100% certainty. Externally, the GHG standards are developed according to the latest science and thus the scope and method of the GHG emissions calculation change, which Cary Group adapts to.

## CASE

## Solar panels and renewable energy

Transitioning to renewable energy is a must to reduce Scope 1 and 2 emissions. One way is to sign renewable deals with your suppliers, which Cary Group has done in Sweden, Norway, Germany and parts of UK. Other options are to start producing your own renewable energy via for example Biogas boilers and solar panels and buy guarantees of origin retroactively. Both options have been explored in 2022.

Zentrale Autoglas, market leader in repairs and replacement of bus glas and part of Cary Group from January this year, has installed solar panels on the roof of their warehouse and offices in Melle to reduce their climate impact. In August alone, the solar panels on the roof of the operations in Melle generated 81 MWh, which means savings of 50 ton of CO<sub>2</sub> emissions, equivalent to the emissions from 7.2 laps around the equator in an average passenger car.

New solar panels have also been installed in the Swedish body and paint workshop Autoklinik in Malmö, and outside Barcelona at the warehouse site for Cary Group's Spanish auto glass repair and replacement company Ralarsa. Together the German, Swedish and Spanish solar panels have produced 701 MWh, which saves 370 ton CO<sub>2</sub>e. It equals the emissions from 53 laps around the equator in an average passenger car.

In 2022 Cary Group bought Guarantees of Origin via trading company STX. They are globally known as En-

ergy attribute certificates (EACs) and are in accordance with Greenhouse Gas Protocol Scope 2 Guidance. EACs, in Europe known as Guarantees of Origin (GOs), are a tool to certify that an energy specific unit (1 MWh commonly) is produced from a renewable source. Guarantees of Origin is the same certificate you get in Europe when signing a renewable energy deal directly with your energy supplier. But the certificates are also a tradeable commodity, and can be bought via companies trading with GOs, such as STX. To buy the GOs via a trading company is for example a suitable option for when electricity is included in your rent, and you can't affect the source of the electricity directly via a supplier. In 2022 GOs was bought for Ryds Bilglas in Sweden, Ryds Bilglas and Crashpoint in Denmark, Cary Bilglas, Quick Car Fix and MPS in Norway, Ralarsa in Spain, Expresssglass and Diveraxial in Portugal and Zentrale Autoglas in Germany.



# 53

The German, Swedish and Spanish solar panels saves emissions equal to 53 laps around the equator with an average petrol passenger car.



# Circularity and handling of chemicals

## Responsible and circular sourcing

An important part of our environmental work is our circular resource focus. We strive to recycle 100 percent of our replaced materials and to purchase materials that are made from recycled components to the greatest possible extent.

Glass, manufactured from finite resources such as sand and limestone, is the main raw material consumed at our workshops. Of the new glass that we purchase, around 20 percent is made from recycled materials. We expect this proportion to increase over the coming years, partly because many of our glass suppliers have sustainability targets aimed at producing more of their glass from recycled materials.

We strive to reduce glass consumption by minimising waste and recycling the glass in the windscreens we replace. Cary Group works with waste operators that specialise in recycling windscreens, to ensure that they are handled in the best possible way.

100% of the replaced windscreens are transported to recycling facilities and around 90 percent of the material can be recycled and used for other purposes –

mostly becoming insulation products for the construction industry and raw material for new glass products.

## Responsible handling of chemicals

In a resource-intensive industry, it is important to constantly improve and reduce the consumption of steel and glass as well as of the chemicals needed when servicing a vehicle. We use energy-efficient and climate-friendly technology, handle waste appropriately and continue to phase out substances that are harmful to the environment and health.

A large amount of chemicals is used in the workshops in order to offer the products and services that customers demand. Chemicals that leak into the environment can potentially have a negative impact on soil, air, water, biodiversity, and human health. We therefore have procedures in place to ensure proper handling of chemicals and the phasing out of hazardous chemicals.

No emissions of chemicals to soil and water have been reported from our nine operating countries in 2022, which is proof that the procedures for handling chemicals in the Group are working well.



CASE

# Recycling journey - general process of recycling a car or bus windscreen

## Windscreen replace

Technician puts the windscreen in glass cages or containers provided by supplier

Supplier picks up the cage or container when full, while leaving one empty in the workshop

## Pick-up and transport

Supplier transports the windscreen to recycling facility

## Recycling

Recycling supplier controls quality, check contamination level of e.g. gravel

The windscreen is crushed and laminated layer removed

## New product

### Crushed Glass

Raw material for new glass products. It helps the glassworks to reduce the melting point compared to virgin material - making it more energy efficient.

FRC - furnace ready cullets

Insulation

Glass blocks

Jars, bottles etc.

Around 1-15% of the original windscreens need to be sent to incineration depending on facility. Only sent to incineration if not possible to recycle at facility.

### Laminated layer

Other plastics and metals

Processed into glue

Incineration for energy recovery

Recycled into new metals and plastics

This is a summary of the different stages of Cary Group's recycling process. Local variations may apply.

FOCUS AREA 2

# People

Cary Group aims to become the most attractive employer in our industry. This means we have to attract new colleagues, retain and motivate our current employees and maintain a safe work environment to ensure delivering the highest levels of service to our customers. We do this by strengthening our leaders, building a strong culture and creating a safe and open work environment.

### Leadership

Cary Group is a company with employees in several European countries, which means that a local well-functioning management and leadership is essential for our business.

During 2022, we initiated the development of a Cary Group leadership profile, to be launched in 2023, which is based on research as well as best practice from our industry. The leadership profile will support Cary Group leaders in their daily work and thier own development as managers.

### Our values form the basis of our culture

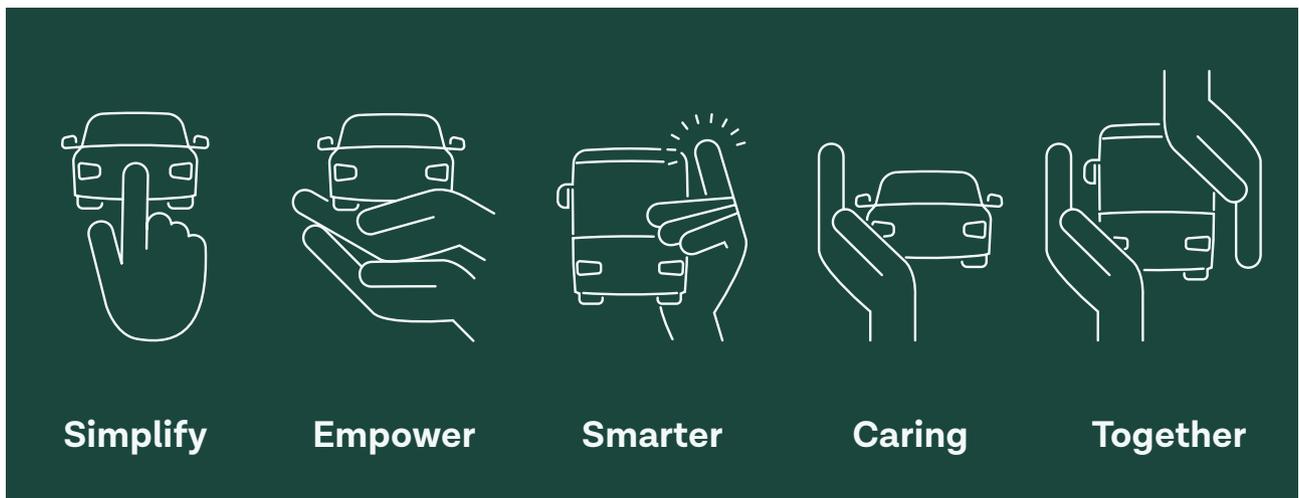
Our values support us in building our culture and guide us on how to treat each other and our customers. The values have been developed based on our Group strategy since the launch in 2021 and they have supported local country culture initiatives.

A training program and a toolbox has been developed to engage our employees and support discussions related to culture and our values.

### Competence development

Cary Group operates in an industry where advanced technology is a natural part of everyday life. This means that it is essential that our employees have a high level of competence if we are to deliver high-quality services. Our common HR Policy lays the foundations for the employee journey, from onboarding to employee review with a personal development plan.

Cary Group’s focus in 2022 has been to establish internal forums and a network to create structures for internal competence knowledge sharing. We are currently developing a Group Academy which will enable us to offer harmonized and high-quality training throughout the Group, supporting local practical training.

