

1000 bravida

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The Annual Report is prepared in Swedish and translated into English. Should differences occur between the Swedish Annual Report and the English translation, the Swedish version shall prevail.

Bravida 1922-2022

Bravida is the Nordic region's leading supplier of climate-smart end-to-end solutions in service and installation for properties and facilities. We help clients create well-functioning environments in which people thrive and can live sustainably.

2022 was a historic year for Bravida, with a record profit of SEK 1.7 billion and growth of 20 percent. In addition, we celebrated our one hundredth anniversary and the Bravida of the future, a Bravida that will develop for at least another hundred years. Our services help customers reduce their emissions, while we also work to reduce our own footprint. Our goal is to be climate-neutral throughout our value chain by 2045 at the latest, so that our customers can be as well.

Welcome!



This is Bravida

Bravida is the Nordic region’s leading provider of end-to-end solutions for the service and installation of electrical, heating and plumbing, HVAC and other technical functions in buildings and facilities.



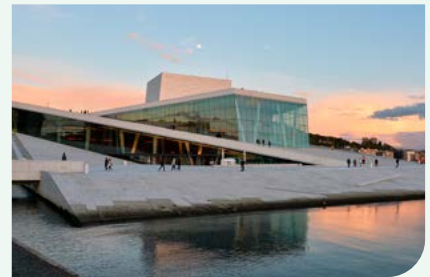
What we provide

Bravida has an important role to play in the transition to a climate-neutral society. We help customers make their properties and facilities better and more cost-efficient and resource-efficient. We suggest and install technological solutions that are energy-efficient and long-lasting. With regular maintenance, we ensure everything works as intended – 24/7, all year round.



What we do

Bravida’s fitters install electrical equipment, heating, plumbing, ventilation and all the other technical functions that bring buildings to life. Our service technicians take care of the technology, suggest improvements and switch to energy-efficient components where this is required. Of course, they also fix everything from dripping taps and uninsulated pipes to old systems that need to be made more efficient.

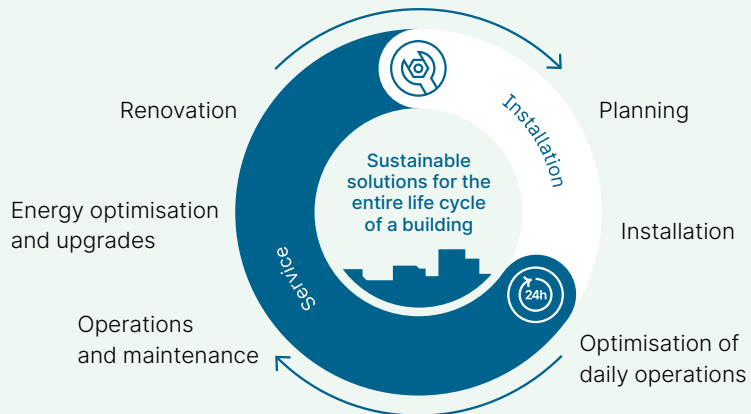


Our locations

Having a local presence and proximity to customers are key elements in Bravida’s business. Customers can find our 13,000 employees at 325 branches in around 180 locations in Sweden, Norway, Denmark and Finland.

Technology partner throughout the entire life cycle of the property

Bravida helps customers create climate-smart technical solutions for buildings and facilities of all sizes. We ensure the technology functions cohesively throughout the life cycle of the property – from planning and installation through to operation, maintenance and renovation.



Our technical solutions



Electrics



Heating & plumbing



HVAC



Automation



Critical power



Electric car charging



Energy Management



Power



Cooling



Security



Solar panels



Sprinklers

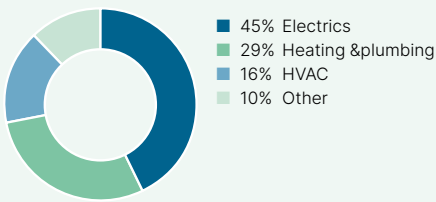


Technical facility management

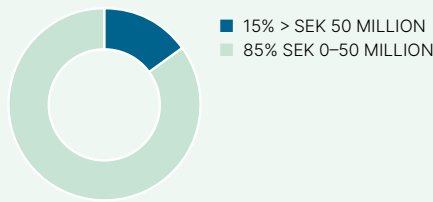
Our vision

Bravida helps customers develop the full potential of their properties. With service and installation, we bring buildings to life – and lead the way towards a sustainable and resilient society.

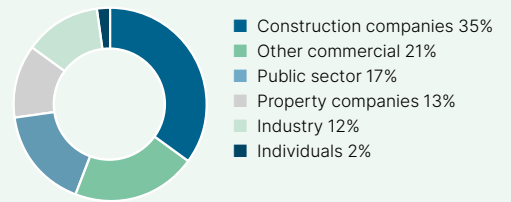
Percentage by technical area



Sales by project size



Customer groups



The Bravida Way

Bravida is a large company with a local presence throughout the Nordic region. Our decentralised business model, the Bravida Way, is based on us working as ONE company. When everyone works according to the same methods, we save both time and money at every branch, and it is easy for customers to work with Bravida.

Branches that master the Bravida Way always focus on business with healthy margins, and also have good control of their costs. Branches that are profitable focus on growth.

Employees

Number of employees

13,000

Customers

Number of customers with turnover >SEK 1 million

2,600

Service

Percentage of total turnover

47%

Installation

Percentage of total turnover

53%

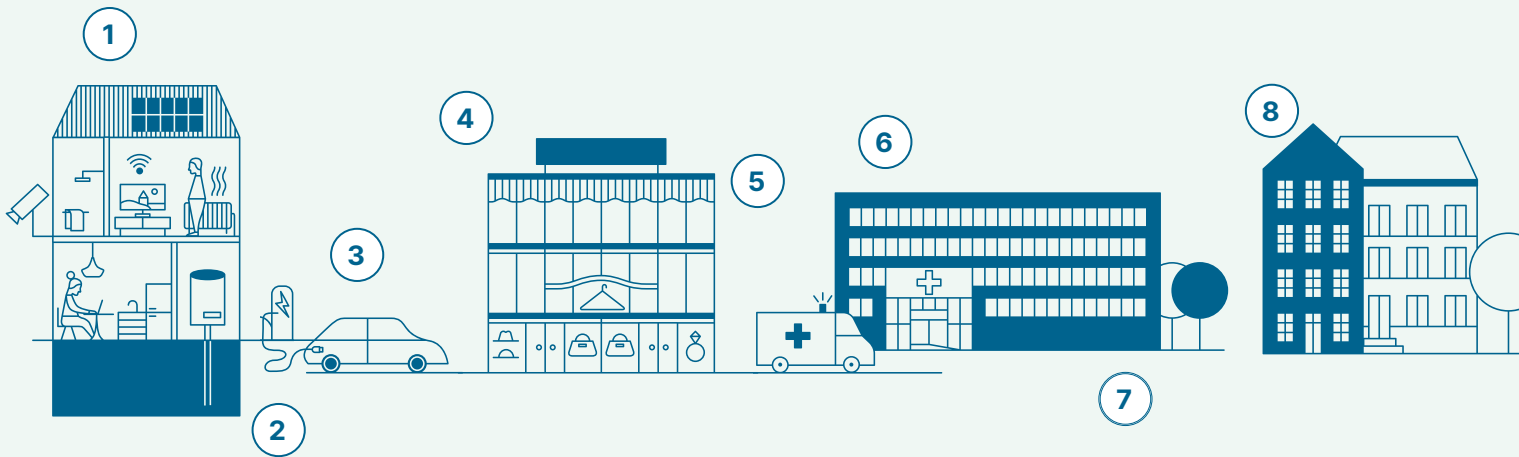
The types of facilities we mainly work on



Multi-dwelling **17%** Industry **18%** Office **13%** Health and care **10%** Education **7%** Infrastructure **8%**

Well-functioning environments in which people can live sustainably

Bravida provides all the technical functions that bring buildings to life. By ensuring well-functioning and resource-efficient properties, we help our customers in the transition to a more sustainable society. Here are some examples of how we contribute.



1. Well-functioning homes and business premises where people thrive

Bravida ensures that homes function as they should – throughout the entire life cycle of the property. We take care of electricity, HVAC, and also energy recovery, lifts, computer networks and fire safety and security systems.

2. Geothermal heating provides energy-efficient heating

We install geothermal heating systems that utilise the stable temperature of groundwater to produce heating and hot water.

3. Holistic solution for electric car charging

Electric cars are continually growing in number – so good charging facilities are needed. Bravida installs and maintains convenient and safe charging solutions for vehicles.

4. Automation makes for energy-efficient buildings

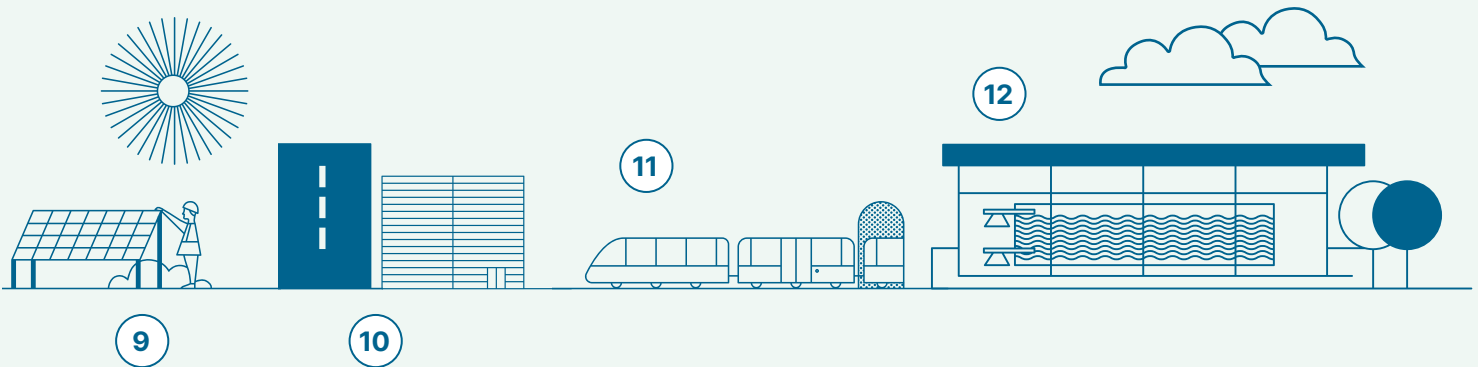
With connected and remotely monitored building technology, we optimise energy efficiency and improve the indoor climate.

5. Reliable security systems

We offer security systems and integrated end-to-end solutions for entry control, video surveillance, protection against burglary and fire safety.

6. Hospitals with operational certainty

Hospitals are examples of buildings with some of the highest concentrations of installations. Bravida ensures that the technical systems interact as they should and meet high standards regarding security and functionality.



7. Technical facility management – efficient property management

Modern buildings have many installations that need to operate in an energy efficient way and without interruption. For larger customers, Bravida can take holistic responsibility for maintenance, functionality and servicing.

8. Simple energy improvements in buildings

Our service technicians help you, the customer, to identify simple energy-saving measures. For example, this could involve replacing old heat pumps, water taps, ventilation appliances or lighting with new energy-efficient alternatives.

9. Solar panels reduce electricity costs

The need for renewable energy has grown significantly in recent years. Bravida can provide both the installation of and service for solar energy facilities.

10. Energy efficient industry

Bravida offers technical solutions for industries, including installation, ongoing operational running and energy efficiency. We have extensive experience of working in industrial environments with ongoing production.

11. Future infrastructure projects

Bravida works with electrical, ventilation and sprinkler systems in large infrastructure projects, including road tunnels and rail technology for railway and metro systems.

12. Smart energy recovery

Process cooling, for example in an ice rink, generates heat. We help customers reuse heat – for example to heat swimming pools or homes.

Bravida 100 years – let’s now embark on another one hundred years

2022 was a historic year for Bravida, as we celebrated a century of existence. We have a lot to be proud of and many years ahead of us with great opportunities to make a difference.

The foundations of our company were laid in 1922. That was when the building trade unions formed their own construction company in Sweden, which would later become BPA, Bravida’s predecessor. The Bravida we know today was formed in 2000.

Since its foundation, Bravida has gone from being a construction company to becoming a specialist in all aspects of building technology. The company is now present throughout the Nordic region and does almost everything in the areas of both service and installation in all types of properties and facilities. We help customers of

all sizes with issues large and small, from ventilation in road tunnels to dripping taps in rental properties.

In 2022, we celebrated the Bravida of the future, a Bravida that will develop for at least another hundred years. We are a large and leading participant in the installation and service industry, with the ability and excellent opportunities to make a difference for the planet and society.

A lot has happened in our 100 years, and there are some events about which we are particularly proud. Let’s take a little look at our history.



The construction unions in Sweden form FBA - the company Fackföreningarnas Byggproduktion AB - which later becomes BPA, Bravida’s predecessor.

1922



We are involved in the construction of the Traneberg Bridge, work on which starts this year.



The first Konsum store is created and we contribute to the construction process.



World War 2 starts. The war puts housing construction on hold and results in many people being out of work.



Peace at last! There is great joy, not least in the construction industry, which is now heading for historic golden years as offices and homes are built at record speed.

1934

1934

1939

1945



The company changes its name to Byggfackens Produktion AB, BPA.



The government launches the Million Programme in 1964. One million new homes are to be built over ten years, starting in 1965. For BPA, this means major contracts in the construction sector.



BPA becomes a major national construction group and now consists of 18 companies and 12 local construction guilds.



Intercity becomes a new term when new train lines are launched between cities. The new X2000 train travels at record speed. BPA is involved in the project.

1956

1965

1967

1980



BPA became a public company when it was listed on the Stockholm Stock Exchange. In the same year, construction begins on Stockholm's new landmark Globen (now Avicii Arena), which is also BPA's largest project.

1986



Malmö residents get a new shopping destination. The Triangle shopping centre, the largest in the city, is opened. BPA has been an important part of the project.

1989



BPA becomes a nationwide installation company for electrical infrastructure, plumbing and ventilation. New buildings need more and more installed facilities.

1993



The BPA share is delisted.

1999



BPA and the Norwegian company Telenor's installation business merge to form Bravida.

2000



Bravida acquires Danish Semco A/S, which is the first step into the Danish market.

2003



Private equity firm Triton becomes Bravida's new main owner.

2006



From job to school desk. The Bravida School is established and over time develops a wide range of further training and specialised training courses for our staff.

2008



Facebook builds Europe's first and largest data centre in Luleå. Bravida takes overall responsibility for all the installation work in the project, as well as the subsequent provision of service.

2011



Private equity firm Bain Capital becomes the new principal shareholder.

2012



Bravida is listed on OMX Nasdaq Stockholm and new CEO Mattias Johansson rings the bell.

2015



In the same year, Bravida takes its first step into the Finnish market, via two acquisitions.

2015



Bravida acquires the Norwegian installation and service company Oras, making it the market leader in Norway.

2017



Bravida continues its brand journey, with an updated look and a new logo.

2021



The construction of the Nordic region's tallest skyscraper, Karlatornet in Gothenburg, has come a long way. Bravida is the holistic supplier for all the installation work in the project.

2021



A historic year as we celebrate 100 years of the business and invest in creating the energy-efficient customer solutions of the future. Now we've embarked on another one hundred years!

2022

The year in brief

2022 was another year of challenges – inflation, an energy crisis and war in Europe. In spite of this, Bravida achieved its best ever earnings, ending the year with sales of SEK 26.3 billion, an EBITA margin of 6.5 percent and growth of 20 percent.

Strong growth during the year

In 2022, Bravida grew by no less than 20 percent, of which 11 percent was organic. The 21 acquisitions made during the year added sales of SEK 1.6 billion and additional competence in areas such as automation and solar energy.

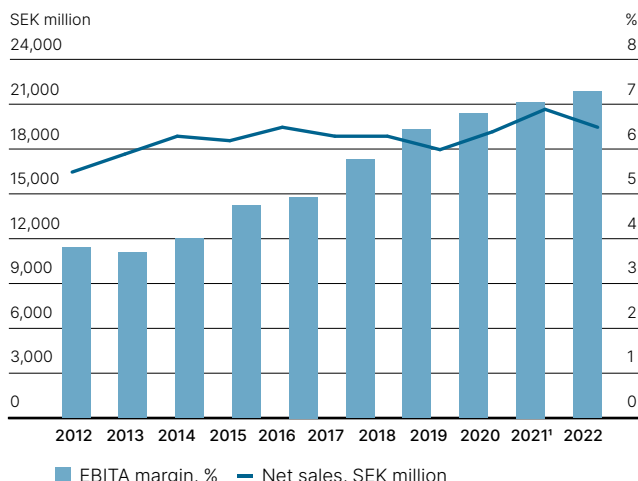
Recovery in the area of service

After the pandemic restrictions, there was a strong recovery in service in 2022. The growing interest in energy saving measures has further increased the demand for service and maintenance.

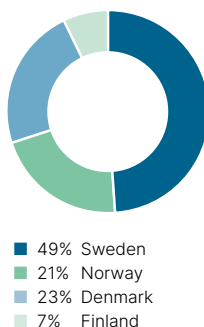
Progress regarding sustainability

Bravida's sustainability efforts continue to deliver results. For example, the Lost Time Injury Frequency Rate (LTIFR) decreased by 19 percent during the year, while 11 percent of the vehicle fleet now consists of electric vehicles. More information is available in our Sustainability Report.

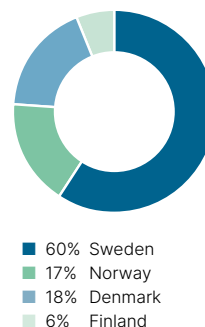
Growth and earnings performance



Sales by country



EBITA by country



New division improves the end-to-end offering available to customers-

Bravida's new Growth Segments division brings together the areas of Automation, Energy Management and Technical Facility Management. More information is available on page 24.



Digitalisation gives rise to new business opportunities

Bravida is carrying out an intensive digitalisation initiative to develop a secure, stable and scalable IT platform for the future. More information is available on page 38.

Sales growth

+20%

EBITA margin

6.5%

Cash conversion

87%

Earnings per share

SEK 6.21

¹ The 2021 earnings include a repayment of a surplus from AGS health insurance of SEK 96 million. The adjusted EBITA margin in 2021 was 6.5 percent.

Bravida – an investment in the future

Bravida is a market-leading company that delivers growing sales and stable earnings to its shareholders. We have a given place in the transition to a sustainable society.

Five reasons to invest in Bravida

Bravida's history stretches back 100 years. Our decentralised business model has provided good profitability and significant economies of scale for many years.

- **Stable and profitable growth with strong cash flows.** In recent years, Bravida has delivered stable growth while maintaining EBITA margins and strong cash conversion of around 100 percent. Our policy is to distribute at least 50 percent of net profits.
- **Leader in our industry in the Nordic region.** With our size and broad competence, we are well positioned to grow in a market with excellent opportunities.
- **Well positioned for the future.** Energy-efficient buildings are high on customer wish lists. With our offering, we contribute to the climate transition in society.
- **Stable sales with good risk diversification.** Bravida has many recurring assignments, low dependence on individual customers and business operations in around 180 locations in the Nordic region. This provides high stability regarding sales.
- **Good opportunities for growth through acquisitions.** Over the past ten years, we have completed around 150 acquisitions, which have added sales of SEK 10 billion. All the acquisitions have been financed by our strong cash flow.



Bravida installs electrical infrastructure and heating and plumbing in Mimo, a new office building in Mölndal.

Five-year overview, key figures

SEK MILLION	2018	2019	2020	2021	2022
Net sales	19,305	20,404	21,147	21,876	26,303
Operating profit (EBIT)	1,207	1,224	1,348	1,512	1,696
Operating margin, %	6.3	6.0	6.4	6.9	6.5
EBITA	1,211	1,226	1,351	1,512	1,697
EBITA margin, % ²	6.3	6.0	6.4	6.9	6.5
Profit/loss after tax	956	884	997	1,138	1,283
Cash flow from operating activities	1,052	1,599	2,171	1,437	1,592
Order backlog	11,992	14,485	13,791	16,519	16,881
Lost time injury frequency rate (LTIFR)	11.0	10.4	8.6	8.4	6.8
Sickness absence, %	5.0	4.9	5.8	5.7	5.8
Total CO ₂ e emissions from service and company vehicles, tonnes ³	-	-	21,885	21,908	22,697
Tonnes of CO ₂ e emissions / sales in SEK million	-	-	1.03	1.00	0.86

2 The 2021 earnings include a repayment of a surplus from AGS health insurance of SEK 96 million. The adjusted EBITA margin in 2021 was 6.5 percent.

3 During 2022, we continued improving our emissions data, which led to some changes in reported emissions from 2020 and 2021. Due to a change in the calculation method, comparable figures from 2018 and 2019 are not available.

Bravida remains stable in an uncertain market

The world is being hit by one crisis after another, the climate is changing and we are all longing for normality. In all this, Bravida remains stable and can make important contributions. Despite all the challenges, 2022 was therefore a year of strong growth and record results. We are now continuing to invest for the future.

2022 has come to an end and Bravida closes the book on an eventful year. Rising inflation and interest rates, the energy crisis and war in Europe made 2022 a difficult year for many people and businesses. This of course also affected us at Bravida, as we had to deal with delivery problems, rising prices and a volatile market.

During the year, we also noticed a clear increase in demand for our services. We are an important contributor to society's climate transition and the growing interest in energy savings, new energy solutions and digitalisation has given us a boost. Service work increased as restrictions were reduced, and many customers wanted to carry out installation projects that were

› Bravida is an important contributor to society's climate transition

postponed during the pandemic. Demand was very high throughout the Nordic region and in some places we even noticed some capacity problems.

Despite the challenges in the world, we once again achieved our best year ever, with a profit of SEK 1,697 million, an EBITA margin of 6.5 percent and growth of no less than 20 percent during the year, of which 11 percent was organic. Our financial position is stable, with low debt and good cash flow. This gives us good opportunities to continue to invest in the business, pay dividends to our shareholders and grow through acquisitions.

On page 86, CFO Åsa Neving provides more information about the past year. I thought I would reflect more on where we have come from, where we are going and how we are building the Bravida of the future.

Bravida then and now

Bravida celebrated its 100th anniversary in 2022. Personally, I am celebrating 25 years at Bravida and marvel at how we have developed just during my time here. When I started in 1998, we were a pure installation company with sales of SEK 6.4 billion. Over the years, project management, service operations and end-to-end processes have become increasingly important in our business, and more technology areas have been integrated.

Today we have sales of SEK 26 billion and 13,000 dedicated and skilled employees. With our broad offering, we take a holistic approach to the technology in our customers' properties – covering everything from design, installation and handover to operation, maintenance and also renovation.

A new Bravida is emerging

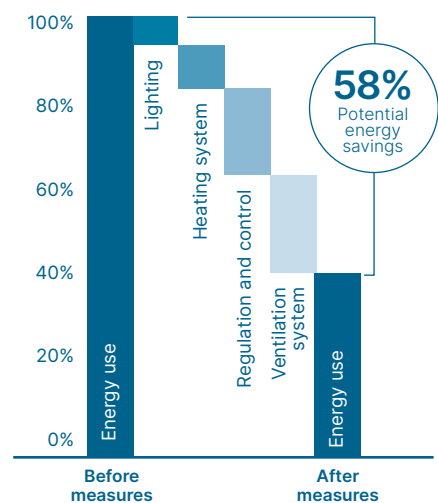
But that is not all. A new Bravida is starting to emerge. While remaining expert tradespeople, we are also offering our customers increasingly advanced technological solutions. It is important that these two go hand in hand in the future.

A secure, stable and scalable IT platform with modern systems for CRM, project management and customer platforms forms the foundation for this (see page 38 for more information). Advanced 3D modelling and BIM technology increase efficiency and improve the collaboration in our cus-

tomers projects – initially in the very largest projects, but in the future in all projects (see page 26 for more information). With 'prop-tech' – automation and artificial intelligence – we make our customers' properties smarter – and therefore more energy-efficient (see page 25 for more information). With remote service and fossil-free transport, we work to reduce the climate impact of our own deliverables (see pages 25 and 47 for more information). Our new purchasing system will lay the foundation for the emissions calculations that will be required by our customers in the future (see page 66 for more information).

We are now building a company that

Bravida helps customers reduce resource usage in buildings



Energy use in percent. Four effective measures for reducing energy use in a building. Compilation from Adnan Ploskic, KTH/Bravida.



Mattias Johansson
CEO and Group President Bravida

pushes the development towards a fossil-free society, while at the same time taking trade skills to the next level. What is emerging is a comprehensive partner that supports customers in their efforts to future-proof properties, facilities and infrastructure.

Dedicated employees are essential

Committed employees who want to develop are a prerequisite for making our journey into the future. Going forwards, we will need even more dedicated trade professionals, as well as more digital experts, engineers and developers. For Bravida, the focus is on people. Investing in gender equality and diversity broadens our recruitment base. Every leader must be able to lead both the business operations and the

employees. In short, we are committed to creating the best employee experience in the industry, whoever you are.

So, let's do another one hundred years

I am incredibly proud of my colleagues and the journey we are making together with our customers. We have already come a long way, but of course we want to continue to improve. As always, we are continuing to build on our common platform, by investing and working hard to stay at the forefront of developments.

We can do this because Bravida has been doing well for a long time. We essentially have the same business concept we have always had, and our feet are planted firmly on the ground.

We help our customers build sustainable buildings. In our decentralised business model, each branch is responsible for its own results, with the margin always taking precedence over volume. That's how we have created our stable and profitable business, and that's how we will continue, while at the same time taking our business model into the future.

Now we are together building the Bravida that will continue for another one hundred years, and hopefully longer.

Mattias Johansson
CEO and Group President
Stockholm, March 2023

Targets and outcomes

Target	Description	Outcome for 2022																									
EBITA margin																											
> 7%	Bravida's target is to achieve an EBITA margin exceeding 7 percent, including the dilutive effect of acquisitions.	6.5% Over the past five years Bravida has delivered a stable EBITA margin.	<table border="1"> <caption>EBITA margin (%)</caption> <thead> <tr> <th>Year</th> <th>EBITA margin (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>~4.5</td> <td>7</td> </tr> <tr> <td>2019</td> <td>~4.5</td> <td>7</td> </tr> <tr> <td>2020</td> <td>~5.5</td> <td>7</td> </tr> <tr> <td>2021</td> <td>6.5</td> <td>7</td> </tr> <tr> <td>2022</td> <td>6.5</td> <td>7</td> </tr> </tbody> </table>	Year	EBITA margin (%)	Target (%)	2018	~4.5	7	2019	~4.5	7	2020	~5.5	7	2021	6.5	7	2022	6.5	7						
Year	EBITA margin (%)	Target (%)																									
2018	~4.5	7																									
2019	~4.5	7																									
2020	~5.5	7																									
2021	6.5	7																									
2022	6.5	7																									
Sales growth																											
> 5% per year	Bravida's target is to increase sales by more than 5 percent per year.	20% Sales have increased by an average of 9 percent per year over the past 5 years.	<table border="1"> <caption>Sales Growth</caption> <thead> <tr> <th>Year</th> <th>Net sales (SEK million)</th> <th>Growth (%)</th> <th>Organic growth (%)</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>~15000</td> <td>~10</td> <td>~5</td> </tr> <tr> <td>2019</td> <td>~17000</td> <td>~12</td> <td>~5</td> </tr> <tr> <td>2020</td> <td>~18000</td> <td>~10</td> <td>~5</td> </tr> <tr> <td>2021</td> <td>~19000</td> <td>~10</td> <td>~5</td> </tr> <tr> <td>2022</td> <td>~25000</td> <td>20</td> <td>~5</td> </tr> </tbody> </table>	Year	Net sales (SEK million)	Growth (%)	Organic growth (%)	2018	~15000	~10	~5	2019	~17000	~12	~5	2020	~18000	~10	~5	2021	~19000	~10	~5	2022	~25000	20	~5
Year	Net sales (SEK million)	Growth (%)	Organic growth (%)																								
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2021	~19000	~10	~5																								
2022	~25000	20	~5																								
Cash conversion																											
> 100%	Cash conversion, 12 months. Cash flow from operating activities adjusted for tax payments, net financial income/expense and investments in machinery and equipment in relation to EBITDA.	87% Average cash conversion over the past five years has been 104 percent.	<table border="1"> <caption>Cash conversion (%)</caption> <thead> <tr> <th>Year</th> <th>Cash conversion (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>~100</td> <td>100</td> </tr> <tr> <td>2019</td> <td>~100</td> <td>100</td> </tr> <tr> <td>2020</td> <td>~120</td> <td>100</td> </tr> <tr> <td>2021</td> <td>~80</td> <td>100</td> </tr> <tr> <td>2022</td> <td>87</td> <td>100</td> </tr> </tbody> </table>	Year	Cash conversion (%)	Target (%)	2018	~100	100	2019	~100	100	2020	~120	100	2021	~80	100	2022	87	100						
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2018	~100	100																									
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2020	~120	100																									
2021	~80	100																									
2022	87	100																									
Net debt/EBITDA																											
< 2.5x net debt/EBITDA	Bravida's capital structure should enable a high degree of financial flexibility and provide scope for acquisitions. The company's target is a net debt/equity ratio of below < 2.5x net debt/EBITDA.	0.6x Bravida has reduced its debt/ equity ratio in recent years.	<table border="1"> <caption>Net debt/EBITDA (%)</caption> <thead> <tr> <th>Year</th> <th>Net debt/EBITDA (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>~1.0</td> <td>2.5</td> </tr> <tr> <td>2019</td> <td>~1.2</td> <td>2.5</td> </tr> <tr> <td>2020</td> <td>~0.8</td> <td>2.5</td> </tr> <tr> <td>2021</td> <td>~0.7</td> <td>2.5</td> </tr> <tr> <td>2022</td> <td>0.6</td> <td>2.5</td> </tr> </tbody> </table>	Year	Net debt/EBITDA (%)	Target (%)	2018	~1.0	2.5	2019	~1.2	2.5	2020	~0.8	2.5	2021	~0.7	2.5	2022	0.6	2.5						
Year	Net debt/EBITDA (%)	Target (%)																									
2018	~1.0	2.5																									
2019	~1.2	2.5																									
2020	~0.8	2.5																									
2021	~0.7	2.5																									
2022	0.6	2.5																									
Dividend																											
> 50%	Bravida's target is to pay out more than 50 percent of the Group's consolidated net earnings while also taking account of other factors such as financial position, cash flow and growth opportunities.	52% Proposed dividend of SEK 3.25 per share corresponds to a total of SEK 662 million.	<table border="1"> <caption>Dividend</caption> <thead> <tr> <th>Year</th> <th>Earnings per share (SEK)</th> <th>Dividend per share (SEK)</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>~4.5</td> <td>~1.5</td> </tr> <tr> <td>2019</td> <td>~4.0</td> <td>~1.5</td> </tr> <tr> <td>2020</td> <td>~4.5</td> <td>~1.5</td> </tr> <tr> <td>2021</td> <td>~5.5</td> <td>~2.5</td> </tr> <tr> <td>2022</td> <td>~5.5</td> <td>3.25</td> </tr> </tbody> </table>	Year	Earnings per share (SEK)	Dividend per share (SEK)	2018	~4.5	~1.5	2019	~4.0	~1.5	2020	~4.5	~1.5	2021	~5.5	~2.5	2022	~5.5	3.25						
Year	Earnings per share (SEK)	Dividend per share (SEK)																									
2018	~4.5	~1.5																									
2019	~4.0	~1.5																									
2020	~4.5	~1.5																									
2021	~5.5	~2.5																									
2022	~5.5	3.25																									

1 The 2021 earnings include a one-off repayment of a surplus from AGS health insurance of SEK 96 million. The adjusted EBITA margin in 2021 was 6.5 percent.

Target Description Outcome for 2022

NPS – Net Promoter Score

>50	NPS, Net Promoter Score, which measures customer satisfaction. The target is to have an NPS above 50.	NPS (Net Promoter Score) indicates the extent to which our customers would recommend Bravida to others. The NPS scale goes from -100 to +100.	58	The results are based on questionnaires from 939 local meetings with priority customers in 2022.
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CO₂e emissions

-30%	Change in Bravida's CO ₂ e- emissions by 2025, compared to the 2020 level ² .	At present, the outcome only refers to scope 1 carbon dioxide emissions, direct emissions from vehicles. Data for scope 2 emissions are not complete as it is currently difficult to determine the consumption of district heating in rented premises. More information about carbon emissions is available on pages 60-67.	+3.7%	The increase is due to Bravida's increased sales due to acquisitions. Long delivery times mean that the share of electric cars is still too low to significantly affect the outcome.
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Year	Tonnes CO ₂ e	Net sales SEK million
2020	~18,000	~1.00
2021	~18,000	~0.75
2022	~20,000	~0.50

Lost time injury frequency rate, LTIFR

<5.5	LTIFR, Lost Time Injury Frequency Rate: the number of injuries that lead to at least one day of sickness absence per million working hours.	Bravida's vision is to eliminate occupational injuries entirely. The aim is to achieve a LTIFR of less than 5.5 by 2023.	6.8	<table border="1"> <caption>LTIFR</caption> <thead> <tr> <th>Year</th> <th>LTIFR</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>10.5</td> </tr> <tr> <td>2019</td> <td>9.5</td> </tr> <tr> <td>2020</td> <td>7.5</td> </tr> <tr> <td>2021</td> <td>7.5</td> </tr> <tr> <td>2022</td> <td>6.8</td> </tr> </tbody> </table>	Year	LTIFR	2018	10.5	2019	9.5	2020	7.5	2021	7.5	2022	6.8
Year	LTIFR															
2018	10.5															
2019	9.5															
2020	7.5															
2021	7.5															
2022	6.8															

eNPS – employee Net Promoter Score

>20	eNPS – Employee Net Promoter Score. The aim is to achieve an eNPS of >20 by 2023.	eNPS (Employee Net Promoter Score) indicates the extent to which our employees would recommend Bravida as an employer to others. The eNPS scale ranges from -100 to +100. The industry average for the benchmark sector Building and Construction is 6 ³ .	9	Our employee survey is conducted every two years, most recently in 2023.
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Year	eNPS
2019	6
2020	6
2021	6
2022	9

Percentage of evaluated suppliers

100%	The target for 2023 is that 100% of Bravida's major suppliers will be verified and accept our Supplier Code of Conduct. Bravida ensures this through assessment.	With verification, we endeavour to ensure that our suppliers meet the requirements of our Code of Conduct. Major suppliers include all contract suppliers and suppliers with a volume above SEK 3 million.	53%	Based on mailings conducted in 2021.
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2 Refers to scope 1 greenhouse gas emissions (direct emissions from our vehicles) and scope 2 emissions (indirect emissions from purchased energy related to our offices and premises).
 3 According to the survey company Brilliant, which conducts the survey on behalf of Bravida.

Customer offering

Bravida provides climate-smart technical solutions for buildings and facilities of all sizes. We help customers create well-functioning environments in which people thrive and can live sustainably.



Katarina, Remote Technician,
Bravida Sweden

A good property makes a difference – that’s why Bravida exists

Well-functioning and energy-efficient buildings are high on our customers' wish lists. Bravida's comprehensive solutions ensure buildings and facilities work optimally in the short term and long term. We make a difference – for our customers, for society and for the climate.

Buildings are incorporating more and more technical features. In addition to the basics – electricity, heating, plumbing, cooling, ventilation, lighting, sprinklers, security and locks – there is also increasing demand for digital and sustainable solutions such as automation, energy optimisation, solar energy

and electric vehicle charging solutions. With Bravida, customers have a partner who takes responsibility for all the technical functions throughout the property's entire life cycle – from design and installation to operation, maintenance and renovation. In this way, we create the conditions for

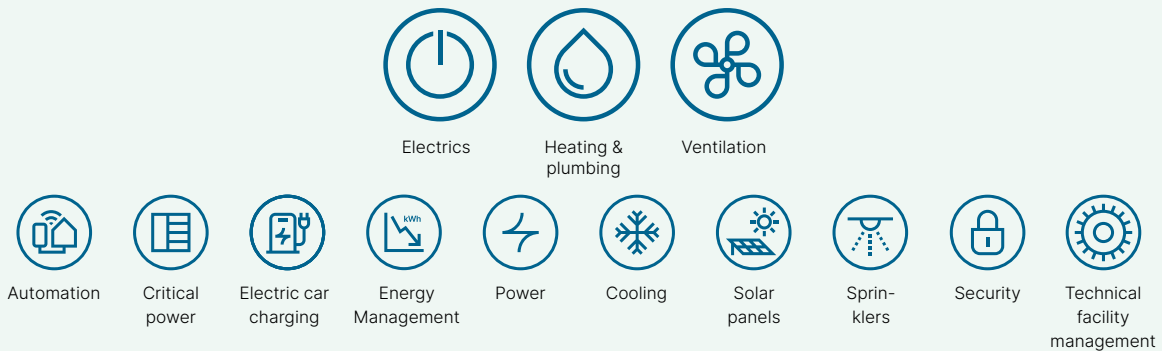
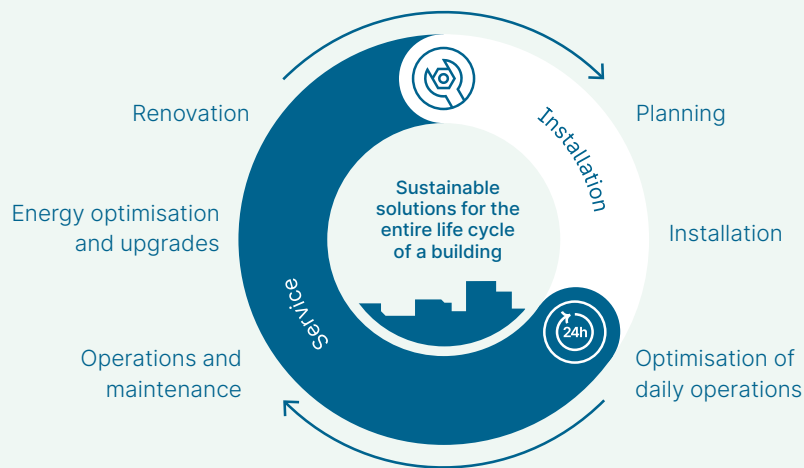
customers to coordinate, optimise, save and streamline – not least in the field of energy. With comprehensive service and installation solutions, we help our customers create well-functioning buildings in which people feel at home and can live sustainably.

Viktoria, Safety Technician,
Bravida Sweden



Comprehensive technical solutions for buildings and facilities

Bravida helps customers create climate-smart technical solutions for buildings and facilities of all sizes. We ensure the technology functions cohesively throughout the life cycle of a property.



Electrics Bravida's electricians help with all types of electrical installations and service in buildings, facilities and infrastructure.

Heating & plumbing Installation and service of all types of solutions for heating and plumbing – including heating and cooling, sanitation, tap water, mechanical rooms, gas, and industrial piping.

HVAC Installation and service of all types of HVAC solutions, such as air treatment, process ventilation and control and monitoring. We also help with calibration and mandatory ventilation checks.

Automation With automation, we connect technology systems and make it possible to automate and control them remotely.

Fire safety and security Consulting, project services and maintenance services relating to fire safety and security, such as fire alarms, intrusion alarms, access systems and CCTV.

Critical power Uninterrupted power supply for critical activities.

Electric vehicle charging Bravida Charge is Bravida's comprehensive solution for the installation, support and administration of charging boxes for electric vehicle charging.

Energy management Data on building performance and use is collected, structured and analysed. We identify the most effective measures to increase energy efficiency and reduce climate impact, implement these and then continuously monitor them.

Electrical power Electrical engineering services for the distribution of electricity from the power source to the grid.

Cooling Design, installation and servicing of all types of cooling systems – HFC, CO2, propane and ammonia.

Solar panels Installation of solar panels on commercial and private properties.

Sprinklers Everything relating to sprinkler systems: planning, design and documentation, remodelling and expansion, and regular maintenance.

Technical facility management For large corporate customers, Bravida can take on overall responsibility for the operation of buildings and facilities, with an emphasis on technical services.

Electrics, heating & plumbing, and HVAC lay the foundation

All buildings need functions such as light and heat, water and ventilation. 90 percent of Bravida's sales comes from installation and service activities relating to electrical work, heating and ventilation. But our offering is more diverse than that. We also help customers with all types of building technology.



Energy-efficient and safe solutions for electricity

More and more of our customers want help minimising their electricity consumption. Bravida creates electrical solutions that are cost effective, reliable and energy efficient.

We install electrical solutions in both existing properties and new-builds.

Old or faulty electrical installations are a major fire risk, and can also lead to significant costs in the form of high electricity consumption or power cuts. With regular servicing of electrical installations, such unpleasant surprises can be avoided. Bravida checks distribution boards, load distribution, electrical points and wiring, and reviews electrical standards in properties. We review energy consumption and suggest possible savings. The savings can be considerable once we calibrate, fine-tune and get everything working efficiently.



Resource efficient heating and plumbing solutions

How much water and energy is wasted every year? Every day, Bravida encounters dripping taps, uninsulated hot water pipes and old systems that consume unnecessarily much energy and water.