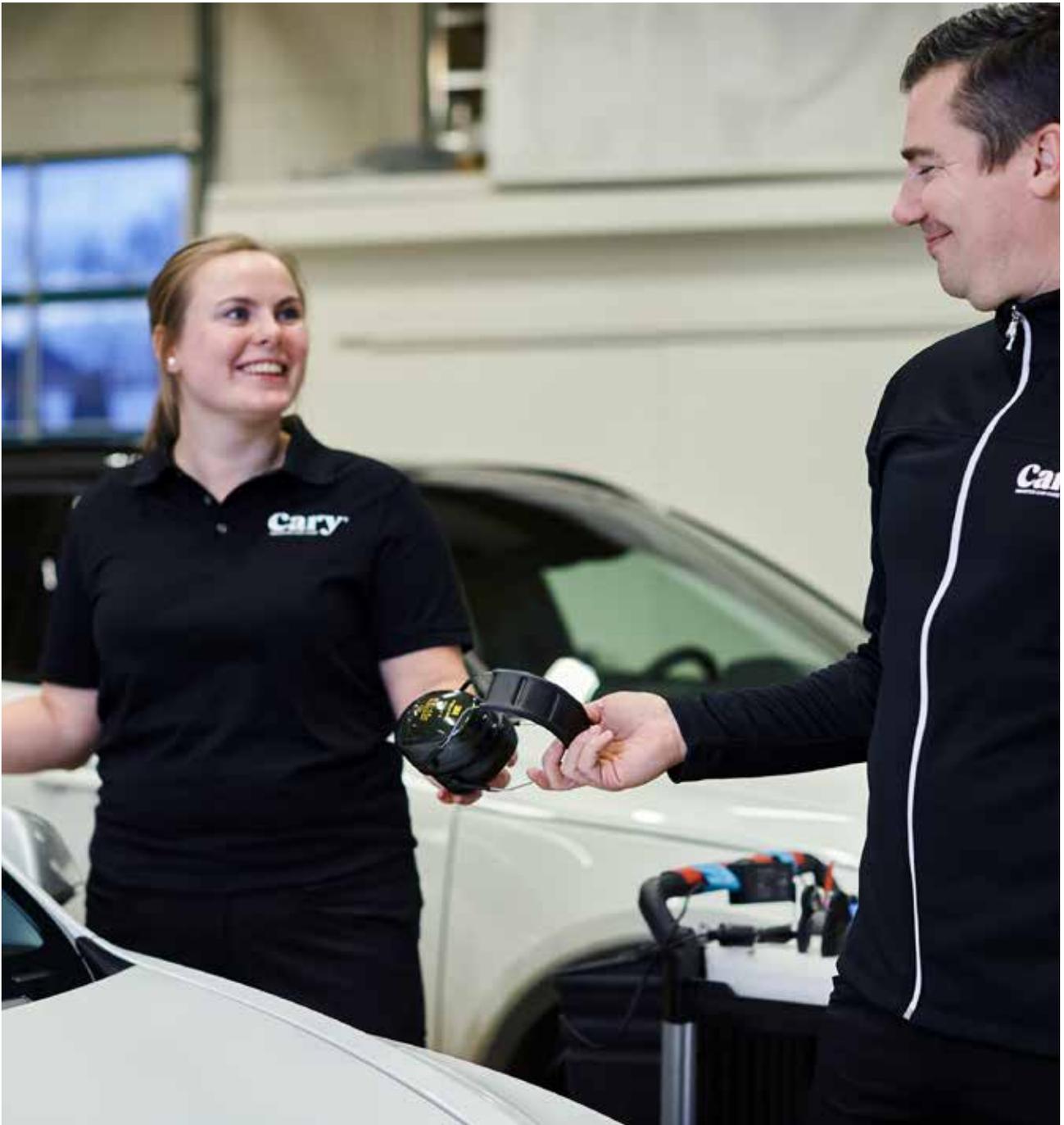


### Health and safety

Our employees are our most important resource. Therefore, we have a strong focus on health and safety work and to be an attractive workplace for all. We continuously work to prevent injuries and ill health.

To ensure a high standard when it comes to Health

and Safety across the Group, we have established a Group Health & Safety Committee which includes representatives from each country. Each country has to ensure alignment with national laws and regulations as well as manage local incidents and accidents. By gathering all expertise together, we enable a great source of



Health and Safety and industrial knowledge, which means we are able to drive further development and ensure valuable and sustainable improvements.

To ensure a high level of health and safety awareness, we work with a risk matrix based on six identified high-risk areas: Driving, Working at height, Manual handling, Car glass & tools, Chemicals and Workload. For each area, we identify hazards and risks and develop preventive measures.

During 2022, work started on a Health and Safety campaign which will be launched during 2023. The main focus is to increase the number of reported accidents in each country, to ensure proactive work to minimise accidents.

### Equality and diversity

Work on equality and diversity is carried out in compliance with local legislation and in cooperation with employees and trade unions where applicable. All countries are required to have a procedure for managing al-

leged discrimination or bullying and harassment.

One of the main priorities of the equality and diversity work is to attract more women as both direct employees and managers. We also aim to attract and have diversified working groups, with a working climate where all competences and people are welcome. During the past years, we have focused on understanding what our female employees seek in their employer, and to lower the barriers for women to apply and entering a male dominant workplace. A recruitment campaign to attract women was launched in 2022 in the Swedish company Ryds Bilglas, where we now see a doubled percentage of female technicians compared to 2021.

Cary Group strives to offer correct and fair equal pay to attract, retain and motivate employees, free from any kind of discrimination. Salaries can differ between countries and entities because of country legislation or collective bargain agreements but should always be based on the employee's position and performance.

Work-related injuries and illness	2022
Total working accidents frequency rate*	52
Lost Time injury frequency rate*	22
Fatalities resulting from work-related due to work-related injuries rate*	0

Historical data is not included as measurements and calculated KPIs have been changed and updated. All Countries included.

\*Frequency rate equals number of working accidents/lost time injury/fatalities occurred per 1 million hours worked.

Gender distribution in the Group	Men 2020	Women 2020	Men 2021	Women 2021	Men 2022	Women 2022
All employees, %	87	13	86	14	87	13
Managers, %	85	15	88	12	83	17
Direct employees, %	n/a	n/a	98	2	98	2
Board of Directors, %	80	20	67	33	83*	17*
Group management, %	67	33	57	43	56	44

\*New board as delisted from market and new owners, including deputy board members.

The numbers for 2020 includes Sweden, Norway, Denmark, UK

The numbers for 2021 includes Sweden, Norway, Denmark, UK and Spain

The numbers for 2022 includes Sweden, Norway, Denmark, UK, Spain, Portugal, Germany

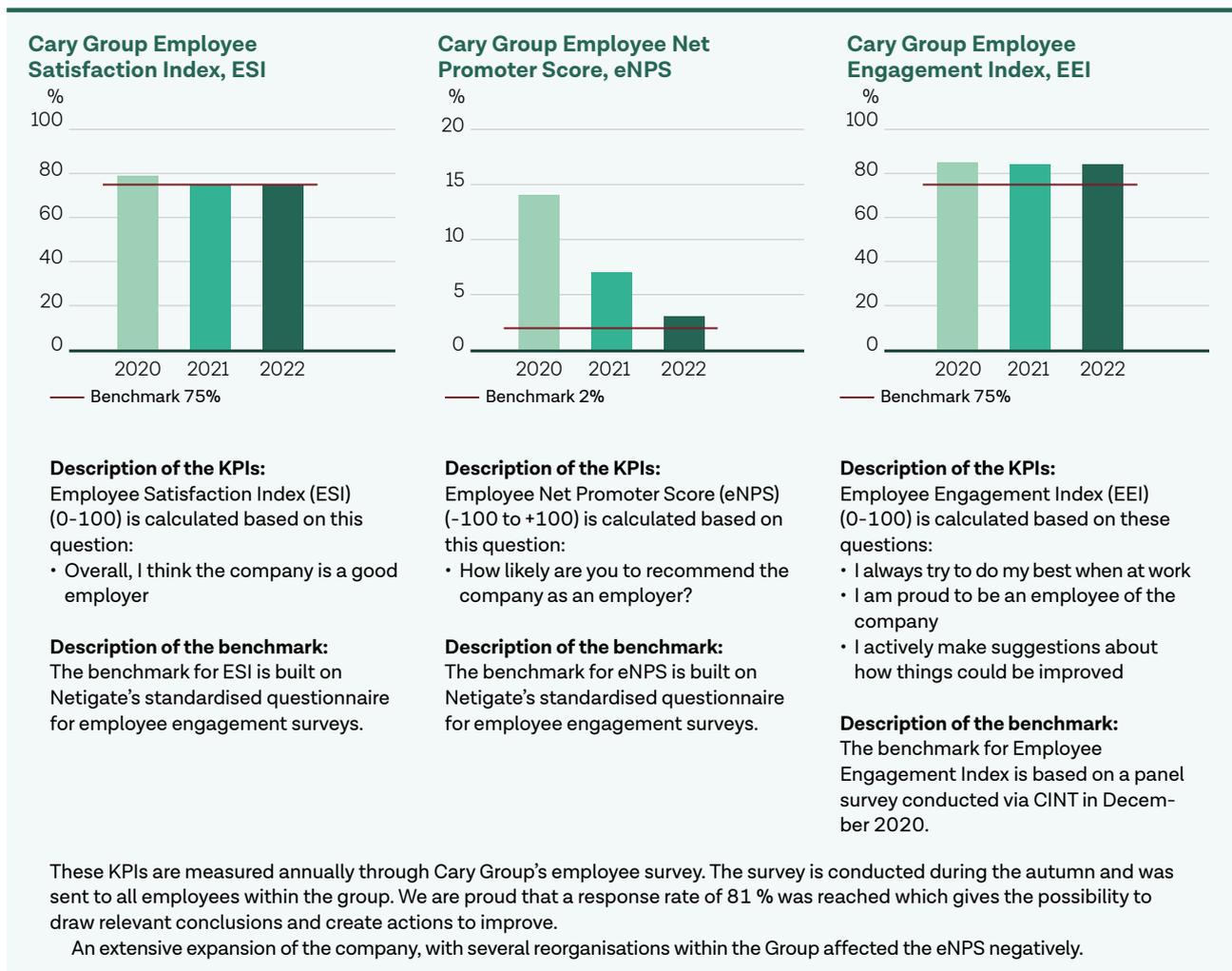
### Employee follow up

To follow our progress and to ensure that Cary Group is perceived as an attractive company, we measure the engagement, work satisfaction and loyalty of our employees.

Cary Group measures the employees’ engagement and satisfaction through EEI (Employee Engagement Index) and ESI (Employee Satisfaction Index), and the employee loyalty through the eNPS (employee Net Pro-

moter Score). Cary Group also monitors the voluntary turnover rate. If many employees leave the group voluntarily it signals dissatisfaction and the need for changes.

By measuring these KPIs, together with regular meetings - individual or team meetings - and with the annual employee survey, Cary Group gets an understanding of areas perceived as strong and improvement areas.



Employee turnover	2020	2021	2022
Voluntary leavers, %	16	13	18
Total leavers, %	N/A	N/A	23

## FOCUS AREA 3

# Governance

Cary Group places great emphasis on good business ethics and proactive anti-corruption work.

**Sustainability management and governance**

The management team at Cary Group is ultimately responsible for sustainability strategy. Follow-up, monitoring and decisions on strategic direction and focus areas are discussed on executive management meetings. Sustainability is a central part of the company's strategy and a frequently recurring theme at management and Board meetings.

**Anti-corruption**

It is important to us that the products and services we offer customers are produced, handled, and distributed in a sustainable way throughout the supply chain.

In 2021, Cary Group adopted an updated Code of Conduct. Based on the UN's Global Compact principles covering human rights, labour, environment and anti-corruption, the Code of Conduct sets forth guidelines relating to suppliers and subcontractors. The Code of Conduct applies both internally and externally to Cary Group's employees, suppliers and subcontractors, who must all comply with national legislation in the countries in which they operate. If there are requirements in the Code of Conduct that differ from the national legislation, the level that is considered most strict shall apply. In 2022 a training course on the Code of Conduct suitable for all employees of Cary Group was rolled-out in Sweden and Germany. This training will be compulsory for all markets and new employees and will continue in 2023.

A training course on anti-corruption for the expanded management team was held in June 2022 and provided in conjunction with the Swedish Anti-Corruption Institute.

Companies that choose to work with Cary Group are provided with our Code of Conduct and all parties in the supply chain are expected to comply with its requirements. Cary Group believes that the greatest risk of breach of anti-corruption lies within the supply chain. In

the industry where Cary Group operates, the risk of corruption is generally low as the companies are regulated by agreements with the insurance companies. The suppliers are mostly located in Europe but in markets where corruption has occurred.

**Supply chain and supplier assessment**

Cary Group uses the online tool WorldFavor to assess suppliers. The purpose is to obtain a better overview of potential risks and hazards in the supply chain. It covers anti-corruption, environmental and social issues. The assessment has so far been performed by Cary Group's top 50 suppliers in the UK and the Nordics. This first review of the assessment was completed during the first half of 2022 and going forward it will be carried out for all markets.

Cary Group's assessment is that the suppliers have the greatest risk of violating human rights. Early observations in the supply chains show that a small proportion of suppliers lack a Supplier Code of Conduct of their own and formal commitments to respect internationally proclaimed human rights and working conditions. A Modern Slavery Statement and Code of Conduct is included in each agreement with contracted suppliers to minimize the risk of suppliers violating human rights and anti-corruption, in line with our procurement policy. New to 2022 was to include sustainability assessment with a survey and following dialogue in the yearly tendering with our glass and urethane suppliers.

### Policy documents

Cary Group's general sustainability work is governed by the company's sustainability policy. In addition, the Board has adopted a number of policy documents that support the work to maintain good governance and processes throughout the company. These policies are:

- Financial policies (including finance policy, liquidity policy and tax policy)
- Information policy
- Insider policy
- IT policy
- Code of Conduct
- HR Policy

### Whistleblowing system

In 2020, a Whistleblowing policy and an external system (Whistle B) were introduced to encourage employees to report suspected wrongdoing in the workplace. The whistle blowing system is compulsory for all Cary Group Organisations. It is important that employees feel that their concerns are taken seriously and are investigated appropriately and that their confidentiality is respected. Employees must feel confident to raise issues without fear of retaliation. Cary Group must conduct our business with honesty and integrity, and we expect all employees to maintain high standards. The company culture must be characterised by openness and accountability to prevent situations arising where our standards are challenged and to address such situations if they do occur. Twelve cases were reported in the whistleblowing system in 2022.

## UN Sustainable Development Goals

Cary Group contributes to the UN Sustainable Development Goals (SDGs). We have defined the goals that are most relevant for us and to which we make an active contribution. Below are some examples.

Focus area	SDG	Priorities	Cary Group's contribution
Climate		Reduce CO <sub>2</sub> emissions	We have set a target of reducing our CO <sub>2</sub> emissions by 41 percent by 2030. This target is in line with the Paris Agreement's target of 1.50C.
Climate		Increase the repair rate for windscreens	Repairing a windscreen has a carbon footprint of almost 0 kg CO <sub>2</sub> . Replacing a windscreen produces direct emissions of around 44 kg CO <sub>2</sub> e. To ensure that we always repair when possible, our technicians follow clear guidelines regarding when a windscreen can and cannot be repaired and the repair rate is closely monitored at group level.
Climate		Circularity	100 percent of the replaced windscreens is sent to recycling from our auto and buss glass workshops, but approximately 90 percent of the material can be reused. Approximately 20 percent of the glass purchased by Cary Group comes from recycled material.
Climate		Sustainable customer offering	As part of our sustainable customer offering, we provide electric courtesy cars when the customer leaves their vehicle at our workshop, thus reducing the customer's environmental impact during the repair.
Climate		Sustainable supply chain	Not taking responsibility for the supply chain, would result in various kinds of risks, such as labour conditions, environmental hazards, or reputational risks.
Our people		Attractive employer	We need to attract new employees and retain and motivate our existing people, to ensure we can continue to deliver the highest levels of service to our customers. We measure and follow up our Employee Satisfaction Index, Employee Net Promoter Score, Employee Engagement Index and Employee Turnover. We measure and follow up work-related injuries.
Our people		Gender equality	We want to have diversified working groups and an open work environment, and we are working to attract more women to become direct employees and managers.
Governance		Good compliance	We ensure good compliance in the Group by providing training on our Code of Conduct and anti-corruption as well as by having an external whistleblowing system.

# Sustainability risks

Cary Group operates on several European markets and is therefore exposed to risks that can affect the Group's ability to achieve its strategic objectives and financial targets. Having an effective control environment at the company provides protection against risks. Cary Group's risk management involves identifying risks and preparing for potential unknown risks. Clear risk ownership and prioritisation of risks along with continuous evaluation of the control environment are key to effective risk management. A risk assessment is performed annually in order to identify significant risks. Risks are evaluated by the Group management and the Board of Directors and risk work is led by the relevant risk owner.

When identifying risks, a risk map is drawn up and then used as a basis for risk mitigation measures developed by the internal control function together with the risk owner. Below are the most significant sustainability risks for Cary Group listed.

## Climate impact

Cary Group operates in an industry that requires resource-intensive goods such as steel and glass, as well as chemicals, which causes greenhouse gas emissions. If Cary Group does not work to reduce its climate impact it will contribute to increase the climate change and there is a business risk of terminated B2B contracts, partnership loss with suppliers and reputational damage. The Group has been working on its repair rate and other initiatives to reduce carbon emissions for some time. For example, In Sweden, the business is operated in line with a general environmental policy (ISO 14001) and all workshops are powered by renewable energy and the aim is to implement this in all markets. Transitioning to a fossil free vehicle fleet and producing energy via solar panels are other carbon reducing activities.

The climate change itself may have business critical effects on Cary Group's operations with extreme weather such as high temperatures, flooding, and storms. The extreme weather increases the risk of a

forced temporary stop in operations due to intolerable working conditions etc, leading to loss of income. Mitigations to be set during 2023.

A part from climate, biodiversity is an risk area to be explored as glass production requires finite raw material: sand (~73%), soda ash (~13%), limestone (~9%), dolomite (~4%), other trace materials (~1%). These finite materials are extracted from quarries which affect the local and regional biodiversity.

## Sustainable supply chain

As Cary Group's business offering is services, it is dependent on its suppliers to fulfil its sustainability commitments; reducing in line with Paris agreements 1,5C and comply with human right and anti-corruption.

Cary Group's assessment is that the greatest risk of human rights violations exist at supplier level. Cary Group maintains a continuous dialogue with its suppliers and all suppliers are expected to sign and live up to Cary Group's Code of Conduct and Modern Slavery Statement. In 2021, a supplier assessment was introduced and continued in 2022. The assessment includes human rights, labour and anti-corruption to be able to identify, follow-up and take possible actions on suppliers with an assessed elevated risk.

Replacing a windscreen has greater environmental impact than making a repair. Circular resource man-

agement is important for improving and reducing consumption. To ensure that Cary Group always repairs wherever possible, its technicians follow clear guidelines regarding whether or not a windscreen can be repaired. If a replacement is needed, Cary Group works with waste operators who specialise in recycling windcreens.

Chemicals that leak into the environment can have a negative impact on soil, air, water, biodiversity and human health, therefore there are routines in place to ensure correct handling of chemicals and that hazardous chemicals are phased out.

## Health and safety

Inadequate health and safety work at the workplace can lead to:

- work-related injuries, illness, ill-health or, in the worst-case scenario, loss of life
- reputational risk
- fines for compliance failures

Risks are identified and analysed and, where necessary, measures are implemented in accordance with a pre-defined process. The Group's risk management is supported by its HR policy, health and safety regulations and OHSAS 18001 certification.