Bravida offers all types of service within heating and plumbing, and also provides repairs when required. Where possible, we reduce water and energy use, for example by adjusting heating systems, switching to new energy-efficient pumps and changing thermostats.

Bravida also offers all types of heating and plumbing installations, including heating and cooling, sanitation, tap water, mechanical rooms, gas, skilled welding and industrial piping. We work with mechanical rooms for heating and cooling systems and can help regardless of whether the heat source is district heating, geothermal heating or fossil fuels. We also have extensive experience of working with gas.





HVAC systems that improve the indoor climate

Fresh air indoors is inexpensive and quickly reaps benefits. We perform better, are more efficient and feel more comfortable.

Bravida installs all types of HVAC solutions, such as air treatment, process ventilation, control and monitoring, as well as calibration and compulsory ventilation checks (OVK). We have also developed customised HVAC solutions for buildings such as assisted living facilities/housing, hospitals, sports and shopping centres, and high-tech industries.

HVAC systems need to be serviced, cleaned and checked regularly to avoid becoming inefficient users of energy. Bravida takes care of HVAC systems in all types of properties and facilities. Even just with simple means, we can often improve the ventilation and save energy at the same time. In addition, we keep track of all the installations in a property and what maintenance is needed.



Wide range of building technology

Bravida offers a wide range of services relating to building technology. Electrical systems, heating and plumbing, and HVAC form an important foundation, but many of our customers' properties and facilities also need many more installations to function properly.

For example, security solutions in a shopping centre, fire safety systems at a school or cooling for a server hall. We also have expertise in high-voltage engineering and offer services throughout the electricity grid. In recent years, the demand for solar panels, electric vehicle charging stations and geothermal heating has increased significantly among our customers.



Refurbishment of facilities resulted in significant energy savings

To carry out major installation work at the property, DTU Nanolabs enlisted the help of Bravida. By implementing a series of special measures, the customer could achieve annual energy savings of 122,000 kWh, which is about the same amount of energy as is required to heat seven detached homes for a year.

DTU Nanolabs is part of the Technical University of Denmark and a national centre for research in micro and nano manufacturing. The cleanliness of both the air and the premises is crucial for production quality and the institute has advanced cleanroom facilities of about 1,350 square metres.

Great potential for energy savings

The air in the facility is exchanged 100 times an hour, via 291 fan filter units. At the start of the project, many of the units were up to 18 years old and needed replacing. This would result in energy savings and less noise being emitted by the units. At the same time,

600 light fittings were to be replaced while the cleanroom was in operation. Bravida was assigned the task of carrying out the extensive installation work for DTU Nanolabs.

“Bravida’s documented experience of similar assignments, combined with a competitive price, were decisive in the choice of installer for the project,” says Leif Johansen, Operations Manager at DTU Nanolabs.

High demands regarding hygiene and flexibility

The assignment involved high demands regarding both hygiene and flexibility during the work. Bravida first

established a mock-up and tested the workflows, among other things. In parallel, noise, filtration levels and particles could be measured to prepare for the upcoming installation.

The assignment also included a series of measures to ensure hygiene. Bravida carried out the work in special protective suits and shoes. All the equipment for the installation, such as fan filter units and fixtures, had to be unpacked in the clean room facilities. This was followed by thorough on-site cleaning to meet the hygiene requirements.

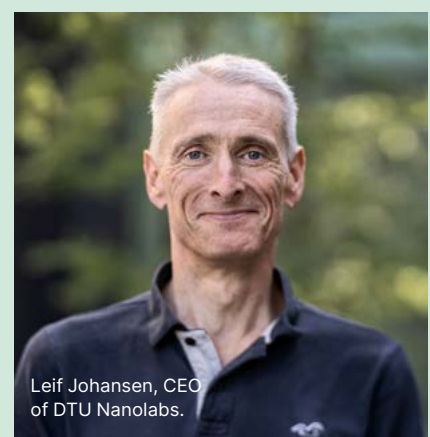
A more energy efficient facility

Bravida fulfilled the objectives of the project and delivered a refurbished facility that generates high energy savings and less noise, and which allows easier maintenance work in the future.

“We expect annual energy savings of 122,000 kWh, less noise pollution for our users and easier filter changes in the future as a result of the project,” concludes Leif Johansen.



High hygiene requirements
Bravida’s technicians work in special protective suits and shoes to ensure the hygiene of the premises.



Leif Johansen, CEO
of DTU Nanolabs.

Bravida performs installation work for Karlatornet

The tallest skyscraper in the Nordic region is now being built in Gothenburg – a complex building with 73 floors. Bravida is responsible for all the installation work in the project.

A new city district is taking shape on Hisingen in Gothenburg. When Karlastaden is complete, it will feature new housing mixed with offices, shops, schools and restaurants – a vibrant neighbourhood full of life.

Complex project in a skyscraper

The district will be characterised by Karlatornet, a skyscraper which, at 245 metres high and with 73 floors, will be the tallest building in the Nordic region. The skyscraper is currently under construction and Bravida has overall responsibility for all the installation work, ranging from electrical connections, plumbing and sprinklers to HVAC, the heating sub-central, power, security, automation and much more. Johanna Hammarfjord, Project Manager at Bravida, explains:

“Together with Serneke, we are building 611 apartments in Karlatornet. In each apartment, we aim to create a comfortable indoor climate without too much energy being consumed. This requires quite a lot from the technology. Among other things, we are building a utility hub where we can accumulate district heating and even out peaks throughout Karlastaden. In the utility hub, we will also install reserve power, power, cooling, heating sub-central and an overall control and

security system for the whole of the Karlastaden district.”

Coordination and logistics are the key

Karlatornet is a complex project that is being implemented at a very fast pace. Bravida alone has 120 fitters on site, both employees and subcontractors, and cooperation with other project participants has to work smoothly.

Johanna Hammarfjord continues:

“Building a skyscraper is very complex compared to an ordinary house. Stability and solidity are top priorities. In a building this high, with a lot of floors, the installations must take up very little space. Right from the very start, the building has been modelled in 3D, down to the smallest detail.”

“The biggest challenge in the project is getting everyone pulling in the same direction, and making the logistics work. We use the digital tool Dalux, which is based on BIM (Building Information Technology) and facilitates planning, logistics and collaboration in the project. So far we are on schedule and the cooperation is going very well.”

Contractor with overall responsibility generates certainty

Alexander Zimmerman, a contracting engineer at Serneke, is also pleased with the cooperation.

“The advantage of having Bravida as the installation contractor in the Karlatornet project is that we get a partner that takes holistic responsibility for all the aspects of installation. This makes it easier for us at Serneke. We only need to discuss matters with one party and that gives us real peace of mind.”



A strategic partner in customer transformations

The world around us is changing rapidly and many customers have new needs relating to the climate transition, energy, reporting and digitalisation. To help customers navigate and accelerate their transition, Bravida is strengthening its end-to-end offering in three key areas.

Bravida's customers face a number of changes as they head into the future. A new energy landscape, increased sustainability requirements and stricter reporting requirements are affecting many companies – both operationally and financially. Sustainability aspects and energy performance are already both crucial to the profitability of properties. Going forward, developments will accelerate further as the EU tightens its climate and energy legislation.

Customers want to future-proof their properties

In recent years, Bravida has seen strong growth in demand from customers who want to future-proof their properties and facilities. There is a great need to upgrade and renovate, reduce energy use and CO2 emissions, and switch to renewable energy. These

issues are high on customer agendas, while at the same time more and more property owners want a long-term, end-to-end partner for all their technology.

New division brings a holistic approach to property technology

To meet the increasing demand, Bravida has formed the new Growth Segments division, which brings together the areas of Automation, Energy Management and Technical Facility Management. With this initiative, Bravida is consolidating its offering and taking it to the next level. Magnus Hamerslag, head of the new division, explains:

“One of Bravida's most important tasks, from both a sustainability perspective and a business perspective, is to be able to constantly offer our customers cutting-edge solutions. Our new division will help give customers a

holistic view of the functioning and performance of their properties. The aim is to increase the value and net operating income of properties and reduce their climate impact, while providing end users with a better overall experience with regard to their properties.”

“Bravida is a holistic partner that helps them implement such a move. We offer the strategic support and competence required at the analysis and planning stage. We help our customers choose the right course of action, at the right time. At the same time, we have the expertise needed to implement the measures in practice.”

“Our strength is that we can combine several services to create a good overall package. Digital solutions enable energy optimisation and preventive maintenance, as key elements in helping customers achieve their goals.”



Magnus Hamerslag
Head of Division
Growth Segments

Good growth prospects for the coming years

Magnus Hamerslag says that Bravida predicts strong growth in these areas in the coming years, which creates great opportunities for both customers and Bravida.

“Our new division will provide added impetus to this development. At the same time, we are creating an efficient organisation for new customer offerings, including management, specialist knowledge and a sales organisation. Local branches will work closely with customers to implement the measures. We are proud to bring this end-to-end offering to the market,” concludes Magnus Hamerslag.

Three future areas that strengthen the customer offering



Automation – when the property itself takes responsibility

Automation and proptech form the foundation for the smart buildings of the future. The technology involves the building's technical subsystems being integrated and working together. The running of the systems is optimised using logical rules or artificial intelligence. This creates synergies that reduce energy consumption and optimise the net operating income. In other words, a comfortable indoor environment is created at the lowest possible operating cost.

With automation, we also digitalise the property so that it can be controlled remotely. Any malfunctions are dealt with remotely if possible. If physical intervention is needed, the fault is analysed before our local service organisation is involved, so that we can send technicians with the right competence.



Technical Facility Management – a holistic approach to property management

A modern building or facility has many installations that need to function without interruption. The temperature should be comfortable, the air fresh and the lighting good and energy efficient.

For large customers, Bravida can take on overall responsibility for the technical functions in and operating of properties and facilities. We ensure that all systems interact optimally and thus use as little energy as possible, and that the property does not experience any disruptions in terms of its running. The Technical Facility Management service makes it easy and convenient for customers to manage their tasks – whether their business is local or nationwide.



Energy management

Many older buildings use far too much energy. In Energy Management, Bravida helps customers optimise energy and resource use, for example by improving insulation, replacing windows and upgrading building technology. For example, this could include the implementation of need-based control of ventilation, the replacement of energy-intensive components or the installation of renewable energy solutions.

To ensure we propose the right measures, we first collect and analyse data from the customer's property. Our service technicians carry out the proposed measures. We of course regularly monitor the results, maintain the solutions and implement more measures if necessary.



A reliable partner in large and complex projects

Leading competence in project management, BIM design with experienced experts and a proven way of working. This is how Bravida's Project Management Office (PMO) ensures the safe and secure execution of the largest and most complex projects.

Major infrastructure projects, large factories and data centres for international operators. These are examples of completed projects with particularly high standards regarding delivery, project implementation and predictability.

Specialised competence for complex billion kronor projects

Bravida has longstanding experience of running billion-kronor projects. The Södra länken road tunnel, Facebook's data centres in Luleå and the E4 Stockholm Bypass are examples of such projects. Mika Sundholm, head of Project Management Office, explains:

"We have developed a methodology, processes and an organisation with leading competence in this area. These are very large and complex multidisciplinary projects, often with a large number of subcontractors that complement Bravida's deliverables, and they usually extend over a number of years, and have subsequent service contracts."

"We work in close cooperation with the customers throughout the entire process, from design, planning and risk management to implementation, startup, handover and maintenance. The experience with our way of working and in the organisation allows us to take responsibility for the entire project, with the technical installation work forming the core activities, on behalf of our customers. This gives customers stability and a sense of certainty throughout the process."

Digital models take centre stage

To make the work as efficient as possible, both internally and in collaboration with other stakeholders, Bravida has invested heavily in developing advanced BIM (Building Information Modelling) models.

"Our developers have designed a 5D model based on the latest BIM developments. The model integrates the design in BIM's 3D models, which digitally describe the different parts of the project, with Bravida's purchasing, logistics, finance and scheduling systems, which add additional dimensions to the design and monitoring of the project."

"This enables us to run projects efficiently and securely together with our customers, while ensuring good cooperation with our partners and other stakeholders," explains Mika Sundholm.

Unique offering in the Nordic countries

Few operators in the Nordic region have the resources and experience to participate in multi-billion kronor procurements. Large, international companies in the industry often compete to acquire such projects.

"Bravida is probably the only installation company in the Nordic region that is qualified to participate in this type of procurement. We have a strong experiencebase, continuously develop our way of working and our organisation, and are good at what we do. This puts us well ahead of our competitors," concludes Mika Sundholm.



Mika Sundholm, head of Bravida's Project Management Office

Bravida performs installation work for the E4 Stockholm Bypass

Trafikverket (the Swedish Transport Administration) is building a new section of the E4 motorway west of Stockholm, the E4 Stockholm Bypass. Bravida is responsible for two of the five installation contracts on the section of road, which is expected to open to traffic in 2030.

The E4 Stockholm Bypass is an important piece of the puzzle in creating an accessible Stockholm region. The new route taken by the E4 will link northern and southern Stockholm and allow people and goods to take new, more convenient routes. The bypass will be 21 kilometres long and located down to a depth of 70 metres, with 18 kilometres of it being in tunnels.

Construction of the E4 Stockholm Bypass began in 2015, under the authority of the Swedish Transport Administration, and it is scheduled to open to traffic in 2030. In the project, Bravida is responsible for all the installation work for the electricity supply, lighting, heating and plumbing, as well as water supply and fixed extinguishing systems. The con-

tract has a value of approximately SEK 2,750 million.

Design in 5D

The design work started in 2019, and production will begin in 2023. The design work has been carried out using the BIM (Building Information Modeling) method, in which all the data about the installations is brought together in a single model.

“The 5D model is used by all the project managers and designers and is continuously updated with information from fitters and supervisors. All the installed systems and appliances will be tested on an ongoing basis before being put into operation, both on site in the tunnels and in a special test facility,” says Mika Sundholm.

Planned start of production in 2023

Bravida has now completed the test phase and is currently in the detailed design phase. The 50-strong project team is modelling the equipment for the installation work that will be carried out on site. This is the last step before the production phase.

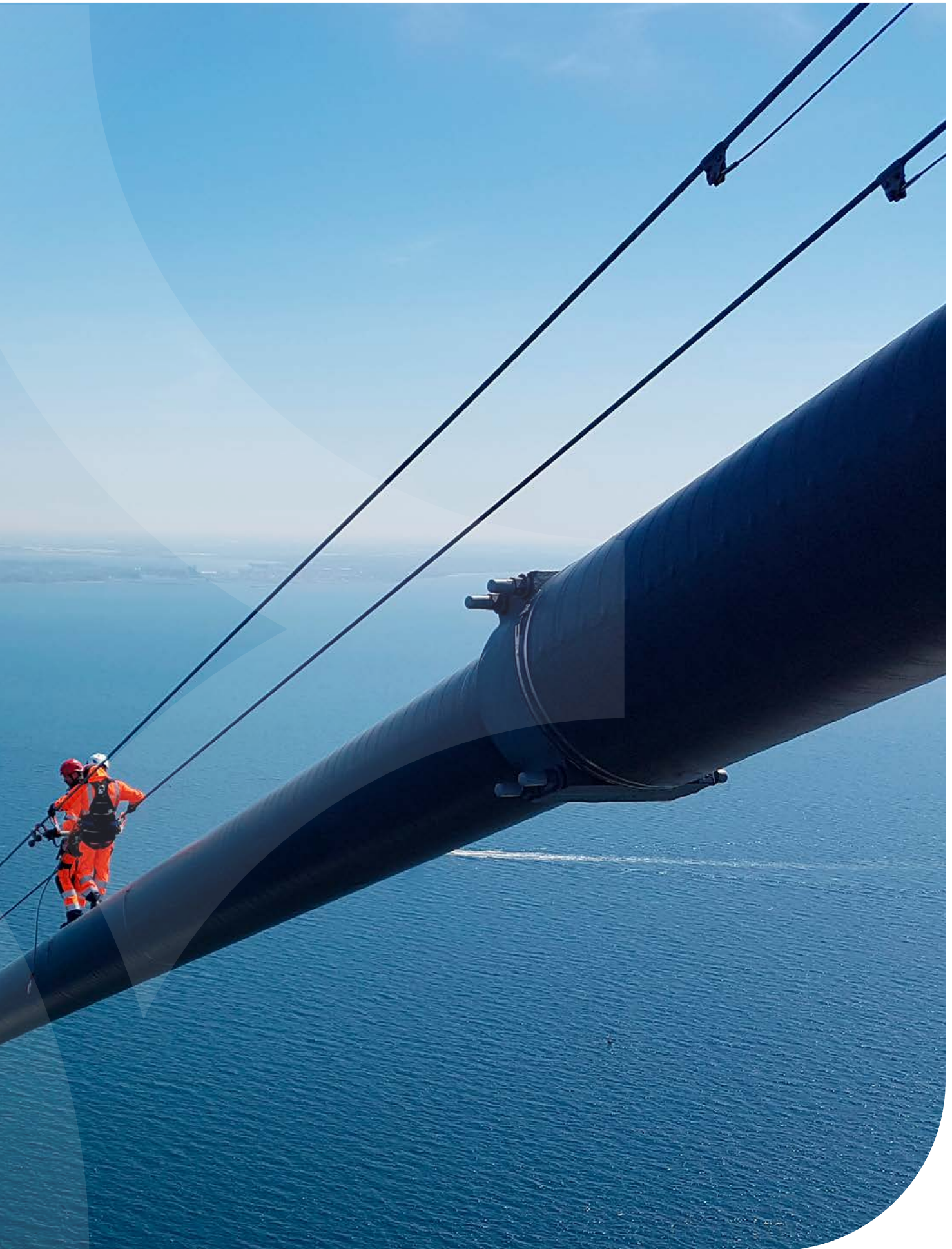
“The start of construction is scheduled for 2023. At its peak, the project will involve around 200 fitters from different Bravida branches. After almost four years of designing, planning and testing, we are really looking forward to getting started with the work,” concludes Mika Sundholm.



Strategy

Bravida is on an important journey and our business activities are changing over time. We are developing the next generation of customer offering and working hard to adapt our own business operations to the new conditions in the world. The Bravida Way lays the foundation, our leaders create the required conditions and our employees make it happen.





Vision, strategy and business model

Bravida is a company that is rapidly changing. We are helping create the properties of the future, while also adapting to a new world ourselves. The business rests on a solid foundation, with the Bravida Way ensuring long-term and profitable growth.

Bravida is on an important journey

Properties account for a large part of the world's emissions, and with our customer offering we have the opportunity to lead the way to a more sustainable society. At the same time, we want to grow in a way that is both profitable for Bravida and sustainable for our employees, our customers, the world around us and future generations. For us, sustainability is more than just a word. It should be at the heart of everything we do, both for our customers and in our own business operations.

To achieve our vision, Bravida is focusing on and making investments in four key strategic areas: the best customer offering, the best team, efficient delivery and sustainable operations. Achieving this requires the commitment of the entire organisation, from the Group management down to each individual fitter and technician.

The Bravida Way – our business model

The foundation for achieving success is our decentralised business model, the Bravida Way: Each local branch specialises in a particular area of expertise, but the customers are common to all the branches. We work together as ONE company, with the same culture, working methods and tools at all branches. Together, we create the best customer offering on the market. Our leaders create the required conditions and our employees make it happen in practice.

Branches that act in accordance with the Bravida Way almost always have well-functioning and profitable operations and an environment in which employees thrive. Only then can branches focus on growth – organically or via acquisitions. This is how we lay the foundations for growth that is both profitable and sustainable.

Mission

We offer technical end-to-end solutions over the life of a property, from consulting and project design to installation and service.

We are a large company with local presence throughout the Nordic region. We meet customers on site and take long-term responsibility for our work.

Our employees are our most important asset. Through our shared values, work methods and tools, we work together to establish a sustainable and profitable business for ourselves and our customers.

Vision

Bravida helps customers develop the full potential of their properties. With service and installation, we bring buildings to life – and lead the way towards a sustainable and resilient society.



Our strategies

Best customer offering

By creating well-functioning and resource-efficient properties, we help our customers make the transition to a more sustainable society. We continually strive to strengthen and refine our customer offering. In addition, every employee works every day to create the best customer experience on the market.

The best team

As a service company, Bravida is dependent on having employees who are proactive, keep their promises, take responsibility for their work and care about their customers. That's why we're a business with a focus on people. We invest in our employees and our leadership. By working to ensure

and promote equality and diversity, we become a stronger company.

Efficient delivery – margin before volume

At Bravida, we are professionals who do a professional job. We work efficiently, are cost-conscious and make sure to keep good order, at our workplaces and in our assignments. We always apply our shared work methods and purchase appropriately. We only accept projects and assignments with a healthy margin.

Sustainable business operations

With our services, we contribute to a more sustainable use of resources. At the same time we are also adapting our own operations: we are reducing our

climate footprint, we create a team in which everyone feels safe, and is happy and thrives, and we set high ethical standards for ourselves and our suppliers.

Long-term and profitable growth

Bravida's objective is to be the largest or second-largest market participant in the locations in which we choose to operate. When a branch is profitable and has the fundamentals in place, we focus on growth by developing what we offer, improving sales or recruiting. We also grow via acquisitions, both bolt-on acquisitions in locations where we already have a presence and strategic acquisitions to establish ourselves in new markets or new technology areas.

Our branches work every day in accordance with our business model, the Bravida Way, and our strategies. This is how we lay the foundations for growth that is both profitable and long-term in its nature.



The Bravida Way

Bravida – a company with a focus on people

Bravida is a service provider and therefore depends on having committed, motivated and competent employees for its business operations. Our rapid development and growth makes skills supply a key issue for the future.

In 2022, Bravida experienced a strong increase in organic growth. At the same time, we are building our customer offering of the future, with a focus on sustainability, digitalisation and comprehensive solutions.

The best workplace in the industry

It is the employees who develop the customer offering and proactively seek out customers, and it is they who create effective delivery. Having access to skilled employees is of key importance for our journey into the future. As well as skilled tradespeople and engineers, we need ever more competence in advanced technical solutions.

Our goal is to be the best employer in the industry

To enable Bravida to grow and develop as we want it to, we must be the best

employer in the market – a workplace that attracts the very best, and at which every employee wants to stay and develop.

We want to offer the best employee experience in the industry. That's why we focus on continuously improving our leadership, our values and our efforts regarding diversity and inclusion. At the same time, we work in a structured way to build an even stronger common culture and create the best team in the industry. That's how we attract and retain the right competence. More information about this is available on page 71.

Strategic work to ensure skills supply

As Bravida develops, the supply of skills becomes a crucial factor. Our new Growth Segments division brings together some of our key growth

areas: Technical Facility Management, Energy Management and Automation. With this gathering of forces, we want to further accelerate our development, while also attracting more of the competence we need. More information about Growth Segments is available on page 24.

The best employer in the industry

Bravida wants to be the best employer in the industry. We offer a safe and inclusive workplace in which employees and teams can grow to their full potential. We create great results – together.

Our values

Bravida's values sum up our culture and our value base. They define how we at Bravida should conduct ourselves and what we need to prioritise to ensure that, together, we create the company we want to have.

Care about the business

Keep it simple

Take responsibility

Be proactive



A company with a focus on integrated leadership

Leadership has always been an important issue at Bravida. As we evolve, leadership and the employee experience become even more important. We usually talk about the three key elements of our integrated leadership: fundamental leadership, leading the business and leading the people.

A fundamental element of leadership at Bravida is that every leader should be a role model and work actively with our values, our work environment and our Code of Conduct. With this as a basis, leaders should manage the business and the people in an integrated way.

Without the employees, the customer offering cannot be delivered. We have a strong drive about what to do, but also a good dialogue about how to do it. Inspiration, employee experience and the knowledge that everyone is welcome at Bravida to grow together.

Our integrated leadership model is a simple tool for enabling our leaders, or those aspiring to a leadership role, to reach their full potential. The best leader is not the one who is perfect, but the one who is constantly growing.

Integrated leadership: Lead the business – lead the people

Every leader at Bravida must be a role model for his or her employees, and be right at the forefront regarding managing both the business and the people.



Acquisitions are an important part of our strategy

Acquisitions are one of the fundamental elements of Bravida’s growth strategy. The acquisitions strengthen our overall offering and our local presence – and enable acquired companies to become even better together with Bravida.

One of Bravida's financial targets is to grow profitably by more than five percent per year through acquisitions and organic growth.

In locations where we want to grow, acquisitions are often the quickest way to become the strongest local provider, increase sales and expand the customer offering. For example, the acquisition may add new technology, new competence, or a service business.

Bravida's acquisition strategy is long-term in its nature. That's why we want to integrate acquired companies and make them part of Bravida.

Two types of acquisition

Bravida distinguishes between two types of acquisitions:

- Bolt-on acquisitions of smaller companies with strong local roots. Bolt-on acquisitions are always made by our businesses locally with the support of Bravida’s central acquisitions team.
- Strategic acquisitions, which are larger and cover a new geographical area or a new area of technical expertise. The latter type of acquisition develops our overall offering and competence in areas of technical expertise that are close to Bravida’s core competences, such as building automation, technical facility management and renewable energy solutions.

Events in 2022

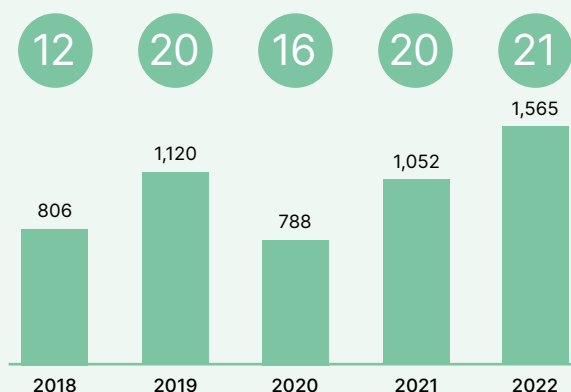
The acquisition activity during 2022 was high, with the highest acquired sales so far for Bravida. A total of 21 (20) acquisitions were made during the year, with annual sales of SEK 1,565 (1,052) million. The number of potential acquisition candidates on the Nordic market is still assessed to be large.



Strong history of acquisitions

Over the past five years, Bravida has made 89 acquisitions, which have increased annual sales by SEK 5,331 million.

Number of acquisitions



Annual sales acquired companies, SEK million

Acquisition multiplier (before synergies): 5-6 x EBITA



Alexandra and Arash from Bravida's acquisition team

Bravida's acquisition process

Bravida's acquisition team continuously works to identify and contact potential acquisition candidates. When mutual interest arises, the acquisition is carried out and then fully integrated into Bravida. The acquisition team supports the work on the basis of a well-developed and structured model.



“The security of scale”

IEAB (Installationsentreprenören AB) was acquired by Bravida in 2021. Today, the Malmö-based company is an integral part of the Group. Here is the story of IEAB's move to Bravida.



Hamid Karimi,
founder of IEAB and now
branch manager at Bravida.

IEAB was founded by Hamid Karimi and the now retired Jonny Andersson in 2013. The Malmö-based HVAC company, which was started in Hamid Karimi's old apartment, had a vision to provide HVAC solutions with a focus on both energy efficiency and cost efficiency. Over the course of just a few years, IEAB grew to become a major provider in the Malmö area, with around 20 employees.

– “We hadn't planned to grow, it just happened. We worked hard and were very good at what we did. But when a company grows profitably, so do its needs. We needed HR expertise, better project purchase prices and a larger-scale monitoring of the industry sector to keep us competitive,” says Hamid Karimi.

A natural decision

In 2021, when the company had sales of approx. SEK 75 million He quickly got a sense of confidence in Bravida, which he also chose to continue the process with.

– “We were immediately impressed by the company's ambitious goals and vision. Bravida's well-developed acquisition process made us feel well taken care of and safe. We were given a timeline and process that was easy to keep to during the acquisition period,” says Hamid Karimi.

The integration process exceeded expectations

The news that the company had been acquired by Bravida was viewed positively by the company's staff. The integration process that would make

Installationsentreprenören AB part of Bravida then began.

– “A dedicated team worked hard to bring us into the group. It had a structured process for introducing us to all the systems and working methods used within Bravida. It was a challenging process but also really interesting in terms of developing our knowledge,” says Hamid Karimi.

A lot of advantages with being bigger

Hamid Karimi says that the transition to Bravida has facilitated the daily work in the business and created a sense of certainty for both him and the staff.

– “We have a lot of support behind us, and through Bravida we have access to legal assistance, purchasing support and very competitive purchase prices. In addition, we are better placed than many smaller providers in the industry in these difficult times.”

The company's ethos remains very much alive

Hamid Karimi, who is now the branch manager, remains pleased about the decision to sell and is optimistic about the future.

– “I am very happy that our company ethos is still there. A while has now passed since the sale and we have completed many of the projects we had with us when we merged. I really think we have surpassed our expectations and feel that Bravida has great confidence in us. And the feeling is mutual!”

Becoming part of Bravida

At Bravida, companies have the opportunity to become part of a larger context, with shared resources and many new opportunities for the employees. In addition, many of the businesses we have acquired increase their profitability following integration into Bravida.

Acquisitions can bring great benefits, for both the company being acquired and Bravida. To realise the benefits, Bravida puts great emphasis on embracing and fully integrating the companies we acquire in a good way.

Integration is a process

For integration to be successful, it is crucial that the employees of the acquired company feel welcome in Bravida from the very first moment. The first step after the transaction is therefore to provide employees with detailed information about the acquisition and what will happen next. It is also important that their local manager

is present and available to answer questions and address any concerns.

The integration is then carried out as a process over a number of months. Gradually, the acquired company gains access to Bravida's shared resources – our common brand, a common purchasing system, Bravida's environmental and sustainability work and other administrative and support resources such as accounting, HR, legal, IT and communications. We also attach great importance to the staff getting good training in Bravida's work system and working methods. After a few months, the company is a fully integrated part of Bravida.

Great benefits for both parties

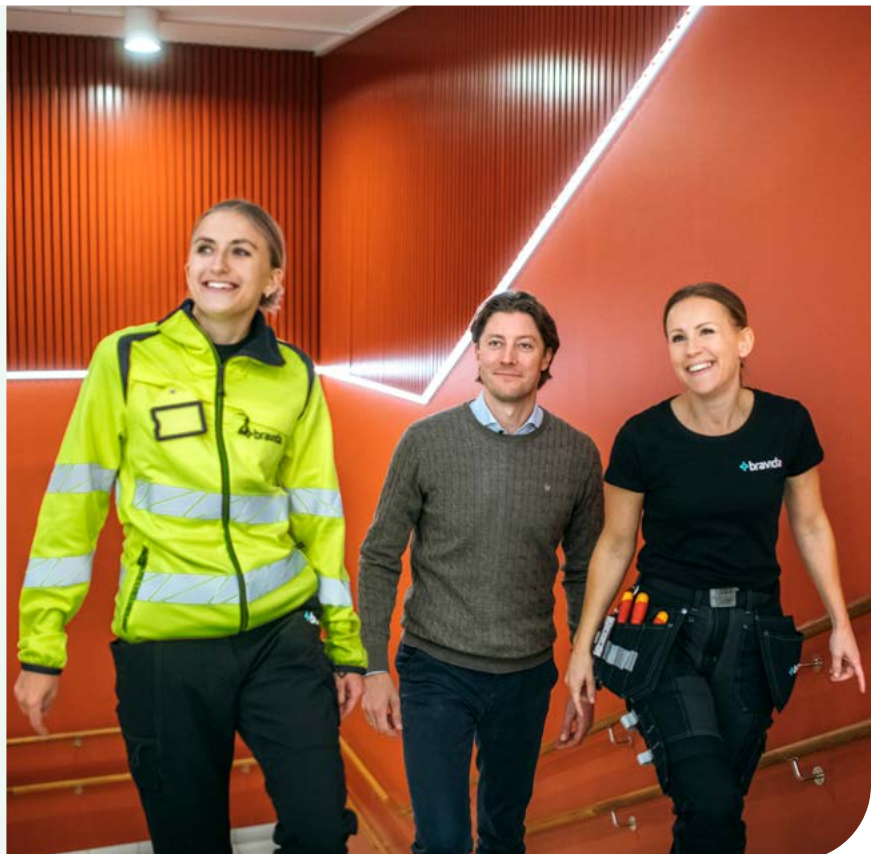
Successful integration brings benefits to all parties. For Bravida, a successful acquisition results in, for example, a higher profile and a stronger local market position. The acquired businesses also often increase their profitability by using Bravida's Group-wide resources and purchasing system. Many new doors are opened for employees, not least through the Bravida School's training programmes and opportunities for new challenges and career paths.

Is your company a good fit with Bravida?

Bravida is always looking for companies that have a long, stable history and a corporate culture that is a good fit with Bravida. The business must be stable and profitable, and have a good reputation in the local market.

In addition, the company shall contribute one of the following to Bravida:

- Enhanced local offering – the acquisition makes Bravida a local market leader in a particular technology area.
- Complementary technical offering – the acquisition results in Bravida expanding its technical offering.
- Geographical expansion – Bravida establishes itself through acquisitions in new locations.



Digitalisation – a strategic enabler

The pace of technological development is accelerating and the demands of both customers and employees continue to grow. Emil Dahlin, CIO, talks about Bravida's digital strategy, which is a crucial piece of the puzzle in our journey to the future.

Nordic markets are in the midst of a digital shift. As digitalisation continues, the needs of our customers, our employees and the world around us are changing. Emil Dahlin, CIO at Bravida, explains how Bravida addresses these needs:

– Bravida has an aggressive business plan. Together, we help customers prepare for the demands of the future, and digitalisation is an important enabler in this regard. I see a future in which the majority of buildings and facilities are controlled completely automatically. Automation enables us to monitor the energy performance of buildings in detail and continuously optimise their running and use of resources. In the future, we will also do a large part of our service work remotely. To make this a reality, we are currently working to improve our own IT infrastructure.

A secure, stable and scalable IT platform

As a first step, Bravida's goal is to achieve a Group-wide, business-oriented and consolidated IT environment. In other words, the Group is creating a modern, stable and scalable platform that makes it easier for branches to work together. At the same time, it will be easier for both customers and suppliers to communicate with Bravida, which will be crucial for our work with both energy optimisation and technical facility management.

– By strengthening the digital structure, we also create the conditions for inclusion and participation – and for building Bravida's common culture. This is extremely important, not least with regard to quickly integrating our newly acquired businesses, says Emil Dahlin.

Important progress in 2022

During the year, Bravida made great progress in its digitalisation journey. An important step was the modernisation of the IT infrastructure. This has been moved to a cloud-based system structure that is secure and scalable.

– “Our entire integration environment is now in the cloud. This makes it easier to build mobile applications and integrations so that all the systems can communicate with each other properly. The cloud solution also allows us to increase or decrease IT capacity as needed, for example in the case of new acquisitions or new customers,” explains Emil Dahlin.

Developments are rapid. A number of key projects are already being implemented – including new systems for project management, customer relations and sales support, procurement and technical facility manage-

ment. Bravida has also strengthened its systematic work with information security, based on ISO 27000.

Digitalisation opens up new opportunities for the business

Bravida's intensive digitalisation work will continue in 2023 and 2024 and then become continuous development. This means that investment costs will remain high for another period and then level off.

– Just a few years ago, Bravida's was lagging behind in terms of technical development, and many processes were manual and analogue. We are now developing a modern, stable and secure IT platform, with a strengthened digital organisation in all aspects – working methods, business involvement, development, support, training and information security.

– The digitalisation will also open up new opportunities for the business. The digitalisation efforts are laying the

“The digitalisation efforts are laying the foundation for the Bravida of the future.”

foundation for the Bravida of the future. “We will increasingly be able to support customers' sustainability efforts through automation, data-driven decisions and energy optimisation of properties. Integrated operation and remote service will be important parts of the offering.

– We are a large company with many local branches. But the customers are common to all of us, and that has to be facilitated by our systems,” concludes Emil Dahlin.



Emil Dahlin
CIO and Head of Business Technology

Bravida's digital strategy

Enabling mobility and cooperation

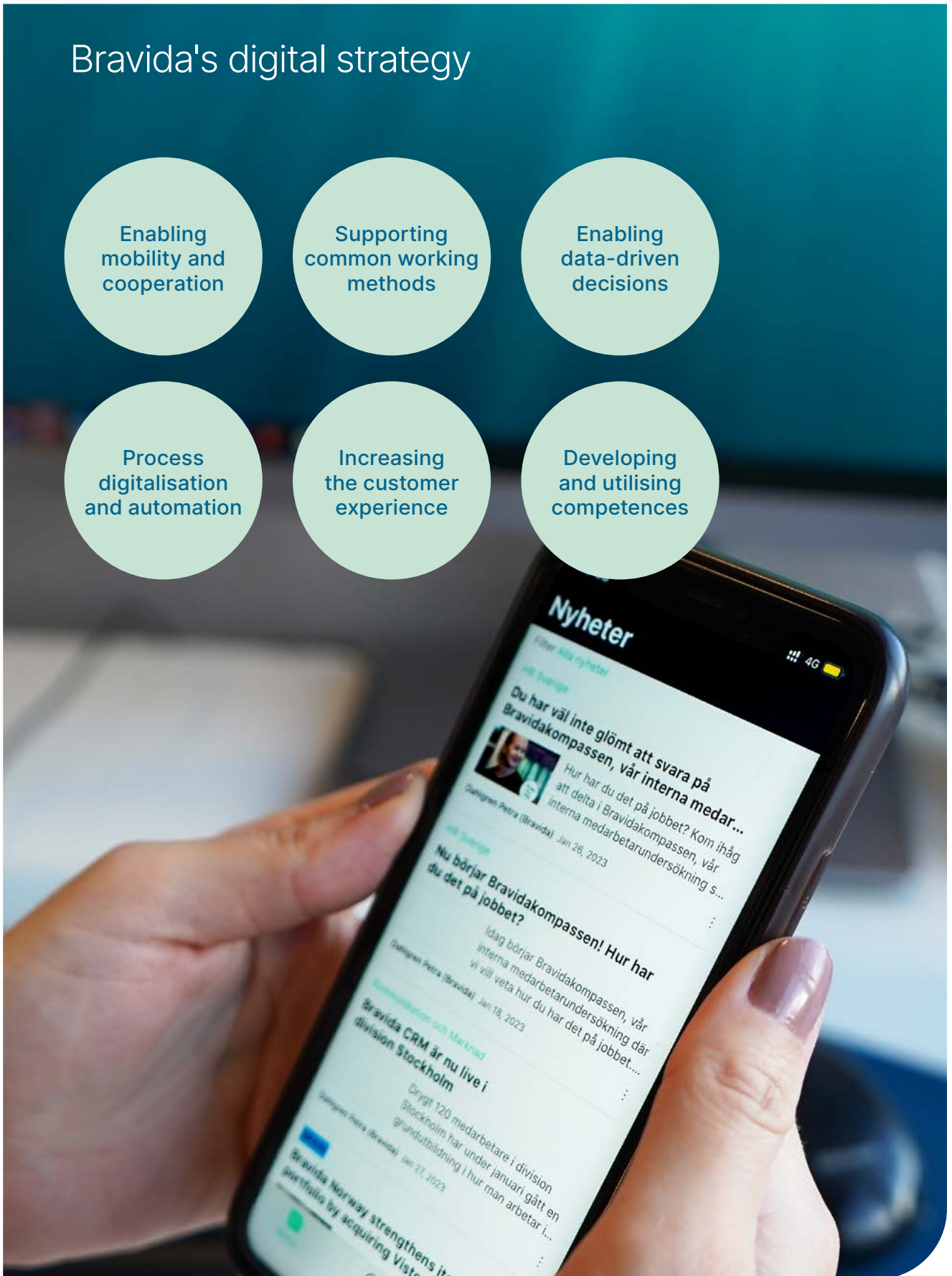
Supporting common working methods

Enabling data-driven decisions

Process digitalisation and automation

Increasing the customer experience

Developing and utilising competences



The market

2022 brought major changes in the world around us. In this new situation, more and more people need help saving energy, keeping their costs down and complying with stricter legal requirements. The future looks bright for the service and installation sector.





The market shift is creating significant opportunities

Increasing sustainability requirements and higher energy prices are making energy-efficient building technologies increasingly important. That generates major possibilities for the service and installation industries.

An eventful year has come to an end. We have seen war in Europe, soaring electricity prices, high inflation and rising interest rates. Climate awareness continues to increase and the world is demanding more and more sustainability. Many companies, authorities and organisations need to save energy, keep their costs down and comply with stricter legal requirements regarding

both new and older buildings. At the same time, banks and investors are making increasing demands regarding the energy performance and sustainability of buildings in order to agree to provide financing.

New conditions – new opportunities
The new conditions increase the need for energy-efficient solutions, which is

resulting in great opportunities for the service and installation industry. The idea of creating a well-functioning end-to-end package of building technology is attracting ever more interest. Technology is evolving rapidly and digitalisation offers new opportunities to help customers reduce their use of resources.