## APPENDIX

# Sustainability information

This section provides a more detail overview of Cary Group's sustainability data and reporting, including materility analysis, emissions per GHG Coporate standard category, reporting principles and the climatecompensation process. It complements the information in page 9-26.

## About Cary Group's sustainability reporting

This statutory sustianability report is for the period 2022-01-01 – 2023-31-1, and in accordance with the Swedish Annual Accounts Act. It refers to Teniralc Topco AB, in this report refered to Cary Group. The subsidiaries are the Swedish Ryds Bilglas AB inlcuding Autoklinik i Malmö Aktiebolag, and Sveaplan Bil, Plåt och Lack AB, the Swedish Svenska Bussglas AB, the Norwegian Cary Group Norway AS including Cary Norway AS, Quick Car Fix AS and MPS Bilskade AS, the Danish Cary Group Denmark Holding A/S including Ryds Bilglas A/S and Crashpoint Holding APS, the UK company Cary UK Holding inluding Mobile Windscreens Ltd, Charles Pugh (Holdings) Limited, the Spanish Cary Group Iberia Holding, SL including Ralarsa Holding,S.L.U., the Portuguese Glassco, S.A. including Expressglas S.A. and Di-veraxial S.A., and the German Cary Group Deutschland GMBH including Zentrale Autoglas GmbH with operations in Germany, Austria and Luxembourg.

Cary Groups reports with reference to Global Reference Iniative (GRI) Standards. The new standard GRI Universal Standards 2021 is refered to non-exhaustivly, together with the selected GRI Topical Standards (see page 46–47). The report is prepared in accordance

with the Swedish Annual Accounts Act Chapter 6, 10–14 and Chapter 7, 31a – c.

Greenhouse gases are reported in accordance with Greenhouse gas protocol corporate standard and aligns with ISO 14021:2017 Environmental labels and declarations – Self-declared environmental claims to be climate neutral through climate compensation. See more detail in page 32–44.

## Stakeholder dialogue and materiality analysis

Cary Group constantly works to meet our customers' and other stakeholders' demands and expectations.

Maintaining a continuous dialogue with our stakeholders is key in our sustainability work. In 2019, Cary Group carried out a materiality analysis relating to the sustainability work in which the most important sustainability areas were identified. Prior to the materiality analysis, the five most important stakeholder groups were identified.

Stakeholder dialogues were then conducted and form the basis for our company's sustainability work and strategy. Through the materiality analysis, we have set our three focus areas; Climate, Our People and Governance.

In 2022, the dialogue continued with our stakeholders who have confirmed that currently identified areas of sustainability remain valid.



The major stakeholder groups	Representing	Channels
B2C Customers (Business to Consumer)	Cary Group's end customers, who we have daily contact within our workshops	Daily meetings Net Promoter Score surveys
B2B Customers (Business to Business)	Business-to-business customers, represented by the largest corporate customers - insurers and others	Net Promoter Score, interviews, individual meetings with larger corporate customers and insurers
Employees	Our employees, from different subsidiaries within Cary Group	Values, internal web, employee dialogues, appraisal process, eNPS
Shareholders/Board members	The largest shareholders are Nordic Capital and CVC Funds, who are represented on the board.	Board meetings
Executive Management Team	The Group Management and representatives from the different markets where the Group operates	Current management meetings and discussions

**Results from the materiality analysis**

**Ambitions**

- Secure customer satisfaction through high-quality services
- Being an attractive employer
- Sustainable offerings

**Three focus areas**

**Environment and Climate**

- Circular use of resources
- Sustainable transport
- Repair rate

**Our People**

- Secure workplaces
- Equality and diversity

**Governance**

- Sustainable supply chain
- Anti-corruption

**Stakeholders' essential issues**

- Anti-corruption
- Equality and diversity
- Handling of customers and employee data
- Reduced GHG emissions from operations
- Reduced GHG emissions from supply chain
- Energy consumption
- Responsible use of chemicals
- Emissions from use of chemicals
- Emissions to soil and water

## GHG emissions Cary Group

In following chapter Cary Group's GHG results for 2022 is presented together with reporting principles, as well as climate compensation reporting.

In table below the GHG emissions are presented per

Greenhouse gas protocol corporate standard category, divided in Scope 1, 2 and 3. Emissions factors' (EF) sources and a summarized description of method and estimations are included.

GHG#	GHG Category	Category	Emission intensity kg CO <sub>2</sub> e / MSEK*	Total Emissions ton CO <sub>2</sub> e*	EF Source	Method and estimation
SCOPE 1	1 Company facilities: Direct energy - Fuels	Direct Energy	281	1,058	Defra	Hybrid method - kWh/ litres used for majority, km and spend converted to litres when fuel consump- tion data missing.
	Company vehicles: Direct Energy - Fuels	Courtesy Cars	77	290	Defra	
	2 Use of sold products	Service Vehicles	1,497	5,639	Defra	
	Downstream leased assets	Company Cars	170	642	Defra	
SCOPE 2	Purchased electricity, heating & cooling for own use	Electricity - market	246	926	AIB	Hybrid method, when inaccessible data due to included in rent, used kWh/m2.
	1 Purchased electricity, heating & cooling for own use	Electricity - location	163	614	AIB	
	Purchased electricity, heating & cooling for own use	District Heating	134	506	SE: Energiföretagen Rest: Defra	
SCOPE 3	Purchased goods & services - Glass	Glass produc- tion (purchased glass)	7,218	27,193	Glass supplier EPD data	Hybrid method
	Purchased goods & services - Metals and Plastic	Spare parts (body/paint)	56	210	Defra	Hybrid method
	1 Purchased goods & services - Chemicals	Chemicals	477	1,796	Paint- Sphera Washer fluids and others - Winnipeg Oil and Urethane - Defra	Hybrid method
	Purchased goods & services - Vehicles	New cars	961	3,621	Upphandlingsmyn- digheten	Hybrid method
	1 Purchased goods & services - Textiles	Clothes	54	205	Assume the weighth for garments based on LCA-Swedish-Cloth- ing-Industry	Hybrid method
	Purchased goods & services - IT equipment	IT (office material)	40	150	EDP from HP, Dell and Apple	Hybrid method
	2 Capital Goods - Tangible and intangible assets	CAPEX	640	2,410	Miljöspendanalys över delar av Göteborgs stad, Upphandling- smyndigheten February 2020	Average spend-based method
3 Fuel- and energy related activities (not included in scope 1 or scope 2)	Electricity (scope 3)	37	141	AIB		

	4	Upstream transportation and distribution	Upstream 3rd Part transport	667	2,513	kg CO <sub>2</sub> e/kg purchased from Nordic glass suppliers	Estimated based on supplier specific data from the Nordics
	5 12	Waste generated in operations, End-of-life treatment of sold products - Glass, household waste, commercial and industrial waste	Waste	85	321	Defra	Hybrid method
	6	Business travel - air and land travel	Business Travels	144	542	Quantis	Spend Based methos
		Business travel - hotel stay	Hotel Nights	20	76	Defra	Hybrid method
	7	Employee commuting	Commuting	564	2,126	Defra	Estimated based on 60% FTE's takes their car, 20% take bus or train, 20% takes bike or walks
	8	Upstream leased assets	N/A	-	-	-	N/A for Cary Group
SCOPE 3	9	Downstream transportation and distribution	Waste transport	131	493	Defra	Estimated based on waste weights and average distance to waste suppliers in the different markets.
	9	Downstream transportation and distribution	Customer travel	676	2,547	Defra	Estimated based on a average roundtrip from a customer survey by Swedish Ryds Bilglas for 20 customers per 5 workshops, assume rest of markets have similar average.
	10	Processing of sold products	N/A	-	-	-	N/A for Cary Group
	11	Use of sold products	N/A	-	-	-	N/A for Cary Group
	13	Downstream leased assets	N/A	-	-	-	N/A for Cary Group
	14	Franchises	Franchises	1,811	6,825	N/A	Estimated Scope 1 and 2 emissions based on net sale for franchises compared to franchisors.
	15	Investments	Pension Investment	238	895	Swedish AP7	Estimated based on Swedish pension funds' emission data, assume rest of markets have similar average.
Scope 1				2,025	7,629		
Scope 2				380	1 432		
Scope 3				13,819	52,065		
<b>Total</b>				<b>16,224</b>	<b>61,126</b>		

## Reporting principles

Cary Group calculates emissions in accordance with the Greenhouse Gas (GHG) protocol corporate standard, including the categories in Scope 1, 2 and 3. The Scope 3 categories included can be seen in table on previous page, and in picture on below. The calculations results are expressed in the metric Carbon dioxide equivalents (CO<sub>2</sub>e) which includes carbon dioxide, methane, nitrous oxide and other relevant greenhouse gases.

By following ISO 14021:2017 Environmental labels and declarations – Self-declared environmental claims Cary Group also claims climate neutrality via climate compensation. ISO 14021:2017 Environmental labels and declarations – Self-declared environmental claims put products in focus. ISO 14021 refers to ISO 14067 for quantification of a product’s carbon footprint.

Activity data is based on information from invoices, suppliers and internal Cary Group statistics. Internal data and input from the supply chain usually apply to the period January 1 year 2022 to December 31 year

2022, or parts of that same year. Deviations from this are documented.