Trends in the Bravida market

Increasing sustainability requirements for buildings

More stringent sustainability requirements are now being imposed on properties from several directions. From a regulatory perspective, the EU Green Investment Taxonomy has a direct impact on property owners, as all properties are now classified from a sustainability perspective. This means that a large proportion of the properties in the Nordic region will need to be renovated and upgraded in the future. At the same time, many banks are gradually increasing their sustainability

requirements, and often offer lower interest rates for financing 'green' properties. There is also a higher demand for sustainable solutions among tenants. 'Green leases', on the basis of which property owners and tenants work together to achieve sustainable solutions, are becoming more common.

Against this background, we are seeing an increasing requirement for solutions that make energy use more efficient and reduce climate-impacting

emissions from all types of properties and facilities, for new construction and renovations. To reduce carbon emissions, more and more customers are installing renewable energy solutions, such as solar panels, geothermal heating and electric vehicle charging infrastructure. Many people also want to improve the energy performance of their properties, for example by using energy-efficient and automated installation solutions and having regular technical service carried out.

Increased demand for end-to-end solutions

Many companies that manage a large number of properties recognise the benefits of having a holistic, end-to-end partner for their property portfolio or construction project. This increases the possibilities of creating holistic solutions that are both energy-efficient and long-lasting. Ever more customers are now interested in buying everything from one partner – consulting, design, coordination and subsequent service – across all technology areas.

To meet this demand, many major market participants are offering holistic solutions such as building automation, technical facility management and energy optimisation. In this way, smart and energy-efficient properties can be created that function as a whole and can be digitally controlled. It also gives property owners and tenants better control over their electricity, heating and water consumption.

Technology developments and digitalisation are expanding possibilities for managing properties

As technology develops rapidly, Bravida is seeing greater demand for consulting, installation and service within advanced technical solutions.

The production process

Digitalisation improves the work process in the installation projects that are carried out, as well as the collaboration between customers, end clients and suppliers. And new tools create opportunities for better and more efficient

management and tracking of progress. One example is the use of 5D building information modelling in large and complex projects, which enables real-time monitoring and provides a detailed overview of the entire production process.

Automatic control in properties

Automation and the Internet of Things (IoT) are increasingly allowing properties' technical functions to be con-

trolled automatically. For instance, lighting, heating and ventilation can be adjusted using sensor-based technology. This allows service companies to monitor the functioning of a property and remotely optimise the energy efficiency of installations.

The service and installation markets in the Nordics

Bravida is active in the Nordic service and installation markets. Most of the competition comes from local providers, while the four largest companies account for about 25 percent of the market.

Bravida operates in the Nordic service and installation market for properties and infrastructure. Bravida's core market¹, service and installations in properties, is valued at SEK 292 billion². The market consists of three parts, new construction, renovation and maintenance. Bravida is the market leader in the Nordic region, with a market share of nine percent.

Areas of technical expertise

The market is dominated by the technical fields of electricity, HVAC, heating and plumbing. Other areas of technical expertise include sprinklers, cooling and security. In recent years, areas

such as automation, energy optimisation and technical facility management have also grown in importance.

Types of facility

There are technical installations in all types of properties, facilities and infrastructure – ranging from residential housing to factories and large infrastructure projects. The market therefore encompasses a wide range of functions in society.

Competition

The market is local and is characterised by small and medium-sized projects carried out by local providers

within a limited geographical area. Bravida's business operations are therefore decentralized to around 180 locations in the Nordic region, where we offer end-to-end solutions to our customers via 325 branches. Bravida and a few other providers can offer installation for large, complex new builds and service across wide geographical areas.

Four major Nordic providers, Bravida, Caverion, Assemblin and Instalco, account for about 25 percent of the total core market. The rest of the competition comes from around 25,000 small and medium-sized enterprises.

Market participants

Lots of small local companies and a few large operators

The Nordic service and installation markets are fragmented and consist of numerous small companies specialising in a single technical area and a number of larger operators with broader offerings.

Local companies

In local markets we mainly compete with local companies:

- Just a few employees
- Privately owned
- Geographically limited offering
- Often only one area of technical expertise

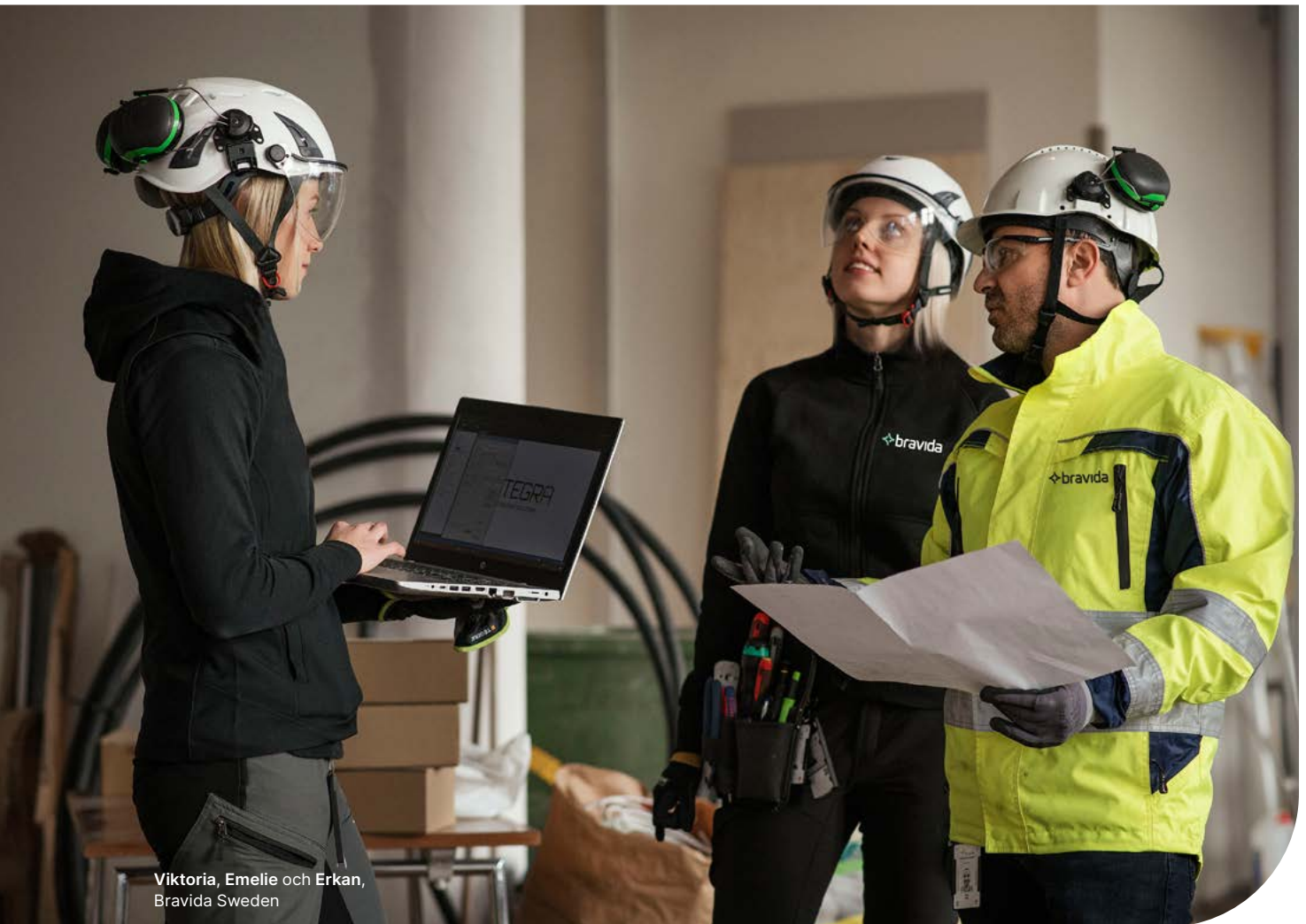
Large operators

Large companies compete for major contracts:

- National or international
- Multiple areas of technical expertise, end-to-end solutions
- Financial capacity
- Economies of scale

¹ In this report, we describe sales figures in the installation market for house construction in terms of the project market (which includes installation, new construction, renovation, redesign and extension) and an accurate estimate of the service and maintenance market. In addition to installation for house building, there are also sales to industry and to the construction sector, which are not specified in this document.

² Source: Prognoscentret



Viktoria, Emelie och Erkan, Bravida Sweden

Bravida's market share in the Nordic region

9%

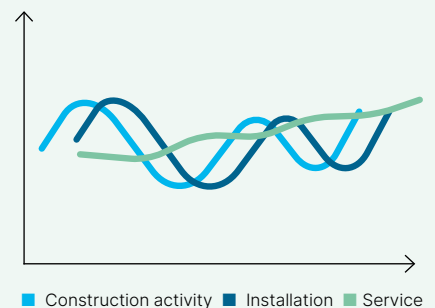
Bravida's core market, sales 2022

SEK 292 billion

Service is needed regardless of the current economic climate

The installation market follows the fluctuations of the local construction industry in each location and country, with a certain time lag.

Cost increases and rising interest rates are having a dampening effect on the construction and installation market. Service and maintenance for properties are usually in demand whatever the economic situation, which creates stability in the market.



Bravida's market position

Bravida has a strong position on the Nordic market. A local presence, broad customer base, economies of scale and a high level of technical expertise allow us to compete with operators of all sizes.

Customers

Bravida has a broad customer base. In 2022, we helped around 80,000 customers. Sales to the five largest customers accounted for only 10 percent of total sales and no customer accounted for more than about 3 percent of total sales. Bravida's customers are loyal and 91 percent of customers with sales of more than SEK 5 million were also customers in 2021.

Our major customer groups are construction companies, the public sector, industrial companies and property owners.

- Construction and industrial companies are key customers for Bravida's installation business
- Public customers order both installation work and service.
- Property owners, industrial companies and professional tenants are important for the service activities.

Types of facility

Bravida has the expertise to perform service and installation in most types

of buildings, facilities and infrastructure. This also includes very large projects, such as new road tunnels, manufacturing plants and hospitals.

Types of contract

Installation assignments are run under various contractual arrangements:

- Design-and-build contract, which means having complete responsibility from design through to final delivery, usually for a fixed price.
- Construction contract, which means that the installation work is carried out in accordance with the client's drawings, usually for a fixed price.
- Collaborative project, which means that the partners in the project work together on technical solutions and design at an early stage. Invoicing is usually done on a running bill with various incentives.

For small service jobs, the price is usually based on a price list; the number of hours and materials are charged on a running bill. Large comprehensive ser-

vice assignments are usually carried out with a mix of fixed prices and a running bill. Installation projects and service contracts that run for a long time often have an indexation clause to allow adjustment for cost increases relating to wages and materials.

Events in 2022

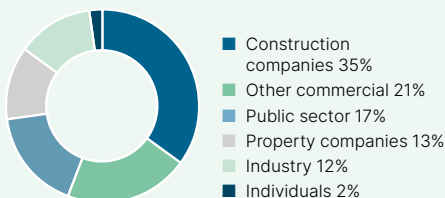
In 2022, the service and installation market in the Nordic region was generally good, despite changing conditions abroad. The service market recovered from the downturn of the COVID pandemic. During the year, the focus on energy increased among customers, while the effects of inflation became more evident, with rising prices of materials. Higher interest rates are affecting the willingness to invest in new construction, especially of housing.

More information about developments in our local markets is available on pages 48-51.

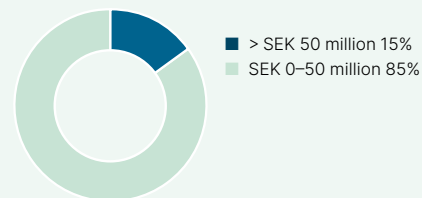
Wide and diverse customer base

80 000 customers

Customer groups



Sales by project size



Bravida GreenHub Norway reduced Fagforbundet’s energy use

Bravida GreenHub is Bravida’s concept for service with a focus on sustainability and fossil-free provision. At Fagforbundet (Norwegian Union of Municipal and General Employees) in Oslo, Bravida provides service on electric bikes, and has also helped significantly reduce the amount of electricity used for lighting in the building.

Fagforbundet, Norway’s largest trade union, owns an office building in the centre of Oslo, and conducts most of its activities there. Fagforbundet has been a customer of Bravida for the last five years, and since 2021 it has used Greenhub, Bravida’s concept for the provision of service using fossil-free transport in major Nordic cities.

Bravida GreenHub brings together all Bravida’s competences

The GreenHub offices are located in city centres and offer service within a 15-minute radius of them. Bravida’s service technicians can thus travel to customers using electric bikes, electric mopeds and on foot. This reduces both Bravida’s and its customers’ climate footprints, and means customers get help faster.

Fagforbundet’s use of electricity for lighting decreased by 75 percent

Bravida GreenHub delivers service relating to all building technology to Fagforbundet, including regarding electricity, security and low voltage, – and has a particular focus on saving energy. Sanel Hasecic, Head of Bravida GreenHub Oslo, explains:

“When we at GreenHub took over the customer contract in 2021, Fagforbundet told us that its goal was to save energy in the building. The first thing we did was to replace old fluorescent tubes with new LED lighting and install sensors that switch off the lights if nobody is in the room.”

“Overall, we helped Fagforbundet reduce its energy use for lighting by about 75 percent. In a building of this size, i.e. 8,000 square metres spread over 11 floors, this adds up to a lot of money every year.”



Sanel Hasecic, Head of Bravida GreenHub Oslo

A clear focus on sustainability

Bravida has also installed charging points in the Fagforbundet’s car park, and is available when Fagforbundet requires service in the building. Hilde Vagle, Head of Internal Services at Fagforbundet, explains:

“As a customer, we are very pleased with how well organised Bravida is, and how efficiently it carries out the work. The service technicians arrive on electric bikes, are very thorough and really make sure the job is done properly. There is also a clear focus on

sustainability. A good example is during the installation of charging points in our garage, when a 25 metre long 250 mm² cable that was already in the building was reused.”

“Overall, my experience with Bravida is very positive. The staff are friendly, attentive and professional. We will continue to use Bravida and are happy to recommend the company to others who need multidisciplinary services,” says Hilde Vagle.

Bravida Sverige

The Swedish market for service developed well during the year, with good general demand. We saw a clear increase in demand for energy-related services, including the transition to fossil-free solutions and energy storage. In metropolitan regions, there was growing interest in GreenHub services, which involve the provision of fossil-free service in city centres.



The installation business also developed well. There was particularly strong development in the areas of industry, infrastructure, security properties and collaborative projects, while residential projects declined. Rising prices in Sweden placed greater demands on pricing to customers. Supply problems caused some shortages, for example of semiconductors, which placed high demands on Bravida's project logistics.

Competition and recruitment

The competition situation in Sweden differs between different segments. In smaller projects such as housing, there is high competition, while in segments with larger projects, such as industry and infrastructure, we compete against just a few other providers. Bravida is the market leader in Sweden and its major competitors are Assemblin, Instalco and Caverion. In the Swedish market, industry participants are integrating future price increases into their pricing to differing extents, which creates some imbalance in procurement procedures.

The availability of competent staff varies across the country, but in gen-

eral Bravida's strong employer brand helps with recruitment. In some technology areas, such as automation and energy, it is more difficult to recruit staff as there is a general skills shortage in the market.

Acquisitions

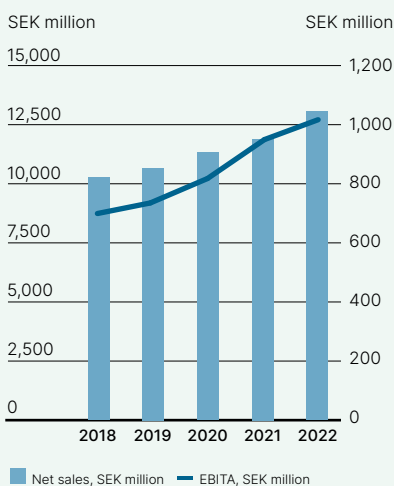
During the year, we made 11 acquisitions in Sweden, with total sales of SEK 873 million. Bravida Sweden thus broadened its business operations both geographically and in areas such as service, automation and industrial pipes.

The potential for acquisitions in the future remains high and we are looking for companies in areas such as service, energy efficiency, automation, industry and security.

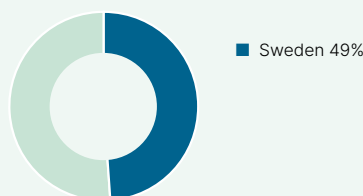
Market outlook

The sustainability trend is growing stronger in Sweden, at the same time as energy costs are increasing. In the future, we believe there is great potential for energy saving measures, digitalisation, smart controls, service and circular services and reuse.

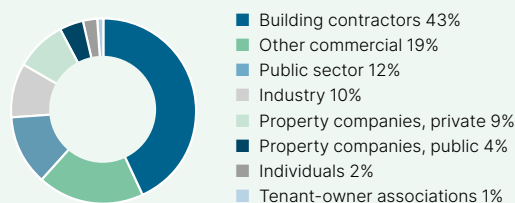
Financial performance



Percentage of Group's net sales



Customer groups



Market share

12%

Market position

#1

Bravida Norway

The Norwegian market developed positively over the past year, in both service and installation. Following a long period of pandemic and infection control measures, the demand for our services is high. High energy prices, stricter requirements for sustainable solutions and an increased level of security due to the situation in Ukraine have led to an increased demand for services relating to solar installations and other climate-friendly solutions, building automation, energy saving measures and fire and security.

Bravida Norway had high organic service growth over the past year, which is in line with the strategy. Due to previous delays in several large projects, we grew more than expected in installation.

In 2022, Bravida Norway had some capacity shortages due to sick leave in the wake of Covid-19. Price increases for materials were also significant, but these were handled using pricing and indexed contracts. The Norwegian operations have also experienced some difficulties regarding deliveries.

Competition and recruitment

Bravida is the largest provider of ser-

vice and installation services in Norway. Competition is high in most segments, especially in public sector framework agreements and simpler buildings such as residential buildings. An important trend, which is welcomed by Bravida Norway, is that the supplier criteria of customers are broadening to include more than just price.

In 2022, Bravida Norway worked actively with employer branding and recruitment, which led to an increase in staff of approximately 300 people. At the same time efforts are being made to reduce staff turnover. The training of apprentices is important for both the company and society. Bravida Norway had around 500 apprentices in 2022, which is a high number historically.

Acquisitions

During the year five acquisitions were made by Bravida Norway, adding total annual sales of SEK 172 million. The focus was on strengthening the business in areas such as property automation, service, fire safety and security. One of the acquisitions has a significant position as a supplier to the marine industry; this is an exciting seg-

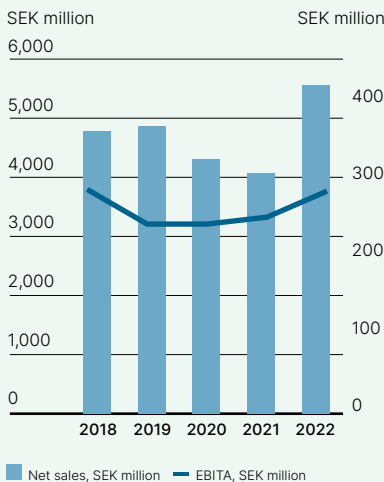


ment in which Bravida wants to increase its presence. Bravida Norway's pipeline for the future includes many companies that can strengthen the business in different specialist areas and with service.

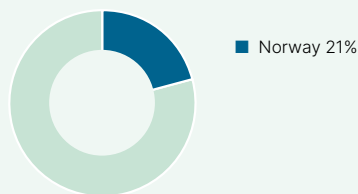
Market outlook

A slowdown in construction activity is expected in 2023, especially regarding residential buildings. Bravida Norway has relatively little exposure to this segment. A decrease in new office buildings is expected. The situation in the world offers companies like Bravida great opportunities in areas such as security, property automation and energy savings. This market will grow strongly in the coming year and Bravida is well positioned to handle the increased demand. We also anticipate an increase in the renovation of older buildings, which need to be brought up to a better standard in terms of their energy usage.

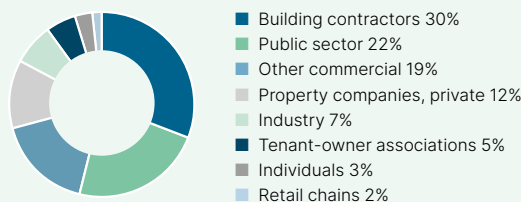
Financial performance



Percentage of Group's net sales



Customer groups



Market share

8%

Market position

#1

Bravida Danmark

Demand for service and installation was good in Denmark in 2022. However, high inflation and rising interest rates are causing hesitancy regarding new construction, for both commercial and residential projects. The demand for installation decreased, although from a high level. At the same time, there is an increasing focus on renovation. The cooperation between installation and construction companies is starting ever earlier in the construction process.

In Denmark, there is an increased focus among customers on sustainability, which has increased the demand for energy-efficient solutions, not least in the industrial segment. Activity in public infrastructure projects is high.

During the year, Bravida Denmark continued to experience delivery problems for certain types of materials, which posed challenges for installation projects.

Competition and recruitment

Like in the previous year, Bravida Denmark was the largest provider in the Danish market, with Kemp & Lauritzen as its closest competitor. In service, most of the competition was

from local, smaller service companies. Some technical facility management companies have started in-sourcing technical services.

Employment is at a record high in Denmark and activity in the construction sector remains at a high level. This makes finding employees, especially skilled workers, a major challenge. While the recent bankruptcies in the construction industry may ease the recruitment situation, there is a need for an influx of foreign labour going forwards.

Acquisitions

Four acquisitions were made in Denmark during the year, adding total sales of approximately SEK 469 million. Bravida Denmark thus broadened its business operations both geographically and in areas such as service, automation, solar panels and cooling.

There is still great potential for acquisitions in the Danish market. However, there is also an increased interest from foreign parties, such as venture capital funds, in making acquisitions in Denmark. Bravida Denmark is looking for companies in the fields of electrical solutions, heating and plumbing, and HVAC, in areas where

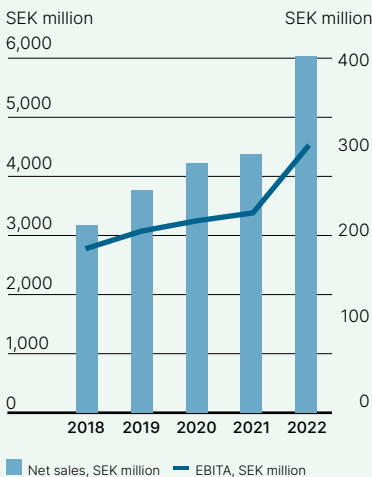


we do not yet have a large market share; companies with specialist competence in, for example, automation, fire safety and security, technical facility management, and in certain industrial segments.

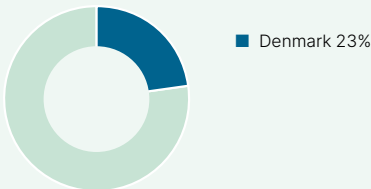
Market outlook

In Denmark, there is a historically good pipeline of projects. The expectation is therefore that the construction market in 2023 will be at the same level as in 2022 and 2021. We see a strong focus on housing renovation but a lower demand for new housing construction. Energy and climate issues provide more and more growth potential for the industry, as regulatory requirements increase. With regard to both new construction and renovations, there is a strong focus on energy consumption and the collection of energy data, material data and consumption data.

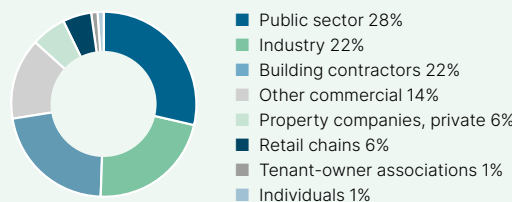
Financial performance



Percentage of Group's net sales



Customer groups



Market share

11%

Market position

#1

Bravida Finland

Overall, the Finnish market situation in 2022 was slightly better than expected. The service market was relatively active and smaller energy saving projects also increased significantly. However, major new investments and new construction projects decreased during the year, while the renovation market remained at the same level as in 2021. Demand for services relating to industrial sectors, green energy (solar panels) and energy savings was high.

The prices of materials were volatile in 2022, which meant Bravida Finland put extra focus on its procurement work. There were also some challenges with the availability and delivery time of certain components.

Competition and recruitment

The competitive situation varies geographically in Finland. However, Bravida's business operations are mostly located in areas with population growth, an active market and normal competition. The main competitor is Caverion.

In terms of recruitment, Bravida

Finland notes a certain shortage of competence in all professional areas, largely due to the fact that few young people are entering the sector. Bravida's strong employer brand is an advantage with regard to recruitment.

Acquisitions

One acquisition was made during the year, adding sales of SEK 51 million. Bravida Finland thus broadened its operations both geographically and more specifically within electrical service and industrial installations.

Going forwards, Bravida Finland is looking for companies that complement the business geographically or in areas such as service, automation, refrigeration, sprinklers, green energy and industry.

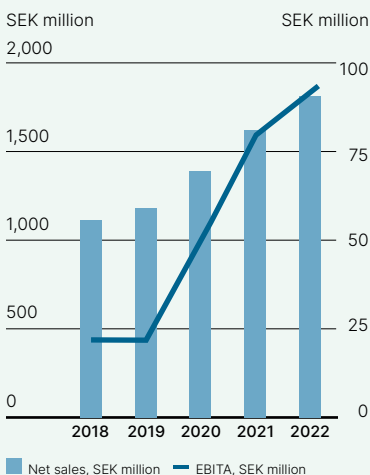
Market outlook

Sustainability and energy use are two growing trends in Finland, with these being important both from an internal perspective and from a customer offering perspective. An important opportunity for Bravida relates to energy savings in buildings. There are also more

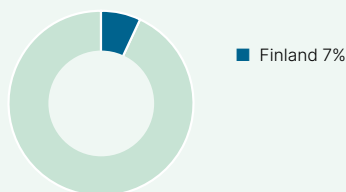


and more buildings with a lot of technology, which means that our market will grow over time.

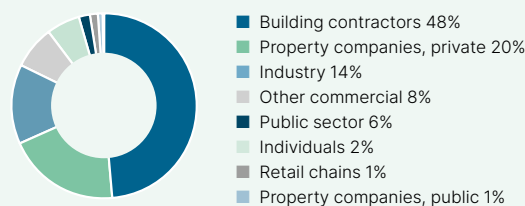
Financial performance



Percentage of Group's net sales



Customer groups



Market share

3%

Market position

#4

Sustainability at Bravida

Bravida's ambition is clear: we should be a driving force in the sustainable development of societies and contribute to the world's commitment to achieving the Paris Agreement and Agenda 2030, the UN's Global Sustainable Development Goals (SDGs). We are now increasing our efforts and investments in the area of sustainability.





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Bravida's contribution to sustainable development

Climate change is a fact and the changes in society affect us all. As a major player, Bravida makes a difference. Through our services, we contribute to the transformation of society. At the same time, we are working to make our own operations more sustainable.

Buildings account for a significant percentage of the world's climate and environmental impact, both when they are being built and when they are used. It is becoming increasingly clear that global societal development needs to be more sustainable. At the EU level, there are significant initiatives being pursued to enable a climate transition as part of the EU's renovation wave, including the CSRD (EU Directive that will define new requirements for corporate sustainability reporting from 2024) and the EU Taxonomy for classifying sustainable investments.

Bravida's customer offering is directly linked to the challenges involved in the transition. We want to contribute to the achievement of the Paris Agreement and the Sustainable Development Goals. We do this

primarily by providing solutions that contribute to energy efficiency, energy transition and resource efficiency for our customers. Our value chain also needs to shift towards reduced climate and environmental impact, while we also refine our guidelines for social responsibility and conduct.

We aim to lead the way in the industry

Bravida's sustainability work is an important part of future-proofing and developing our business. We have therefore been working intensively for several years to further improve our sustainability efforts.

We took several important steps in 2022. Among other things, we reviewed our service offering, in order to be able to help more customers achieve their sustainability goals. We

reviewed the climate risks in our own business operations and continued to concretise our roadmap for achieving climate neutrality. We also intensified our work with employee experience and leadership. In the supply chain, we tightened the requirements regarding both climate transparency and adherence to our Code of Conduct.

Bravida is committed to the principles of the UN Global Compact, and since November 2022 we also support TCFD, a framework that helps organisations identify and prevent climate-related financial risks. Since March 2023, Bravida has also committed to set near- and long-term company-wide emission reductions in line with science-based net-zero with the Science Based Targets initiative (SBTi).





Petra, Bravida Sweden, with an electric bike from GreenHub

Bravida's priority areas in sustainability

Bravida should lead the way in sustainability in our industry. Our sustainability efforts focus on three priority areas, which we have linked to the global goals where we believe we can make the biggest difference.

Climate impact, energy and use of resources

Long-term goals

Bravida is climate-neutral in the entire value chain by 2045

Goal areas

- Customer offering
- Energy use in our premises
- Vehicles
- Materials and waste



Social responsibility

Long-term goals

Bravida is a growth-oriented, inclusive and safe workplace in which employees thrive and grow

Goal areas

- Health and safety
- Diversity and employee development



Conduct

Long-term goals

Bravida should be perceived as being a credible and responsible operator, a good business partner and a market leader in business ethics. Bravida has the same requirements for its supply chain as for its own operations

Goal areas

- Conduct and governance
- Supply chain



Governance, monitoring and development of work with sustainability

Bravida aims to operate a long-term, responsible and sustainable business where economic, environmental and social aspects are well-integrated into the operations.

Governance of the sustainability work

Bravida's sustainability work is organised in accordance with a model that clarifies responsibility and governance of sustainability within the company. Bravida's Board of Directors is responsible for the company's overall strategic focus and goals. Strategies and targets for sustainability work are set by the Group management, with ultimate responsibility lying with the CEO.

The Sustainability Committee of the Group management drives the development and improvement of the company's sustainability strategy, long-term sustainability goals and sustainability-related policies.

The work of the committee follows an annual cycle in which monitoring, evaluation and adjustment of strategies, objectives and activities are linked to the decision-making processes of the Group management and

the Board of Directors. Since November 2022, the Sustainability Committee has been led by CFO Åsa Neving, who is also a member of the Group management.

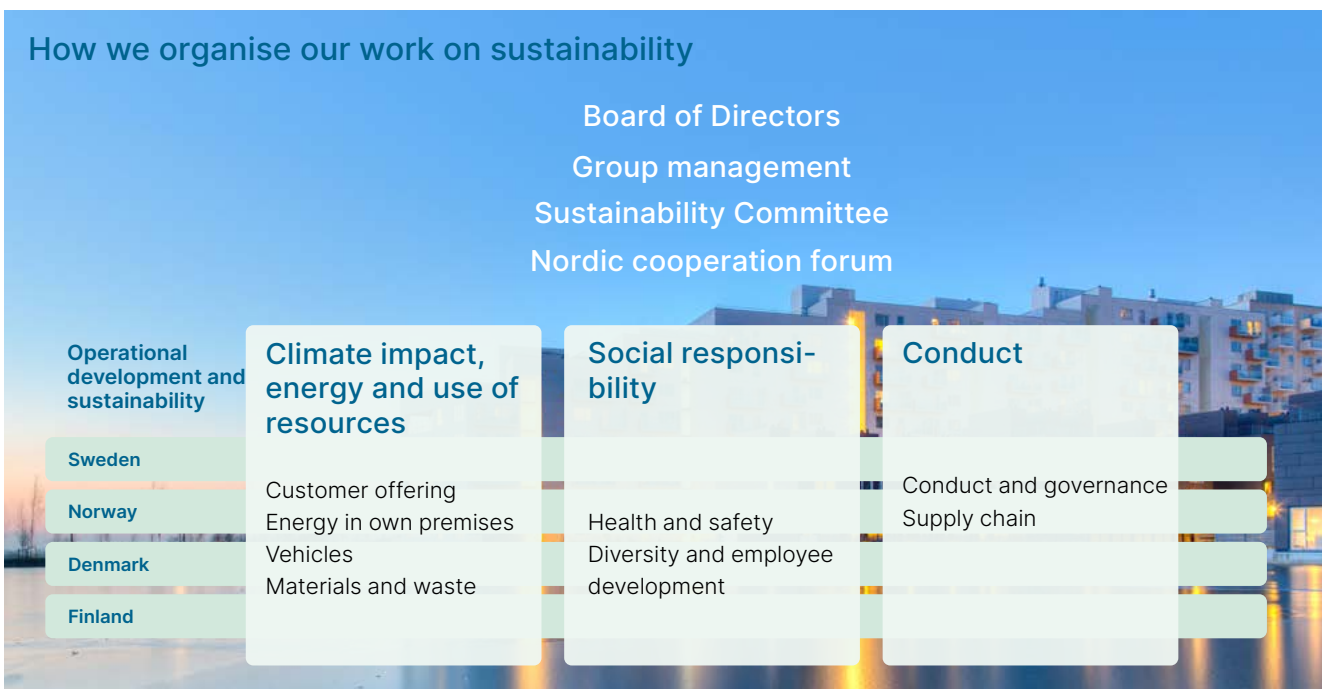
Responsibility for implementation of the sustainability strategy is divided between the managers of relevant Group functions and the managers of Bravida's operational units. The sustainability issues that Bravida has identified as being most significant relate to the company's strategies and business plan. An important aspect of Bravida's approach is our regular follow-up of the business operations, from individual cost centres up to the Group level. Follow-up takes place every quarter and includes our most important sustainability targets. The results are published in Bravida's interim reports and Annual Report.

Bravida's materiality analysis

Bravida's systematic approach to sustainability is based on stakeholder dialogue and a materiality analysis, which is used to identify and prioritise our most material sustainability issues. Environmental, economic and social aspects of sustainability are covered by the analysis.

Sustainability analysis and benchmarking against industry peers and leading sustainability players is carried out annually as a basis for adjusting and developing our strategy and targets.

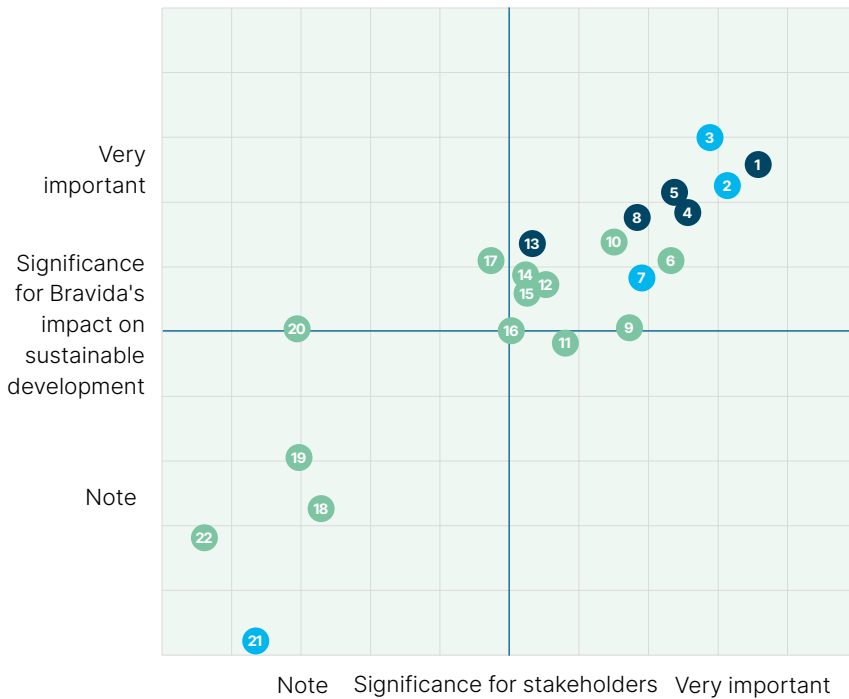
Dialogue with the company's stakeholders takes place via regular contacts and in a targeted form. Our materiality analysis process includes targeted dialogues to capture the views of one or more stakeholder groups on specific issues. The materiality analysis also forms the





Gustaf, Branch Manager, and Fredrik, HR Partner, Bravida Sweden

Materiality analysis



Environment

- 6 Bravida provides services with a low climate and environmental impact
- 9 Efficient use of resources
- 10 Reduced energy use
- 11 Reduce direct emissions from Bravida's business operations
- 12 Use of products with a low environmental impact
- 14 Use of renewable energy
- 15 Waste minimisation and recycling
- 16 Reduce indirect emissions from Bravida's business operations
- 17 Sustainability requirements in the supply chain
- 18 Adaptation to climate change
- 19 Increase and preserve biodiversity
- 20 Circular material flows
- 22 Reduce land and water use

Social

- 1 Health and safety
- 4 Human rights
- 5 Employee development
- 8 Diversity, inclusion and non-discrimination
- 13 Equality

Conduct and governance

- 2 Anti-corruption
- 3 Customer satisfaction and quality
- 7 Long-term economic return
- 21 Community involvement and social sponsorship

The graph shows how the 22 sustainability aspects are ranked in the materiality analysis. The vertical y-axis shows the responses from Bravida's top executives, who evaluate the sustainability aspects from the perspective of where Bravida can influence sustainable development the most. The horizontal x-axis shows the responses from all other stakeholders. The stakeholder groups who took part in the survey are: Employees, customers, suppliers, board of directors and investors.

basis for Bravida's analysis of key sustainability risks, see more under note H9 on page 77.

This year's materiality analysis gives rise to new actions

During autumn 2022, customers, employees, suppliers, the board and owners were asked, through surveys and interviews, to give their views on Bravida's current strategy and the sustainability aspects on which we should focus. The feedback from the stakeholder dialogue was processed with the division management teams in Bravida's countries of operation, and the results were then presented to the Sustainability Committee.

Stakeholder opinions, together with the internal prioritisation of issues from

the perspective of "Bravida's impact on sustainable development", are weighed together in a quantitative assessment of our sustainability issues. This year's results are illustrated in the graph on the previous page. This, together with the results of the interviews and the market survey, will be taken into account in future strategy work.





Based on the results, we can see Bravida's and our stakeholders' views on what is most important. Overall, health and safety, anti-corruption and customer satisfaction and quality come out on top, which is in line with last year's analysis, in which long-term financial returns, customer satisfaction and quality, and health and safety were the top priorities. Within the different stakeholder groups, the results diverge

more. For both customers and suppliers, human rights and anti-corruption are the top priorities. Investors consider customer satisfaction, quality and long-term financial returns to be the most important issues.

We comply with international principles and agreements

Bravida's Code of Conduct, policies and values provide the basis for the Group's business operations and strategies. In performing our work, we comply with the laws, requirements and regulations that apply in the countries in which we operate. The Code of Conduct and the Sustainability Policy clarify Bravida's ambitions and commitment to sustainability and how we are expected to act. Both the Code

Overview of stakeholders

Stakeholder	Engagement channels	Important issues
Customers 	Customer meetings in projects and assignments Customer satisfaction and market surveys Customer audits Questionnaires and interviews as part of materiality analysis	Work environment: health and safety Environmental and climate impact Supplier and product requirements Gender equality and diversity Working conditions, skills and development Recycling and circular material flows
Employees 	Daily check-ins Annual performance reviews Employee surveys Intranet and digital social platforms Engagement with trade unions Questionnaires and interviews as part of materiality analysis	Working conditions, skills and development Environmental and climate impact Work environment: health and safety Remuneration and benefits Gender equality and diversity Values and ethical issues
Suppliers and partners 	Supplier meetings Supplier evaluation Contract negotiations Surveys and interviews as part of materiality analysis	Anti-corruption and bribery Work environment, labour conditions and human rights Environmental and climate impact Energy efficiency
Shareholders and investors 	Financial reporting Investor meetings Capital markets days Annual General Meeting Surveys and interviews as part of materiality analysis	Long-term development and value creation Corporate governance Environmental and climate impact Work environment Anti-corruption and bribery Attract and professionally develop employees
External environment – Our industry – Society – Potential customers – Prospective employees	Traditional and social media Vocational colleges and universities Trade fairs Meetings in person – sales and recruitment Brand surveys	Installations in public-sector facilities Energy and resource efficiency Work environment Job opportunities, training, apprentices Laws and taxes Transformation potential in our customer offering and own business operations Gender equality and diversity



Patricia, Accountant,
Bravida Sweden

of Conduct and our policies follow the UN Global Compact on issues concerning human rights, working conditions, the environment and anti-corruption. To further clarify our commitment to the initiative and the SDGs, Bravida has formally committed to the principles of the UN Global Compact.

The external laws that govern Bravida's sustainability reporting are:

- Annual Accounts Act (see note H9 on page 77)
- EU Taxonomy Regulation (see note H10 on page 78)

Bravida also endeavours to comply with:

- The UN Declaration of Human Rights
- The ILO's Declaration on Fundamental Principles and Rights at Work
- The OECD's principles and standards for multinational enterprises
- The UN's guiding principles for companies and human rights (UNGP)
- The Rio Declaration on the Precautionary Approach, which

means that Bravida commits to take a preventive approach and minimise risks in environmental issues.

Additional references to laws, codes and regulations that are material to the company's governance are available in the Corporate Governance Report.