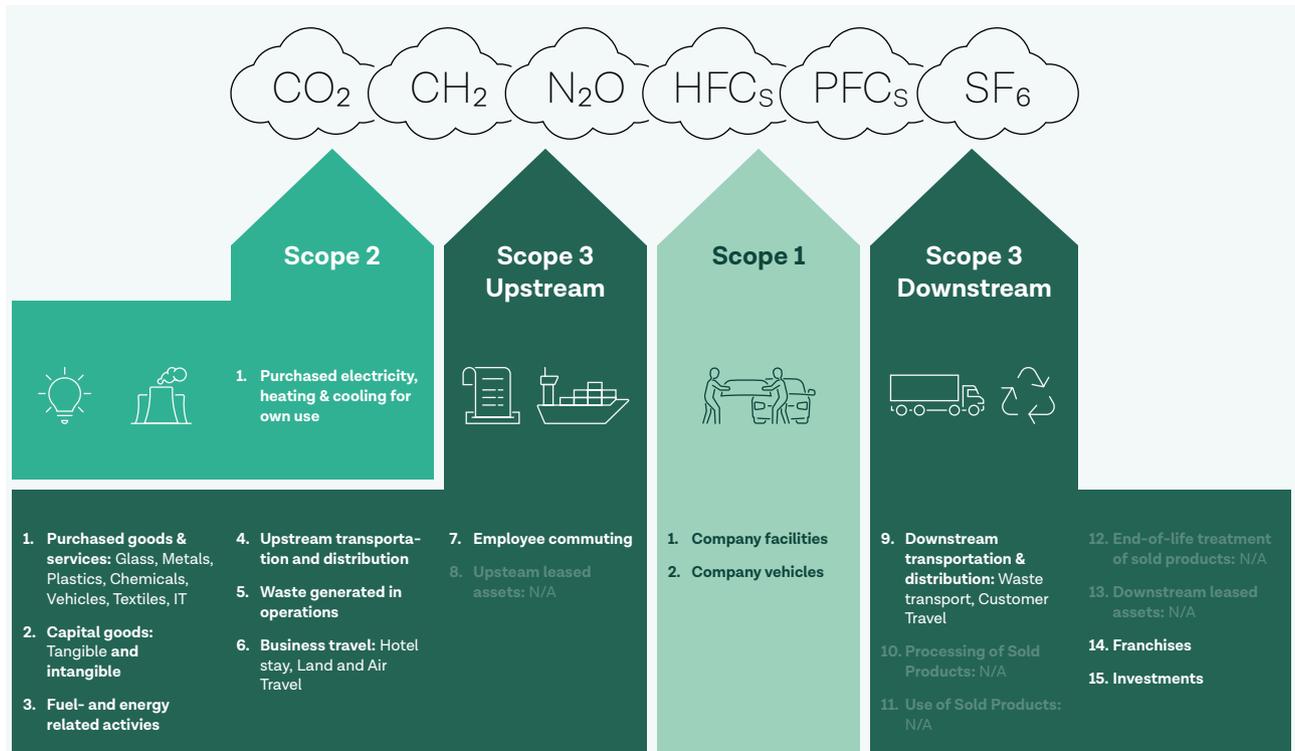
The result of the GHG emissions calculations is a consequence of the current state of knowledge, which is why continuous updates are required as knowledge deepens and becomes more coherent.

### Third party review

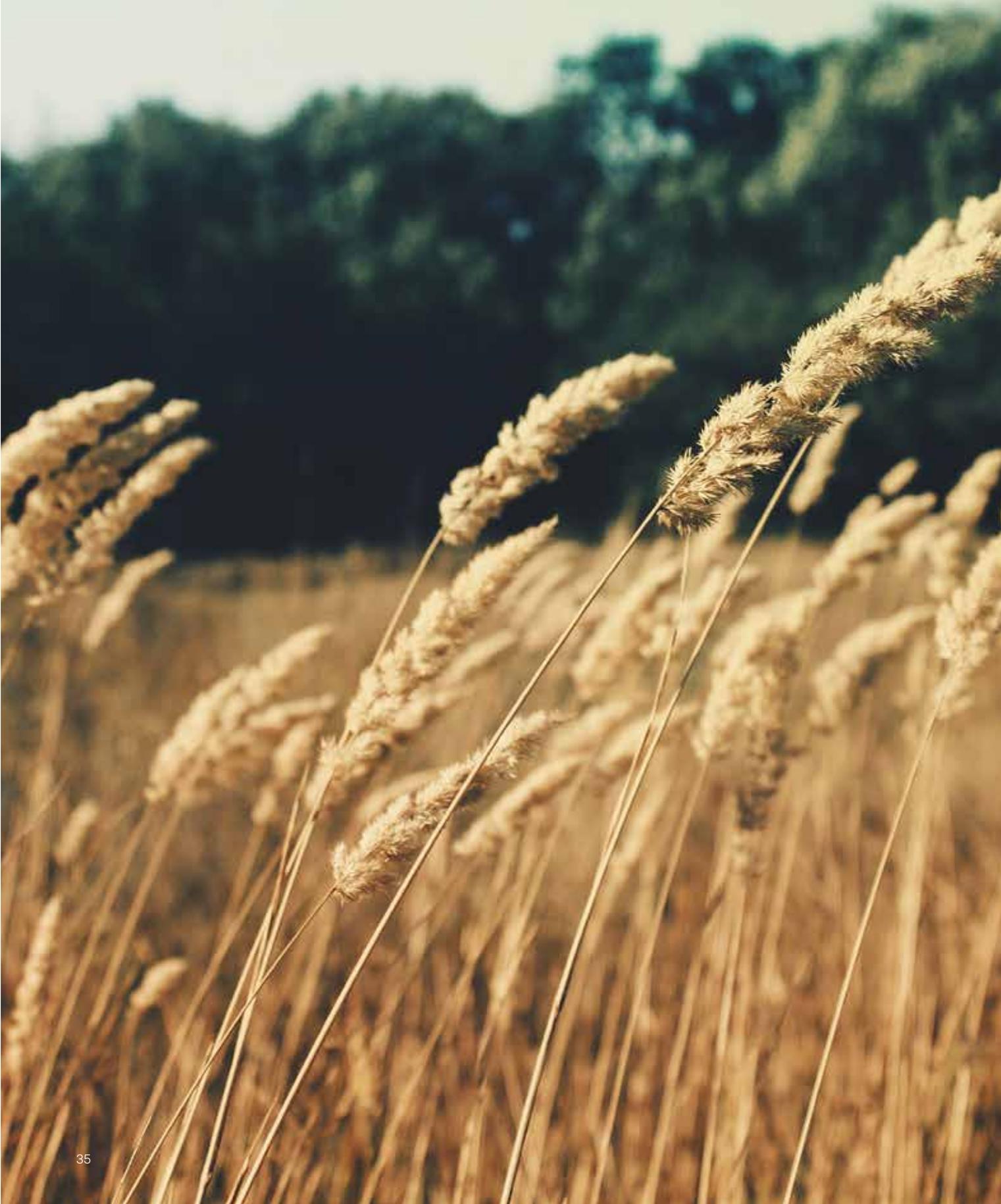
EY has conducted a limited review of Scope 1, 2 and 3 emissions as presented on page 9–10, 32–33, 36–37. For the independent auditor’s report, see page 48 EY limited review.

### Inclusions and exclusions

The GHG calculated measures include the Cary Group Holding AB business operations that is engaged with the production and sales of the company’s operations. The GHG protocol corporate standard categories which are included and excluded are illustrated in below simplified illustration, see image below.



Excluded categories from GHG protocol is category 8, 10, 11, 13, in Scope 3 as it is not applicable for Cary Group’s operating business.



The following processes have been excluded primary in the category 1. Purchased Goods and services in Scope 3: Paper and printed materials, estimated 0.123% of CO<sub>2</sub>e, Water use estimated 0.005% of CO<sub>2</sub>e, Packaging

estimated 0.13% of total CO<sub>2</sub>e for Cary Group. The excluded categories are assessed totally to be less than 1 per cent of the total carbon footprint for Cary Group.



Emission sources/activities not included	Motivation
Paper and printed materials	Paper and printed materials were year 2022 reported from Sweden. Estimation for entire Cary Group where made with Net Sales comparison and gives that Cary Group uses 91 tons of paper and printed materials, which may correspond to 83 tons of CO <sub>2</sub> e or 0.123% of the total carbon footprint for Cary Group.
Water use	The use of water is limited in auto glass services. The use in Cary Group has been estimated from three Swedish service units and the water use per square meter has been used as a proxy. The whole group used 12 100 m <sup>3</sup> water during 2022 which corresponds to 3 tons CO <sub>2</sub> e or 0.005% of the total carbon footprint for Cary Group.
Packaging for car glass	The major packaging category in Cary Group is packaging for glass. Data has not been collected, but have been assumed to 106 tons of well, which correspond to 88 tons CO <sub>2</sub> e or 0.13% of the total carbon footprint for Cary Group.
Marketing	Assessed to be insignificant.

### Changes in calculated GHG emissions Cary Group 2020–2022

Cary Group's GHG (Greenhouse Gas) emissions in line with GHG protocol is in 2022 61,126 tonnes CO<sub>2</sub>e. The results from 2020–2022 is presented in page 9–10 Measure – Calculate GHG emissions, and below. Even

though Cary Group works actively to reduce its emissions the total emissions have increased as expected. Cary Group grew almost 60% in 2022 Net Sales compared to 2021 through organic growth as well as Merger and Acquisitions. 2021 has not been adjusted after new acquisitions in 2022.