The Bravida Way and ISO certification

Bravida's Group-wide management system, The Bravida Way, is an essential part of the governance of our operations. Through The Bravida Way, we integrate quality, environmental and health and safety management into our working methods. It is used by the vast majority of branches in the countries in which we operate. Exceptions to this are newly acquired companies and subsidiaries with a focus on activities that have their own systems. The Bravida Way is certified to ISO standards on quality management and the environment in Sweden, Norway and Denmark. In Denmark, the certification also covers health and safety. Our Finnish business follows The Bravida

Way and is currently carrying out the process of certification for all three standards. See the percentage of ISO certified branches by country in note H7 on page 77.

Group-wide policies

- Bravida's Code of Conduct
- Code of Conduct for Suppliers
- Sustainability Policy
- Quality Management Policy
- Health and Safety Policy
- Personnel Policy
- Equal Rights and Opportunities Policy
- Policy against Harassment and Discriminatory

Action plans and guidelines provide further guidance on how Bravida personnel should act within the company and in relation to our stakeholders.

Climate impact, energy and use of resources

Bravida helps its customers create well-functioning properties while also reducing their climate impact. At the same time, we are transitioning our own business operations.



Bravida is a part of the transition to a sustainable society. But this requires us to look over our approach and think in new directions. Our long-term goal is to be climate-neutral throughout the entire value chain by 2045, so that our customers can be as well. This is an ambitious goal, as it requires close collaboration with actors in the entire value chain – from suppliers to end customers.

Significant environmental aspects

Bravida contributes to reduced environmental and climate impact throughout the entire value chain. To make sure we're focusing on the right things, we conduct an annual review of the parts of our business, products and services that could have an impact on the environment. From a life-cycle perspective, the most significant environmental aspects are considered to be:

- our own transport
- materials, energy efficiency opportunities and waste in our customer assignments.

The assessment is based on the fact that Bravida is a services company whose main business takes place at customer premises. Business operations are based on a large number of small offices and premises spread across the Nordic region, which in most cases are rented.

Our business operations are not subject to notification or permit requirements for environmentally hazardous activities. The direct negative environmental impact from water consumption, air pollution and use of land is therefore limited. The

environmental aspects identified as being significant are addressed by the company's environmental objectives and the management system's common working methods.

Environmental training across the Group is a further element in reducing the risk of environmental pollution and human health problems arising.

How Bravida contributes to reduced resource use in the Nordic region

It is through our customer offering that we have the greatest opportunity to make a difference for the environment and the climate. By increasing efficiency at our customers' properties, we can reduce their use of resources and climate impact.

At the same time we are also adjusting our own business operations. We are striving, for example, to make our fleet of vehicles fossil-free, planning smarter transport, reducing our energy use and switching to renewable energy in our premises. The use of materials is another key issue. By choosing the right products, minimising waste, recycling and becoming better at reusing, we can reduce the use of resources. We engage in dialogue with customers and suppliers about the environmental and climate performance requirements of products and how more circular material flows can be achieved.

Events in 2022

In 2022, we made a number of important steps on our journey towards lower climate and environmental impacts throughout our entire value chain.

- **We took our total holistic offering to the next level.** With automation, technical facility management and energy management, we help

customers reduce the use of resources in their buildings and facilities. During the year, we combined all the areas in a new division, Growth Segments, which will take our holistic offering to the next level. More information is available on pages 24-25.

- **Sustainable materials, recycling and waste management.** In 2022, we have taken several steps towards having more sustainable material choices, sustainable waste management and circularity. More information is available on page 64.
- **Bravida's climate journey.** During the year, we started work on concretising our roadmap towards achieving climate neutrality by 2045. We call the project Bravida's climate journey. More information is available on page 62.
- **The TCFD framework and climate risks.** Bravida's Group management has made an initial assessment of the impact of the climate on Bravida's business operations. We started supporting the Task Force on Climate-related Financial Disclosures (TCFD) during the year to ensure a structured process going forward. More information is available on page 65.
- **Improved data quality.** During 2022, we reviewed our data collection and calculation processes for sustainability data; this has improved our data quality regarding climate and environmental parameters.

The development of our sustainability metrics is shown in notes H1-H4 on pages 75-76.

Target	Background to target	Approach	Outcome
<p>>50</p> <p>NPS, Net Promoter Score¹, which measures customer satisfaction</p>	<p>Customer satisfaction is the ultimate measure of the quality of our deliveries. Satisfied customers often choose to return and recommend us to others.</p>	<p>Assessment meetings create closer customer relationships and a better understanding of customer needs, and provide a basis for the development of local business operations.</p>	<p>58</p> <p>Achieves the Group target, but with a decrease compared to 2021.</p>
<p>< 30%</p> <p>Percentage of pick-up orders for service</p>	<p>Emissions from our vehicles make up a significant proportion of Bravida's total CO₂e emissions in scope 1 & 2.</p>	<p>By reducing the percentage of pick-up orders, i.e. unplanned purchases made directly from a wholesaler, we also reduce the direct CO₂e emissions from vehicles.</p>	<p>40%</p> <p>Collection orders for service reduced by 2 percent compared to the previous year.</p>
<p>< 10%</p> <p>Percentage of pick-up orders for installation</p>			<p>17%</p> <p>The outcome is in line with 2021.</p>

2023

<p>100%</p> <p>Percentage of Bravida premises with contracts guaranteeing the purchase of renewable electricity.</p>	<p>In most cases, we have control over what type of electricity is used in our business operations, even if we are renting the premises.</p>	<p>Centralised renewable electricity contracts reduce the climate impact and facilitate monitoring and reporting. The transition takes time due to locally signed contracts that have fixed terms.</p>	<p>26%</p> <p>During the year, we signed contracts with energy companies for the supply of renewable electricity to our Swedish premises for 2023.</p>
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2025

<p>-30%</p> <p>By 2025, we will reduce the carbon footprint of our own business activities by 30% compared to 2020. (Scope 1 & 2)</p>	<p>Bravida has good opportunities to influence emissions in our own businesses operations in the near future.</p>	<p>The sub-target above regarding electricity and the efforts to switch our fleet of vehicles to fossil-free alternatives is the first part of the work with achieving a 30 percent reduction. The second step is to start exploring the possibility of using renewable district heating.</p>	<p>Due to long delivery times the share of electric cars is still too low to significantly affect the outcome².</p>
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2030

<p>-55%</p> <p>Through our services, we aim to help our customers cut emissions by 55 percent by 2030 compared to 2020. At the same time, we will make reduction in our own business operations.</p>	<p>Bravida's mapping shows that the largest climate emissions occur in scope 3, with materials purchased for our customer projects and our customers' energy usage being the largest indirect sources of emissions.</p>	<p>As the target relates to scopes 1, 2 and 3, emission reductions are required across our entire value chain. See selected activities that Bravida is working on to achieve the target under Bravida's climate journey on page 62 and the section "How we help our customers reduce their climate impact".</p>	<p>Bravida lacks reliable data in scope 3, why there is no outcome 2022³.</p>
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1 NPS indicates the extent to which our customers would recommend Bravida to others. This is measured via a questionnaire used in meetings of local branches with priority customers. NPS is measured on a scale from -100 to +100.

2 At present, the outcome only refers to scope 1 climate emissions, direct emissions from vehicles. Data for scope 2 emissions is not complete as it is currently difficult to determine the consumption of district heating in rented premises. For further information, see note H1.

3 Reliable data on the climate impact of installation materials is lacking in most cases. Bravida is in dialogue with suppliers, customers, industry organisations and research bodies about the need for environmental product declarations and how data should be made available. We are also working internally on a measurement solution and intend to gradually expand the scope and quality of our reporting regarding our climate footprint in the coming years. More information is available on pages 66-67.

Bravida's climate journey

In 2022, Bravida started working on concretising the most important steps required to achieve climate neutrality by 2045. Our roadmap, called Bravida's climate journey, will lead to concrete activities and activity targets in the coming years.

Bravida has ambitious climate and environmental goals. But it is actions and results that count. That's why we worked to make our path to climate neutrality by 2045 more concrete in 2022. As a first step, we conducted a deeper analysis of our emissions, building on the comprehensive mapping carried out in 2021, and drafted a number of ideas on how to reduce our impact. The work resulted in a climate roadmap.

The roadmap, which we call Bravida's climate journey, contains the first stages that bring us closer to our goal of reaching climate neutrality by 2045, from the level of emissions we have today. The roadmap will continue to evolve continuously in the coming years, and will lead to concrete activities and activity targets.

The goal is for Bravida to be climate neutral throughout the entire value chain by 2045.

Target for 2023

Increase renewable electricity in premises to

100%

Target for 2023

Reduce our own emissions by

30%

Target for 2030

Reduce our own and our customers' emissions by

55%

Target for 2045

Reduce our own emissions

CO₂=0

Present day to 2025 – Selected activities

- Shift to renewable electricity, heating and cooling in our premises
- Replace our vehicles with fossil-free alternatives
- Expand the infrastructure for electric vehicle charging at our premises
- Increase property service that uses low-carbon transport (GreenHub) in cities across the Nordics
- Optimise material purchases and require sustainability data for products
- Make the use of resources in our projects more efficient
- Implement a travel policy to enable smarter travel
- Procure a central waste operator and reduce waste

From 2025 and onwards – Selected activities

- Accelerate work on sustainable product sourcing
- Use fossil-free transport from suppliers
- Optimise the amount of energy used in premises and offices
- Increase the reuse and recycling of materials
- Increase returns for waste and packaging

We help our customers reduce their climate footprint

Every day, we help our customers achieve their sustainability goals. The right installation and regular service make a property smarter, help ensure more efficient use of resources and generate value over a long period of time. The ambition is to help more parties make the transition to a fossil-free and resource-efficient society.



Regular service

Regular service makes installed facilities in a property more energy efficient. Typical examples of service assignments are the inspection of electrical and security systems, the upgrading of systems for heating, cooling, water and sprinklers, and the maintenance of HVAC systems.



Energy management

There are almost always savings that can be made in properties. We offer energy optimisation services where we analyse the property's energy and resource use, propose solutions and carry out concrete actions that save energy and money.



Simple energy improvements

Simple changes can make a big difference. Our service technicians help our customers identify and implement the simple replacement of old components with new, energy-efficient components such as pumps, fans and lighting.



New energy solutions

At Bravida, we are constantly expanding our range of new energy solutions for properties and offer our customers, for example, solar panels, geothermal energy/heating and solutions for charging electric vehicles.



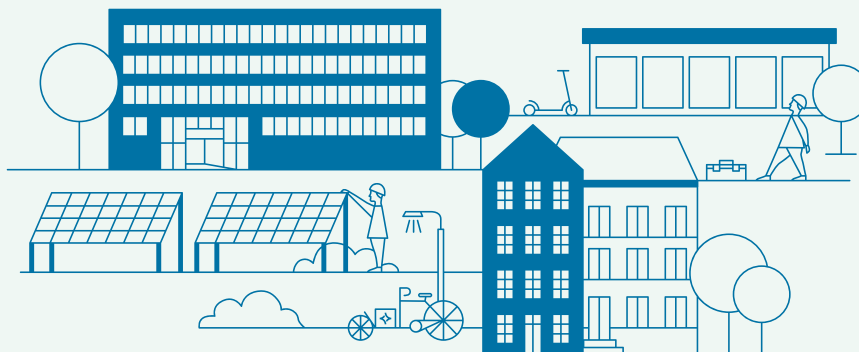
Automation

Building automation is the foundation for the smart buildings of the future. We use automation to help customers connect installed facilities such as lighting, heating and ventilation to a central system. This makes it possible to monitor and optimise facilities remotely.



Sustainable material choices

Bravida helps customers choose sustainable materials and components. In our purchasing system, we label the products that are classified in an environmental assessment system. With our new purchasing system, which is being implemented in 2022-2023, this type of information will be further improved.



Sustainable materials, reuse and waste management

The largest environmental and climate impact in Bravida's value chain comes from materials purchased for our customer projects. Materials in projects and customer assignments are a key issue from several perspectives: climate, chemical product content and resources. We are actively working to reduce the impact of the entire value chain.

Improved climate transparency

In the supply chain, we are working to achieve improved climate transparency regarding our materials and products. A study that we have conducted in collaboration with the consultancy company Ramböll shows that the customers of service and installation companies will in future require climate data at the product level from their suppliers. Bravida is replacing its purchasing system to enable, for example, more detailed environmental data. In this way, we will facilitate conscious material choices among both our employees and customers.

Reuse of materials

In the future, the reuse of materials will be of key importance in reducing our customers' climate and environmental impact. In a development project led by IVL Swedish Environmental Research Institute, we continue to improve the conditions for reuse in our industry. In parallel, we are working on pilot projects where we can practically test the knowledge and, together with customers and suppliers, test the reuse of installation materials.

Efficient use of resources and waste management

In our own operations, we endeavour to plan work so that resources are used efficiently. We are also working to reduce waste and make material flows more circular. Waste that occurs in our business operations is handled in accordance with the waste management hierarchy. Bravida has a permit for transporting hazardous waste for recycling and disposal. We have also initiated a process to procure central waste operators. Consolidated management makes it easier to measure and monitor the waste from our business areas that is taken care of at our sites.





How we handle climate-related risks and opportunities

During the year, Bravida started to support the TCFD (Task Force on Climate-related Financial Disclosures) framework, which helps companies identify, handle and disclose financial risks and opportunities related to climate change.

As the climate changes, so do the conditions for many organisations. To avoid problems in the future, many organisations are now preparing by reviewing and managing their climate-related risks and opportunities. Bravida launched a project in this area in 2022.

Climate risk analysis together with SMHI (Swedish Meteorological and Hydrological Institute)

During the year, Bravida's Group management made an initial assessment of the direct and indirect impact of the climate on Bravida's business operations.

The assessment was carried out in a workshop together with SMHI and was based on the UN climate panel IPCC's three different climate scenarios for what the world could look like at the middle and end of the century – low emissions, medium emissions and high emissions. Based on these, Group management analysed the climate-related opportunities and risks

that may arise in Bravida's business operations in the coming years.

A few examples:

- **Customer offering.** There are many opportunities with regard to our customer offering. Among other things, we see increased demand in the future for products and service that increase energy efficiency and help customers comply with stricter legal requirements.
- **Suppliers.** Bravida depends on suppliers in many different countries. In the event of extreme weather, locally in the Nordic region or in other parts of the world, we risk having an uncertain supply of materials due to production or transport difficulties.
- **Customers.** Climate change can have a costly impact on our customers, including the cost of adapting to climate change and dealing with weather-related damage. If this leads to a poorer financial status

among our customers, Bravida risks being negatively affected.

Based on the climate risk analysis, the Group management's assessment is that the risks that may arise can be handled.

"We have determined that Bravida's business model is robust in relation to the direct effects of climate change from most perspectives," says Åsa Neving, CFO of Bravida.

Bravida now supports the TCFD sustainability framework

During the year, Bravida started supporting the TCFD sustainability framework. Åsa Neving explains the background to this decision:

"We consider the framework to be a good tool for being able to report in a structured way how we work with our climate-related risks and opportunities, and also for strengthening our processes. The plan is to start reporting according to TCFD recommendations in 2023."

First steps towards zero emissions in the value chain

Bravida's long-term goal is to be climate neutral throughout the entire value chain by 2045. An important prerequisite for success is the availability of reliable data. We are now taking the first steps in improving the measurement of climate-changing emissions arising from installation and service work.

As the EU's climate ambitions increase, so do the demands in terms of companies' sustainability efforts. For example, many companies will now have to report their significant carbon emissions throughout the entire value chain, from raw materials to end users – known as scope 3 emissions. This means that in addition to their own emissions, companies must also report the emissions caused by suppliers and customers. Tilda Sundbaum, Sustainability Controller at Bravida, explains:

“This is an important step in reducing carbon dioxide emissions in the EU. By measuring emissions,

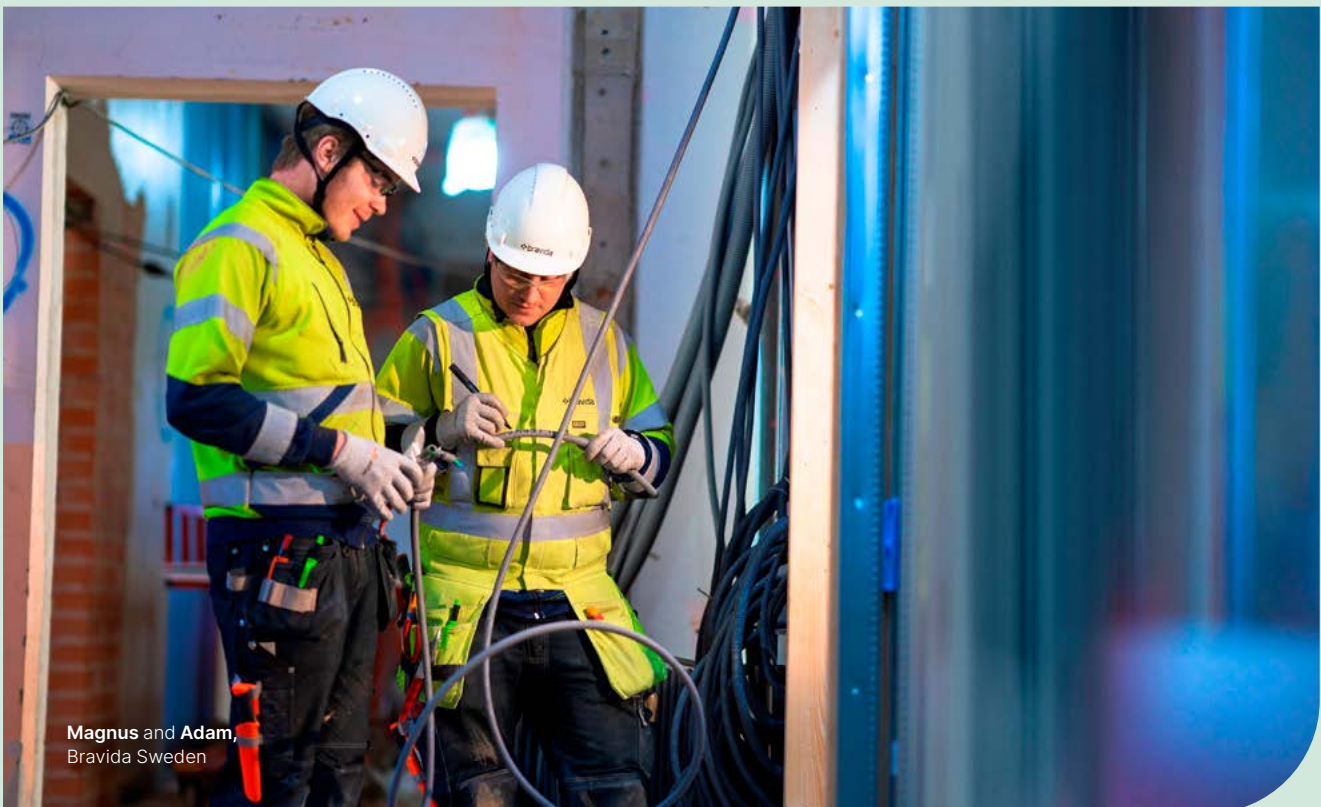
companies can find out which parts of the value chain cause the most emissions. This allows them to choose the right strategies for reducing emissions.

Many companies are now working to prepare for the new requirements. There is already an increase in the number of customers who need reliable emissions data for the installation and service we provide, and for the use of technical functions in buildings.”

“We are striving to create good methods for these calculations. However, the industry still often lacks climate declarations for the products

and materials that are used, which makes it difficult to obtain reliable data.

“Nevertheless, it is important to make a start in this regard. As a first step, Bravida is now running a number of pilot projects aimed at finding good working methods for emissions calculations. Pilot studies like these, combined with our new purchasing system, will allow the process to be automated in the future. This will make it easier for us and our customers to comply with the new requirements that are coming,” concludes Tilda Sundbaum.



Magnus and Adam,
Bravida Sweden

Bravida produces emissions data for Akademiska Hus in Sweden

One of the pilot projects was carried out at the state-owned property company Akademiska Hus, which develops and runs properties used for education, research and innovation. In 2021, the two-year refurbishment of a property in Stockholm listed for its cultural significance, where the Royal Institute of Technology is a tenant, began.

“Part of Akademiska Hus’ climate-work involves monitoring the climate footprint of renovations. Already in the procurement process, we were required to be able to report the carbon footprint of our implementation contract,” says Henrik Anderberg, overall manager of the contract at Bravida.

Obtaining complete emissions calculations is often a very complex endeavour. In a number of workshops, the emission sources were therefore prioritised, and Akademiska Hus then decided that the calculation would focus on the products used in the contract. Compiling the carbon footprint of the products was a major

undertaking, as many of the products did not have an Environment Product Declaration (EPD).

“A lot of detective work was required. In some cases, we had access to EPD data, in others we had to make an estimate based on generic data. Once we had done the inventory, we realised that the biggest CO₂ load related to cabling and light fittings. The next step was to try to reduce the footprint.”

“We then contacted the manufacturers to see what we could do together to address the problem. For the cabling, we used a supplier in Finland with a factory that runs entirely on renewable energy. The supplier of light fittings developed an alternative solution for one of its fittings, which reduced the carbon footprint of its aluminium profile by over 60 percent. To further reduce the carbon footprint of the contract, we have also worked on reusing materials in the project,” says Henrik Anderberg.

Bravida has so far delivered a total of 120 carbon calculations that



Photo: Akademiska Hus

Akademiska Hus uses in its sustainability reporting, and also reduced the project’s carbon footprint.

“We now have an way of working that can be used with the next customer. With Bravida’s new purchasing system, there will be possibilities for manufacturers to deliver EPD data, which will make it easier to deliver environmental data to our customers. The work is still in its infancy, but reliable emissions data will be a major competitive advantage going forward,” says Henrik Anderberg.

Pilot project for automated data collection for Ilmarinen in Finland

Another pilot study was conducted for the Finnish employment pension insurance company Ilmarinen, which owns two properties in the centre of Helsinki. The pilot study was led by the consulting company Vastuu Group, which provides a carbon data collection system.

“The aim of the project was to analyse and then automate the reporting of the carbon footprint of the maintenance services carried out in the properties,” says Markus Kamila, who is responsible for the project at Bravida.

“This means that carbon dioxide emissions from materials, transport distances for staff, and electricity usage, among other things, would be calculated.” All areas are included in Ilmarinen’s scope 3 reporting.

The first step in the study was to

determine the data collection limits. Data was then collected for items such as travel and materials; this process took three months.

“One challenge was the lack of sufficient data for making calculations, such as for many of the products used. In this first phase, data collection was therefore largely a time-consuming and manual process.

Data collected as part of the pilot study was entered into a common database. Vastuu Group then analysed the material and made the database available to all the participating parties. Markus Kamila continues:

“This is the type of sustainability reporting that we will strive to achieve in the future. The study will help us in the future, and development in this area is rapid. We have now laid the foundations for being able to collect



Photo: Ilmarinen

even more reliable data.”

Tomi Aimonen, Head of Domestic Property Investments at Ilmarinen, agrees:

“This project has helped us understand the suppliers’ preparedness for CO₂ reporting in some buildings. In the future, we will include this in all new service agreements for our facilities.”

Bravida's social responsibility

Work environment: health and safety

Every employee should return home from work healthy and well every day. At Bravida, we work systematically with the physical, social and organisational work environment. Our vision is that no one should get hurt at our company.



Our employees face numerous different risks every day. In our industry, there is a strong focus on the work environment in both service and installation.

Systematic work environment measures

Bravida takes a systematic approach to preventing accidents and occupational injuries, in every branch, project and customer assignment. The basis is formed by the Bravida Way: we operate according to established methods and we plan work in a way that ensures an orderly workplace. Every employee is trained in health and safety issues, which includes taking a mandatory e-learning course on risk management. We carry out systematic risk assess-

ments at all levels, and ensure we observe, report, analyse and resolve the risks that exist at workplaces.

The culture is of key importance for health and safety

We continuously train our staff on health and safety issues. Reinforcing and promoting safe behaviour is a core element in creating a strong safety culture. We have a shared responsibility for our work environment and safety; we think twice before undertaking a task and look after each other.

Events during the year

During 2022, Bravida received confirmation that the work environment efforts made in recent years are having an effect: the occupational injury frequency LTIFR at the Group level decreased by 19 percent to 6.8 (8.4) during the year. LTIFR decreased in all countries during the year. LTIFR was 7.0 (8.6) in Sweden, 2.5 (2.8) in

Norway, 8.9 (11.4) in Denmark and 13.5 (18.6) in Finland. Total sick leave amounted to 5.8 (5.7). The outcome is higher than we would like, although this is explained by the pandemic. No fatalities occurred in Bravida's operations during the year.

During 2022, we worked to further strengthen our safety culture:

- This year's Work Environment Week focused on our continuing work with the safety culture.
- A Work Environment Award was awarded in each division to the person or branch that successfully carried out ongoing systematic health and safety management and had good quantitative and qualitative results of the work compared to previous years.

The development of our sustainability metrics is shown in note H5 on page 76.

Target

<5.5

Reduce LTIFR (Lost Time Injury Frequency Rate) to below 5.5 by 2023.

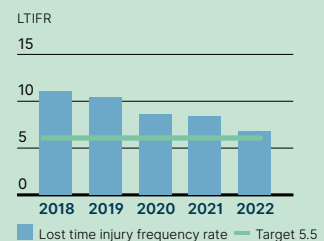
Background to target

Bravida operates in an industry with significant work environment risks, with regard to both service and installation work.

Approach

We have a zero vision for occupational injuries and we work systematically to reduce risks and accidents in our business. More information is available on page 69.

Outcome



<3%

Reduce short-term sickness absence to below 3 percent by 2023.

We want to have a healthy culture in which employees feel good, are well and have the conditions to do a good job.

We work actively to reduce short-term sickness absence, including by means of systematic work environment management. One example is the following-up of sick leave at the individual level and, where appropriate, the initiation of an action plan.

Data is not available in Denmark, so there is no outcome at the Group level.



Murat,
Bravida Sverige AB

Systematic work environment efforts prevent accidents

A zero vision for occupational injuries

The foundation of our safety efforts is the Bravida Way: We work according to established methods and with preventive measures to ensure that no one suffers injury or ill health as a result of their work.

- Group-wide incident and risk management system
- Annual health and safety week
- All employees receive health and safety training
- Safety walks to detect risks at the workplace
- Systematic risk assessment
- The STOP method for assessing risks in everyday life

We work systematically to improve our work environment

Bravida applies the principles of systematic work environment measures (abbreviated as 'SAM' in Swedish). Abnormalities and incidents in the work environment are reported and managed in BIA, the Construction Industry Information System on Health and Safety.

At Bravida, we regularly analyse data from the system as a preventive measure, to identify risky activities. This allows us to take proactive measures to prevent similar events from happening again.

'Håll Nollan' (Target Zero): An initiative to eliminate accidents in the construction industry

Bravida is a founding member of the organisation 'Samverkan för noll olyckor i byggbranschen' (joint action for zero accidents in the construction industry) and the 'Håll Nollan' (Target Zero) initiative. The organisation covers the entire construction, building services and energy sector in Sweden and promotes cooperation between all parties involved in the different phases of construction projects, both contractors and developers. The aim is for no one to be injured on construction sites.

Leadership and employee development

Committed, motivated and competent employees are a prerequisite for being able to run our business. As a service company, that is why we need the industry’s best team, wherever we are working.

Strong leadership for both business and employees

Leaders at Bravida are responsible for building strong teams in their units, with the right approach, clear roles and a shared drive. We do this by working in a structured way to attract, recruit, develop and retain the best in the market – and also by creating an inclusive business that embraces the diversity of the team. A leader at Bravida must have the ability to lead both the business and the employees. To ensure integrated leadership, which is good for both the business and the employees, we have implemented a number of measures. Among other things, all newly recruited managers at

Bravida take a ten-day leadership training course. In 2022, 73 managers completed the training. More information is available on pages 32-33.

Professional development of our employees

As our people grow, so can the company. The bulk of ongoing professional development takes place in the day-to-day work. It is through practical work that we learn best, with constant new challenges and by working together with colleagues. At the Bravida School, our internal training organisation, we also offer internal training in leadership, project management, sales, work environment and

much more. We also have a structured process for skills supply and internal recruitment, which means that there are great opportunities for those who have the will and ambition to progress within the company.

A workplace that welcomes differences

Bravida must be a workplace that welcomes, includes and respects all employees. The service and installation industry has long been male-dominated, but we at Bravida are convinced that gender equality and diversity both broaden our recruitment base and make us a stronger company. When we recruit we therefore always

Target	Background to target	Approach	Outcome
<p>eNPS</p> <p>>20</p> <p>Increase eNPS, Employee Net Promoter Score ¹ by 2023.</p>	<p>As a service company, Bravida is dependent on having committed and competent employees. That is why Bravida is committed to being the best employer in the industry.</p>	<p>We are a business with a focus on people. We make considerable investments in areas such as leadership, employee development, diversity and inclusion. More information is available on pages 32-33.</p>	<p>9</p> <p>A step in the right direction towards our target of 20, although somewhat slower than we would like. The focus going forward will be on follow-ups and action plans.</p>
<p>-3</p> <p>Reduce unwanted staff turnover by 3 percentage points by 2023 compared to 2020, when the outcome was 11.1 percent.</p>	<p>We want our employees to like working for us and stay with us. High staff turnover causes a lot of extra work and high costs.</p>	<p>To ensure our staff are happy and feel good, we actively work with integrated leadership, the employee experience and our culture.</p>	<p>+1.8²</p> <p>Unwanted staff turnover was 12.9 percent in 2022.</p>
<p>14%</p> <p>Increase the proportion of women leaders to 14 percent by 2025.</p>	<p>The service and installation industry has long been male-dominated, but Bravida wants to change that. Gender equality and diversity ensure we have a broad recruitment base and makes us a stronger company.</p>	<p>When we recruit, we look for the best employees in the market. In external recruitment processes, we require that both men and women are represented in the final phase of the process.</p>	<p>8%</p> <p>This year's outcome of just over 8 percent shows a positive direction and is in line with our long-term plan of 14 percent by 2025.</p>

1 eNPS (employee Net Promoter Score) indicates the extent to which our employees would recommend Bravida as an employer.

2 Staff turnover has decreased by 0.9 percentage points from the previous year when it amounted to 13.8%, after a period affected by the pandemic and an unusually challenging labour market. Our long-term goal remains the same and our work to be the best in the industry continues, with a focus on the employee experience, leadership and a safe and inclusive workplace.



aim for a combination of different competences. We look for the best people on the market, regardless of gender, background or other qualities.

We also aim to increase the proportion of women in the company and the sector. To achieve this, it is important to have female role models. We have therefore set ourselves the goal of increasing the proportion of leaders who are women from 7 percent in early 2022 to 14 percent in 2025.

HR processes are defined in a way that ensures we comply with legislation and collective agreements on employment terms, wage structure and anti-discrimination measures in all countries in which we operate, and follow our own code of conduct. By promoting gender equality and diversity, we make the most of employees' differences, skills and experience. Other important elements of this work are:

- policies and plans on equal rights and opportunities,
- targets and measures for increasing gender equality and diversity,
- cooperation with employer organisations and training boards to increase the proportion of women in the industry,
- internal audits, independent inspections and our employee survey, which assess our compliance.

Bravida has zero tolerance of all

harassment and discrimination.

Leaders and managers have particular responsibility, both in terms of setting an example and in terms of taking action if anyone feels discriminated against. If harassment is suspected or identified, measures are taken based on our action plan.

Events in 2022

In 2022, our organic growth increased significantly and we therefore invested heavily in recruitment, onboarding and the employee experience. We also continued our focus on leadership. The leadership model called "Lead the business – lead the people" has now been rolled out across the organisation and is a central part of the recruitment, training, evaluation and promotion of leaders.

We also work actively to increase diversity in the company. To lay a good foundation for the work, senior executives at Bravida attend a training course on Unconscious Bias. Another important measure is that we now require that both men and women are represented among candidates presented by external recruitment partners.

The development of our sustainability metrics is shown in note H6 on page 76.

Together we're building the best team in the business

Focus on leadership

- Focus on both leading the business and leading the people
- Managers are evaluated from both perspectives
- Leadership training for all new managers

Employee development

- Local recruitment of employees and apprentices
- Day-to-day practical development
- Continuing education through the Bravida School
- Internal recruitment and career within the company

Working for diversity

- Diversity requirements for external recruitment
- Training course on Unconscious Bias for senior executives.

Conduct and supply chain

Our customers and society expect both Bravida and our suppliers to act responsibly. Bravida's values, Code of Conduct and the Bravida Way form our common compass for business.



Bravida aims to be perceived as a credible and responsible participant in business deals, a good business partner and a market leader in business ethics. Therefore, we expect responsible behaviour from each other and from our suppliers.

This simply involves adhering to our values: we care for business, keep it simple, take responsibility and are proactive. The Bravida Way and our Code of Conduct guide and help us create healthy, long-term business relationships.

Customers – our work should reflect a high level of professionalism and ethics

At Bravida we always take good care of our relationships with business partners, mainly by always delivering what we promise. We believe in competition and that all decisions should be professionally based without any personal benefit for those involved.

Ethical issues can be difficult to assess. That's why we have a structured approval process at Bravida: a manager must always consult their line manager before decisions are taken on issues of business ethics. We also have a Business Ethics Council, which is responsible for providing guidance and training in this area.

Suppliers – same requirements as Bravida

As one of the leading operators in our industry, we can and want to make a difference throughout the supply chain and take responsibility for human rights, the environment and society. Bravida has a large number of suppliers and our aim is that they comply with our Code of Conduct for Suppliers, which is in line with the UN Global Compact and includes requirements on working conditions and human rights, among other things. We are working to ensure that all significant suppliers¹ are subjected to Bravida's supplier assessment and accept the Code of Conduct. The assessment, which is a self-assessment, indicates how well >

Target and outcome – Conduct and supply chain

Target for 2023	Background to target	Approach	Outcome
<p>100%</p> <p>All employees have been trained in the Bravida Code of Conduct.</p>	<p>Bravida aims to have a healthy corporate culture in which employees are happy at work and treat each other with respect. The Code of Conduct lays the foundations for how we behave and act in our daily work.</p>	<p>All employees and managers are trained in the Code of Conduct. Employees who do not follow the Code of Conduct put themselves and Bravida at considerable risk.</p>	<p>56%</p> <p>Code of Conduct training was launched in Finland, Denmark and Norway during 2022.</p>
<p>100%</p> <p>All employees have taken Bravida's sustainability training course.</p>	<p>Bravida has high ambitions regarding sustainability. To achieve the goals, employees need to know how they can contribute.</p>	<p>All employees must complete Bravida's sustainability training, which is based on the Sustainability Policy adopted by the Board of Directors.</p>	<p>46%</p> <p>Sustainability training was launched in Finland, Denmark and Norway during 2022.</p>
<p>100%</p> <p>of Bravida's significant suppliers¹ are subjected to a supplier assessment.</p>	<p>The Supplier Code of Conduct sets out the attitude/approach we believe is required on issues such as human rights, labour conditions and environmental impact.</p>	<p>All significant suppliers shall undergo a supplier assessment and accept Bravida's Code of Conduct. More information is available above and on page 74.</p>	<p>53%</p> <p>Based on a follow up in 2021.</p>

¹ Significant suppliers include central purchasing agreements and other suppliers with an annual volume of more than SEK 3 million.

A shared compass for business activities

Bravida's values

- Care for business
- Keep it simple
- Take responsibility
- Be proactive

Bravida's Code of Conduct

- We promote gender equality and diversity
- Zero tolerance of harassment and victimisation
- Clear attestation procedure and approval by the manager's manager regarding business ethics issues
- Open whistleblower function on the website for anonymous reporting of breaches of the Code of Conduct.
- The Code of Conduct is established by the Board of Directors of Bravida



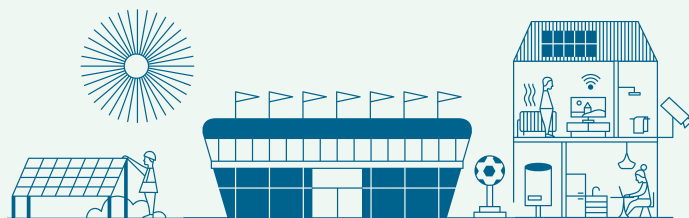
Whistleblowers

Bravida has a whistleblower function that is available to everyone via Bravida's website. Swedish law requires large organisations to set up reporting channels for suspected wrongdoing, such as breaches of laws or internal regulations. It should be possible for a wide range of people to use the whistleblowing system without fear of retaliation. Reported misconduct is handled by Bravida's chief legal officer. In 2022, 17 reports were received, which were handled according to the current regulatory framework.

Bravida's Code of Conduct for Suppliers

Our Code of Conduct for Suppliers focuses on the values and approaches that we believe should apply to issues such as human rights, employment conditions, product responsibility, environmental impact, health and safety, and business ethics.

- All significant suppliers must undergo Bravida's supplier assessment and accept the Code of Conduct.
- To further reduce risk and increase efficiency, much of our purchasing is done from established market participants.



they meet the requirements of our Code of Conduct. Bravida also carries out supplier audits on a random basis, during which we check that suppliers really do meet the requirements we set.

To further reduce risk and increase efficiency, most of our purchasing is from established operators in the Nordic market.

The area that is most difficult to control is local subcontractors who carry out work for Bravida. In this regard, regular training, follow-up and support are important in ensuring that our subcontractors work correctly. New contracts with subcontractors must always include our Code of Conduct. Regular internal audits are carried out to ensure compliance with these procedures.

Society – a responsible part of society

In an era characterised by geopolitical turmoil, an energy crisis, higher inflation and rising interest rates, Bravida is working in various ways to contribute to society. Through our

customer offering, we help reduce the energy consumption of local authorities and community organisations, businesses and individuals.

Bravida's competences are becoming increasingly important in society, while at the same time fewer and fewer young people are entering the skilled trades. We therefore cooperate with schools and vocational colleges to increase interest in the industry and encourage more young people to choose our sector. With our apprenticeship programme, we train a large number of young people every year and help them take their first step into the world of work; during 2022, a total of 1,246 people participated in the apprenticeship programme. Many of our local branches also contribute to their local communities via various initiatives such as sponsorship and support for sports clubs.

2022 in brief

Bravida wants to ensure that the requirements we place on suppliers are actually met. During the year, we intensified our work with supplier

assessments, and supplemented these with external audits. During the year, seven audits were carried out. If suppliers are not approved on all points, we help them to improve their business operations.

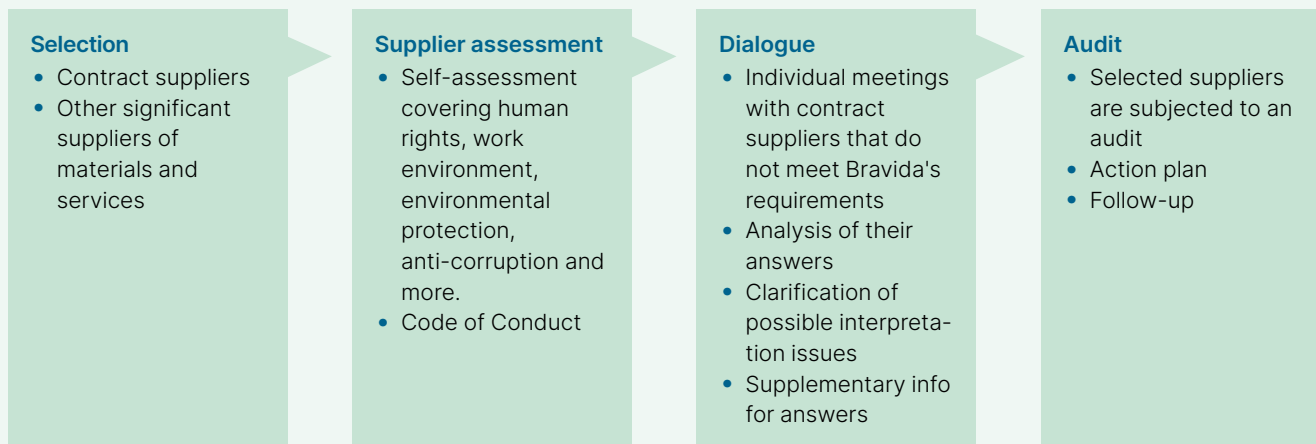
Our purchasing system will be replaced by a new system that will provide better possibilities to manage sustainability-related data for material. The implementation is being done gradually and during the year the new system was introduced in our Finnish operations.

In 2022, the world was characterised by Russia's invasion of Ukraine. Bravida condemns this act of violence and is supporting humanitarian action through a SEK 1 million contribution to the UNHCR.

The development of our sustainability metrics is shown in notes H7-H8 on page 77.

Bravida's overall process for supplier assessments 2022

To ensure compliance with the requirements of our Code of Conduct, we have a process for assessing, conducting dialogue with and monitoring our significant suppliers.



Sustainability notes

Please note that newly acquired companies are not included in the reporting of sustainability metrics. Comparative figures from 2021 are stated in brackets.