Cary Group's GHG emissions in tonnes CO <sub>2</sub> e	2020*	2021*	2022 Total
Direct GHG emissions (Scope 1)	1,820	3,422	7,629
Indirect GHG emissions from energy (Scope 2 market-based)	1,870	1,936	1,432
Other indirect GHG emissions (Scope 3)	18,410	26,650	52,065
<b>Total</b>	<b>22,100</b>	<b>32,008</b>	<b>61,126</b>

\*2020 and 2021 is not adjusted after new acquisitions.

Relative emissions in the unit kg CO<sub>2</sub>e/SEK million for 2020-2022 is presented in below table, including a column for the companies part of Cary Group in 2020,

as the years 2020 and 2021 have not been adjusted after the new acquisitions in 2021 and 2022.

Cary Group's GHG emissions in kg CO <sub>2</sub> e/ SEK million	2020*	2021*	2022 Total
Direct GHG emissions (Scope 1)	1,108	1,589	2,025
Indirect GHG emissions from energy (Scope 2 market-based)	1,138	899	380
Other indirect GHG emissions (Scope 3)	11,204	12,379	13,819
<b>Total</b>	<b>13,450</b>	<b>14,867</b>	<b>16,224</b>

\*2020 and 2021 is not adjusted after new acquisitions.

**SCOPE 1** increased as new companies were added with another market dynamic and GHG calculations was improved.

#### Company vehicles

For company vehicles input data changed from km to litres/kWh, where Calculation methodology was changed between 2021 and 2022 to improve accuracy. The increase in emissions is attributable to new acquisitions in Spain and UK having a larger vehicle fleet with mobile units in form of diesel driven service vans compared to the Nordic markets.

#### Direct Energy

The increase in Scope 1 was also due to direct energy, much more commonly used in UK, Spain, Portugal and Germany (Countries that become part of the Cary Group in 2022). Entering the Body and Paint vertical adds to the direct emissions as paint ovens commonly are run by the same fossil fuels.

**SCOPE 2** decreased as the portion of renewable energy has continuously increased in Group.

#### Electricity

In 2022, new solar panels were installed in Sweden, Germany and Spain and Guarantees of origins were procured retroactively for the non-renewable electricity via STX from Sweden, Norway, Denmark Germany, Spain, and Portugal. District cooling is not used in Cary Group's operating business.

**SCOPE 3** increased as new companies were added and GHG calculations was improved.

#### Chemicals

2021 and 2022 also include emissions from the use of chemicals, unlike 2020.

#### Purchased Goods and services - Glass production, Waste generated in operations, Upstream transport, and Waste transportation.

Glass production increased as the emissions factors for bus windcreens and other bus glass were adjusted up, due to improved data accuracy gaining new information internally and externally. The average weight for a buss windscreen was before assessed to weigh 250% of

an auto windscreen, but new information tells that its weight is closer to 430% of an auto windscreen. It affects the categories Upstream transport, and Waste transportation as the estimations made in the categories are dependent on the weight of the glass. Glass was previously calculated counting all the glass waste as auto windcreens, but in 2022 buss glass waste was added as an additional subcategory to improve accuracy, leading to an increase in Waste generated in operations.

#### Purchased Spare parts for Body and Paint

Purchased spare parts was previously calculated based on spend data, but in 2022 the data input was changed to kg, for more accuracy.

#### Franchises

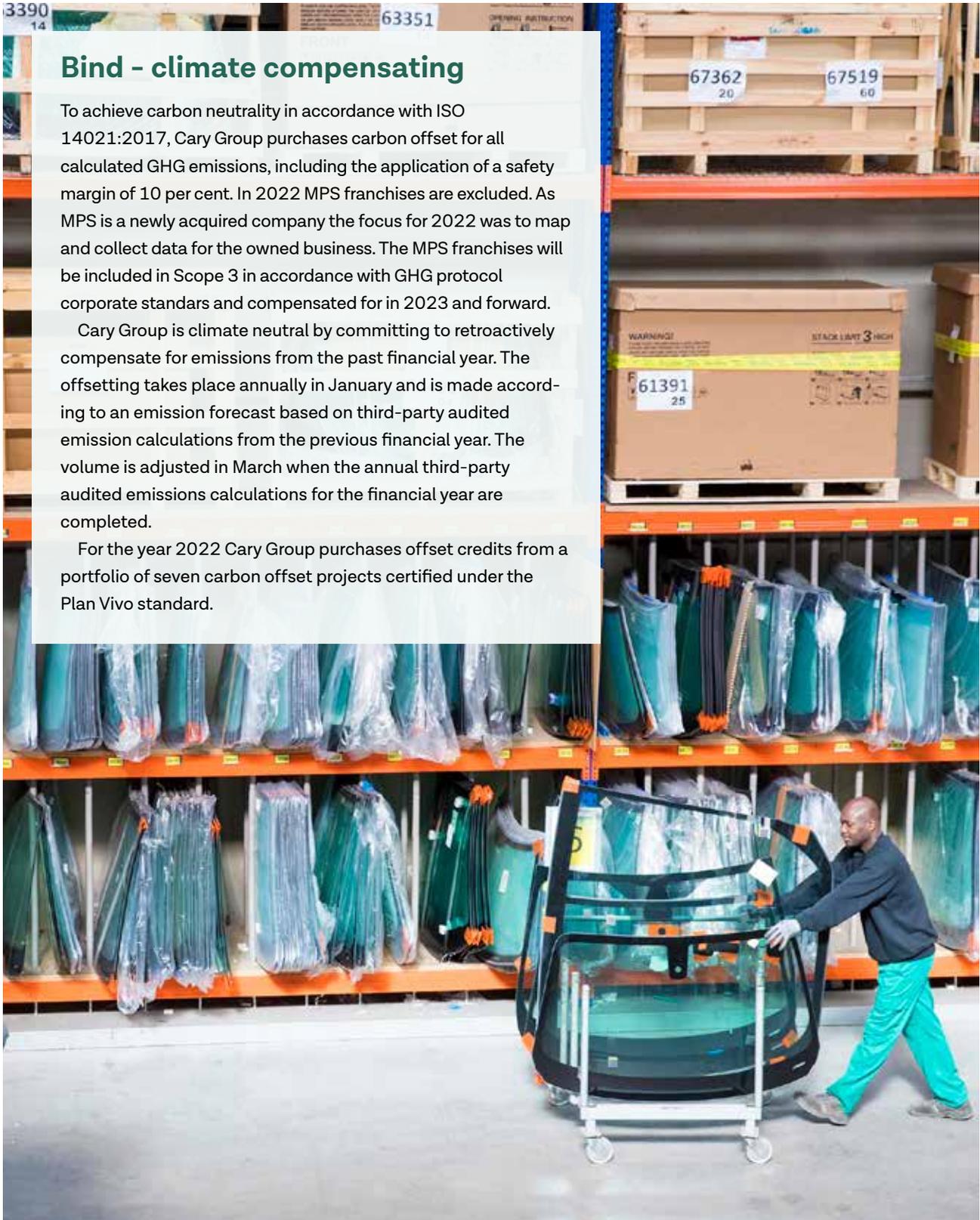
The category Franchise stands for the majority of the increase as the estimations have been improved and all franchises are included, accounting for 316 franchise workshops in total compared to the ca 1,400 owned workshops.

## Bind - climate compensating

To achieve carbon neutrality in accordance with ISO 14021:2017, Cary Group purchases carbon offset for all calculated GHG emissions, including the application of a safety margin of 10 per cent. In 2022 MPS franchises are excluded. As MPS is a newly acquired company the focus for 2022 was to map and collect data for the owned business. The MPS franchises will be included in Scope 3 in accordance with GHG protocol corporate standards and compensated for in 2023 and forward.

Cary Group is climate neutral by committing to retroactively compensate for emissions from the past financial year. The offsetting takes place annually in January and is made according to an emission forecast based on third-party audited emission calculations from the previous financial year. The volume is adjusted in March when the annual third-party audited emissions calculations for the financial year are completed.

For the year 2022 Cary Group purchases offset credits from a portfolio of seven carbon offset projects certified under the Plan Vivo standard.



## The Carbon Offsetting process

Time	Activity
Jan 2022	<p>Verification</p> <ul style="list-style-type: none"> <li>• Signing of the verification of GHG emissions calculation and report regarding calculation, for 2020 in accordance with GHG Protocol by EY</li> </ul> <p>Carbon offset for the financial year 2021</p> <ul style="list-style-type: none"> <li>• The carbon offset for 2021 takes place in January 2022. It is made according to an emission forecast based on third-party audited emission calculations from the previous financial year (2020)</li> <li>• When the 2021 climate calculations have been carried out and verified, the climate compensation will be adjusted in line with the final results.</li> <li>• The carbon offset takes place on a year-round basis</li> </ul>
Q1 2022	<p>The use of water is limited in auto glass services. The use in Cary Group has been estimated from three Swedish service units and the water use per square meter has been used as a proxy. The whole group used 12,100 m<sup>3</sup> water during 2022 which corresponds to 3 tons CO<sub>2</sub>e or 0.005% of the total carbon footprint for Cary Group.</p>
Q2 2022	<p>The major packaging category in Cary Group is packaging for glass. Data has not been collected, but have been assumed to 106 tons of well, which correspond to 88 tons CO<sub>2</sub>e or 0.13% of the total carbon footprint for Cary Group.</p>
Q2 2022	<p>Assessed to be insignificant.</p>
Jan 2023	<p>Carbon offset for the financial year 2022</p> <ul style="list-style-type: none"> <li>• The carbon offset for 2022 takes place in January. It is made according to an emission forecast based on third-party audited emission calculations from the previous financial year (2021)</li> <li>• When the 2022 climate calculations are completed and verified, the climate compensation will be adjusted in line with the final results.</li> </ul> <p>The carbon offset takes place on a year-round basis</p>
Q1 2023	<p>GHG emissions calculation for the financial year 2022</p> <ul style="list-style-type: none"> <li>• GHG emissions calculation and report for the year 2022 in accordance with GHG Protocol and ISO 14067</li> <li>• Verification of GHG emissions calculation and report regarding calculation, for 2022 in accordance with GHG Protocol and ISO 14021 by EY</li> </ul>
March 2023	<p>Adjustment of 2022 carbon offset based on final calculations.</p>
Jan 2024	<p>Carbon offset for the financial year 2022</p> <ul style="list-style-type: none"> <li>• The carbon offset for 2022 takes place in January. It is made according to an emission forecast based on third-party audited emission calculations from the previous financial year (2021)</li> <li>• When the 2022 climate calculations are completed and verified, the climate compensation will be adjusted in line with the final results.</li> </ul> <p>The carbon offset takes place on a year-round basis</p>
Q1 2024	<p>GHG emissions calculation for the financial year 2022</p> <ul style="list-style-type: none"> <li>• GHG emissions calculation and report for the year 2022 in accordance with GHG Protocol and ISO 14067</li> <li>• Verification of GHG emissions calculation and report regarding calculation, for 2022 in accordance with GHG Protocol and ISO 14021 by EY</li> </ul>
March 2024	<p>Adjustment of 2022 carbon offset based on final calculations.</p>

Overview of the carbon offset process

## The Carbon Offset projects and credits - Cary Group carbon offsetting 2022

The carbon offsetting for the 2022 financial year corresponds to a purchase of 62,216 tonnes CO<sub>2</sub>e (excluding estimated 5,023 tonnes CO<sub>2</sub>e for MPS franchises) tonnes CO<sub>2</sub>e Plan Vivo-certified carbon credits. The volume is

based the calculations for the calendar year 2021. Table below shows how the carbon offsets have been distributed per project and the time of the emissions covered by the offsets.

Project name	Ton CO <sub>2</sub> e	ZeroMission cert number	Invoice number	Order number
AR Bolivia, Bolivia	4,500	212449	71707	519
Trees for Global Benefits - Uganda	35,989 + 3,760	212447 + 212527	71707 71815	567, 581, 584, 587
Drawa Rainforest - Fiji	2,000 + 604	212451 + 212529	71707 + 71815	578
Halo Verde - Timor Leste	3,500	212453	71707	545
CommuniTree - Nicaragua	1,000	212448, 212370	71707, 71576	574
Gula Gula - Indonesien	2,500 + 603	212453 + 212530	71707 + 71815	561
Khasi Hills - Indien	4,000 + 3,760	212450 + 212528	71707 + 71815	548

Overview of purchased carbon offset

### About the Plan Vivo Standard

The Plan Vivo standard is the oldest standard on the voluntarily carbon offset market, born out of a desire to help smallholders in Chiapas, Mexico to plant trees to sequester carbon and to improve their livelihoods. Since then, the Plan Vivo model and network of stakeholders have evolved into a system that can provides environmental and social benefits to many communities around the world.

In the process the Plan Vivo certified projects remove and avoid greenhouse gas emissions. This is monitored and turned into Plan Vivo Certificates, which can be sold by projects to help fund their operations and to expand. At least 60% of the income that projects received from the sale of Plan Vivo Certificates goes directly to the participants.<sup>1</sup>

1. Source: Plan Vivo

### The Plan Vivo standard is based on three pillars:

- **Relieving poverty** by offering sustainable livelihoods for communities whose environments have been degraded.
- **Restoring and protecting** environments to help protect communities against climate change and provide a variety of sustainable development benefits.
- **Building local capacity** through the transfer of knowledge, skills and resources to developing countries





# Description of the carbon offset process

Below is a description of the process, from Cary Groups purchases of Plan Vivo carbon credits, to the payments to project participants.

## 1

**Reporting:** Cary Group reports to ZeroMission the quantity of carbon credits required to offset their annual emissions. The quantity is first reported based on a prognosis and later adjusted when the annual carbon accounting is completed for the studied year.

## 2

**Purchasing:** ZeroMission purchases the required quantity of carbon credits from the Plan Vivo certified projects.

## 3

**Invoicing:** ZeroMission invoices Cary Group for the cost of the required carbon credits and produces a unique certificate of purchase.

## 4

Project activities and monitoring occurs on the project sites. At the end of the year, the projects submit annual reports on their activities to the Plan Vivo Foundation.

## 5

**Payments to participants:** Money is transferred to the project and funded. Project participants are paid as they reach their set milestones.

## 6

**Issuance of credits:** The Plan Vivo Foundation reviews and approves the annual reports. If approved, credits are issued corresponding to the carbon benefit.

## 7

**Retirement of credits:** ZeroMission received and retires the purchased credits in Cary Groups name, in the international environmental registry IHS Markit.

# Actors and concepts

The process of Cary Groups offsetting their emissions involves several actors along a chain, all with different functions that are described below.

**AR Bolivia:** The name of the Plan Vivo certified project, located in Bolivia. <https://www.planvivo.org/arbolyvia>

**Cary Group:** Buyer of Plan Vivo certified carbon credits

**CommuniTree Carbon Programme:** The name of the Taking Root Plan Vivo certified project in Nicaragua. URL: <https://www.planvivo.org/communitree>

**Drawa Rainforest:** The name of the Plan Vivo certified project located in Fiji. <https://www.planvivo.org/drawa>

**Ex-ante/Ex-post credits:** Cary Group buys both Plan Vivo-certified "ex-ante credits" and "Ex-post credits". This means that the climate benefit will occur and be verified both before (ex-ante) and after (ex-post) the credit purchase date depending on the project type.

**Halo Verde:** The name of the Plan Vivo certified project located in Timor Leste. <https://www.planvivo.org/halo-verde>

**IHS Markit:** An international environmental register where all sold certificates from Plan Vivo are registered and retired and can be tracked. URL: <https://ihsmarkit.com/products/environmental-registry.html>

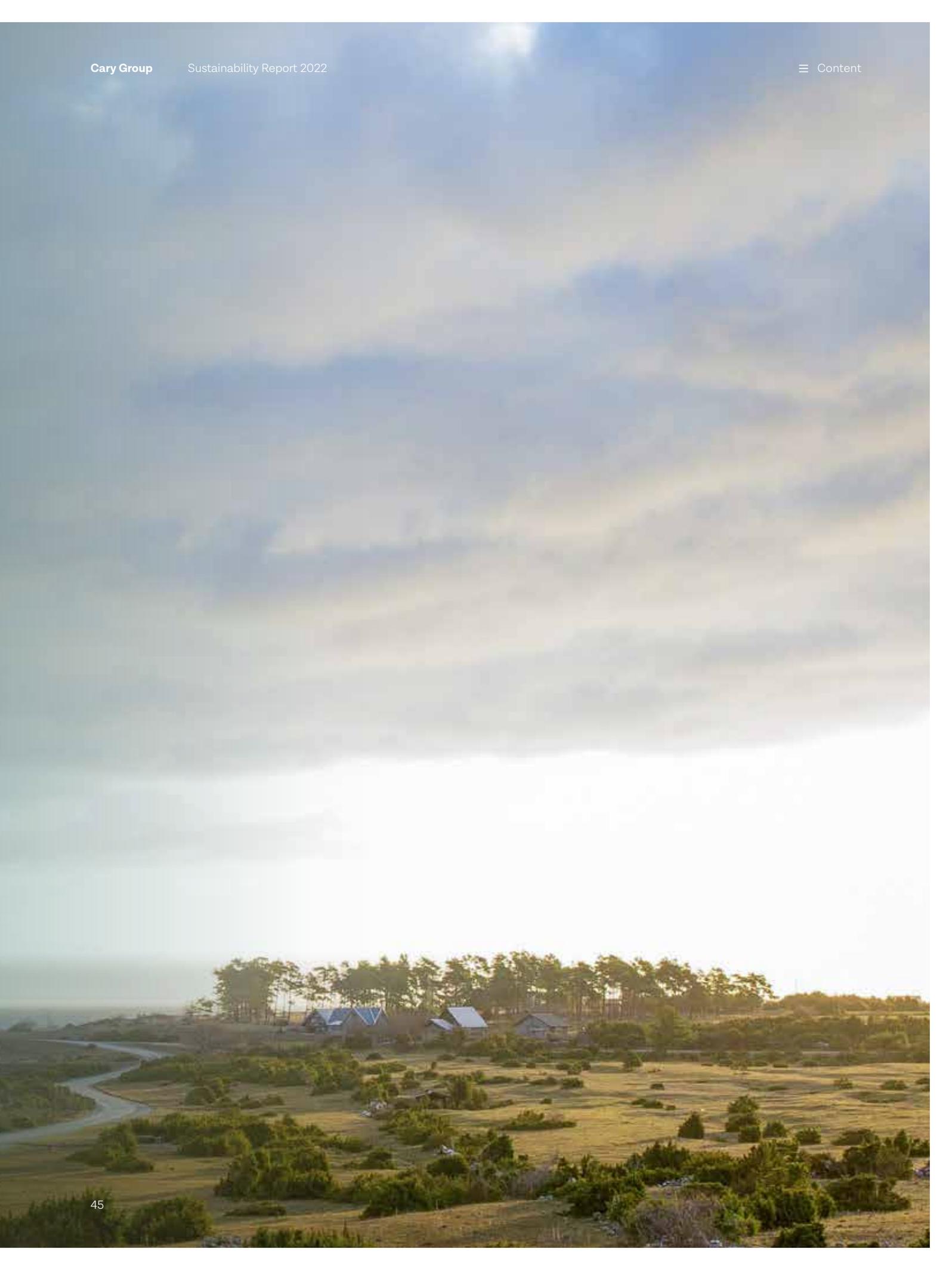
**Plan Vivo Foundation:** A registered, non-profit foundation in Edinburgh that reviews, certifies and monitors carbon offset projects, and issued Plan Vivo certificates. They specialize in natural climate solutions and all their projects have strong ties with local people. URL: <https://www.planvivo.org/>