NOTE H1 EMISSIONS

Direct and indirect greenhouse gas emissions (tonnes)¹

	Group	SE	NO	DK	FI
Scope 1- Direct greenhouse gas emissions ²	22,697 (21,908)	11,643 (11,551)	3,109 (3,203)	7,350 (6,543)	595 (611)
Scope 2 - Indirect greenhouse gas emissions - Market-based ³	1,810 (2,558)	412 (213)	1,112 (1,134)	0 (1,006)	286 (205)
Scope 2 - Indirect greenhouse gas emissions - Location-based ³	701 (528)	138 (92)	12 (21)	449 (335)	102 (79)
Scope 3 - Business travel ⁴	3,321	1,821	797	523	180

- Bravida's emissions calculations follow the Greenhouse Gas Protocol's (GHG Protocol) guidelines and methodology. During 2022, we continued improving our emissions data, which led to some changes in reported emissions compared to 2021.
- Refers to emissions from vehicles either leased or owned by Group companies and includes both service vehicles and company cars. Emission factors for petrol, diesel, LPG, ethanol and HVO100 (Well To Wheel) are based on data from the Swedish Energy Agency. Emissions are stated in CO₂e/tonne.
- Refers to emissions arising from the Group's energy consumption. Note that scope 2 emissions are not complete as data is missing for district heating and cooling.
 - Electricity emission factors (market-based): Residual mix for each country taken from AIB, CO₂/tonne.
 - Electricity emission factors (location-based): Production mix for each country taken from AIB, CO₂/tonne.
 - District heating emission factors: Swedish Energy companies (VMK agreement), CO₂e/tonne.
- Refers only to a limited percentage of Bravida's emissions from business travel. The figures that are presented refer to emissions from flights booked through Swedish, Finnish and Norwegian business travel agencies and emissions from private vehicles used for business purposes. The emissions calculations are provided by the travel agencies, using DEFRA emission factors. The emission factor for personal vehicles is calculated as an average of Bravida's largest vehicle fleet and its composition. Emissions are stated in CO₂e/tonne.

NOTE H2 ENERGY, WASTE AND WATER

Consumption at own facilities¹

	Group	SE	NO	DK	FI
Electricity consumption, MWh ²	13,419 (12,835)	7,229 (6,933)	2 747 (2 821)	2,474 (2,352)	969 (728)
District heating consumption, MWh ³	-	1,800 (1,146)	-	-	201 (209)
Percentage of premises with renewable electricity ⁴	26 (0)	21 (0)	0 (0)	100 (0)	0 (0)
Quantity of waste, tonnes ⁵	-	-	300 (390)	993 (1043)	88 (121)
Reuse, materials, %	-	-	67	45 (47)	-
Water use, m ³ ⁶	-	-	-	-	396 (386)

- During 2022, we continued improving our environmental data, which led to some changes in reported key indicators from 2021.
- Refers to premises where we have control over our electricity use. Projects are only included when they are included in centrally procured agreements. Underlying electricity use has been partially estimated.
- For business activities performed in rented premises, the energy used for heating is difficult to determine, so the reporting of district heating use is limited. Currently, a small proportion of the Group's premises are covered; about 5 percent of the Swedish premises and a third of the Finnish premises.
- We only include premises where we have central contracts at the country level for the relevant reporting year. During the year, Bravida signed a central agreement for renewable electricity for its Swedish premises, which will apply from 2023.
- There is no outcome available for Sweden. Norway and Finland's waste quantities are not complete as waste data is missing for a number of premises. Bravida intends to sign a central agreement with a waste management company to enable monitoring of waste volumes in all offices and premises.
- Water use includes about 25 percent of Finland's premises.

NOTE H3 VEHICLES

(%)	Group	SE	NO	DK	FI
Electric vehicles ordered ¹ of total vehicles ordered during the year	73 (33)	84 (31)	65 (50)	27 (11)	40 (41)
Pick-up orders installation ²	17 (17)	-	-	-	-
Pick-up orders service ²	40 (42)	-	-	-	-

- Refers to fully electric vehicles.
- Direct purchase from wholesaler.

NOTE H4 CUSTOMER SATISFACTION

Scale -100 to +100	Group	SE	NO	DK	FI
NPS ¹	58 (60)	58 (66)	58 (56)	36 (50)	64 (60)

1 NPS, Net Promoter Score, indicates the extent to which our customers would recommend Bravida to others. Measured using questionnaires at meetings of local branches with priority customers, and reported on a scale where min. is -100 and max. is +100. In 2022, a total of 939 (1,325) such customer meetings were held.

NOTE H5 WORK ENVIRONMENT

Health and safety	Group	SE	NO	DK	FI
LTIFR ¹	6.8 (8.4)	7.0 (8.6)	2.5 (2.8)	8.9 (11.3)	13.5 (18.5)
Accidents at work with absence >8h ¹	161 (177)	83 (93)	13 (14)	45 (46)	20 (24)
Fatal accidents	0 (0)	-	-	-	-
Total number of accidents	1,255	563	381	266	45
Safety walks/talks ²	899	519	69	243	68
Risk observations	3,238	902	1,149	1,054	133
Total sickness absence	5.8 (5.7)	5.3 (5.6)	7.3 (6.8)	5.7 (4.6)	6.0 (4.7)
Short-term sickness absence ³	-	2.7 (3.3)	4.5 (3.4)	-	4.3 (-)

1 Occupational injuries that lead to at least one day of sickness absence per million working hours. The reporting includes employed staff and the definition of occupational injuries is based on the 'Håll Nollan' initiative.

2 A safety walk/talk is a structured form of workplace visit at which Bravida's managers, together with employees and subcontractors, talk about safety in everyday work, in the field or in the office.

3 Finland does not have full-year data for 2021 and Denmark does not have full-year data for 2021 or 2022.

NOTE H6 LEADERSHIP AND EMPLOYEE DEVELOPMENT

Employees	Group	SE	NO	DK	FI
Number of employees ¹	13,617 (11,864)	6,887 (5,800)	3,112 (2,931)	2,827 (2,429)	791 (704)
Of whom women	996 (986)	529	203	212	52
Percentage of female managers, %	8.4	10.4	8.6	6.4	7
Percentage of female members of the board, %	50 (50)	-	-	-	-
Number of apprentices	1,246 (1,083)	442	502	290	12
Number of trainee programmes	46	22	11	9	4
eNPS ²	9 (8)	9 (7)	2 (2)	19 (18)	7 (8)
Unwanted staff turnover	12.9 (13.8)	-	-	-	-
Engagement index ³	77 (76)	75 (74)	79 (77)	78 (77)	76 (74)
Number of employees who have completed the 10-day leadership training course	73	38	9	12	14
Age structure, %	Group	SE	NO	DK	FI
Over 60	7.1 (7.6)	6.7	7.5	9.3	5.0
Age 51-61	19.3 (19.6)	20.2	13.7	23.7	19.7
Age 41-50	19.7 (19.8)	19.1	15.4	23.1	21.2
Age 31-40	23.2 (24.1)	24.7	20.9	21.1	25.9
Age 21-30	24.8 (24.9)	24.7	29.7	19	25.9
Under 20	5.9 (4.1)	4.6	12.8	3.8	2.3

1 Total number of employees based on average for the year.

2 eNPS (employee Net Promoter Score) indicates the extent to which our employees would recommend Bravida as an employer to others. The outcome is presented on a scale where min. is -100 and max. is +100. The results are taken from the latest Employee Survey, which was conducted in January 2023.

3 The Engagement Index measures managers' and employees' engagement across two dimensions – energy and clarity – based on responses to eight questions. The index value is reported on a scale from 0-100. The results are taken from the latest Employee Survey, which was conducted in January 2023.

NOTE H7 COMPLIANCE AND CONDUCT

Completion rate (%) training	Group	SE	NO	DK	FI
Code of Conduct training ¹	56 (31)	61 (63)	57	43	57
Sustainability training ²	46 (13)	47 (27)	57	36	36
Information security training ³	49 (34)	54 (55)	55	46 (31)	2
Environmental training ⁴	28 (30)	48 (61)	-	20	-
Percentage of ISO-certified branches per country ⁵	Group	SE	NO	DK	FI
ISO 9001 (Quality)	88	97 (98)	90 (100)	93 (100)	5 (0)
ISO 14001 (Environment)	88	97 (98)	90 (100)	93 (100)	0 (0)
ISO 45001 (Occupational Health and Safety)	17	0 (0)	0 (0)	93 (100)	0 (0)
The whistleblower function	Group				
Number of reports received ⁶	17 (23)				
- Of which attitude and treatment	14				
- Of which internal irregularities	3				
- Of which confirmed cases of corruption	0				

1 Code of Conduct training (e-learning) launched in Finland, Denmark and Norway in 2022.

2 Sustainability training (e-learning) launched in Finland, Denmark and Norway in 2022.

3 Information security training (e-learning) launched in Finland and Norway in 2022.

4 Environmental training (e-learning) launched in Finland and Denmark in 2022. Finland has no calculation of data.

5 Slightly lower outcome in 2022 due to acquisitions that will not be certified until 2023.

6 Reports received and handled in accordance with the applicable regulations.

NOTE H8 RESPONSIBLE SUPPLY CHAIN

Supplier assessment (%)	Group
Percentage of significant suppliers assessed ¹	53 (52)
Percentage of assessed significant suppliers that have signed Bravida's Code of Conduct for Suppliers ²	75
Number of audits carried out	7

1 Significant suppliers include central purchasing agreements and other suppliers with an annual volume of more than SEK 3 million.

2 75 percent is calculated as the percentage of significant suppliers that submitted a survey response.

NOTE H9 REPORTING ON THE SWEDISH ANNUAL ACCOUNTS ACT

This Annual- and Sustainability Report constitutes Bravida's statutory sustainability report and contains information relevant to material environmental, social and governance aspects of the company's business operations.

- A description of Bravida's business model is available on page 30.
- Policies on pages 56-74.
- Governance on pages 56-59.
- Risk areas are summarised to the right and the management of the risks is described in the Risk and risk management section on pages 99-101.
- Performance indicators are available in the sustainability notes.

The report covers the Bravida Group, i.e. the parent company Bravida Holding AB, and its subsidiaries.

Area of risk

Climate change

Environment – sustainable use of resources

Occupational injuries

Labour shortage – Bravida does not succeed in attracting, recruiting and retaining the right staff

Business ethics

Subcontractor risks

NOTE H10 REPORTING ON THE EU TAXONOMY FOR GREEN INVESTMENT

Bravida reports the extent to which our business operations comply with the criteria defined in the EU Taxonomy. The reporting includes turnover, capital expenditure and operating expenditure from economic activities according to the Delegated Act, Annex 1, regarding technical review criteria that can significantly contribute to climate change mitigation.

Methodology for calculating key indicators

KPI for turnover

The absolute turnover included as a denominator in the calculation can be found on page 102 of the income statement for 2022, details about our accounting principles are available in note 1 on page 112. In economic activities with technical review criteria at product level (7.3 Installation, maintenance and repair of energy-efficient equipment, 7.6 Installation, maintenance and repair of renewable energy technologies), the percentage of turnover is calculated on the basis of purchase volumes and a conversion factor between purchases and turnover. In other financial activities without such technical screening criteria, we use reported turnover in specified projects.

Note that Bravida's taxonomy-eligible turnover has changed significantly compared to 2021 in the economic activity 7.3 because of an industry-wide interpretation based on expert knowledge. Turnover for lighting is defined by Bravida in 2022 as light sources, and water heating systems and ventilation only as per the product categories covered by the EU energy label, which are narrower definitions than those used for 2021. Twelve percent of Bravida's 2022 turnover is covered by the taxonomy, of which

nine percent of the total turnover is environmentally sustainable.

See the outcome for the taxonomy-aligned percentage in the "Turnover" table on pages 80-81.

KPI for capital expenditure (Capex)

Bravida uses finance and operating leases for the vehicle fleet, and the calculation with documentation from the reporting is carried out in accordance with IFRS 16 Leasing. Absolute capital expenditure included as a denominator in the calculation refers to acquisitions during the year, see more under notes 12 and 13 on pages 130-131. Percentage of capital expenditure refers to investments in vehicles used for production in taxonomy-eligible turnover. Bravida's production vehicles are used in all activities within the taxonomy-eligible turnover, so the percentage of capital expenditure has been allocated pro rata. Bravida has not been able to verify that the percentage of capital expenditure meets the criteria, which is why the taxonomy-aligned percentage amounts to 0% in 2022, see more in the "Capital expenditure" table on pages 82-83.

KPI for operating expenditure (Opex)

Absolute operating expenditure refers to the maintenance and repair costs for our production vehicle fleet. The percentage of the operating expenditure is calculated as the average cost of the vehicles estimated to have been used in the taxonomy-eligible turnover. This is in line with the capital expenditure calculation. Apart from the maintenance of the vehicle fleet related to taxonomy-eligible turnover, Bravida has no other maintenance that is of such a nature that it is taxonomy-eligible in themselves. Bravida has

not been able to verify fulfilment of the criteria, which is why the taxonomy-aligned percentage amounts to 0% in 2022, see more in the "Operating expenditure" table on pages 82-83.

Assessment of criteria for substantial contribution

Bravida has participated in a number of industry discussions with producers to obtain product data for e.g. energy classes for the calculation of 7.3. This, combined with our own purchasing data, has been the basis for our assessment of the criteria for making a significant contribution.

Assessment of criteria for not causing significant harm DNSH

The work on DNSH was carried out in 2022 by means of an internal review of the different environmental targets and the specific requirements for each economic activity. The review included Bravida's internal processes and procedures, which in some cases have been supplemented with reference to national laws and regulations. For environmental requirements at the product level, dialogue with product suppliers has been necessary and has mainly taken place through industry cooperation with other installation companies. In some cases where interpretations have been needed, these have been made in consultation with internal experts. External experts have also been consulted on Bravida's interpretations of DNSH requirements.

Bravida participated in the Taxonomy Dialogue via the industry organisation Installatörsföretagen to discuss the interpretation of DNSH requirements and in some cases establish industry-wide interpretations. Industry-wide interpretations have

been made for Environmental Objective 3. Water and Marine Resources (Appendix B), Environmental Objective 5. Pollution (Appendix C) and Environmental Objective 6. Biodiversity and ecosystems (Appendix D). For work on Environmental Objective 2. Adaptation to climate change (Appendix A); a climate risk and vulnerability analysis has been carried out with the help of the consultant SMHI (Swedish Meteorological and Hydrological Institute). The analysis was conducted with members of Bravida's Group management and the CEO.

Minimum safeguards

In 2022, Bravida reviewed its processes to ensure that the business operations are conducted in accordance with the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles for Business and Human Rights throughout the entire value chain. In its work, Bravida has reviewed the due diligence process linked to human rights, taxation, fair competition and anti-corruption.

The review identified a few development opportunities at supply chain control points, which have been addressed, and an action plan for further strengthening the procedures will be put in place in 2023. Based on the review, Bravida has assessed that there are processes in place to ensure that the organisation meets the requirements regarding Minimum safeguards. Read more about how we work with conduct and business ethics in the Conduct and supply chain section.

NOTE H10 REPORTING ON THE EU TAXONOMY FOR GREEN INVESTMENT¹**Turnover**

Economic activities	Codes	Absolute turnover	Proportion of turnover	Criteria for substantial contribution	
				Mitigation of climate change	Adaptation to climate change
A. Taxonomy-eligible activities					
A.1. Environmentally sustainable activities (taxonomy-aligned)					
Transmission and distribution of electricity	4.9	677	3%	100%	0%
Infrastructure for rail transport	6.14	290	1%	100%	0%
Installation, maintenance and repair of energy efficiency equipment	7.3	217	1%	100%	0%
Installation, maintenance and repair of charging stations for electric vehicles in buildings and attached parking spaces to buildings	7.4	156	1%	100%	0%
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	583	2%	100%	0%
Installation, maintenance and repair of renewable energy technologies	7.6	506	2%	100%	0%
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		2428	9%		
A.2. Taxonomy-eligible but not environmentally sustainable (not taxonomy-aligned)					
Transmission and distribution of electricity	4.9	147	1%		
District heating/cooling distribution	4.15	213	1%		
Infrastructure for rail transport	6.14	5	0%		
Installation, maintenance and repair of energy efficiency equipment	7.3	376	1%		
Installation, maintenance and repair of renewable energy technologies	7.6	101	0%		
Turnover for activities covered by the taxonomy that are not environmentally sustainable (not taxonomy-aligned) (A.2)		842	3%		
Total (A.1 + A.2)		3271	12%		
B. Activities not covered by the taxonomy					
Turnover for activities not covered by the taxonomy (B)		23032	88%		
Total (A + B)		26303	100%		

¹ Rows marked in gray must be left blank according to accounting principles. Applies to all three tables.

NOTE H10. Reporting on the EU Taxonomy for green investment, cont.

Capital expenditure

Economic activities	Codes	Absolute expenditure	Proportion of expenditure	Criteria for substantial contribution	
				Mitigation of climate change	Adaptation to climate change
A. Taxonomy-eligible activities					
A.1. Environmentally sustainable activities (taxonomy-aligned)					
Capital expenditure of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%	0%
A.2. Taxonomy-eligible but not environmentally sustainable (not taxonomy-aligned)					
Transmission and distribution of electricity	4.9	9	1%		
District heating/cooling distribution	4.15	2	0%		
Infrastructure for rail transport	6.14	3	1%		
Installation, maintenance and repair of energy efficiency equipment	7.3	7	1%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings and attached parking spaces to buildings	7.4	2	0%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	7	1%		
Installation, maintenance and repair of renewable energy technologies	7.6	7	1%		
Capital expenditure for activities covered by the taxonomy that are not environmentally sustainable (not taxonomy-aligned) (A.2)		37	6%		
Total (A.1 + A.2)		37	6%		
B. Activities not covered by the taxonomy					
Capital expenditure for activities not covered by the taxonomy (B)		587	94%		
Total (A + B)		624	100%		

Operating expenditure

A. Taxonomy-eligible activities					
A.1. Environmentally sustainable activities (taxonomy-aligned)					
Operating expenditure of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%	0%
A.2. Taxonomy-eligible but not environmentally sustainable (not taxonomy-aligned)					
Transmission and distribution of electricity	4.9	1	3%		
Infrastructure for rail transport	6.14	1	1%		
Installation, maintenance and repair of energy efficiency equipment	7.3	1	2%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings and attached parking spaces to buildings	7.4	1	1%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	1	2%		
Installation, maintenance and repair of renewable energy technologies	7.6	1	2%		
Operating expenditure for activities covered by the taxonomy that are not environmentally sustainable (not taxonomy-aligned) (A.2)			12%		
Total (A.1 + A.2)		6	12%		
B. Activities not covered by the taxonomy					
Operating expenditure for activities not covered by the taxonomy (B)		40	88%		
Total (A + B)		46	100%		

Financial performance 2022

War in Europe, an energy crisis, increasing inflation and rising interest rates – 2022 was a tough year for many reasons. But Bravida once again delivered record earnings of SEK 1,697 million, with an EBITA margin of 6.5 percent.





Strong growth in a shaky market

2022 was another eventful year for the market. Bravida continues to deliver, with record earnings and high organic growth. At the same time, we are continuing to make major investments in our customer offering and IT platform.

War in Europe, an energy crisis, increasing inflation and rising interest rates – 2022 was a tough year for many reasons. We also noticed that at Bravida. During the year, we had to deal with supply issues, rising material prices, lingering sickness absence, the effects of postponed pandemic projects and a generally more uncertain market.

The general trends and developments in society are also having a positive impact on Bravida. Among other things, there was very high demand. As electricity prices rise and sustainability requirements tighten, more customers want to increase the energy efficiency of their properties, and install solar energy, geothermal heating and automation solutions. After the pandemic, we have seen a pent-up demand for service in all countries. Many postponed installation projects resumed after the pandemic, while other areas of demand also continued to grow. In Norway and Denmark, growth was so strong that it caused both capacity shortages and

difficulties in finding the right competences, leading to lower financial performance in some regions. Our Finnish operations continued to develop positively, with growth of 12 percent and a further improvement in the margin to 5.3 percent.

Total growth was 20 percent, of which 11 percent was organic. Sweden in particular is the driving force as Bravida once again delivers a record profit of SEK 1,697 million. Despite the external conditions, the EBITA margin remained at the same level as last year, 6.5 percent excluding the 2021 effect of repayment of excess from the AGS health insurance.

Strong finances allow for continued investment

Bravida's cash conversion improved during the year and our strong cash flow enabled us to make 21 acquisitions, which added SEK 1,565 million in sales and strengthened our offering in areas such as automation and solar energy. The Board has also proposed dividend payments to our shareholders totalling SEK 662 million, or SEK 3.25 per share, an increase of 8 percent compared to the previous year.

Our strong financial position also enabled major investments in the business, as we continue to build the Bravida of the future. During the year, we launched a new division, Growth Segments, which will take our overall offering to the next level. At the same time, we are working to implement a modern, secure and scalable IT platform with new systems for aspects such as project management, sales and purchasing. These are important milestones and will bring about major improvements to our business operations as they are progressively rolled out during 2023-2024.

Bravida is also making major efforts to strengthen the sustainability initiatives in the business. Existing and forthcoming regulations, such as the EU taxonomy and the EU CSRD, have high reporting requirements. We work hard to ensure the quality of our sustainability data. Things that get measured get done, and the metrics provide clearer feedback on the efforts we are making to achieve our long-term goals. We also see here that our work is paying off. The lost time injury frequency rate is steadily decreasing, our vehicle fleet is becoming more electrified and an increasing proportion of our offices are using renewable electricity. We're also working to find ways to reduce our indirect emissions, for example in a number of customer-facing projects in which we help customers reduce their emissions and save money.

Solid foundation and full speed ahead

For 2023, the market and the economic situation are difficult to forecast. External assessments point to a generally tougher market for installation, but a stable service market. At the same time, sustainable investments and energy optimisation are becoming increasingly important on our customers' agendas, and we are well positioned to grow in this area.

We have a stable and secure business model with independent branches but common processes for equal needs and central target management. We are continuing to gain a stronger presence in key areas, and together we are building the Bravida of the future. We have an exciting journey ahead of us.

Åsa Neving, CFO

Stockholm, March 2023



Five-year overview¹

INCOME STATEMENT, SEK MILLION	2018	2019	2020	2021	2022
Net sales	19,305	20,404	21,147	21,876	26,303
Production costs	-16,502	-17,503	-18,093	-18,577	-22,335
Gross profit/loss	2,803	2,901	3,054	3,299	3,968
Selling and administrative expenses	-1,596	-1,678	-1,706	-1,787	-2,272
Operating profit/loss	1,207	1,224	1,348	1,512	1,696
Net financial items	-16	-73	-74	-56	-64
Profit/loss after financial items (EBT)	1,191	1,151	1,274	1,456	1,632
Tax	-235	-267	-276	-318	-349
Profit/loss for the period	956	884	997	1,138	1,283
BALANCE SHEET, SEK MILLION					
Goodwill	8,210	8,731	8,904	9,530	10,439
Right-of-use assets	-	1,029	1,002	972	1,028
Other non-current assets	168	179	179	250	393
Current assets	5,211	5,599	5,220	7,170	9,304
Cash and cash equivalents	735	972	1,748	1,594	1,308
Total assets	14,324	16,510	17,053	19,516	22,472
Equity	5,238	5,596	5,876	6,832	7,936
Long-term loans	1,300	500	500	-	500
Other non-current liabilities	667	1,001	1,270	1,159	1,179
Lease liabilities	-	1,040	1,022	994	1,050
Current interest-bearing liabilities	800	1,495	1,350	1,603	1,063
Current liabilities	6,319	6,879	7,035	8,928	10,744
Total equity and liabilities	14,324	16,510	17,053	19,516	22,472
CASH FLOW, SEK MILLION					
Cash flow from operating activities	1,052	1,599	2,171	1,437	1,592
Cash flow from investing activities	-249	-503	-316	-509	-817
Cash flow from financing activities	-914	-881	-990	-1,151	-1,078
Cash flow for the period	-111	215	866	-223	-304
KEY RATIOS					
Operating margin, %	6.3	6.0	6.4	6.9	6.4
EBITA margin, %	6.3	6.0	6.4	6.9	6.5
Return on equity, %	18.7	16.1	16.7	17.4	16.9
Net debt	-1,365	-2,063	-1,124	-1,003	-1,304
Capital structure (net debt/EBITDA)	1.1	1.3	0.6	0.5	0.6
Cash conversion ² %	103	109	138	83	87
Interest coverage, multiple	38.6	23.5	28.2	29.5	25.2
Equity/assets ratio, %	36.6	33.9	34.5	35.0	35.3
Order intake	20,652	22,534	20,242	24,237	25,803
Order backlog	11,992	14,485	13,791	16,519	16,881
Average number of employees	11,475	11,722	11,906	11,864	13,078
Administrative expenses as % of sales	9.2	8.2	8.1	8.2	8.6
Working capital as % of sales	-4.9	-5.6	-7.5	-6.7	-3.8
Basic earnings per share, SEK	4.73	4.36	4.94	5.66	6.22
Diluted earnings per share, SEK	4.72	4.35	4.93	5.64	6.21

1 The IFRS 16 Leases standard has been introduced from 1 January 2019. The financial statements for previous periods and key indicators presented in this report have not been restated.

2 A change in the cash conversion calculation was made during 2021; see the definitions.

The Bravida share

Bravida Holding is listed on the Nasdaq Stockholm Large Cap list. Bravida was listed in October 2015 at a price of SEK 40 per share. The share has been a good investment, with a total return of 124 percent over the last 5 years.

Return and market capitalisation

Total shareholder return, including the dividend, was -9.9 percent (18.3) in the past year. During the same period, the OMX Stockholm PI's performance was -22.8 (31.8) percent. Bravida's market capitalisation at year-end was SEK 22,695 (25,822) million.

Share capital

The share capital totals SEK 4 million, divided among 204,916,598 shares, of which 203,722,271 are ordinary shares and 1,194,327 are class C shares, which are held by Bravida Holding AB. Ordinary shares carry one voting right and entitlement to the dividend payment, while class C shares carry one-tenth of a voting right and no dividend entitlement. The class C shares ensure the provision of ordinary shares, through the conversion of these

class C shares, to employees of the Group who participate in the performance-based incentive programmes that have been running since 2020.

Ownership structure

At year-end 2022 Bravida had 11,434 (9,759) shareholders. The 10 largest shareholders, by number of votes, accounted for 58 (60) percent of the votes and the total number of shares. Swedish shareholders held 53 (52) percent of the total number of shares.

Dividend policy and dividend

The Board of Directors proposes to the Annual General Meeting that the dividend shall amount to SEK 3.25 (3.00) per share for the 2022 financial year. The objective is to pay out more than 50 percent of the net income per year. The proposed dividend

corresponds to 52 (53) percent of earnings per share.

Annual General Meeting 2023

The Annual General Meeting of Bravida Holding AB will be held on 28 April at the company's premises at Mikrofonvägen 28 in Stockholm.

IR activities

The company's management made investor presentations in connection with all the quarterly reports and participated in several conferences during the year. The meetings took place both digitally and in person, in Sweden and internationally.

Stock analysts

Five analysis companies follow Bravida; SEB, DNB, Carnegie, Nordea and Deutsche Bank.



Bravida's 10 largest shareholders at 31 Dec 2022

Name	Percentage of capital, %
Mawer Investment Management Funds	10.06
Swedbank Robur Funds	9.54
Fourth Swedish National Pension Fund	7.64
Didner & Gerge Funds	6.20
Handelsbanken Funds	5.46
Lannebo Funds	5.34
SEB Funds	4.80
Vanguard	3.48
Mondrian Investment Partners	2.75
Norges Bank	2.51
Total	58.0

Distribution of Bravida's shares at 31 Dec 2022

Categories	Number of shareholders	Percentage of votes, %
1-500	9,304	0.58
501-1,000	1,063	0.42
1,001-5,000	732	0.83
5,001-10,000	112	0.40
10,001-20,000	67	0.49
20,001-	156	97.28
Total	11,434	100.00

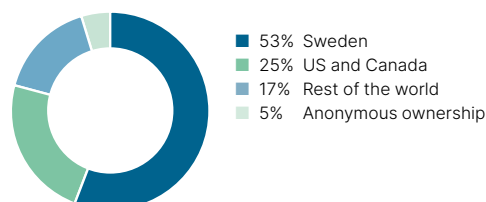
Share data

Price-related share data	2021	2022
Share price at year-end, SEK	127.0	111.4
Highest share price in the year, SEK	140.0	130.7
Lowest share price in the year, SEK	98.3	84.3
Market capitalisation at year-end, SEK million	25,822	22,695
Number of ordinary shares outstanding	203,323,771	203,722,271
Number of shares traded, primary market	48,755,388	63,446,957
Total number of shares traded	145,360,632	170,122,878
Turnover ratio, %	71.5%	83.5%
P/E ratio	22.5	17.9
Direct yield proposed dividend, %	2.4	2.9
Total shareholder return, %	18.3	-9.9

Data per share

Net profit, SEK	5.64	6.21
Equity, SEK	33.52	38.76
Cash flow from operating activities, SEK	7.1	7.8
Proposed dividend, SEK	3.00	3.25

Ownership per country, %



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The Annual Report is prepared in Swedish and translated into English. Should differences occur between the Swedish Annual Report and the English translation, the Swedish version shall prevail.

Directors' Report

The Group in brief

SEK MILLION UNLESS STATED OTHERWISE	2022	2021	2020	2019	2018
Net sales	26,303	21,876	21,147	20,404	19,305
Operating profit/loss	1,696	1,512	1,348	1,224	1,207
Operating margin, %	6.4	6.9	6.4	6.0	6.3
EBITA	1,697	1,512	1,351	1,226	1,211
EBITA margin ¹ , %	6.5	6.9	6.4	6.0	6.3
Profit/loss after tax	1,283	1,138	997	884	956
Cash flow from operating activities	1,592	1,437	2,171	1,599	1,052
Interest coverage, multiple	25.2	29.5	28.2	23.5	38.6
Cash conversion ² , %	87	83	138	109	103
Net debt/EBITDA	0.6	0.5	0.6	1.3	1.1
Order intake	25,803	24,237	20,242	22,534	20,652
Order backlog	16,881	16,519	13,791	14,485	11,992
Average number of employees	13,078	11,864	11,906	11,722	11,475

1 The 2021 earnings include a repayment of a surplus from AGS health insurance of SEK 96 million. The adjusted EBITA margin in 2021 was 6.5 percent.

2 A change in the cash conversion calculation was made during 2021; see the definitions.

The Board of Directors and Chief Executive Officer of Bravida Holding AB (publ), corporate identity number. 556891-5390, with registered office in Stockholm, hereby present the annual accounts and consolidated financial statements for the 2022 financial year.

The business

Bravida is the Nordic region's leading end-to-end providers of technical service and installations for buildings and facilities. Bravida's main business is technical service and installation of electrics, heating and plumbing, and ventilation. Bravida also offers service and installation of security and sprinkler systems, cooling, power, lifts, solar panels and services in project management, energy optimisation, technical facility management, building automation and uninterruptable power supply. Bravida provides end-to-end services within our different areas as we operate across the entire process, from consulting and project management, to installation and service. Operations are organised according to four countries – Sweden, Norway, Denmark and Finland – with a presence across 180 regions. The Group's head office is located in Stockholm and provides common support functions for finance, HR, purchasing, IT, legal affairs, communication and business development.

Installation involves new construction and refurbishment of technical systems in buildings, facilities and infrastructure. Bravida coordinates technicians and fitters from our areas of technology and provides customers with access to a partner who can successfully coordinate and take responsibility for the entire installation.

Service consists of operation and maintenance assignments, as well as minor upgrades of technical installations.

Significant events during the year

2022 was a historic year for Bravida, as we celebrated a century of existence. Bravida experienced strong growth during the year while retaining its margin, despite the year being filled with challenges in the form of inflation, the energy crisis and war in Europe.

There was a strong recovery in service during the year,

after the ending of pandemic restrictions. The growing interest in energy saving measures has further increased the demand for service and maintenance.

A new division, Growth Segments, was established during the year to improve the end-to-end offering available to customers by bringing together the areas of Automation, Energy Management and Technical Facility Management.

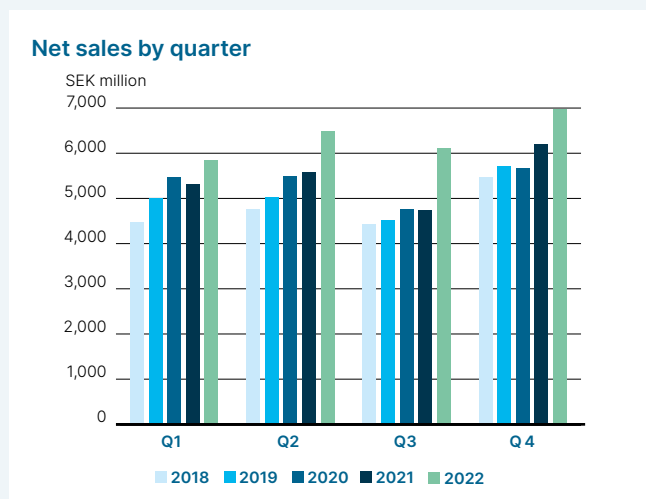
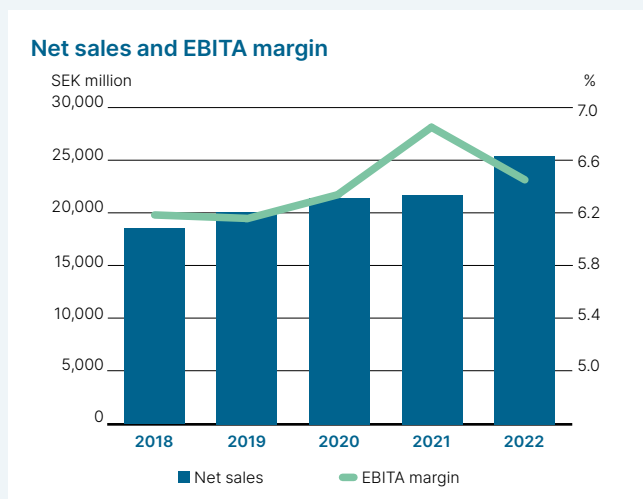
Bravida is carrying out a comprehensive digitalisation initiative to develop a secure, stable and scalable IT platform for the future, which also offers new business opportunities.

Bravida's sustainability efforts continue to yield results, with the occupational injury rate (LTIFR) falling by no less than 19 per cent during the year and 11 percent of the vehicle fleet now consisting of electric vehicles.

Activities during the year

The business in 2022 was characterised by a strong recovery from the pandemic. Net sales grew by 20 percent, of which 11 percent was organic, 7 percent was from acquisitions and 2 percent was from currency changes. Net sales rose in all countries, with organic growth in Sweden, Norway and Denmark. The growth is attributable to both service and installation, which grew by 19 and 21 percent respectively. The business operations in Norway and Denmark had very strong growth, with 37 and 38 percent respectively. The order intake increased by 6 percent and the order backlog grew by 2 percent.

EBITA increased by 12 percent and the EBITA margin was 6.5 percent, unchanged excluding the repayment of a surplus from AGS health insurance in 2021. Bravida invests in the digitalisation of the business and new business areas; the cost of these initiatives increased by SEK 28 million compared to 2021.



Operating cash flow remained stable at 11 percent and cash conversion improved somewhat, to 87 percent. Net debt remained low, at 0.6 times EBITDA.

Progress was made in the area of sustainability, with sick leave due to occupational injuries falling during the year and LTIFR decreasing by 19 percent during the year. The conversion of Bravida's vehicle fleet to fossil-free vehicles continued at a rapid pace, with 73 percent of vehicles ordered during the year being electrically powered.

During the year, 21 acquisitions were made, adding approximately SEK 1,565 million in turnover.

Net sales

Net sales increased by 20 percent to SEK 26,303 (21,876) million. Organic growth was 11 percent, acquisitions boosted net sales by 7 percent and currency effects had a 2 percent impact. Net sales increased in all countries.

In comparison to 2021, net service sales increased by 19 percent and net installation sales increased by 21 percent. The service business accounted for 47 (47) percent of total net sales.

Earnings

Operating profit was SEK 1,696 (1,512) million. EBITA increased by 12 percent to SEK 1,697 (1,512) million, resulting in an EBITA margin of 6.5 (6.9) percent. In the previous year, the Swedish business received a refund of SEK 96 million from the AGS health insurance scheme in respect of a surplus. Excluding this item, EBITA was SEK 1,697 (1,416) million and the EBITA margin was 6.5 (6.5) percent. The EBITA margin increased in Finland and decreased in the other countries. Increased costs for investments in, for example, new business areas and new digital systems, have had an impact on earnings in all countries.

Depreciation and amortisation

Depreciation and amortisation totalled SEK -468 (-433) million, SEK -426 (-398) million of which related to the amortisation of right-of-use assets.

Net financial items

Net financial items amounted to SEK -64 (-56) million. Profit after financial items was SEK 1,632 (1,456) million.

Profit/loss after tax

Profit before tax was SEK 1,632 (1,456) million. The tax expense was SEK -349 (-318) million. Profit for the year after tax was SEK 1,283 (1,138) million.

Earnings per share

Profit for the year, attributable to owners of shares in the parent company, increased by 10 percent to SEK 1,267 (1,148) million, which corresponds to basic earnings per share of SEK 6.22 (5.66). Diluted earnings per share increased by 10 percent to SEK 6.21 (5.64).

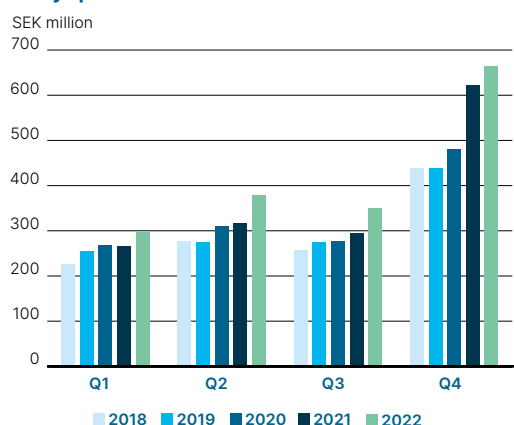
Order intake and order backlog

Order intake for the year increased by 6 percent to SEK 25,803 (24,237) million. The order backlog, which consists solely of installation projects, increased by 2 percent to SEK 16,881 (16,519) million.

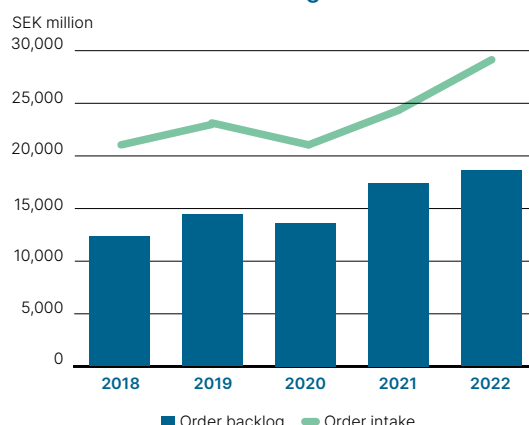
Acquisitions

During the year, Bravida made 21 acquisitions, all of which were in line with Bravida's strategy to expand within its priority markets and technical areas. Eleven acquisitions were made in Sweden, five in Norway, four in Denmark and one in Finland.

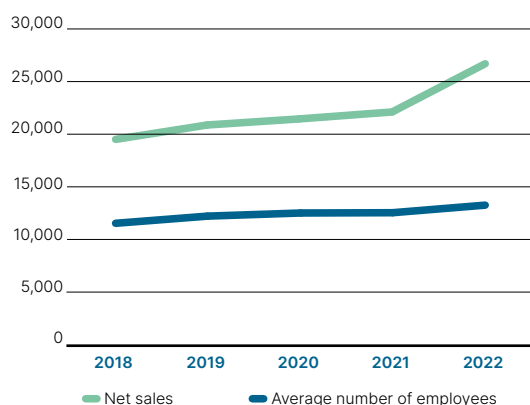
EBITA by quarter



Order intake and order backlog



Average number of employees in relation to net sales



The combined annual sales of the acquisitions made are estimated at around SEK 1,565 million. See Note 4 for further information on acquisitions.

Cash flow and investments

Cash flow from operating activities before changes in working capital totalled SEK 1,933 (1,796) million. The change in working capital reduced cash flow by SEK -341 (359) million. Current receivables increased by SEK 1,364 million, current liabilities rose by SEK 1,093 million and inventory increased by SEK 70 million. Cash flow from operating activities was SEK 1,592 (1,437) million. Cash flow from investing activities was SEK -817 (-509) million, of which acquisitions of subsidiaries and businesses totalled SEK -675 (-421) million.

Cash flow from financing activities, which refers to net repayment of borrowing, dividends and amortisation of lease liabilities, was SEK -1,078 (-1,151) million. Cash flow for the year was SEK -304 (-223) million.

Cash flow	2022	2021
Cash flow from operating activities	1,592	1,437
Cash flow from investing activities	-817	-509
Cash flow from financing activities	-1,078	-1,151
Cash flow for the year	-304	-223

Financial position

Net debt on 31 December was SEK -1,304 (-1,003) million, corresponding to a capital structure ratio (net debt/EBITDA) of 0.6 (0.5). Consolidated cash and cash equivalents were SEK 1,308 (1,594) million. Interest-bearing liabilities totalled SEK -2,613 (-2,597) million, of which SEK -663 (-1,103) million were commercial paper and SEK -1,050 (-994) million were leases. The total credit line amounted to SEK 2,500

(2,500) million, of which SEK 2,100 (2,500) million was unutilised on 31 December.

At the end of the period, equity totalled SEK 7,936 (6,832) million. The equity/assets ratio was 35.3 (35.0) percent.

Employees

The average number of employees at 31 December was 13,078 (11,864), an increase of 10 percent. See Note 5 for further information about employees.

Geographical markets

Operations in Sweden

Net sales rose by 10 percent to SEK 13,040 (11,894) million. The increase in net sales was attributable to both service and installation business. The equity/assets ratio was 50 (48) percent. Organic growth was 3 percent, with acquisitions increasing net sales by 7 percent. EBITA rose by 7 percent to SEK 1,017 (954) million. The EBITA margin was 7.8 (8.0) percent. In the previous year, the Swedish business received a refund of SEK 96 million from the AGS health insurance scheme in respect of a surplus. Excluding this item, EBITA was SEK 1,017 (858) million and the EBITA margin was 7.8 (7.2) percent. Increased costs for investments in new digital systems, new business areas and the integration of major acquisitions negatively impacted the EBITA margin.

The order intake increased by 1 percent to SEK 12,756 (12,615) million. The order backlog at the end of the quarter was 2 percent lower than for the same period in the previous year and amounted to SEK 9,045 (9,228) million.

Sweden	2022	2021
Net sales	13,040	11,894
EBITA	1,017	954
EBITA margin, %	7.8	8.0
Order intake	12,756	12,615
Order backlog	9,045	9,228
Average number of employees	6,098	5,672

Operations in Norway

Net sales increased by 37 percent to SEK 5,555 (4,066) million. During the period, net sales increased in the service and installation parts of the business. However, the percentage of service sales decreased and accounted for 51 (56) percent of total net sales. Organic growth was 25 percent, with acquisitions increasing net sales by 4 percent. EBITA rose by 12 percent to SEK 283 (253) million. The EBITA margin decreased to 5.1 (6.2) percent. The lower EBITA margin is explained by a change in the sales mix, with a greater focus on installation, which generally has lower margins, and impairment losses in some projects, as well as a high level of absence early in the year.

The order intake decreased by 9 percent to SEK 5,179

(5,663) million. The order backlog at the end of the quarter was 7 percent lower than for the same period in the previous year and amounted to SEK 3,431 (3,694) million.

Norway	2022	2021
Net sales	5,555	4,066
EBITA	283	253
EBITA margin, %	5.1	6.2
Order intake	5,179	5,663
Order backlog	3,431	3,694
Average number of employees	3,165	2,931

Operations in Denmark

Net sales increased by 38 percent to SEK 6,038 (4,381) million. The increase in net sales was attributable to both service and installation activities. The service area's share of sales decreased and accounted for 38 (43) percent of total net sales. Organic growth was 22 percent, with acquisitions increasing net sales by 10 percent. EBITA increased by 34 percent to SEK 308 (230) million, while the EBITA margin decreased to 5.1 (5.3) percent. The lower EBITA is explained by project impairment losses and high sickness absence at the beginning of the year, which had a negative impact on the margin in the service business area.

The order intake rose by 26 percent to SEK 5,930 (4,695) million. The order backlog at the end of the quarter was 16 percent higher than for the same period in the previous year and amounted to SEK 3,229 (2,773) million.

Denmark	2022	2021
Net sales	6,038	4,381
EBITA	308	230
EBITA margin, %	5.1	5.3
Order intake	5,930	4,695
Order backlog	3,229	2,773
Average number of employees	2,908	2,429

Operations in Finland

Net sales increased by 12 percent to SEK 1,812 (1,622) million. The increase in net sales was attributable to both service and installation business. The service area increased its share of sales and accounted for 32 (28) percent of total net sales. Organic growth was negative, at -7 percent, with acquisitions increasing net sales by 14 percent. The negative organic growth is explained in particular by high production in a large project in 2021 and good project selection with the aim of improving profitability. EBITA rose by 18 percent to SEK 96 (82) million. The EBITA margin increased to 5.3 (5.0) percent. The EBITA was affected positively by higher sales for service and an improved margin for service activities.

The order intake rose by 54 percent to SEK 2,081 (1,352)

million. The order backlog at the end of the quarter was 43 percent higher than for the same period in the previous year and amounted to SEK 1,177 (824) million.

Finland	2022	2021
Net sales	1,812	1,622
EBITA	96	82
EBITA margin, %	5.3	5.0
Order intake	2,081	1,352
Order backlog	1,177	824
Average number of employees	752	704

Significant disputes

Two large unpaid receivables of approximately SEK 760 million in Denmark from two public sector customers. The dispute over the receivables will be settled by arbitration. The management's assessment is that this will take time but will not have a significant impact on earnings.

There were no other significant disputes at year-end. It is difficult to predict the outcome of legal proceedings and disputes. Actual outcomes may differ from the assessments made.

Outlook

Macroeconomic factors such as high inflation, higher interest rates and a deteriorating economy make the market difficult to assess going forwards. However, Bravida is of the opinion that the demand for service will remain good. Demand for installation work is more affected by the macroeconomic environment, for example high interest rates and high inflation can postpone investment decisions.

Demand for installation work in newbuilds is likely to decline, mainly because of a falling demand for new housing. New construction of residential properties accounts for about 9 percent of Bravida's sales. However, installation work in other types of properties is expected to remain stable over the next few quarters.

The green transition is creating opportunities for Bravida. Electrification, digitalisation and the need for in buildings are creating a demand for Bravida's services, which means Bravida is well positioned for the future.

Over the past five years Bravida has made 89 acquisitions, which has increased net sales by approximately SEK 5.3 billion. The market for acquisitions remains strong, and the Group will continue to grow through acquisition.

Guidelines on the remuneration of senior executives

The current guidelines concerning the remuneration of senior executives were adopted at the 2020 AGM. Guidelines cover the company's Chief Executive Officer and other members of Group management. Senior executives refers to those persons who, together with the Chief

Executive Officer, make up Group Management. These guidelines apply to contractually agreed remuneration, and amendments made to remuneration already contractually agreed, after the guidelines were adopted by the 2020 AGM. The guidelines do not cover remuneration determined by a general meeting of the company. Members of Bravida's Board of Directors only receive fees determined by a general meeting of the company, which is why these guidelines do not include members of the Board.

Successfully implementing the company's business strategy and safeguarding the company's long-term interests, including its sustainability, depend on the company's ability to recruit and retain skilled employees. This requires the company to offer competitive remuneration. Guidelines allow senior executives to be offered competitive remuneration packages.

Forms of remuneration, etc.

Remuneration should be market based and may consist of the following components: fixed cash salary, variable cash remuneration, pension and other benefits. In addition to this, the general meeting of the company may, independently of these guidelines, determine remuneration such as share-based and share price-based remuneration.

Fulfilment of criteria for the payment of variable cash remuneration must be measurable for a period of one year. Variable cash remuneration of the Chief Executive Officer may amount to a maximum of 125 percent of fixed annual cash salary. Variable cash remuneration of other senior executives varies depending on the position, but may amount to a maximum of 200 percent of fixed annual cash salary. Variable cash remuneration covered by these guidelines should aim to promote the company's business strategy and long-term interests, including its sustainability. Fixed cash salaries are reviewed annually and provide the basis for calculating the variable salary component.

For the Chief Executive Officer, pensions, including health insurance, should be defined-contribution pensions. Variable cash remuneration should not be pensionable income. For other senior executives, pensions, including health insurance, should be defined-contribution pensions, unless a senior executive is covered by a defined-benefit pension under mandatory collective agreement regulations. Variable cash remuneration should not be pensionable income.

Senior executives resident in Sweden are entitled to pension benefits equivalent to between 28 percent and 35 percent of the respective person's annual cash salary, or in accordance with an applicable occupational pension plan. For senior executives resident outside Sweden, the company aims to apply comparable pension benefits to those applied for senior executives resident in Sweden, although variations due to local circumstances may occur. In such cases, the overall purpose of these guidelines should be met to the greatest possible extent.

Other benefits may include such things as life insurance, health insurance and a car allowance. Such benefits may amount to a maximum of 10 percent of fixed annual cash salary.

Detailed information regarding salaries and other remuneration of the Board, Chief Executive Officer and senior executives is provided in Note 5. Bravida's website, www.bravida.com, also contains the assessments and reports that are required to be reported under the Swedish Corporate Governance Code.

Termination of employment

In the event of the company terminating employment, the notice period may be up to 12 months. Fixed cash salary during the notice period and severance pay combined may not exceed an amount corresponding to one year's fixed cash salary. If the employee resigns, the notice period may be up to six months with no entitlement to severance pay.

Criteria for payment of variable cash remuneration etc.

Variable cash remuneration should be linked to predetermined, quantifiable criteria that may be financial or non-financial. These may also comprise individually tailored quantitative or qualitative targets. Such criteria should mainly be based on earnings (EBITA), acquisition activity and individual targets. This model aims to improve operating profit and create profitable growth, and consequently promote the company's business strategy and long-term interests, including its sustainability.

After completion of the period to measure the fulfilment of criteria for the payment of variable cash remuneration, the extent to which the criteria have been fulfilled should be assessed/established. The Remuneration Committee is responsible for assessing variable cash remuneration for the Chief Executive Officer. The Chief Executive Officer is responsible for making assessments relating to variable cash remuneration of other senior executives. Assessment of financial targets should be based on the financial information most recently published by the company.

Salary and terms of employment for employees

Preparation of the Board's proposals for these remuneration guidelines takes account of salary and terms of employment for the company's employees by information on employees' total remuneration, remuneration components and the increase and rate of increase in remuneration over time forming part of the documentation used by the Remuneration Committee and Board to evaluate how reasonable the guidelines and the limits arising out of them are.

Long-term incentive programme

The company has established long-term share-based incentive programmes. These have been determined by the general meeting of the company and are therefore not

covered by these guidelines. Such programmes cover Group management, regional managers, branch managers and other key personnel identified in the company. The performance requirements used to assess the outcome of these programmes are clearly linked to the business strategy and, therefore, the company's long-term value creation. Group profit (EBITA) is applied as a performance target for all programmes for the third calendar year after adoption of the programme. All participants therefore have the same performance targets. The programmes also stipulate requirements about making one's own investment and retaining the shares for several years. For further information about these programmes, including the criteria on which outcomes are based, see Note 5.

The decision-making process for establishing, reviewing and implementing these guidelines

The Board has established a Remuneration Committee. The committee's tasks include preparing the Board's decisions on proposals for the guidelines on the remuneration of senior executives. The Board draws up proposals for new guidelines at least every four years and puts such proposals before the AGM for approval. These guidelines apply until new guidelines have been adopted by the general meeting of the company. The Remuneration Committee also monitors and assesses variable remuneration programmes for company management, the application of guidelines for the remuneration of senior executives and applicable remuneration structures and levels in the company. Remuneration Committee members are independent of the company and company management. Neither the Chief Executive Officer nor other members of company management are present when the Board discusses and determines remuneration-related issues if it concerns them.

Deviation from the guidelines

The Board may decide to temporarily deviate from the guidelines entirely or partially if there are specific reasons for doing so in a particular case and such deviation is necessary to meet the company's long-term interests, including its sustainability, or to secure the company's financial viability. As specified above, it is part of the Remuneration Committee's remit to prepare the Board's decisions on remuneration issues, including decisions about deviating from the guidelines.

Corporate governance report

The Corporate Governance Report is on pages 154-159.

The work of the Board

According to the articles of association, Bravida Holding AB's Board of Directors shall consist of three to ten Board members, with a maximum of five deputy members. The members and deputies are elected at the Annual General

Meeting for the period until the end of the next Annual General Meeting. Bravida's legal officer acts as secretary to the Board. The Chief Executive Officer is not a member of the Board but reports to the Board at its meetings. The Board is responsible for the organisation of the company and the Group and the administration of the company's affairs. No members of the Board are members of the company management. During the financial year, the Board held ten Board meetings, one of which was a constitutive meeting to elect its officers.

The meetings addressed matters such as strategic issues, business operations including the business plan, internal control, risk management, acquisitions, financial statements, the annual accounts and sustainability report and related reports. During the year, the Board also monitored the company's strategy, linked to rapidly changing market conditions.

The Board has an Audit Committee and a Remuneration Committee. The Audit Committee is tasked, among other things, with responsibility for preparing the Board's work to ensure the quality of the company's financial statements and to maintain ongoing dialogue with the company's auditors. The Remuneration Committee is tasked with preparing issues regarding remuneration and other terms of employment for senior executives. Further information about the company's governance, the composition of the Board and internal control is provided by the Corporate Governance Report.

Nomination activities

The Nomination Committee up to the 2023 AGM consists of the following members: Joachim Spetz from Swedbank Robur Funds (chair), Lovisa Runge from Fourth Swedish National Pension Fund (AP4), Henrik Didner from Didner & Gerge and Fredrik Arp (co-opted), Chair of the Board of Bravida Holding AB. Mawer Investment Management Funds, the company's largest owner, has declined to participate in the Nomination Committee and Didner & Gerge has instead been offered the place. No remuneration was paid for Nomination Committee work. The Nomination Committee's proposals, report on the Nomination Committee's work for the 2023 AGM and additional information about proposed members of the Board are published in conjunction with the convening notice and will be presented at the 2023 AGM. All documentation relating to the AGM will be available at www.bravida.com.

Sustainability report

Bravida works in a targeted way with the company's environmental, social and economic responsibilities as part of meeting the Paris agreement and UN's global sustainable development goals. Through our sustainability work, we want to contribute to sustainable development that is within the limits of what the planet can bear, while ensuring good

social conditions, profitability and long-term economic growth. In dialogue with our stakeholders, we identify our key sustainability issues, the areas where we can make a difference in relation to our customer offering and our own operations. We also take into account the risks related to our business operations and the environment in which we operate. In this way, we create a strong and resilient company that contributes to the necessary societal transformation.

Our efforts are focused on three priority areas of sustainability:

- Climate, energy and use of resources
- Social responsibility
- Conduct

Bravida is subject to reporting requirements under the EU Taxonomy, and this is included in the company's Sustainability Report. For 2022, Bravida reports both the extent of the taxonomy and the extent to which its activities are align with the taxonomy for environmental objectives 1 and 2.

The company's auditors review the sustainability reporting to the extent necessary to express an opinion on the preparation of the statutory sustainability report, but do not otherwise perform audits of sustainability-related data.

The Sustainability Report is on pages 52-83 and among the financial statements at www.bravida.se with the annual accounts.

Parent company

Bravida Holding AB's net sales for the year were SEK 232 (198) million. All turnover is 100 percent intra-group. Operating profit was SEK -6 (-17) million. Profit after net financial items was SEK -36 (-31) million. Cash and cash equivalents were SEK 1,055 (1,380) million. At year-end, equity totalled SEK 3,993 (4,179) million.

Bravida shares

Bravida Holding AB's ordinary shares are listed on the Nasdaq Stockholm Large Cap list. At year-end, Bravida had 11,434 shareholders. The five largest shareholders were Mawer Investment Management Funds, Swedbank Robur Funds, the Fourth Swedish National Pension Fund (AP4), Didner & Gerge Funds and Handelsbanken Funds. Mawer Investment Management Funds' holding amounted to just over 10 percent of the votes.

The listed share price at the end of 2022 December was SEK 111,40, which corresponds to a market capitalisation of SEK 22,695 million based on the number of ordinary shares. Total shareholder return over the past 12 months was just under -10 percent.

The share capital totals SEK 4 million, divided among 204,916,598 shares, of which 203,722,271 are ordinary shares and 1,194,327 are class C shares, which are held by Bravida Holding AB. Ordinary shares entitle holders to one vote and a dividend payment, while C shares entitle holders to one-tenth of a vote and no dividend.

Apart from the credit agreements, the company has no knowledge of any agreements of material significance that are due to come into force or be amended or invalidated if the majority ownership in the company changes as a result of a takeover offer. Neither are there any agreements between the company and the members of the Board that result in compensation if such persons leave, are dismissed without reasonable grounds or are dismissed as a result of an offer to acquire their shares in the company.

Significant events after the balance sheet date

Five acquisitions have been made so far in 2023, with total annual sales of around SEK 155 million; see Note 4 for more information.

Proposed allocation of profit

The Board proposes that the parent company's non-restricted equity of SEK 3,988,634,874 be allocated as follows:

Shareholders receive a dividend of SEK 3.25 per ordinary share ¹	661,897,821
Carried forward	3,326,737,053
Total	3,988,634,874

¹ The company's holds 61,403 treasury shares, which has reduced the total dividend amount by SEK 199,560.

For further information about the company's earnings and financial position, see the following income statements and balance sheets and the notes to the accounts.

Annual General Meeting

The AGM for Bravida Holding AB (publ) will take place on 28 April 2023. The notice convening the 2023 AGM is available on the Group's website, www.bravida.se.

Significant risks and uncertainties

All business operations are associated with and entail risk. If correctly managed, risks can be turned into opportunities and add value to the business, while risks that are not correctly managed can lead to incidents and losses.

Bravida has a model and process for identifying and evaluating the Group's risks. In its operations Bravida is exposed to various types of risk – operational, financial and market risk.

Risk management

The Chief Executive Officer is ultimately responsible for ensuring good risk management throughout the Group in accordance with the Board's guidelines and instructions. Heads of division and heads of group services are responsible

for implementing risk management in their respective divisions and areas of responsibility. Ownership with regard to the management of risks identified by a risk audit lies with the division concerned. The results of the risk audit are reported continuously to Group management and the Board.

A number of areas of risk have been identified in Bravida's risk management process. A selection of these and an overall description of each area of risk are set out overleaf. Financial risk management is described in further detail in Note 25.

Risk management is also defined to some extent in Bravida's management system. The Group's systematic work on quality and environmental issues as well as occupational health and safety issues are key elements of the management system.

Market risks

Bravida continually assesses and evaluates the risks to which the Group is and may be exposed. Critical external risks are mainly managed through strategic business plan measures, but are also managed operationally in the organisation. Fluctuations in general market conditions, financial turmoil and political decisions are the main external factors that can have an impact on demand for residential and commercial new construction and industrial and public-sector investment. Demand for service and maintenance is less sensitive to economic fluctuations.

Economic downturns and fluctuations in the economy owing to uncertainty in the operating environment,

pandemics, political tensions and conflicts in the regions in which we operate are hard to predict.

Developments in Ukraine are at the centre of the global situation. In addition to the tragedy of the war for the people affected, the situation risks dampening macroeconomic growth in the rest of the world. For Bravida, the industry may be affected by increased uncertainty and caution regarding investments, as well as continued high prices for materials and energy. Bravida has no direct exposure to Ukraine or Russia in terms of sales or purchases. We are closely monitoring developments in order to be able to continuously assess possible indirect impacts.

Area of risk	Description	Handling
Economic downturn	Changes in the economic conditions affect the installation industry, which is sensitive to market fluctuations and political decisions. These can impact demand for new-build housing and business premises, as well as investment by industry and the public sector. Demand for service and maintenance work is not as sensitive to fluctuations in the economic cycle.	Almost half of Bravida's sales come from its service business, which has historically been relatively little affected by fluctuations in the economy. Bravida is not dependent on any specific individual customers, as the Group has more than 80,000 customers across a range of segments. Bravida has a diversified customer structure with a large percentage of small and medium-sized projects, and is consequently not dependent on individual customers or assignments.
Climate change	The risk of climate change caused by global warming having negative consequences for Bravida's business. An increased risk of flooding in areas where Bravida has business operations and the risk of damage to premises and business. A risk of extreme heat and, consequently, production losses in the form of lost working hours/productivity. Financial risks in the form of increased costs for natural resources as a raw material or energy, and a long-term risk of a shortage of important resources for the business. Risks relating to materials being used today potentially being shown to be hazardous in the future.	Bravida tracks developments; no real threat in the near future but a risk of an impact in the longer term.
Changes in the value chain	For example, there may be new participants, customers buying directly from the supplier, or a supplier moving down the value chain.	Bravida aims to offer customers competitive solutions. Bravida's delivery and services now include logistics solutions that increase the level of service.
Not keeping up with digitalisation and technological development	Buildings are becoming increasingly digitalised, which means that regular service can be switched from time-based service to demand-driven service. This could offer opportunities for new operators in the market.	Bravida is modernising its IT environment and developing digital solutions and systems to enable new business opportunities. A new division, Growth Segments, was established during the year to enhance the overall offering available to customers. It gathers together the areas of Automation, Energy Management and Technical Facility Management. A project methodology and a structured approach to developing new system solutions have also been introduced.

Financial risks

Through its operations Bravida is exposed to various types of financial risk. Financial risk mainly includes interest rate, currency, financing and credit risk. The Group's financial operations and management of financial risk are centralised within Group Finance. Business is conducted based on a financial policy set by the Board and reviewed and established by the Board annually. Its purpose is to minimise the

Group's cost of capital through effective financial solutions and effective management and control of the Group's financial risks. Credit risk in business operations, however, is managed locally, supported by a joint credit monitoring and analysis system. For further information about the management of financial risk, see Note 25.

Area of risk	Description	Handling
Interest rate risk	Changes in the market interest rate affect the Group's net interest income and cash flow.	Bravida has established principles for managing interest rate risk in its financial policy, which stipulates short fixed-interest periods.
Currency risk	Exchange rate fluctuations can adversely affect the Group's income statement, balance sheet and cash flow. Currency risks can be divided into transaction exposure and translation exposure.	Bravida's transaction exposure is relatively limited because the majority of sales and expenditure are in local currency, with minor exposure to imported components. Bravida's translation exposure is not hedged for currency risk, and a strengthening of the Swedish krona against the NOK, EUR and DKK has a negative effect on sales and operating profit. All financing takes place in SEK.
Financing and liquidity risk	This is the risk of not being able to raise new, or refinance existing, loans on acceptable terms. The Group is also exposed to liquidity risk, which is defined as the risk of being unable to meet immediate payment obligations.	Responsibility for Bravida's financial transactions and risk lies centrally with the Group treasury unit, which works based on a financial policy set by the Board. Financing consists of long-term credit agreements and the issuing of short-term commercial paper.
Credit risk	There is always a risk that a counterparty will be unable to meet its commitments. Insufficient control of customer creditworthiness poses a risk of Bravida carrying out work for customers who cannot meet their commitments, possibly resulting in bad debts.	The credit rating of all customers is checked before a project begins. In those countries in which it operates, Bravida has a customer credit department that operates according to established risk assumption guidelines. Bravida has historically had a low level of bad debts.

Operational risk

Operational risks relate to day-to-day operations and are often possible to influence, and this is therefore usually dealt with through policies, guidelines and instructions. Management of this risk is part of Bravida's ongoing business process.

Area of risk	Description	Handling
Occupational injuries	The risk of injury to employees or other persons at Bravida's workplaces.	Bravida has a zero vision for occupational injuries, and adopts a systematic approach to the physical, social and organisational work environment and to strengthening its safety culture. An internal survey on the safety culture in the company was sent out to all employees during the year.
Labour shortages – Bravida does not succeed in attracting, recruiting and retaining the right staff	In the present-day labour market there is keen competition for skilled employees, such as engineers, technicians and fitters. Risk of mobilisation due to ongoing conflicts in the world. Risk of strikes due to high inflation not being reflected in wage negotiations.	Bravida has continued to work with the employment offer to attract employees. During the year, work has been underway on our new People Vision, which involves improving in a structured way in a number of areas: leadership, best team and an industry-leading employee experience. A new leadership model was developed and was launched and implemented during the year. Recruitment and HR support were strengthened during the year.
Willingness to change	The risk in a relatively traditional industry of not having the ability to change in step with the outside world, such as lack of customer focus and business development as well as the ability to reorientate the organisation.	Bravida increasingly focuses on change management in the roll-out of new activities according to the business plan and new initiatives. Furthermore, training measures are underway and implemented to strengthen leadership and respond to changes in the market.
Business ethics	Bravida is a decentralised organisation in which transactions and purchasing are largely carried out locally, increasing the risk of undue influence. There is a risk of individual employees not adhering to our values and harming Bravida's reputation and brand.	All Bravida employees must read and be familiar with the Code of Conduct. Training is carried out regularly, with a new training course on the Code of Conduct being launched. In addition, Bravida also takes a reactive approach in the form of monitoring and internal controls. Analyse suppliers with regard to the requirements of the upcoming CSRD regulations.

Projects – small and medium-sized	As the majority of Bravida's installation projects are based on fixed-price contracts, any errors in the calculation of costs could have an adverse effect on margins. Extended framework agreements that specify hourly rates and the price of materials.	Bravida has an established procedure for managing tenders, and for some years now has adopted a 'grandfather' principle, where major projects have to be presented to and approved by a superior. Focus on consistent project reporting and structured in-depth project assurance to minimise risks at an early stage.
Risks associated with complex and large contracts	Wrong skills, market or customer and shortcomings in project implementation. One of the major operational risks are deficiencies in costing, start-up, planning and management of projects. Deficiencies in contract administration can quickly entail a high risk of not obtaining the required time extension or compensation for work performed.	Bravida has a well-defined way of working with clear milestones from costing to completed project. Major and more complex projects always have a clear project organisation and structure as well as steering group.
Acquisition risks	A risk of Bravida acquiring companies that do not achieved expected outcomes, are not integrated into Bravida's corporate culture or harm the company or brand in some other way.	In addition, Bravida has strengthened the acquisition organisation at Group level, further boosting acquisition capacity and improving the integration process. Clear responsibility in the organisation where the acquisitions take place, and anchoring in the local business. A successful acquisition depends on local involvement, both at regional level and in the relevant branch.
Environment: sustainable use of resources	Environmental impact in the form of carbon dioxide emissions or other environmentally harmful emissions, both in the customer offering and in the customer's operations.	Bravida works to reduce the environmental impact in its own operations. In 2021, a new sustainability strategy and sustainability goals were launched. Continuing rapid move to fossil-free vehicles and monitoring of emissions at a central level. We are gradually replacing our old service vehicles with fossil-free alternatives, and in Sweden only electric cars are now available as company cars. Further in the process of converting our own operations, it has been decided that we will convert to renewable electricity in our offices and buildings.
Sub-contracting risks	The conduct of subcontractors could have an adverse impact on Bravida's reputation and brand if a subcontractor does not comply with Bravida's Code of Conduct.	Quality assurance of Bravida's subcontractors is carried out continuously. Work with approved subcontractors pursuant to the supplier assessment. A new purchasing system will be implemented in 2023, which includes control points.
Material risks	Deficiencies in the quality of the products that Bravida installs could have an adverse impact on reputation among customers and lead to increased costs.	Bravida has warranties from the suppliers of the products it uses.
Price increases in the sector	Broad price increases caused by, for example, increased raw material and transport costs, may affect Bravida as significant price increases due to fixed prices in contracts.	Negotiating fixed prices in central contracts and handling suppliers who want to raise prices more often than before. Further, involving branch purchasing staff more in price negotiations. The organisation is encouraged to make allowance for major price increases in new contracts and to use the contracting index and strive for more index-based contracts.
Information security and cyber risks	Risk of information theft and sabotage of information assets. In addition to traditional viruses and trojans, the trend of information theft, so-called "social engineering", continues, where users' emails are exposed to various fraud attempts aimed at getting them to carry out financial transactions.	Bravida has continued to work on information security and cybersecurity during the year. Mandatory cybersecurity training for office staff and skilled workers, which is made available on a regular basis. Established an information security management system. Recruited a CISO, Chief Information Security Officer, during the year, with the task of working continuously with these areas in a structured way to achieve a higher level of security and reduce the risk of information theft.
Not complying with data protection under GDPR	The risk of not meeting GDPR requirements can lead to heavy fines and harm the brand.	Bravida has established guidelines to meet current requirements. During the year, the guidelines have been updated and responsibilities clarified. Instructions and information are available to all employees. An organisation has been developed via which support is available from a centrally established GDPR group that has representatives from administrative functions.

Consolidated income statement

SEK MILLION	NOTE	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021
Net sales	2, 3	26,303	21,876
Production costs		-22,335	-18,577
Gross profit/loss		3,968	3,299
Administrative and selling expenses		-2,272	-1,787
Operating profit/loss	3, 5, 6, 7, 28	1,696	1,512
Financial income		21	9
Financial expenses		-85	-65
Net financial items	8	-64	-56
Profit/loss before tax		1,632	1,456
Tax on profit/loss for the year	9	-349	-318
Profit/loss for the year		1,283	1,138
Profit/loss for the year attributable to:			
Owners of the parent company		1,267	1,148
Non-controlling interests		16	-10
Profit/loss for the year		1,283	1,138
Basic earnings per share, SEK	10	6.22	5.66
Diluted earnings per share, SEK	10	6.21	5.64

Consolidated statement of comprehensive income

SEK MILLION	NOTE	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021
Profit/loss for the year		1,283	1,138
Other comprehensive income			
Items that have been or can be transferred to profit/loss for the year			
Translation differences for the year from the translation of foreign operations	20	142	98
Items that cannot be transferred to profit/loss for the year			
Revaluation of defined-benefit pensions		409	158
Tax attributable to the revaluation of pensions		-84	-32
Other comprehensive income for the year		467	223
Comprehensive income for the year		1,750	1,361
Comprehensive income for the year attributable to:			
Owners of the parent company		1,734	1,371
Non-controlling interests		16	-10
Comprehensive income for the year		1,750	1,361

Consolidated balance sheet

SEK MILLION	NOTE	31/12/2022	31/12/2021
ASSETS			
Non-current intangible assets	11	10,441	9,533
Right-of-use assets	12	1,028	972
Property, plant and equipment	13	299	172
Interests in associates	14	13	10
Pension assets	15	17	10
Securities held as non-current assets	16	18	13
Non-current receivables	17	19	14
Deferred tax assets	9	25	29
Total non-current assets		11,860	10,752
Inventories		274	147
Current tax assets		108	188
Trade receivables	25	5,210	4,446
Contract assets	18	3,225	2,019
Other receivables	19	485	370
Other financial assets		0	0
Cash and cash equivalents		1,308	1,594
Total current assets		10,611	8,764
TOTAL ASSETS	24	22,472	19,516
EQUITY			
	20		
Share capital		4	4
Other contributed capital		3,518	3,518
Reserves		155	13
Retained earnings including profit/loss for the year		4,218	3,281
Equity attributable to owners of the parent company		7,895	6,816
Non-controlling interests		40	16
Total equity		7,936	6,832
LIABILITIES			
Non-current interest-bearing liabilities	21	500	–
Lease liability	21, 26	666	638
Non-current non-interest-bearing liabilities		245	124
Pension provisions	15	230	563
Other provisions	22	81	93
Deferred tax liabilities	9	628	386
Total non-current liabilities		2,351	1,804
Current interest-bearing liabilities	21	1,063	1,603
Lease liability	21, 26	384	356
Trade payables		3,259	2,534
Tax liabilities		34	240
Contract liabilities	18	3,938	3,144
Other liabilities	23	3,080	2,724
Provisions	22	428	281
Total current liabilities		12,185	10,880
Total liabilities	24	14,536	12,684
TOTAL EQUITY AND LIABILITIES		22,472	19,516

For information on Group pledged assets and contingent liabilities, see Note 27.

Consolidated statement of changes in equity

SEK MILLION	2021					
	Share capital	Other contributed capital	Translation reserve	Retained earnings, incl. profit/loss for the year	Non-controlling interests	Total equity
Opening equity at 01/01/2021	4	3,518	-85	2,418	21	5,876
Profit/loss for the year	-	-	-	1,148	-10	1,138
Other comprehensive income for the year	-	-	98	125	-	223
Total comprehensive income for the year	-	-	98	1,273	-10	1,361
Dividend	-	-	-	-507	-	-507
New issue of class C shares	0	-	-	-	-	0
Repurchase of class C shares	-	-	-	0	-	0
Change in non-controlling interests	-	-	-	-7	7	-
Valuation of non-controlling interests' put option	-	-	-	67	-	67
Share incentive programme	-	-	-	35	-	35
Closing equity at 31/12/2021	4	3,518	13	3,281	16	6,832
	2022					
Opening equity at 01/01/2022	4	3,518	13	3,281	16	6,832
Profit/loss for the year	-	-	-	1,267	16	1,283
Other comprehensive income for the year	-	-	142	325	-	467
Total comprehensive income for the year	-	-	142	1,592	16	1,750
Dividend	-	-	-	-610	-	-610
New issue of class C shares	0	-	-	-	-	0
Repurchase of class C shares	-	-	-	0	-	0
Change in non-controlling interests	-	-	-	-7	7	-
Valuation of non-controlling interests' put option	-	-	-	-73	-	-73
Share incentive programme	-	-	-	37	-	37
Closing equity at 31/12/2022	4	3,518	155	4,218	40	7,936

Further information on equity is provided in Note 20.

Consolidated cash flow statement

SEK MILLION	NOTE	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021
OPERATING ACTIVITIES			
Profit/loss before tax		1,632	1,456
Adjustments for non-cash items	30	660	550
Income taxes paid		-359	-210
Subtotal before changes in working capital		1,933	1,796
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in inventories		-70	-3
Increase (-)/Decrease (+) in operating receivables		-1,364	-1,651
Increase (+)/Decrease (-) in operating liabilities		1,093	1,295
Cash flow from operating activities		1,592	1,437
INVESTING ACTIVITIES			
Acquisition of subsidiaries	4, 29	-649	-343
Acquisition of assets and liabilities	4	-26	-78
Acquisition of non-current intangible assets	11	0	0
Acquisition of property, plant and equipment	13	-142	-88
Cash flow from investing activities		-817	-509
FINANCING ACTIVITIES			
Loans raised	21, 30	1,594	749
Repayment of loans	30	-1,636	-996
Repayment of lease liabilities		-426	-397
Change in utilisation of overdraft facility	21, 30	-	-
Dividend paid		-610	-507
Cash flow from financing activities		-1,078	-1,151
Cash flow for the year		-304	-223
Cash and cash equivalents at start of year		1,594	1,748
Exchange gains/losses on cash and cash equivalents		18	69
Cash and cash equivalents at year-end		1,308	1,594

Parent company income statement

SEK MILLION	NOTE	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021
Net sales		232	198
Administrative and selling expenses	5, 6, 7	-238	-215
Operating profit/loss		-6	-17
Income from financial items			
Interest and similar income		38	15
Interest and similar expenses		-68	-29
Net financial items	8	-30	-14
Profit/loss after financial items		-36	-31
Appropriations			
Provision for tax allocation reserve		-15	-152
Group contributions		543	882
Profit/loss before tax		492	699
Tax	9	-105	-146
Profit/loss for the year¹		386	552

¹Profit/loss for the year corresponds to comprehensive income for the year.

Parent company balance sheet

AMOUNT IN SEK MILLION	NOTE	31/12/2022	31/12/2021
ASSETS			
Non-current assets			
Investments in Group companies	29	7,341	7,341
Non-current receivables	17	1	1
Deferred tax assets		0	0
Total non-current assets		7,343	7,342
Current assets			
Receivables from Group companies	28	2,290	1,587
Current tax assets		12	–
Other receivables	19	9	33
Cash and bank balances		1,055	1,380
Total current assets		3,366	3,001
TOTAL ASSETS	24	10,709	10,343
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital		4	4
Total restricted equity		4	4
Non-restricted equity			
Share premium reserve		3,518	3,518
Retained earnings		84	105
Profit/loss for the year		386	552
Total non-restricted equity		3,989	4,175
Total equity		3,993	4,179
Untaxed reserves			
Tax allocation reserves		687	672
Provisions			
Pension provisions	15	4	2
Non-current liabilities			
Interest-bearing liabilities	21	500	–
Current liabilities			
Liabilities to credit institutions	21	1,063	1,603
Trade payables		5	14
Liabilities to Group companies	28	4,406	3,738
Tax liabilities		–	93
Other liabilities	23	51	41
Total current liabilities		5,525	5,489
TOTAL EQUITY AND LIABILITIES	24	10,709	10,343

For information on parent company pledged assets and contingent liabilities, see Note 27.

Parent company statement of changes in equity

SEK MILLION	2021				
	Unrestricted equity				
	Share capital	Share premium reserve	Retained earnings	Profit/loss for the year	Total
Opening equity at 01/01/2021	4	3,518	487	91	4,100
Profit/loss for the year	-	-	-	552	552
Appropriation of profits	-	-	91	-91	-
Dividend	-	-	-507	-	-507
New issue of class C shares	0	-	-	-	0
Repurchase of class C shares	-	-	0	-	0
Share incentive programme	-	-	35	-	35
Closing equity at 31/12/2021	4	3,518	105	552	4,179
	2022				
Opening equity at 01/01/2022	4	3,518	105	552	4,179
Profit/loss for the year	-	-	-	386	386
Appropriation of profits	-	-	552	-552	-
Dividend	-	-	-610	-	-610
New issue of class C shares	0	-	-	-	0
Repurchase of class C shares	-	-	0	-	0
Share incentive programme	-	-	37	-	37
Closing equity at 31/12/2022	4	3,518	84	386	3,993

Parent company cash flow statement

SEK MILLION	NOTE	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021
OPERATING ACTIVITIES			
Profit/loss after financial items		-36	-31
Adjustments for non-cash items	30	39	36
Income taxes paid		-210	-29
Subtotal before change in working capital		-208	-24
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		-22	-320
Increase (+)/Decrease (-) in operating liabilities		13	-29
Cash flow from operating activities		-216	-373
INVESTING ACTIVITIES			
Acquisition of non-current financial assets		-1	-1
Cash flow from investing activities		-1	-1
FINANCING ACTIVITIES			
Loans raised	21, 30	1,594	749
Repayment of loans	21	-1,635	-996
Dividend paid		-610	-507
Group contributions paid		-7	-18
Group contributions received		550	900
Cash flow from financing activities		-108	128
Cash flow for the year		-325	-246
Cash and cash equivalents at start of year		1,380	1,626
Cash and cash equivalents at year-end		1,055	1,380

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NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

General

Bravida Holding AB, company reg. 556891-5390, is a Swedish public limited company with registered office in Stockholm, Sweden. The address of the head office is Mikrofonvägen 28, 126 81 Stockholm. The company's shares are listed on Nasdaq Stockholm's Large Cap list. This report refers to the Bravida Group as Bravida or the Group, and the parent company Bravida Holding AB in full or as the parent company. Bravida is the leading provider of end-to-end solutions for the service and installation of electrical, heating and plumbing, HVAC and other technical functions in buildings and facilities in the Nordic region. The consolidated financial statements for 2022 consist of the parent company and its Group companies; the Group also includes the portion of holdings in associate companies. The Group also has small-scale development operations at a branch office in Slovakia.

Conditions for the preparation of financial statements

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as well as interpretations from the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the EU. Recommendation RFR 1 Supplementary Accounting Rules for Corporate Groups of the Swedish Financial Reporting Board has also been applied.

The parent company applies the Swedish Annual Accounts Act and Recommendation RFR 2 Accounting for Legal Entities. In cases where the parent company applies other accounting policies than the Group this is stated at the end of this Note.

The Group and parent company's reporting is in millions of Swedish kronor (SEK million) without decimals unless otherwise specified. Swedish kronor are referred to as SEK and thousands of Swedish kronor are referred to as SEK thousand. In certain cases, the amounts reported have been rounded off. Where amounts are less than SEK 1 million and are rounded down, this is shown with a zero (0). Where there is no value, a dash (-) is used. This means that tables, charts and calculations do not always tally. Figures in brackets refer to actual figures for the previous year.

Measurement basis applied in preparing the financial statements

Assets and liabilities are essentially recognised at historical cost.

Critical accounting estimates and judgements

Preparing financial statements in accordance with IFRS requires that management make estimates and judgements as well as assumptions which affect the application of the accounting policies and the recognised amounts of assets, liabilities, income and expenses. Estimates and assumptions are based on historical experience and a number of other factors that, under prevailing circumstances, are considered reasonable. Actual outcomes may differ from these estimates. Judgements and assumptions are reviewed on a regular basis. Changes to estimates are recognised in the period when the change is made if the change only affects this period, or in the period when the change is made and future periods if the change affects both the current period and future periods.

Company management's best assessment is also taken into account in the reporting of disputed amounts as legal proceedings and disputes are by nature unpredictable.

Below are the estimates and judgements which, according to

company management's understanding, are significant for reported amounts in the financial statements and for which there is a material risk of future events or new information resulting in a change in them.

Recognition over time (previously percentage-of-completion accounting)

Earnings from ongoing installation projects are recognised over time based on accrued project expenses. This requires project revenues and project expenses to be able to be calculated reliably. This is dependent on effective costing systems, forecast procedures and project monitoring. Forecasts relating to the final outcome for the project are a critical assessment that is material to the reporting of earnings during the course of the project. There is a risk that the final earnings for projects may differ from earnings as reported in accordance with the percentage-of-completion method.