**The Environmental Conservation Trust of Uganda (ECOTRUST):** Local non-profit environmental organization in Uganda and which runs the Plan Vivo certified project "Trees for Global Benefits". URL: <https://ecotrust.or.ug/>

**The Plan Vivo Standard:** A standard for carbon offset projects which focus on poverty reduction and restoration of ecosystem services. Certifies projects where trees are preserved or planted in collaboration with local people. URL: <https://www.planvivo.org/>

**Trees for Global Benefits:** The name of the Plan Vivo certified project in Uganda. <https://www.planvivo.org/trees-for-global-benefits>

**ZeroMission:** Reseller of Plan Vivo certified carbon credits [www.zeromission.se](http://www.zeromission.se)



## GRI Content-index

Cary Group's sustainability report refer to calendar year 2022. Reported numbers refer to 1 January 2022 to 31 December 2022 if not otherwise stated. Cary Groups reports with reference to Global Reference Initiative (GRI) Standards. The new standard GRI Universal Standards

2021 is referred to non-exhaustively, together with the selected GRI Topical Standard. For EY limited review see review of our GHG emissions Scope 1,2,3 in accordance with Corporate standard see page 48.

DISCLOSURE NO	DISCLOSURE TITLE	PAGE / INFORMATION
<b>GRI 1: Foundation 2021</b>		
Cary Groups reports with reference to Global Reference Initiative (GRI) Standards. The new standard GRI Universal Standards 2021 is referred to non-exhaustively, together with the selected GRI Topical Standard in this GRI content index. Reported numbers refer to 1 January 2022 to 31 December 2022 if not otherwise stated.		
<b>GRI 2: General Disclosures 2021</b>		
<b>1. The organization and its reporting practices</b>		
2-1 Prev. 102-1, 3, 4, 5	Organisational details: Name of the organization, Location of headquarters, Location of operations, Ownership and legal form	Teniralc Topco AB, Referred to as Cary Group in the report, see page X. Stockholm, Sweden Location of operation, see page 6
2-2 Prev. 102-45	Entities included in the consolidated financial statements	Page 30
2-3 Prev. 102-50, 52, 53	Reporting period, frequency and contact point	Period: 1 January 2022 - 31 December 2022, aligns with financial reporting. Frequency: Calendar year 12 months. Contact point last page
2-4 Prev. 102-48	Restatements of information	Page 37
2-5 Prev. 102-56	External assurance	EY limited report page x.
<b>2. Activities and workers</b>		
102-10	Activities, value chain and other business : Activities, brands, products, and services, Markets served, Scale of the organization, Supply chain, Significant changes to the organization and its supply chain	Page 6-7, 18-19, 25-27, 36-37
102-11	Employees and workers who are not employees. Non-Exhaustive	Page 6, 21-26
<b>3. Governance</b>		
2-9 Prev. 102-18	Governance structure and composition	Page 25-26, 30
<b>4. Strategy, policies and practices</b>		
2-22 Prev. 102-14	Statement on sustainable development strategy	Page 4, 8
2-23 Prev. 102-11, 102-16	Policy commitments: Values, principles, standards, and norms of behaviour	Page 12, 21, 25-26
2-28 Prev. 102-13	Membership of associations	Glasbranschföreningen (Sweden)

<b>5. Stakeholder engagement</b>		
2-29 Prev. 102-40, 42, 43	Approach to stakeholder engagement	Page 30-31
2-30 Prev. 102-41	Collective bargaining agreements	Share of employees covered by collective bargain agreements 2019: 40%, 2020: 46%, 2021: 58 %, 2022: 41%
<b>GRI 3: Material Topics 2021</b>		
<b>2. Disclosures on material topics</b>		
3-1 Prev. 102-46	Process to determine material topics	Page 30,31
3- 2 Prev. 102-47	List of material topics	Page 30,31, 34-37
3-3 Prev. 102-11, 103-1, 2, 3	Management of Material Topics: Precautionary Principle or approach and Explanation of the material topic and its Boundary	Cary Group applies the precautionary principle in accordance with the regulations contained in Swedish and EU legislation. Page 8, 25, 27, 30-36
<b>Materialities – Topical Standard</b>		
205-3	Confirmed incidents of corruption and actions taken	Page 26
305-1	GHG emissions Scope 1 (Direct)	Page 9-10
305-2	Energy indirect (Scope 2) GHG emissions	Page 9-10
305-3	Other indirect (Scope 3) GHG emissions	Page 9-10
306-2	Waste by type and disposal method	Glass: 9,446,305 kg Hazardous waste: 59,965 kg Other waste (non-hazardous): 2,828,420 Total amount of waste: 2,334,690kg
308-1	New suppliers that were screened using environmental criteria	Page 25
401-1	New employee hires and employee turnover	Page 24
403-9	Work-related injuries	Page 23
403-10	Work-related ill health	N/A
404-1	Average hours of training per year per employee	N/A
405-1	Diversity of governance bodies and employees	Page 23
406-1	Incidents of discrimination and corrective actions taken	N/A
414-1	New suppliers that were screened using social criteria	Page 25
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	N/A

# EY limited Review

Auditor's Limited Assurance Report on Cary Group Holdings AB's Scope 1, Scope 2 and Scope 3 Greenhouse Gas (GHG) emissions.

To Cary Group Holding AB, corp id 559303-4712

## Scope

We have undertaken a limited review engagement of Cary Group Holdings AB's Scope 1 emissions (T CO<sub>2</sub>e), Scope 2 emissions (T CO<sub>2</sub>e) and Scope 3 emissions (T CO<sub>2</sub>e) for the year ended 31 December 2022, as presented on page 36 in this document.

## Management's responsibility

Cary Group Holding AB's management is responsible for the preparation of the disclosed information on Scope 1, Scope 2 and Scope 3 emissions in accordance with applicable criteria. The criteria consist of the Greenhouse Gas Protocol, published by the World Resources Institute and the World Business Council for Sustainable Development, as described on page 34. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the information on Scope 1, Scope 2 and Scope 3 emissions, such that it is free from material misstatement, whether due to fraud or error.

## Responsibilities of the Auditor

Our responsibility is to express a conclusion on the Scope 1, Scope 2 and Scope 3 emissions based on the limited assurance procedures we have performed. Our engagement is limited to historical information presented in this document and does therefore not include future oriented information.

We have conducted our limited review engagement in accordance with ISAE 3410 Assurance

Engagements on Greenhouse Gas Statements. This standard requires that we plan and perform our engagement to obtain limited assurance about whether Cary Group Holding AB's Scope 1, Scope 2 and Scope 3 emissions are, in all material respects, presented in accordance with the criteria defined by Management, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited review conclusion.

### **Auditor's Independence and Quality Control**

We have maintained our independence of Cary Group Holding AB in accordance with professional ethics for accountants in Sweden and confirm that we have complied with the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this limited review engagement.

Ernst & Young AB applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Description of procedures performed**

Procedures performed in a limited review engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited review engagement is substantially less than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The greenhouse gas (GHG) quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Our limited review engagement consisted of making enquiries, primarily of persons responsible for preparing the GHG reporting and related information and applying analytical and other relevant procedures.

### **Our procedures included:**

- Conducting interviews with Cary Group Holding AB's personnel on the business and reporting process
- Conducting interviews with Cary Group Holding AB's personnel on the process for collecting, collating and reporting the GHG data during the reporting period
- Assessing whether the criteria defined by management has been applied
- Undertaking analytical review procedures to assess the reasonableness of the data

We also performed other such procedures as we considered necessary in the circumstances.

**Conclusion**

Based on the limited assurance procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Scope 1 emissions (T CO<sub>2</sub>e), Scope 2 emissions (T CO<sub>2</sub>e) and Scope 3 emissions (T CO<sub>2</sub>e) data disclosed in this report have not been prepared, in all material respects, in accordance with the criteria defined by Management.

Stockholm, 31 March 2023

Ernst & Young AB

**Stefan Andersson Berglund**  
Authorized Public Accountant

**Outi Alestalo**  
Specialist member in FAR

# Signatures

The Board of Directors and Chief Executive Officer hereby give their assurance that the consolidated Sustainability reporting have been prepared in accordance with Swedish annual accounts act and give a true and fair view over Cary Group' work within sustainability.

Stockholm 31 March, 2023

**Gustaf Martin-Löf**  
Chairman of the Board

**Joakim Andreasson**  
Member of the Board

**Mattias Fajers**  
Member of the Board

**Magnus Hammarström**  
Member of the Board

Our Sustainability report was presented on 31 March, 2023

# Cary group

**Helene Gustafsson.** Head of Corporate Communication  
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Organization number: 559303-4712