Impairment testing of goodwill

In estimating recoverable amounts for cash-generating units for the purpose of testing for impairment of goodwill, several assumptions about future circumstances and estimates of parameters have been made. These are described in Note 11.

Pension assumptions

Bravida has some defined-benefit pension plans. The pension obligation is calculated using actuarial assumptions and the plan assets are valued at the market value at the balance sheet date. A change in any of these assumptions and valuations may have a significant impact on the estimated pension obligations and pension costs. See also Note 15 for further information about utilised pension commitments.

New or amended relevant IFRS standards

New or amended standards and interpretations that came into effect during the year had no effect on the Group's financial statements.

New accounting policies from 2023 or later

A number of new or amended standards and interpretations come into effect for financial years starting 1 January 2023 or later, which have not been applied in advance in preparing these financial statements.

Amendments to IAS 1 Presentation of Financial Statements, effective for annual periods beginning on or after 1 January 2024, change the principles and disclosures relating to the classification of liabilities as non-current or current. Bravida does not expect any effect of these changes on the classification in the consolidated and parent company balance sheets. However, due to the increased disclosure requirements, it is expected that disclosures will be added on covenants relating to loan and similar financing.

Otherwise, the new standards and interpretations are not expected to have a material impact on the Group's financial statements in current or future periods, nor on future transactions.

Segment reporting

An operating segment is a component of the Group which engages in business from which it may earn revenues and incur expenses, for which independent financial information is available. Earnings of each operating segment are analysed further by the company's senior executive decision-maker in order to evaluate the earnings and to allocate resources to the operating segment. Geographical

NOTE 1. Significant accounting policies, cont.

markets constitute Bravida's operating segments, i.e. the countries of Sweden, Norway, Denmark and Finland. See Note 3 for additional information on the itemisation and presentation of operating segments.

Consolidation principles

Group companies

Group companies are companies in which the parent company has a controlling influence. A controlling influence is assumed to exist where the parent company directly or indirectly has an ownership interest amounting to more than 50% of the votes, but may also be achieved if a controlling influence is able to be exerted over operational and financial management.

The purchase method is used in accounting for the Group's acquisition of subsidiaries. The cost of an acquisition is the fair value of all assets provided as compensation, issued equity instruments and liabilities incurred or assumed at the transfer date. Transaction costs are expensed directly. Identifiable acquired assets and assumed liabilities and contingent liabilities in a business combination are initially stated at fair value at the acquisition date regardless of the size of any non-controlling interests. In a business combination where the transferred compensation, any non-controlling interests and the fair value of the previously owned interest (in incremental acquisitions) exceed the fair value of the acquired assets and assumed liabilities which are recognised separately, the difference is recognised as goodwill. Where the difference is negative, in a 'bargain purchase', the difference is recognised in profit/loss for the year.

Group companies are included in the consolidated financial statements from the date that controlling influence is obtained and are excluded from the consolidated financial statements from the date that controlling influence ceases. Where necessary, Group companies' accounting is adjusted to adapt their accounting policies to those of the Group.

Intra-Group transactions and balance sheet items and unrealised gains on transactions between Group companies are eliminated.

Unrealised losses are also eliminated but any losses are viewed as an indication of a possible impairment requirement.

Associates

Associates are those companies in which the Group exercises a significant, but not a controlling, influence.

Associates are recognised in accordance with the equity method. This means that the carrying amount in the Group of investments in the company corresponds to the Group's share of equity and any carrying amounts of Group surplus values following the change to Group accounting policies. The share in the companies' profits after tax is recognised in operating profit/loss together with amortisation of the acquired surplus values.

Elimination of transactions

Gains and losses arising from transactions between Group companies are eliminated in full in the preparation of the consolidated financial statements.

Gains arising from transactions with associates are eliminated to an extent corresponding to the Group's ownership of the company. Losses are eliminated in the same way as gains, but only insofar as there is no impairment requirement.

Foreign currencies

Functional currency and presentation currency

Items included in the financial statements for the various units of the Group are valued in the currency used in the economic environment

in which each company primarily operates (functional currency). The Swedish krona (SEK), the functional and presentation currency of the parent company, is used in the consolidated financial statements.

Transactions and balance sheet items

Transactions in foreign currencies are translated to the functional currency at the exchange rates applying at the transaction date. Foreign exchange gains and losses arising from such transactions and upon translation of monetary assets and liabilities in foreign currencies at the balance sheet date rate are recognised in the income statement. Foreign exchange differences on borrowing are recognised under financial items while other foreign exchange differences are included in operating profit/loss.

Financial statements of foreign operations

The earnings and financial position of all foreign operations included in the consolidated financial statements that have a different functional currency than the presentation currency are translated into the Group's presentation currency as follows:

- assets and liabilities for each of the balance sheets are translated at the closing rate
- income and expenses for each of the income statements are translated at the average exchange rate
- all resulting foreign exchange differences are recognised through other comprehensive income as a separate component of equity (translation reserve)

Upon consolidation, foreign exchange differences arising from the translation of net investments in foreign operations are transferred to equity through other comprehensive income. Upon divestment, wholly or partially, of a foreign operation, the foreign exchange differences recognised in equity through other comprehensive income are transferred to profit/loss for the year. Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities in such operation and translated at the balance sheet date rate.

Cash flow analysis

The cash flow statement is prepared in accordance with the indirect method, which means that adjustments are made for transactions that do not result in incoming or outgoing payments.

Revenue

The company's revenue consists of service and installation services and sales of services and materials take place on a combined basis. Sales of materials only take place to a very minor extent, and in such cases revenue is recognised when the goods have been delivered to the customer, which is deemed to be the point in time when control over the goods is transferred to the customer.

Service and installation services, including related materials, are recognised over time (previously called percentage-of-completion accounting) as project expenses are incurred in relation to forecast project expenses. Service and installation services are performed at the customer's property. Initial assessment of the IFRS 15 criteria for recognition over time or at a particular date indicate that in most of these cases the goods are deemed to be controlled by the customer as they are installed, where they will also be recognised over time rather than at the date when installation is completed.

Interest income is recognised over the term of the loan using the effective interest method. Dividend income is recognised when the right to receive payment has been established.

NOTE 1. Significant accounting policies, cont.

Recognition over time (previously percentage-of-completion accounting)

Recognition over time involves earnings being recognised according to the degree of a project’s completion. Determining the earnings accrued at any given time requires information about the following components:

- Project revenue – the value of all revenue attributable to the contract
- Project expenses – all expenses corresponding to project revenues that are attributable to the project
- Degree of completion (work-up rate) – expenses accrued in relation to estimated total project costs

Expenses that have been incurred during the year but that relate to future work are not included in project expenses when determining the degree of completion. These are recognised as materials and inventories, advances or other assets depending on their nature. Changes to the scope of the project, claims and incentive pay are included in project revenue to the extent that they have been agreed with the customer and can be reliably measured. A fundamental condition for application of recognition over time is that project revenues and project expenses can be reliably measured and that the degree of completion is determined in a way that is relevant with respect to the reliability requirement.

For projects where revenues and expenses cannot be reliably measured at the closing date, the zero recognition method is applied. This means that revenue equal to the incurred costs is recognised for the project, i.e. the profit is zero until such time as it is possible to determine the earnings. As soon as this is possible, transition to recognition over time takes place.

Bravida recognises as contract assets receivables (balance sheet item ‘Contract assets’) from buyers of installation projects for which the project costs and recognised profits (after deducting recognised losses) exceed the invoiced amount. Partially invoiced amounts that have not yet been paid by the customer and amounts withheld by the buyer are included in the item ‘Trade receivables’. Bravida recognises as contract liabilities (balance sheet item ‘contract liabilities’) any liabilities to buyers of installation contracts for projects in progress for which the invoiced amount exceeds the project costs and recognised profits (after deducting recognised losses).

Intangible assets

The Group’s non-current intangible assets principally consist of goodwill, as well as other intangible assets. Goodwill represents the difference between the cost of a business combination and the fair value of the Group’s share of the acquired operation’s identifiable net assets at the time of acquisition. Goodwill is recognised at cost, less any impairment. Goodwill has an indefinite useful life and is tested for impairment at least annually. Goodwill impairment losses are not reversed. Any gain or loss from the sale of a unit includes the divested portion of the recognised value of goodwill. In testing for any impairment, goodwill is allocated to cash-generating units.

Other non-current intangible assets mainly consist of licenses. Additional expenditure on an intangible asset is added to the asset’s cost only if it increases the future financial benefits and the expenditure can be reliably estimated. All other expenditure is recognised as it is incurred. Depreciation/amortisation is based on the asset’s original cost less any residual value. Amortisation is recognised in the income statement on a straight-line basis over the useful life of the intangible asset, unless the asset has an indefinite useful life. Assets are amortised from the date at which they became available for use. Other intangible assets are amortised according to plan over five years. Useful lives are reassessed annually or more frequently.

Property, plant and equipment

Land and buildings mainly comprise warehouses and offices. Property, plant and equipment is recognised at cost less depreciation. Cost includes expenditure that is directly attributable to the acquisition of the asset. Any additional expenditure is added to the carrying amount of the asset or recognised as a separate asset only when it is probable that the future financial benefits associated with the asset will accrue to the Group and the cost can be reliably measured. The carrying amount of the replaced portion is derecognised from the balance sheet. All other forms of repairs and maintenance are recognised as expenses in the income statement for the periods in which they are incurred.

Land is not depreciated. Other assets are depreciated on a straight-line basis to allocate the cost down to the estimated residual value over the assets’ estimated useful lives, as follows:

Depreciation policies for property, plant and equipment

Buildings	Useful life
	20 years
Expenditure on property not owned by the company	During remaining term of lease
Machinery and other technical facilities	3-5 years
Equipment, tools and installations	3-10 years

Residual values and useful lives of assets are tested at each closing date and adjusted where required. Any gain or loss from the sale of an asset is determined by comparing the sale proceeds and the carrying amount, and is recognised in other operating income or other operating expenses in the income statement.

Impairments

The values of property, plant and equipment and non-current intangible assets and leasehold rights are analysed at each balance sheet date to establish whether there is an indication that such assets have decreased in value. If there is any indication of this, the recoverable amount of the asset or the smallest cash-generating unit to which the asset belongs is calculated in order to determine the amount of any impairment loss.

An impairment loss is recognised in the income statement. If an impairment loss is reversed, this is only done insofar as the asset’s carrying amount does not exceed the value that would have been recognised, less depreciation/amortisation, if no impairment had been made. A reversal of an impairment loss is recognised in the income statement. Goodwill impairment losses are never reversed.

Leases

The Group primarily leases offices and vehicles. Contracts can contain both lease and non-lease components. The Group breaks the remuneration in the contract down into lease and non-lease components.

The leases are recognised as rights of use and a corresponding liability, as of the date on which the leased asset is available for use by the Group.

The lease liability is initially recognised at the present value of the remaining lease payments during the lease period. Lease payments include fixed charges and variable lease payments that depend on an index or interest rate, initially based on the index or interest rate applicable at the start date. The lease term consists of the non-terminable period of the contract plus extension periods that are initially considered reasonably safe to use.

NOTE 1. Significant accounting policies, cont.

Lease payments are discounted at the implicit interest rate of the lease. If this interest rate cannot be easily determined, as is normally the case for the Group's leases, the company's marginal borrowing rate is used, which is the interest that would have to be paid to borrow in the currency of the lease to purchase a corresponding asset with similar conditions and collateral.

The Group is exposed to any future increases in variable lease payments based on an index or interest rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or interest rate take effect, the lease liability is revalued and adjusted against the right of use.

The assessed lease period is mainly adjusted when the last period of notice in the previously assessed lease period is passed; or if a significant event occurs or circumstances change significantly in a way that is within the company's control. In these cases, the liability is revalued, based on an updated discount rate, with counter-posting of the revaluation amount against the right of use.

Lease payments are broken down between repayment of the liability and interest. The interest is recognised in the income statement over the lease period in a way that entails a fixed interest rate for the lease liability recognised during each period.

The right of use is measured at cost and includes the following:

- the amount at which the lease liability was originally measured
- lease payments made on or before the start date, after deduction of any benefits received in connection with the signing of the lease contract
- initial direct expenditure
- expenditure to restore access to the condition provided for in the terms of the lease.

Rights of use are usually amortised on a straight-line basis over the shorter of useful life and lease term.

Payments for short-term and small-value leases are expensed on a straight-line basis in the income statement. Short contracts are contracts with a lease term of 12 months or less. Small-value contracts include IT equipment and office furniture.

Financial instruments

Recognition and initial measurement

Trade receivables and issued debt instruments are recognised when they are issued. Other financial assets and financial liabilities are recognised when the Group becomes party to the contractual terms of the instrument.

A financial asset or financial liability is initially measured at fair value, which usually amounts to the transaction amount less directly attributable transaction expenses for admission of the Group's financial instruments that are not recognised at fair value through profit/loss (see below).

Classification and subsequent measurement

Financial assets

Upon initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income – debt instrument investment; fair value through other comprehensive income – equity instrument investment; or fair value through profit/loss. The categories that are applicable to the financial assets held by Bravida are amortised cost and fair value through other comprehensive income.

A financial asset is measured at amortised cost if it is held in order to receive contractual cash flows and, at set dates, it gives rise to

cash flows that are solely payment of capital amounts and interest on such outstanding capital amount. Bravida's financial assets in the form of cash and cash equivalents, other receivables, accrued revenues, trade receivables and non-current receivables belong to this category. Non-current receivables are recognised at amortised cost using the effective interest rate method. The other assets are recognised at nominal amount because the duration is short.

Financial assets recognised by Bravida at fair value through other comprehensive income consist of relatively small investments in securities held as non-current assets (Note 24). In the event of changes in the value of such holdings, the effect is recognised in other comprehensive income. No earnings effect is recognised in profit/loss or upon realisation.

Those financial assets that are measured at amortised cost are recognised after a provision is made for expected credit losses. The Group applies the simplified method for calculating expected credit losses on trade receivables. This method involves expected losses over the duration of a claim being used as the basis for trade receivables. See Note 25 for further information on the impairment model.

An impairment loss or reversal of an impairment loss on trade receivables is recognised in the income statement under 'Other operating expenses' while on loans it is recognised in financial items.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or fair value through profit/loss. Those financial liabilities that Bravida has belong to the category of measured at amortised cost. Measurement is carried out using the effective interest rate method. Interest costs and gains or losses upon removal from the balance sheet are recognised in profit or loss. This category mainly includes the Group's interest-bearing liabilities. Trade payables and other short-term operating liabilities constituting financial liabilities are recognised at nominal amount because of the short duration.

Borrowing and other financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer payment of the liability for at least 12 months after the balance sheet date.

Removal from the statement of financial position (derecognition)

Financial assets

The Group derecognises a financial asset from the statement of financial position when the contractual rights to cash flows from the financial asset cease or if it transfers the right to receive contractual cash flows through a transaction in which essentially all risks and benefits of ownership have been transferred or in which the Group does not transfer or retain essentially all the risks and benefits of ownership and it does not retain control over the financial asset.

Financial liabilities

The Group derecognises a financial liability from the statement of financial position when the obligations specified in the agreement are fulfilled, cancelled or cease. The Group also derecognises a financial liability when the contractual terms and conditions are modified and cash flows from the modified liability are materially different. In such a case, a new financial liability is recognised at fair value based on the modified terms.

Where a financial liability is derecognised, the difference between the carrying amount that has been derecognised and the compensation paid (including transferred non-monetary assets or liabilities assumed) is recognised in profit/loss.

NOTE 1. Significant accounting policies, cont.

Offsetting

A financial asset and a financial liability are offset and recognised as a net amount in the statement of financial position only when there is a legal right to offset amounts and there is the intention to settle the items as a net amount or simultaneously realise the asset and settle the liability. The Group currently has no financial assets and liabilities that are offset.

Inventories

Inventories are measured at the lower of cost and net realisable value. This also takes into account the risk of obsolescence. Cost is determined using the first-in/first-out method (FIFO). Net realisable value is the estimated selling price in the company's operating activities less any applicable variable selling expenses. The cost of company-produced semi-finished and finished goods consists of direct costs of production plus a reasonable portion of indirect costs of production. Normal capacity utilisation is also taken into account in the valuation.

Cash and cash equivalents

Cash and cash equivalents includes cash, bank balances and other short-term investments maturing within three months of the date of acquisition that can easily be converted into cash and cash equivalents for a known amount and that are exposed to negligible risk of fluctuations in value.

Dividend paid

Dividends paid are recognised as a liability upon approval of the dividend by the Annual General Meeting.

Financial income and expenses

Financial income and expenses comprise interest income on bank deposits, receivables and interest-bearing assets, interest expenses on loans, dividend income, foreign exchange gains/losses on assets and liabilities of a financial nature.

Income taxes

Recognised income tax includes tax that is payable or receivable in respect of the current year, adjustments relating to current tax for previous years and changes in deferred tax. All tax liabilities and assets are valued at their nominal amounts and based on the tax rules and tax rates that have been adopted or that have been announced and are highly likely to be confirmed. Income taxes are recognised in profit/loss for the year except where the underlying transaction is recognised in other comprehensive income or in equity, in which case the associated tax effects are recognised in other comprehensive income or in equity. Deferred tax is calculated in accordance with the balance sheet method for all temporary differences between the carrying amounts and taxable values of assets and liabilities. Temporary differences are not taken into account for differences arising from the recognition of consolidated goodwill. Deferred tax assets relating to unused loss carry-forwards or other future tax deductions are recognised to the extent that it is probable that such deductions can be used to offset future taxable profits.

Earnings per share

The calculation of earnings per share is based on consolidated profit for the year attributable to owners of the parent company and on the weighted average number of shares outstanding during the year.

In calculating diluted earnings per share, the average number of shares is adjusted to take account of the effects of dilutive potential ordinary shares. Over the reported periods, potential ordinary shares

consist of rights to receive shares in Bravida as part of the long-term incentive programmes. Rights to matching shares held by employees at the reporting date are deemed to be dilutive. Entitlement to receive shares with performance conditions is dilutive only insofar as profit targets (EBITA) have been met at the reporting date. Adjustment of the number of dilutive shares is made for the hypothetical number of shares that could have been purchased with the value of remaining services as part of each incentive programme.

Employee benefits**Post-employment benefits**

In Sweden most employees are covered by a defined-contribution plan, but defined-benefit plans also exist. In Norway virtually all employees are covered by a defined-contribution pension plan. In Denmark and Finland all employees are covered by defined-contribution plans.

In a defined-contribution plan the company makes fixed contributions to a separate legal entity and has no obligation to make any further contributions. Costs are charged to the consolidated income statement as the benefits are earned.

Defined-benefit plans are plans for post-employment benefits other than defined-contribution plans. The Group's net liability relating to defined-benefit plans is calculated separately for each plan by estimating the future compensation earned by the employees through their employment in the current and previous periods. The Group bears the risk for ensuring that the plan provides the promised compensation.

The defined-benefit pension plans are both funded and unfunded. In a funded plan the assets have been segregated, mainly in pension funds. These plan assets can only be used to make payments in accordance with the terms of the pension agreements.

The estimated present value of the obligations less fair value of the plan assets is recognised in the balance sheet as a provision or a non-current financial asset, as appropriate.

The pension cost and the pension obligation for defined-benefit pension plans is calculated annually by independent actuaries. The discount rate is the interest rate on mortgage bonds, with a term corresponding to the average term of the Group's pension obligations. If there is no functioning market for such corporate bonds, the market interest rate on government bonds with a corresponding term is used instead. The calculation is made by a qualified actuary using the projected unit credit method. The fair value of any investment assets at the reporting date is also calculated at the reporting date. Net interest expense/income on the defined-benefit obligation/asset is recognised in profit/loss for the year under net financial items. Net interest income is based on the interest arising from the discounting of the net obligation, i.e. interest on the obligation, plan assets and interest on the effect of any asset restrictions. Other components are recognised in operating profit.

Revaluation effects comprise actuarial gains and losses, the difference between the actual return on plan assets and the sum included in the net interest income and any changes to the effects of asset restrictions (excluding interest included in net interest income). The revaluation effects are recognised in other comprehensive income. If the calculation results in an asset for the Group, the carrying amount of the asset is limited to the lower of the plan surplus and the asset restriction calculated using the discount rate. The asset restriction consists of the present value of the future financial benefits in the form of reduced future contributions or cash repayments. Any requirements for minimum funding are taken into account in the calculation of the present value of future repayments or contributions.

Changes to or reductions in a defined-benefit plan are recognised at the earlier of the following times: a) when the change to the plan or the reduction takes place, or b) when the company recognises

NOTE 1. Significant accounting policies, cont.

related restructuring costs and termination benefits. Changes/reductions are recognised directly in profit and loss for the year.

Special payroll tax forms part of the actuarial assumptions and is therefore recognised as part of the net obligation/asset. For reasons of simplicity, the element of special payroll tax that is calculated on the basis of the Swedish Act on Safeguarding Pension Obligations at legal entities is recognised as accrued cost instead of as part of the net obligation/asset.

Pension yield tax is recognised on an ongoing basis in the profit and loss for the period to which the tax relates and is not therefore included in the calculation of the liability. In the case of funded plans, the tax is charged to the return on plan assets and recognised in other comprehensive income. For unfunded or partially unfunded plans, the tax is charged to profit/loss for the year.

Termination benefits

A cost for benefits in connection with termination of staff employment is recognised when the company is no longer able to withdraw the offer to the employees or when the company recognises costs for restructuring, whichever is the earlier. Benefits that are expected to be settled after twelve months are recognised at their present value. Benefits that are not expected to be fully settled within twelve months are recognised as long-term remuneration.

Short-term benefits

Short-term employee benefits are calculated without discounting and are recognised as a cost when the related services are received.

Share-based payments

Share-based payments relate to employee benefits in accordance with the long-term incentive programmes approved by the AGM. Personnel costs are recognised at the value of services received, accrued over the vesting periods of the programmes, calculated as the fair value of the assigned equity instruments. The fair value is established at the date of assignment, i.e. when Bravida and the employees entered into an agreement on the terms and conditions of the programmes. As the programmes are settled using equity instruments, they are classified as 'paid with equity' and an amount corresponding to the recognised personnel cost is recognised directly in equity.

The programmes mean that the participants need to purchase and retain shares in Bravida during the vesting period. At the end of the vesting period, participants receive additional shares in Bravida provided that the shares they purchased were retained, that their employment continued throughout the period and, with regard to performance target-related shares, that Group EBITA reached specified target levels. The recognised cost is initially based on and continually adjusted according to the number of additional shares expected to be earned, taking account of how many participants are expected to remain employed during the vesting period and taking account of the expected achievement of the EBITA conditions. No adjustment is made with regard to whether participants lose the entitlement to shares owing to their sale of the shares they needed to purchase and need to retain; in such case, the entire remaining cost is recognised immediately.

When rights to shares are earned and shares assigned, social security costs must be paid in certain countries for the value of the benefit to the employee. A cost and provision are recognised, accrued over the vesting period, for such social security costs. The provision for social security costs is based on the number of rights to shares expected to be earned and on the fair value of the rights to shares at the reporting date and eventually upon allocation of the shares.

Provisions

A provision is recognised on the balance sheet when the company has a legal or constructive undertaking as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are divided into a long-term and short-term portion.

Warranty provision

A provision is recognised when the underlying product or service has been sold. Upon completion of the installation work a warranty period of two to five years normally applies. The warranty provision is calculated on the basis of previous years' warranty expenditure and an assessment of future warranty risks.

Restructuring provision

A provision is recognised when a detailed restructuring plan has been adopted and the restructuring has been initiated or publicly announced. No provision is made for future operating expenses.

Contingent liabilities

A contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by one or more uncertain future events, not entirely outside the company's control, occurring or not occurring, or an obligation arising from past events but that is not recognised as a liability or a provision because it is unlikely that an outflow of resources will be required to settle the obligation, or the size of the obligation cannot be estimated with sufficient accuracy. No recognition is required where an outflow of resources is highly unlikely.

Parent company accounting policies

The parent company prepares its annual accounts in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Accounting for Legal Entities of the Swedish Financial Reporting Board. Differences between the Group and parent company accounting policies are described below. The stated accounting policies of the parent company have been applied consistently for all periods presented in the parent company's financial statements.

Subsidiaries

Interests in subsidiaries are recognised in the parent company using the cost method. This means that transaction costs are included in the reported value of interests in subsidiaries. In the consolidated financial statements, transaction costs attributable to subsidiaries are recognised directly in the consolidated income statement when they are incurred.

Contingent considerations are valued based on the probability that the consideration will be paid. Any changes to the provision or receivable are added to or reduce the cost. In the consolidated financial statements, contingent considerations are stated at fair value with changes in value recognised in profit/loss.

Bargain purchases which relate to future expected losses and expenses are eliminated in the periods when the expected losses and expenses are incurred. Bargain purchases that arise for other reasons are recognised as a provision to the extent that they do not exceed the fair value of the acquired identifiable non-monetary assets. Any portion exceeding this value is recognised as income immediately. The portion which does not exceed the fair value of the acquired identifiable non-monetary assets is recognised as income systematically over a period which is calculated based on the remaining weighted average useful life of those acquired identifiable assets that can be depreciated/amortised. In the consolidated financial statements, bargain purchases are recognised directly in profit/loss.

NOTE 1. Significant accounting policies, cont.

Leases

The parent company does not apply IFRS 16 for leases, in accordance with the exemption contained in RFR 2. As a lessee, lease payments are recognised as an expense on a straight-line basis over the lease period and rights of use and lease liabilities are therefore not recognised in the balance sheet.

Group contributions and shareholder contributions

In the parent company, shareholder contributions are recognised in shares and interests, insofar as no impairment is required, and

directly in equity in the receiving entity. Group contributions received/paid are recognised as appropriations.

Presentation of the income statement and balance sheet

The parent company applies the form of presentation for income statements and balance sheets prescribed in the Swedish Annual Accounts Act, which means, among other things, a separate form of presentation for equity and that provisions are recognised under a separate main heading on the balance sheet.

NOTE 2 DISTRIBUTION OF REVENUES

Distribution of revenues by category	2022			2021		
	Service	Installation	Total	Service	Installation	Total
Sweden	6,534	6,506	13,040	5,658	6,237	11,894
Norway	2,861	2,694	5,555	2,294	1,772	4,066
Denmark	2,317	3,720	6,038	1,871	2,510	4,381
Finland	578	1,234	1,812	457	1,164	1,622
Eliminations	-39	-103	-142	-3	-84	-88
Group	12,251	14,052	26,303	10,277	11,599	21,876

Contract balances	Group	
	31/12/2022	01/01/2022
Receivables included in trade receivables and other receivables	5,226	4,458
Contract assets – accrued but not invoiced	3,225	2,019
Contract liabilities – invoiced but not accrued	-3,938	-3,144

Contract assets relate in the first instance to the Group's right to remuneration for work carried out but not invoiced at the balance sheet regarding service and installation agreements. Total contract assets at year-end are not affected by any impairments. Contract assets are transferred to receivables when rights are unconditional.

Contract liabilities mainly refer to those advances received from customers for future service and installation work, for which revenue is recognised over time. All contract liabilities recognised as a contract liability at the start of the period have been recognised as revenue in 2022.

Revenue recognised during the period ended 31 December 2022 from performance commitments fulfilled (or partially fulfilled) in previous periods amounts to SEK -1 million. This is mainly due to changes in the calculation of the percentage of completion for ongoing projects and the difference in estimated contribution margin at the end of the previous year and the final contribution margin upon completion of the project.

Performance commitments not fulfilled at year-end regarding projects lasting more than 1 year amount to SEK 7,917 million, 41 percent of revenues are expected to be recognised within 1 year and 30 percent within 2 years, with the remainder thereafter.

NOTE 3 SEGMENT REPORTING

The Group's operations are monitored and reviewed on a geographical market basis by the most senior executive decision-maker. Bravida's segments consist of geographical markets. Bravida has a transfer pricing policy that sets out the rules for financial transfers between the Group companies. Internal pricing charged between the various segments of the Group are set on an arm's length basis, between parties that are independent of one another, are well informed and have an interest in ensuring that the transaction is completed. None of the companies' customers generate more than 5 percent of total consolidated income.

Geographical markets

Geographic markets constitute the Group's operating segments, i.e. the countries of Sweden, Norway, Denmark and Finland. In each geographical market, activities are conducted mainly in service and installation of electrics, heating & plumbing and ventilation. Bravida also offers service and installation for security, sprinkler, cooling, power, solar panels, electric car charging as well as services in project management, energy optimisation, Technical Facility Management, automation and uninterruptible power supply.

2022	Sweden	Norway	Denmark	Finland	Group-wide	Eliminations and other	Total
External net sales	12,956	5,553	6,037	1,757	0	-	26,303
Internal net sales	84	2	0	56	566	-708	-
Net sales	13,040	5,555	6,038	1,812	566	-708	26,303
Operating expenses	-12,023	-5,272	-5,730	-1,716	-572	708	-24,605
Amortisation of non-current intangible assets	0	0	-	-1	-	-	-1
Operating profit/loss	1,017	283	308	95	-6	-	1,696
Net financial items	-2	14	-11	-6	-60	-	-64
Profit/loss before tax	1,015	297	297	89	-65	-	1,632
Other information							
Goodwill	6,263	1,945	1,525	706	-	-	10,439
Other non-current assets ¹	683	200	464	44	5	-	1,396
Total non-current assets	6,946	2,145	1,989	749	5	-	11,835

2021	Sweden	Norway	Denmark	Finland	Group-wide	Eliminations and other	Total
External net sales	11,867	4,066	4,380	1,563	0	-	21,876
Internal net sales	27	0	1	59	439	-526	-
Net sales	11,894	4,066	4,381	1,622	439	-526	21,876
Operating expenses	-10,941	-3,813	-4,151	-1,540	-445	526	-20,363
Amortisation of non-current intangible assets	0	0	0	-	-	-	0
Operating profit/loss	953	253	230	82	-7	-	1,512
Net financial items	-9	3	-4	-3	-43	-	-56
Profit/loss before tax	944	256	227	79	-50	-	1,456
Other information							
Goodwill	5,843	1,821	1,250	616	-	-	9,530
Other non-current assets ¹	593	206	344	46	4	-	1,193
Total non-current assets	6,436	2,027	1,594	661	4	-	10,723

¹ Excluding deferred tax.

NOTE 4 ACQUISITION OF OPERATIONS

Acquisitions made in 2022 and 2021 are reported in aggregate form in the tables below as individually they are not of sufficient size to justify separate recognition of each acquisition.

Bravida normally uses an acquisition structure with a fixed purchase price and contingent consideration, which is based on future performance.

The contingent consideration is initially valued at the likely final amount, which for the year's acquisitions is SEK140 (134) million. The contingent considerations are due for payment within three years.

Acquired values correspond to fair value in accordance with IFRS 3. Acquired goodwill is attributable to synergistic effects that are estimated to be possible to achieve through further coordination of purchasing and central costs.

2022

Bravida made the following acquisitions in 2022:

Acquired unit	Country	Technical area	Type	Date	Percentage of votes	No. of employees	Estimated annual sales
Rotovent AS	Denmark	HVAC	Assets and liabilities	January	–	2	18
Z-Elektro AS	Norway	Electrical, service	Company	January	100%	20	18
Viva Energi AS	Denmark	Solar panels	Company	January	60%	13	48
Skoglund EI & Tele AB	Sweden	Electrical	Company	January	100%	30	45
Langhus Rør AS	Norway	Heating & plumbing	Company	February	100%	14	19
AB Elektro AS	Norway	Electrical	Company	February	100%	32	69
Elmontage i Gällivare AB	Sweden	Electrical	Company	April	100%	11	11
LR-Installation AB	Sweden	Electrical, heating & plumbing	Company	May	100%	180	300
HNA Storköksservice AB	Sweden	Service	Company	May	100%	40	103
Elektro Entreprenøren Arendal AS	Norway	Electrical	Company	May	100%	31	48
Karlstads Processrör AB	Sweden	Heating & plumbing	Company	June	100%	35	65
Bautec AS	Norway	Automation	Company	June	100%	13	18
Blaxmo Kraft AB	Sweden	Electrical, power	Assets and liabilities	June	–	1	6
EFAB Automation	Sweden	Automation	Assets and liabilities	June	–	10	20
Electrosec Elteknik i Östergötland AB	Sweden	Electrical	Company	June	100%	10	25
HP EI-service A/S	Denmark	Electrical, cooling	Assets and liabilities	June	–	16	28
KT Elektrik A/S	Denmark	Electrics, automation	Company	July	100%	250	375
JZ Elteknik AB	Sweden	Electrical	Assets and liabilities	July	–	10	12
Indupipe AB	Sweden	Heating & plumbing	Company	July	100%	85	270
Rörledningsfirman Werner Nilsson AB	Sweden	Heating & plumbing	Assets and liabilities	July	–	4	16
Polar 2000 Oy	Finland	Electrics, automation	Company	September	100%	44	51

If the acquisitions had taken place at 1 January 2022, consolidated sales for 2022 would have increased by just over 2 percent.

Effects of acquisitions in 2022

Acquisitions have the following effects on consolidated assets and liabilities.

Assets and liabilities included in acquisition	Consolidated goodwill	720
Intangible assets	0	
Property, plant and equipment	11	
Trade receivables ¹	241	
Income accrued but not invoiced	83	
Other current assets	106	
Cash and cash equivalents	115	
Non-current liabilities	-39	
Trade payables	-118	
Income invoiced but not accrued	-20	
Other current liabilities	-218	
Net identifiable assets and liabilities	161	
	Consolidated goodwill	720
	Consideration	880
	Consideration recognised as a liability ²	238
	Cash consideration paid	642
	Cash and cash equivalents, acquired	115
	Net effect on cash and cash equivalents	528

1 There are no material impairments of trade receivables.

2 Of the total consideration recognised as a liability in the period, SEK 140 million consists of contingent consideration. In addition, non-controlling interests' option to sell shares held is recognised as a liability at the net present value of the expected amount to be paid upon exercise of the option, at an amount of SEK 89 million.

NOTE 4. Acquisition of operations, cont.

2021

Bravida made the following acquisitions in 2021:

Acquired unit	Country	Technical area	Type	Date	Percentage of votes	No. of employees	Estimated annual sales
Profire Sprinkler AB	Sweden	Sprinklers	Company	January	100%	35	70
J Beese VVS & Blik A/S	Denmark	Heating and plumbing, ventilation	Assets and liabilities	February	–	12	14
Fiberkom ApS	Denmark	Electrical	Company	February	100%	8	8
SKM Service Oy	Finland	Heating & plumbing	Company	March	100%	20	133
Volt Elektro AS	Norway	Electrical	Company	April	100%	6	11
IEAB	Sweden	HVAC	Company	May	100%	23	75
E3K Installation AB	Sweden	Automation, electrics, heating and plumbing, ventilation	Company	May	100%	100	165
Runevads VVS Teknik AB	Sweden	Heating and plumbing, ventilation	Company	June	100%	30	50
Sundins El i Norrköping AB	Sweden	Electrical	Company	June	100%	24	48
Dala Klimat	Sweden	HVAC	Assets and liabilities	July	–	4	10
Kyltemp i Sverige	Sweden	Cooling	Assets and liabilities	September	–	4	8
Parts of Assemblin Oy's automation business	Finland	Automation	Assets and liabilities	September	–	65	100
Peiter Olsen El A/S	Denmark	Electrical	Assets and liabilities	October	–	18	33
Reglerteknik i Norr	Sweden	Automation	Assets and liabilities	October	–	8	14
Norrstyr AB, company	Sweden	Automation	Company	October	100%	6	11
Sarjametalli Talotekniika Oy	Finland	HVAC	Company	November	100%	20	110
Plato AS	Norway	HVAC	Company	November	100%	21	35
Sörens EL AB	Sweden	Electrical	Company	December	100%	50	60
Sörens Kraft och Montage AB	Sweden	Power	Company	December	100%	19	40
Öbergs Vent Teknik AB	Sweden	HVAC	Company	December	100%	22	57

If the acquisitions had taken place at 1 January 2021, consolidated net sales for 2021 would have increased by just over 2 percent.

Effects of acquisitions in 2021

Acquisitions have the following effects on consolidated assets and liabilities.

Assets and liabilities included in acquisition

Intangible assets	3
Property, plant and equipment	5
Trade receivables ¹	123
Income accrued but not invoiced	12
Other current assets	58
Cash and cash equivalents	119
Non-current liabilities	-7
Trade payables	-69
Income invoiced but not accrued	-20
Other current liabilities	-75
Net identifiable assets and liabilities	148

Consolidated goodwill

553

Consideration

701

Consideration recognised as a liability²

204

Cash consideration paid

497

Cash and cash equivalents, acquired

119

Net effect on cash and cash equivalents

379

Acquisitions after the end of the reporting period

Bravida has completed four acquisitions since the end of the period.

On 1 January, LVI-Press Oy in Finland, with around 20 employees and sales of approximately SEK 40 million, was taken over.

On 4 January, Wikblom Hydraulik och Rörteknik AB in Sweden, with around 20 employees and sales of approximately SEK 40 million, was taken over.

On 1 February, Viste & Sømme AS in Norway, with 12 employees and sales of approximately SEK 23 million, and the business operations of Nordic Montage Team AB in Sweden, with 9 employees and sales of approximately SEK 12 million, were taken over.

On 1 March, Låscenter i Västerås AB in Sweden, with 17 employees and sales of approximately SEK 40 million, was taken over.

NOTE 5 EMPLOYEES AND PERSONNEL COSTS

Average number of employees	2022			2021		
	Total	Proportion of women	Proportion of men	Total	Proportion of women	Proportion of men
Parent company						
Sweden	19	58%	62%	18	56%	44%
Total at parent company	19	58%	62%	18	56%	44%
Group companies						
Sweden ¹	6,234	9%	91%	5,782	9%	91%
Norway	3,165	7%	93%	2,931	6%	94%
Denmark	2,908	8%	92%	2,429	8%	92%
Finland	752	7%	93%	704	6%	94%
Total at parent company	13,059	8%	92%	11,846	8%	92%
Group total	13,078	8%	92%	11,864	8%	92%

1 Bravida Sweden conducts small-scale development operations at an office in Slovakia. These employees are reported in Sweden and total 19 (17) persons, of whom 2 (2) are women.

Distribution in company management ²	31/12/2022		31/12/2021	
	Proportion of women	Proportion of men	Proportion of women	Proportion of men
Parent company				
Board of Directors	50%	50%	50%	50%
Other senior executives	8%	92%	8%	92%
Group total				
Board of Directors	50%	50%	50%	50%
Other senior executives	8%	92%	8%	92%

2 Members of the Board elected by the AGM and with the CEO included among other senior executives.

Salaries, other remuneration and social security contributions	31/12/2022		31/12/2021	
	Salaries and remuneration	Social security costs	Salaries and remuneration	Social security costs
Parent company	59	15	51	12
(of which pension)	(8)	(2)	(7)	(2)
Group companies	8,620	1,410	7,392	1,306
(of which pension)	(304)	(79)	(466)	(55)
Group total	8,679	1,425	7,443	1,318
(of which pension)	(313)	(81)	(474)	(57)

NOTE 5. Employees and personnel costs, cont.

	31/12/2022		31/12/2021	
	CEO and other senior executives ³	Other employees	CEO and other senior executives ³	Other employees
Salaries and other remuneration				
Parent company				
Sweden	39	20	36	15
(of which bonuses, etc.)	(14)	(1)	(12)	(0)
Group companies				
Sweden	26	3,698	29	3,334
(of which bonuses, etc.)	(10)	(109)	(11)	(102)
Norway	5	2,019	6	1,700
(of which bonuses, etc.)	(1)	(37)	(2)	(16)
Denmark	7	2,315	8	1,847
(of which bonuses, etc.)	(2)	(39)	(3)	(24)
Finland	6	544	6	461
(of which bonuses, etc.)	(2)	(7)	(2)	(4)
Total for Group companies	44	8,576	49	7,343
(of which bonuses, etc.)	(16)	(192)	(18)	(146)
Group total	83	8,596	85	7,358
(of which bonuses, etc.)	(30)	(193)	(30)	(146)

³ At year-end the group of senior executives, including the CEO, numbered 12 (13) persons.

Remuneration and other benefits for the Board

SEK THOUSAND	Board fees	Committee fee ⁴	Other fees	Total recognised cost for 2022	Total recognised cost for 2021
Chair of the Board					
Fredrik Arp	1,273	110	–	1,383	1,340
Other members of the Board					
Jan Johansson	503	200	–	703	682
Marie Nygren	503	80	–	583	567
Staffan Pålsson	503	100	–	603	587
Karin Stålhandske	503	100	–	603	587
Cecilia Daun Wennborg	503	80	–	583	567
	3,790	670	–	4,460	4,328

⁴ Relates to remuneration for work on Board committees.

Board remuneration

The Chair and the members of the Board are paid a fee as per the resolution passed by the AGM on 5 May 2022. No pension is paid to the Board. Employee representatives or deputy members of the Board do not receive a Board fee. Board fees are paid as salary.

Remuneration payable to the Audit Committee is made as determined by the relevant AGM resolution. Since the 2022 constitutive Board meeting, the Audit Committee has consisted of Jan Johansson as chair, and Staffan Pålsson and Karin Stålhandske as other members.

Remuneration payable to the Audit Committee is made as determined by the relevant AGM resolution. Since the 2022 constitutive Board meeting, the Remuneration Committee has consisted of Fredrik Arp as chair and Cecilia Daun Wennborg and Marie Nygren as other members.

Remuneration and other benefits for senior executives

See the Directors' Report, page 96 Guidelines on the remuneration of senior executives, for more information.

NOTE 5. Employees and personnel costs, cont.

2022

SEK thousand	Basic salary	Variable remuneration	Other benefits ⁶	Pension cost	Total
CEO and Group President Mattias Johansson	7,866	7,830	1,334	2,260	19,289
Other senior executives ⁵	24,906	21,956	10,478	6,853	64,194
	32,772	29,786	11,812	9,113	83,483

2021

SEK thousand	Basic salary	Variable remuneration	Other benefits ⁶	Pension cost	Total
CEO and Group President Mattias Johansson	7,027	7,622	1,971	2,147	18,767
Other senior executives ⁵	24,011	22,841	12,501	6,786	66,139
	31,038	30,463	14,472	8,933	84,906

5 The group 'Other senior executives' refers to Group management, excluding the CEO. At year-end, the group of senior executives, including the CEO, consisted of 12 (13) people.

6 Includes the market value of vested shares in share savings plans at the vesting date.

For a number of years, Bravida Holding AB's AGM has approved long-term incentive programmes for selected employees. The background to and purpose of these programmes is to encourage personnel's loyalty to the company and, consequently, long-term growth in the company's value.

LTIP 2022

The 2022 AGM approved a new long-term incentive programme to run from 2022 until the 2025 AGM.

Participation in LTIP 2022 requires participants to own a certain number of shares in Bravida throughout the term of the programme and requires that they are employed by Bravida for the entire period. For each share held under the LTIP 2022, the company will allocate, at no cost, up to three or five new shares in Bravida to participants.

The Chief Executive Officer may participate with Bravida shares corresponding to a value of up to SEK 300,000 at the start date, the Chief Financial Officer may participate with shares corresponding to a value of up to SEK 240,000, other members of Group management may participate with shares corresponding to a value of up to SEK 200,000.

In addition, a number of regional managers, department heads, other Group divisional or regional staff and certain key personnel have been invited to invest in the programme.

The number of shares allocated depends on the extent to which the set performance target is met. The defined performance target is that the 2024 earnings (EBITA) of the Group are at least SEK 1,855,480,000 to achieve full allocation. For any shares to be allocated at all, a minimum level must be exceeded. This minimum level is set at 85 percent of the target figure. All participants therefore have the same performance targets. Any allocation takes place after the first interim report for 2025 has been published.

LTIP 2021

The 2021 AGM approved a new long-term incentive programme to run from 2021 until the 2024 AGM.

Participation in LTIP 2021 requires participants to own a certain number of shares in Bravida throughout the term of the programme and for participants to be employed by Bravida for the entire period. For each share held under the LTIP 2021, participants may be assigned, at no cost, a minimum of one and a maximum of three or five new shares in Bravida.

The Chief Executive Officer may participate with Bravida shares corresponding to a value of up to SEK 300,000 at the start date, the Chief Financial Officer may participate with shares corresponding to a value of up to SEK 240,000, other members of Group management may participate with shares corresponding to a value of up to SEK 200,000.

In addition, a number of regional managers, department heads, other Group divisional or regional staff and certain key personnel have been invited to invest in the programme.

The number of shares allocated depends on the extent to which the set performance target is met. The stated performance target is that the 2024 earnings (EBITA) of the Group should reach at least a certain level. All participants therefore have the same performance targets. Any allocation takes place after the interim report for 2024 has been published.

LTIP 2020

An Extraordinary General Meeting in 2020 resolved upon a new long-term incentive programme to run from 2020 until the 2023 AGM.

Participation in LTIP 2020 requires participants to own a certain number of shares in Bravida throughout the term of the programme and for participants to be employed by Bravida for the entire period. For each share held under the programme, participants may be assigned a maximum of five new shares in Bravida Holding AB. LTIP 2020 does not guarantee a share for each savings share.

The Chief Executive Officer may participate with shares (Bravida shares) corresponding to a value of up to SEK 300,000 at the start date, the Chief Financial Officer may participate with shares corresponding to a value of up to SEK 240 000, other members of Group management may participate with shares corresponding to a value of up to SEK 200,000.

In addition, a number of regional managers, branch managers, other Group staff personnel and other identified key personnel have been invited to invest in the programme.

The number of shares allocated depends on the extent to which the set performance target is met. The set performance target is Group EBITA for 2022. All participants therefore have the same performance targets. Any allocation takes place after the first-quarter report for 2023 has been published.

NOTE 5. Employees and personnel costs, cont.

LTIP 2019

An Extraordinary General Meeting in 2019 resolved upon a new long-term incentive programme to run from 2019 until the 2022 AGM.

Participation in LTIP 2019 requires participants to hold a certain number of shares in Bravida throughout the term of the programme and for participants to be employed by Bravida for the entire period. For each share held under the programme, participants may be assigned a minimum of one and a maximum of five new shares in Bravida Holding AB.

The Chief Executive Officer may participate with shares (Bravida shares) corresponding to a value of up to SEK 300,000 at the start date, the Chief Financial Officer may participate with shares corresponding to a value of up to SEK 240 000, other members of Group management may participate with shares corresponding to a value of up to SEK 200,000.

In addition, a number of regional managers, branch managers, other Group staff personnel and other identified key personnel have been invited to invest in the programme.

The number of shares allocated depends on the extent to which the set performance target is met. The set performance target is Group EBITA for 2021. All participants therefore have the same performance targets. Final allocation took place in May 2022, which as a result of achieved EBITA under the programme amounted to 70.0 percent of the maximum allocation. Of the 185 initial participants, 154 participants received a final allocation. The applicable share price at the date of the final allocation of shares at the end of the programme was SEK 88.20.

Number of share rights at start of programme	Number of shares	Number of participants	Maximum number	
			Matching shares	Performance shares
LTIP 2022	422,325	194	–	422,325
LTIP 2021	443,622	192	–	443,622
LTIP 2020	483,267	176	–	483,267
LTIP 2019	604,530	185	132,732	471,798

Share savings programme, LTIP	2019	2020	2021	2022
Number of share rights at 1 January 2019	–	–	–	–
Allocated during the year	604,530	–	–	–
Forfeited during the year	–	–	–	–
Number of share rights at 31 December 2019	604,530	–	–	–
Number of share rights at 1 January 2020	604,530	–	–	–
Allocated during the year	–	483,267	–	–
Forfeited during the year	-34,030	–	–	–
Number of rights to shares at 31 December 2020	570,500	473,267	–	–
Number of share rights at 1 January 2021	570,500	483,267	–	–
Allocated during the year	–	–	443,622	–
Forfeited during the year	-43,740	-14,270	-5,524	–
Number of share rights at 31 December 2021	526,760	468,997	438,098	–
Number of share rights at 1 January 2022	526,760	468,997	438,098	–
Allocated during the year	–	–	–	422,325
Forfeited during the year	-10,665	-39,775	-36,949	-7,482
Performance shortfall	-145,118	–	–	–
Final allocation at end of programme	-370,977	–	–	–
Number of share rights at 31 December 2022	–	429,222	401,149	414,843

NOTE 5. Employees and personnel costs, cont.

Share savings programme, LTIP	2020	2021	2022
Number of participants still employed at 31 December 2022	154	172	188
Vesting period	Jan 2020 –Dec 2022	Jan 2021 –Dec 2023	Jan 2022 –Dec 2024
Performance target	EBITA 2022	EBITA 2023	EBITA 2024
Fair value per right to share	98.87	112.94	89.30

The fair value of the rights to shares is calculated as the share price at the start of the programme, less the present value of expected dividends over the vesting period.

Recognised cost of the above programmes

SEK million	2022	2021
Share savings programme, LTIP 2018	–	6
Share savings programme, LTIP 2019	-2	16
Share savings programme, LTIP 2020	25	18
Share savings programme, LTIP 2021	14	8
Share savings programme, LTIP 2022	6	–
	43	48

Costs for the share programmes are included in operating profit and recognised in the balance sheet as equity and accrued costs (social security contributions).

Costs are based on the fair value of the share rights that are expected to be allocated. Fair value is established at the point of participants' investment as the share price adjusted for the dividend not payable to the employee over the vesting period. The fair value of cost of social security charges is calculated at the respective period-end.

NOTE 6 AUDITORS' FEES AND REIMBURSEMENT OF EXPENSES

	Group		Parent company	
	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021
KPMG				
Audit assignment	7	6	2	2
Audit work in addition to audit assignment	0	0	–	–
Tax advice	0	0	0	0
Other services	0	0	0	0
Other audit firms				
Audit assignment	0	1	–	0
Other services	0	–	–	–
	8	7	2	2

Audit assignments refer to fees for the statutory audit, i.e. the work necessary to publish the Auditor's Report, and 'audit consulting' provided in connection with the audit assignment.

Audit work in addition to the audit assignment refers to fees for the reports and other engagements that are relatively closely associated with the audit and that are usually conducted by the external auditor,

including consulting regarding advisory and reporting requirements, internal control and review of interim reports.

Other services refers to such costs not classified as audit assignments, audit work in addition to the audit assignment or tax consulting.

NOTE 7 OPERATING EXPENSES BY COST TYPE

	Group		Parent company	
	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021
Costs of materials	8,084	6,290	–	–
Subcontractors and purchased services in production	3,968	3,232	–	–
Employee costs	10,109	8,765	79	67
Depreciation and amortisation	468	432	–	–
Vehicle expenses	440	325	0	0
Premises expenses	166	113	–	–
IT expenses and telecoms	287	171	–	–
Other operating expenses	1,084	1,034	159	148
	24,606	20,364	238	215

NOTE 8 NET FINANCIAL ITEMS

	Group		Parent company	
	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021
Financial income				
Interest income, external	15	4	15	3
Interest income, internal	–	–	17	9
Foreign exchange gains	–	3	6	3
Other	6	3	–	–
	21	9	38	15
Financial expenses				
Interest expenses, external	-44	-26	-35	-19
Interest expenses, internal	–	–	-30	-5
Interest expenses, leases	-23	-25	–	–
Foreign exchange losses	-1	–	–	–
Other	-17	-14	-3	-5
	-85	-65	-68	-29
Net financial items	-64	-56	-30	-14

NOTE 9 TAXES

	Group		Parent company	
	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021
Current tax				
Tax expense for the period	-197	-293	-105	-146
Adjustment of tax in respect of prior years	-1	-2	0	-
	-198	-295	-105	-146
Deferred tax				
Deferred tax expense	-150	-23	0	0
Total recognised tax expense	-349	-318	-105	-146

	Group		Parent company	
	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021
Reconciliation of effective tax				
Profit/loss before tax	1,632	1,456	492	699
Tax at tax rate applying to parent company	-336	-300	-101	-144
Effect of different tax rates for foreign subsidiaries	-8	-6	-	-
Non-deductible expenses	-20	-13	-1	-1
Deductible items not affecting earnings	5	4	-	-
Non-taxable income	14	1	-	-
Tax in respect of prior years	-1	-2	0	-
Tax effect of unrecognised tax losses	0	-4	-	-
Effects of utilised loss carry-forwards	0	7	-	-
Deferred tax asset attributable to previous years	0	-3	-	-
Other	-3	-2	-2	-1
Recognised effective tax	-349	-318	-105	-146
Effective tax	21.4%	21.9%	21.4%	20.9%

Corporate tax rate in each country: Sweden 20.6 (20.6) percent, Norway 22.0 (22.0) percent, Denmark 22 (22) percent, Finland 20.0 (20.0) percent.

NOTE 9. Taxes, cont.

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable as follows:

	31/12/2022		31/12/2021	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Non-current intangible assets	9	–	13	–
Property, plant and equipment	16	–	10	–
Trade receivables	11	–	16	–
Pension provisions	11	–	93	–
Provisions for projects	–	-480	–	-292
Warranty provisions	25	–	32	–
Untaxed reserves	–	-260	–	-240
Loss carry-forwards	48	–	–	–
Other	16	–	12	–
Tax assets/liabilities	136	-739	175	-531
Net tax assets/liabilities	-603		-357	

Deferred tax assets amounted to SEK 136 million, SEK 48 million of which is expected to be used within 12 months.

Deferred tax liabilities amounted to SEK 739 million, SEK 0 million of which is due within 12 months.

Change in deferred tax in temporary differences and loss carry-forwards

Group	Amount at 1 Jan 2022	Recognised in profit/loss for the year	Recognised in other compre- hensive income	Translation differences and other	Acquisitions / disposals of companies	Amount at 31 Dec 2022
Non-current intangible assets	13	-4	–	0	0	9
Property, plant and equipment	10	5	–	1	0	16
Trade receivables	16	-6	–	0	1	11
Pension provisions	93	3	-84	0	–	11
Provisions for projects	-292	-164	–	-27	3	-480
Warranty provisions	32	-9	–	2	1	25
Untaxed reserves	-240	-16	–	–	-4	-260
Loss carry-forwards	0	47	–	1	–	48
Other	12	-6	–	8	2	16
Total	-357	-150	-84	-15	3	-603

Group	Amount at 1 Jan 2021	Recognised in profit/loss for the year	Recognised in other compre- hensive income	Translation differences and other	Acquisitions / disposals of companies	Amount at 31 Dec 2021
Non-current intangible assets	24	-10	–	-1	–	13
Property, plant and equipment	9	0	–	0	–	10
Trade receivables	15	0	–	0	0	16
Pension provisions	116	10	-32	0	–	93
Provisions for projects	-306	30	–	-16	0	-292
Warranty provisions	29	2	–	1	–	32
Untaxed reserves	-202	-34	–	–	-4	-240
Loss carry-forwards	14	-11	–	-3	–	0
Other	14	-10	–	8	–	12
Total	-288	-23	-32	-10	-3	-357

NOTE 10 EARNINGS PER SHARE

	2022	2021
Profit/loss for the year attributable to parent company shareholders, SEK thousand	1,267,199	1,147,710
Weighted average number of ordinary shares outstanding;		
basic	203,589,438	202,857,641
Effect of long-term incentive programme	549 826	474,036
diluted	204,139,264	203,331,677
Basic earnings per share, SEK	6.22	5.66
Diluted earnings per share, SEK	6.21	5.64

Basic earnings per share

Basic earnings per share is calculated by dividing income attributable to owners of the parent company by a weighted average number of outstanding ordinary shares in the period.

Diluted earnings per share

To calculate diluted earnings per share, the weighted average number of outstanding ordinary shares is adjusted for the dilutive effect of all dilutive potential ordinary shares. These potential ordinary shares are attributable to the long-term incentive programme introduced in 2020 (LTIP 2020). Rights to shares in LTIP 2021 and 2022 are not yet dilutive but could be if the performance terms are met. With regard to LTIP 2019, these rights to shares were dilutive until allocation in May 2021. See also Note 5 'Employees and personnel costs' for a description of approved long-term incentive programmes.

NOTE 11 NON-CURRENT INTANGIBLE ASSETS

Group 31/12/2022	Goodwill	Other intangible assets	Total
Accumulated cost			
At start of year	9,538	33	9,570
Business combinations	756	–	756
Foreign exchange differences for the year	153	1	154
At year-end	10,447	34	10,481
Accumulated scheduled amortisation			
At start of year	–	-30	-30
Scheduled amortisation for the year	–	-1	-1
Foreign exchange differences for the year	–	-1	-1
At year-end	–	-32	-32
Accumulated impairment			
At start of year	-8	–	-8
At year-end	-8	–	-8
Carrying amount at start of period	9,530	3	9,533
Carrying amount at end of period	10,439	2	10,441

Group 31/12/2021	Goodwill	Other intangible assets	Total
Accumulated cost			
At start of year	8,911	30	8,942
Business combinations	557	2	559
Foreign exchange differences for the year	69	1	70
At year-end	9,538	33	9,570
Accumulated scheduled amortisation			
At start of year	–	-29	-29
Scheduled amortisation for the year	–	0	0
Foreign exchange differences for the year	–	0	0
At year-end	–	-30	-30
Accumulated impairment			
At start of year	-8	–	-8
At year-end	-8	–	-8
Carrying amount at start of period	8,904	1	8,905
Carrying amount at end of period	9,530	3	9,533

NOTE 11. Intangible non-current assets, cont.

Impairment tests for cash-generating units containing goodwill

The following cash-generating units have significant recognised goodwill values in relation to total recognised consolidated goodwill:

Group	31/12/2022	31/12/2021
Sweden	6,263	5,843
Norway	1,945	1,821
Denmark	1,525	1,250
Finland	706	616
	10,439	9,530

Impairment of goodwill

For those cash-generating units where the recoverable amount has been calculated and no impairment has been identified, management deems that no reasonably possible changes in key assumptions would cause the recoverable amount to fall below the carrying amount.

Method for calculating the recoverable amount

For all goodwill values, the recoverable amount has been determined by calculating value in use for the cash-generating unit. The model of calculation is based on the discounting of future expected cash flows in relation to carrying amounts for the unit. Future cash flows are based on five-year forecasts produced by the management for each cash-generating unit. Impairment tests of goodwill are based on the assumption of a perpetual horizon and the extrapolation of cash flows for the years after the forecasting period has been based on a growth rate of 2 (2) percent. Lease payments are treated in calculating value in use as cash flows in operations. As a consequence, lease liabilities have not affected the discount rate, as in previous years. The lease liability is deducted from the carrying amount of the units – because the value in use has been reduced by the present value of future lease payments – in which the right-of-use assets are included.

Key variables for calculating value in use:

The following variables are material and common for all cash-generating units in calculating value in use.

Sales: The competitiveness of the business, expected trends in the construction sector, general economic trends, central and local government investment plans, interest rates, and local market conditions.

Operating margin: Historical profitability levels and efficiency in the business, access to key individuals and qualified labour, skills in dealing with customers/customer relationships, access to internal resources, trends in expenses for salaries, materials and subcontractors.

Working capital requirements: An assessment in each individual case of whether the working capital reflects the operational requirements or needs to be adjusted for the forecasting periods. For the trend going forward, a reasonable or cautious assumption is that working capital will track sales growth.

Investment needs: Investment needs in the businesses are assessed based on the investments required to achieve the forecast cash flows from the baseline, i.e. without investments for expansion. Normally, the level of investment has corresponded to the rate of depreciation of property, plant and equipment.

Tax burden: The tax rate in the forecasts is based on Bravida's expected tax situation in each country.

Discount rate: Forecast cash flows and residual values are discounted to present value using the weighted average cost of capital (WACC). The interest rate paid on borrowed capital is defined as the average interest rate on consolidated net debt. The required rate of return on equity is defined using the capital asset pricing model (CAPM). A weighted pre-tax discount rate of 10.9 (7.4) percent has been used in the calculations of value-in-use.

NOTE 12 RIGHT-OF-USE ASSETS

Group 31/12/2022	Buildings and land	Vehicles	Total
At start of year	577	395	972
New contracts	67	275	342
Extension option	81	43	124
Contracts terminated	-6	-2	-9
Depreciation/amortisation	-203	-224	-426
Other	-	-	-
Foreign exchange differences for the year	13	12	25
At year-end	529	498	1,028

Group 31/12/ 2021	Buildings and land	Vehicles	Total
At start of year	626	376	1,002
New contracts	67	210	278
Extension option	84	9	93
Contracts terminated	-20	-6	-26
Depreciation/amortisation	-196	-202	-398
Other	4	-	4
Foreign exchange differences for the year	11	8	19
At year-end	577	395	972

Other lease disclosures are in note 26.

NOTE 13 PROPERTY, PLANT AND EQUIPMENT

Group 31/12/2022	Buildings and land	Machinery and equipment	Total
Accumulated cost			
At start of year	81	291	372
Purchases	89	53	142
Business acquisitions	–	11	11
Divestments and disposals	-1	-6	-7
Reclassification	–	-8	-8
Foreign exchange differences for the year	11	16	27
	181	356	537
Accumulated scheduled amortisation			
At start of year	-1	-199	-200
Divestments and disposals	0	7	7
Reclassification	–	8	8
Depreciation/amortisation scheduled for the year based on acquisition costs	-1	-40	-41
Foreign exchange differences for the year	0	-11	-11
	-2	-235	-237
Carrying amount at end of period	178	121	299
Group 31/12/ 2021	Buildings and land	Machinery and equipment	Total
Accumulated cost			
At start of year	19	294	313
Purchases	61	6	67
Business acquisitions	0	27	27
Divestments and disposals	–	-36	-36
Reclassification	–	-7	-7
Foreign exchange differences for the year	1	7	8
	81	SEK 291	372
Accumulated scheduled amortisation			
At start of year	0	-203	-203
Divestments and disposals	–	36	36
Reclassification	–	7	7
Depreciation/amortisation scheduled for the year based on acquisition costs	-1	-34	-34
Foreign exchange differences for the year	-1	-6	-6
	-1	-199	-200
Carrying amount at end of period	80	92	172

NOTE 14 INVESTMENTS IN ASSOCIATES

Group	31/12/2022	31/12/2021
Accumulated cost		
At start of year	10	0
Acquisitions	–	9
Liquidation	–	0
Share in profit of associates	3	–
Foreign exchange differences for the year	1	0
Carrying amount at end of period	13	10

Specification of investments in associates

31 Dec 2022 Associate, Company reg. no., Reg. office	Profit/loss for the year	Owned share	Carrying amount
MT Højgaard ApS, CVR 36905026, DK-2605 Brøndby, Denmark	–	50%	0
SKM Stainless Oy, 2926972-4, Leppävirta, Finland	3	40%	12
NDT Mific Oy, 2474952-6, Pyhäjoki, Finland	–	35%	1
			13

31 Dec 2021 Associate, Company reg. no., Reg. office	Profit/loss for the year	Owned share	Carrying amount
Bravida MT Højgaard ApS, CVR 36905026, DK-2605 Brøndby, Denmark	–	50%	0
SKM Stainless Oy, 2926972-4, Leppävirta, Finland	–	40%	9
NDT Mific Oy, 2474952-6, Pyhäjoki, Finland	–	35%	1
			10

NOTE 15 PENSION ASSETS AND PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

The Group has both defined-contribution and defined-benefit pension commitments. The majority of the Group's pension commitments are defined-contribution plans.

Sweden

The Group's most extensive defined-benefit plans are in Sweden.

KTP

The largest pension plan is the Swedish KTP plan, which accounts for approximately 84 of the total obligation and assets. In 2014, the KTP plan was closed to new employees, but those people who belonged to the KTP plan continue to have vesting and remain in this plan. Salaried employees covered by the KTP plan have a defined-benefit pension plan, which is recognised in the Group in accordance with IAS 19.

The KTP plan is structured in a similar way to the ITP plan and the pension benefit is based on a theoretical final salary. The pension plan has a share of KP-stiftelsen, which overall is one of the largest pension funds in Sweden. This pension fund like all pension funds, is subject to the supervision of the County Administrative Board. For further information see <https://www.folksam.se/arbetsgivare/pensionsstiftelsen/information-om/pensionsstiftelsen>. The pension plan is reinsured with PRI. No payments are expected to be made to the KP fund in the next year.

ITP

Since 1 July 2014 all new employees in Sweden are covered by the ITP plan, as the KTP plan was closed to new employees. The defined-contribution ITP 1 plan covers employees born in 1979 or later. Employees born in 1978 or earlier are covered by ITP 2. The old-age pension under ITP 2 can be funded in two ways; either the employer provides the pension under its own management or premiums are paid to Alecta.

From August 2018, Bravida has changed the funding method to choosing ITP 2 under its own management, which means the company will itself manage the old-age pension through liability accounting on the balance sheet. This portion is recognised as a liability in the Group in accordance with IAS 19.

Until August 2018, for salaried employees in Sweden covered by the ITP 2 plan's defined-benefit pension obligations for old-age and family pension, this was secured through an insurance policy with Alecta. According to a statement by the Swedish Financial Reporting Board (UFR 10 Classification of ITP plans financed by insurance with Alecta), this is a multi-employer defined-benefit pension plan. Bravida does not have sufficient access to the information required in order to report its proportional share of the plan obligation and of the plan assets and costs and has therefore been unable to report the plan as a defined-benefit plan. The ITP 2 pension plan, which is secured by insurance with Alecta, is therefore recognised as a defined-contribution plan. The premium for old-age and family

pensions is individually calculated and is dependent, among other things, on salary, pension previously earned and expected remaining period of service. The fees for the year for ITP 2 insurance policies taken out with Alecta amount to SEK 0 (0) million. The collective funding level is the market value of Alecta's assets as a percentage of the insurance commitments, calculated in accordance with Alecta's calculation methods and assumptions for insurance purposes, which do not comply with IAS 19. The collective funding level is normally permitted to range between 125 percent and 175 percent. If Alecta's collective consolidation level falls below 125 percent or exceeds 175 percent, measures must be taken in order to create the conditions for the consolidation level to return to within the normal range. If consolidation is too low, measures include increasing the agreed price for new subscriptions and extending existing benefits. If consolidation is too high, measures include applying premium reductions. At year-end 2022, Alecta's surplus, in the form of the collective consolidation level, was 172 (172) percent.

Other countries

In Norway, the majority of pension plans are defined-contribution, although a few employees have a defined-benefit plan. Denmark and Finland have defined-contribution pension plans.

Defined-benefit obligations and the value of plan assets

Group	31/12/2022	31/12/2021
Present value of fully or partly funded obligations	-1,396	-1,812
Fair value of plan assets	1,400	1,552
Total fully or partly funded obligations	3	-260
Present value of unfunded defined-benefit obligations	-217	-294
Net obligations	-213	-554
The net amount is recognised in the following items on the balance sheet:		
Pension assets	17	10
Provisions for pensions and similar obligations	-230	-563
Total	-213	-554
Distribution of net amount by country:		
Sweden	-230	-560
Norway	17	6
Total	-213	-554

NOTE 15. Pension assets and provisions for pensions and similar obligations, cont.

Changes in the present value of the obligation for defined-benefit plans

Group	31/12/2022	31/12/2021
Obligation for defined-benefit plans at 1 Jan	2,106	2,111
Cost of vested benefits during period	62	72
Liability taken over	-	-
Interest expense	38	22
Pension payments	-73	-69
Actuarial gains (-) and losses (+)		
- Changes in financial assumptions	-524	-27
- Experience-based adjustments	-1	-
Currency translation	5	-4
Obligation for defined-benefit plans at 31 December	1,613	2,106
- of which funded obligations	-1,396	-1,812

The average maturity period for obligations is 17 years (18).

Changes in fair value of plan assets

Group	31/12/2022	31/12/2021
Fair value of plan assets at 1 January	1,552	1,467
Acquired asset	-	-
Interest income recognised in the income statement	27	15
Withdrawn	-70	-66
Insurance premium (-) paid from plan assets	-	-
Paid in	1	8
Return on plan assets excluding interest income	-115	131
Currency translation	5	-3
Fair value of plan assets at 31 December	1,400	1,552

Actuarial assumptions

The following significant actuarial assumptions have been applied in calculating the obligations.

	Sweden		Norway	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Discount rate	3.70%	1.80%	3.20%	1.50%
Assumed long-term salary increases	2.40%	2.60%	3.75%	2.50%
Long-term increase in income base amount	2.40%	2.60%	3.75%	2.50%
Assumed long-term inflation	2.00%	2.20%	-	-
Expected increase in base amount (price base amount)	-	-	3.50%	2.25%

The actuarial assumptions are based on commonly used assumptions relating to demographic factors and termination of employment. Life expectancy assumptions used for the Swedish pension plans are based on DUS21. For the Norwegian pension plans, life expectancy assumptions are made in accordance with K2013.

Defined-benefit pension plans

The cost for benefit-based pensions is recognised as an administrative expense in the income statement.

The number of individuals covered by the IAS 19 calculation regarding defined-benefit pension plans, Denmark and Finland are not covered.

31/12/2022	Parent company	Other Sweden	Norway	Total
Active	7	1,091	-	1,098
Holders of paid-up policies	5	2,509	55	2,569
Retired	1	3,376	345	3,722
Total	13	6,976	400	7,389

31/12/2021	Parent company	Other Sweden	Norway	Total
Active	7	1,088	-	1,095
Holders of paid-up policies	5	2,476	55	2,536
Retired	1	3,330	368	3,699
Total	13	6,894	423	7,330

Sensitivity analysis

Effects of possible changes in the Group's defined-benefit pension plans, as calculated under IAS 19.

Group	Increase	Decrease
Change in discount rate	0.5 percentage point	0.5 percentage point
Effect on obligation	-122	136
Change in inflation assumption	0.5 percentage point	0.5 percentage point
Effect on obligation	114	-103
Change in life expectancy	+1 year	
Effect on obligation	74	

NOTE 16 OTHER SECURITIES HELD AS NON-CURRENT ASSETS

Group	31/12/2022	31/12/2021
Accumulated cost		
At start of year	13	13
Acquisitions	5	–
Divestments and disposals	–	0
Changes in value	0	0
Foreign exchange differences for the year	1	0
Carrying amount at end of period	18	13
Breakdown of securities		
Tenant-owner property	7	7
Other	12	7
	18	13

NOTE 17 NON-CURRENT RECEIVABLES

	Group		Parent company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Deposit for rental of premises	19	14	–	–
Other	0	0	1	1
	19	14	1	1

NOTE 19 OTHER RECEIVABLES

Other receivables that are non-current assets

	Group		Parent company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Other operating receivables	42	60	0	15
Prepaid insurance premiums	36	20	2	11
Prepaid credit facility charge	4	6	4	6
Accrued income	218	175	–	–
Other prepayments	185	108	3	1
	485	370	9	33

NOTE 18 CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract assets

Group	31/12/2022	31/12/2021
Accrued income from work not yet completed	22,397	13,540
Invoicing of work not yet completed	-19,171	-11,521
	3,225	2,019

Contract liabilities

Group	31/12/2022	31/12/2021
Invoicing of work not yet completed	18,546	18,393
Accrued income from work not yet completed	-14,608	-15,249
	3,938	3,144

Accrued income for incomplete work and from ongoing installation projects is recognised over time (previously percentage-of-completion method). Calculation of the work-up rate is made on the basis of accrued project expenses at the end of the period in relation to project revenue corresponding to project expenses for the entire installation.

On the balance sheet, installation projects are recognised gross on a project by project basis, either as 'Contract assets' in current assets or as 'Contract liabilities' in current liabilities. Projects for which accrued revenue exceeds the amount invoiced are recognised as an asset, while projects for which the amount invoiced exceeds accrued revenue are recognised as a liability.

NOTE 20 EQUITY

Parent company	31/12/2022			31/12/2021		
	Ordinary shares	C shares	Total	Ordinary shares	C shares	Total
Outstanding shares						
Opening number of shares	203,323,771	1,092,827	204,416,598	202,975,544	341,054	203,316,598
Consolidation	398,500	-398,500	-	348,227	-348,227	-
New issue of class C shares ¹	-	500,000	500,000	-	1,100,000	1,100,000
Number of shares at year-end	203,722,271	1,194,327	204,916,598	203,323,771	1,092,827	204,416,598
- of which held by Bravida Holding AB ¹	-61,403	-1,194,327	-1,255,730	-34,490	-1,092,827	-1,127,317
Total shares outstanding at year-end	203,660,868	-	203,660,868	203,289,281	-	203,289,281

¹ Custodial, intended for long-term incentive programme.

The share capital is SEK 4,098,332. The quotient value of one share is SEK 0.02. The share capital is divided into 203,323,771 ordinary shares and 1,194,327 class C shares. An ordinary share has one vote and entitles the holder to a dividend payment, while class C shares entitle holders to one-tenth of a vote and no dividend.

Specification of equity item reserves:

Group	31/12/2022	31/12/2021
Translation reserve		
Opening translation difference	13	-85
Translation differences for the year, foreign subsidiaries	142	98
Closing translation difference	155	13

Translation reserve

The translation reserve includes all foreign exchange differences arising from the translation of financial statements of foreign operations for which the financial statements have been prepared in a different currency than the currency in which the consolidated financial statements are presented. The parent company and the Group present their financial statements in Swedish kronor. The translation reserve also includes foreign exchange differences arising from expanded investments in foreign operations.

Retained earnings including profit/loss for the year

Retained earnings including profit/loss for the year include earnings generated in the parent company and its subsidiaries and associates. Previous provisions for statutory reserve, excluding transferred share premium reserves, as well as previous equity method reserves, are included in this equity item.

Dividend

After the balance sheet date, the Board proposed the following dividend. The dividend will be put forward for adoption at the Annual General Meeting on 28 April 2023.

A cash dividend of SEK 3.25 (3.00) per ordinary share, totalling SEK 661,897,821 (609,867,843) calculated on the number of registered shares less the company's holding of treasury shares.

Capital management

Bravida aims to maintain a good capital structure and financial stability. This creates a stable foundation for the company's continued business activities, which creates opportunities to retain existing owners and attract new shareholders. A good capital

structure should also help to ensure that relationships with the Group's creditors evolve in a way that is beneficial for all parties. Capital is defined as equity and refers to equity attributable to holders of interests in the parent company.

Bravida's capital structure should enable a high degree of financial flexibility and provide scope for acquisitions. The company's target is to have a debt ratio of around 2.5 times net debt/adjusted EBITDA. At 31 Dec 2022, it was 0.6x.

Bravida's target is to pay out a minimum of 50% of the Group's consolidated net earnings while also taking account of other factors such as financial position, cash flow and growth opportunities.

Bravida's loan agreements specify key financial performance indicators (covenants) that the Group is required to meet, which is customary for this type of loan. At year-end, Bravida fulfilled these covenants by a wide margin.

Parent company**Restricted funds**

Restricted funds may not be reduced through the payment of dividends.

Non-restricted equity**Share premium reserve**

Comprises the value of shares issued to the share premium reserve, i.e. more than the shares' quotient value has been paid for the shares. The amount received in excess of the quotient value has been transferred to the share premium reserve.

Retained earnings

Comprises the previous year's unrestricted equity after any payment of a dividend. Retained earnings and profit/loss for the year make up non-restricted equity, i.e. the amount that is available for dividend payments to the shareholders.

Proposed allocation of profit

The Board of Directors proposes that the parent company's non-restricted equity of SEK 3,988,634,874 will be allocated as follows:

Shareholders receive a dividend of SEK 3.25 per ordinary share ²	661,897,821
Share premium reserve	3,517,757,028
Carried forward	-191,019,975
Total	SEK 3,988,634,874

² The company's holds 61,403 treasury shares, which has reduced the total dividend amount by SEK 199,560.

NOTE 21 INTEREST-BEARING LIABILITIES

	Group		Parent company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Non-current liabilities				
Credit institution loans	500	–	500	–
Lease liability	666	638	–	–
	1,166	638	500	–
Current liabilities				
Credit institution loans	–	500	–	500
Utilised facility	400	–	400	–
Commercial paper	663	1,103	663	1,103
Lease liability	384	356	–	–
	1,447	1,459	1,063	1,603
Amount out of liability item that is expected to be paid within 12 months from balance sheet date	1,447	1,459	1,063	1,603
Amount out of liability item that is expected to be paid later than 5 years from balance sheet date	–	–	–	–

On 14 October 2019, Bravida signed a new multicurrency revolving credit facility of SEK 2,500 million. The term is 3 years with an option for an additional 1+1 year. In 2021 the first option was used and the facility was extended until 2024.

Bravida has a Swedish commercial paper programme. The size of this programme is SEK 1,500 (1,500) million and EUR 50 (50) million, and total borrowing under this programme amounts to SEK 663 (1,103) million.

	2022				2021	
	Maturity	Nominal interest	Nominal value	Carrying amount	Nominal value	Carrying amount
Utilised bank facility	2024	3.07%	400	400	–	–
Credit institution loans	2025	3.57%	500	500	500	500
Commercial paper	2023	2.84%	663	663	1,103	1,103
Total interest-bearing liabilities			1,563	1,563	1,603	1,603

The liabilities are subject to certain covenants relating to the company's earnings and financial position. For further information about loans, see also Note 25.

Credit facilities/limits	Group		Parent company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
SEK million				
Credit facilities/limits granted	2,500	2,500	2,500	2,500
Undrawn portion	-2,100	-2,500	-2,100	-2,500
Drawn credit facilities	400	–	400	–
Authorised credit limit, by country				
Sweden	2,500	2,500	2,500	2,500
Total credit limit granted, SEK million	2,500	2,500	2,500	2,500

Assets pledged as collateral for liabilities to credit institutions	Group		Parent company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
SEK million				
Credit facilities/limits granted	57	91	–	–
	57	91	–	–

For information regarding assets pledged as collateral, see also Note 27.

NOTE 22 PROVISIONS

	Group	
	31/12/2022	31/12/2021
Provisions that are non-current liabilities		
Warranties	75	86
Other	6	7
	81	93
Provisions that are current liabilities		
Warranties	75	86
Disputes	36	80
Restructuring measures	3	0
Provision for project losses	239	58
Other	75	56
	428	281
Total provisions	509	373

Warranties

A warranty commitment provision is made for warranties to cover estimated future warranty costs on work already performed, to resolve defects and deficiencies that arise during the warranty period. The warranty period is usually two to five years from the completion of a project or work. As the effect of when payment is made is not material, expected future outgoing payments are not discounted to present value.

Disputes

The provision is based on an individual risk assessment for unresolved disputes at the balance sheet date.

Restructuring measures

Restructuring measures include items such as costs of staff reductions. A provision is recognised when a detailed restructuring plan has been adopted and the restructuring has been initiated or publicly announced. No provision is made for future operating expenses.

Provision for losses in projects

Installation assignments are recognised over time. Individual provisions are made for expected losses, when the project costs are expected to exceed the total project income.

Changes 2022	Warranty commitments	Disputes	Restructuring measures	Provision for project losses and other	Total
Carrying amount at start of period	172	80	0	120	373
Provisions made during the period	72	13	3	219	307
Amount used during the period	-108	-61	0	-56	-225
Provisions in acquired companies	9	-	-	33	42
Foreign exchange difference	5	3	-	3	12
Carrying amount at year-end	150	36	3	320	509

Changes 2021	Warranty commitments	Disputes	Restructuring measures	Provision for project losses and other	Total
Carrying amount at start of period	158	25	4	125	312
Provisions made during the period	73	72	0	64	210
Amount used during the period	-65	-18	-4	-70	-157
Provisions in acquired companies	3	-	-	-	3
Foreign exchange difference	3	1	0	1	6
Carrying amount at year-end	172	80	0	120	373

NOTE 23 OTHER LIABILITIES

	Group		Parent company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Value-added tax liability	298	258	–	–
Employee withholding taxes	179	203	1	1
Other operating liabilities	493	379	0	1
Accrued holiday pay and salaries	1,534	1,365	37	27
Accrued social security contributions	465	419	8	9
Accrued interest expenses	4	2	4	2
Accrued expenses and deferred income	106	98	1	1
	3,080	2,724	51	41

NOTE 24 VALUATION OF FINANCIAL ASSETS AND LIABILITIES

The following table shows carrying amounts and fair values for financial instruments. For interest-bearing assets and liabilities, fair value has been determined by discounting future payment flows at the market interest rate applying at the balance sheet date. The carrying amounts of trade receivables and trade payables are assessed to be the same as the fair values. The discount rate is the market interest rate for similar instruments at the balance sheet date.

Fair value hierarchy

- Level 1 refers to fully observable data, unadjusted listed prices on an active market for identical assets and liabilities to which the company has access at the time of valuation
- Level 2 refers to observable data, other than the listed prices of level 1, which is directly or indirectly observable
- Level 3 refers to non-observable data for assets or liabilities

An asset or liability is included in its entirety in one of the three levels, based on the lowest level of input data that is material to the valuation.

Group 2022	Financial assets measured at fair value through other comprehensive income	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total carrying amount	Fair value
Securities held as non-current assets	18	–	–	18	18
Non-current receivables	–	19	–	19	19
Trade receivables	–	5,210	–	5,210	5,210
Accrued income	–	218	–	218	218
Other receivables	–	–	–	–	–
Cash and cash equivalents	–	1,308	–	1,308	1,308
Total assets	18	6,756	–	6,774	6,774
Non-current liabilities to credit institutions	–	–	500	500	500
Current liabilities to credit institutions	–	–	–	–	–
Commercial paper	–	–	663	663	663
Overdraft facilities	–	–	–	–	–
Trade payables	–	–	3,259	3,259	3,259
Other liabilities	–	–	315	315	315
Accrued expenses	–	–	65	65	65
Total liabilities	–	–	4,802	4,802	4,802

NOTE 24. Valuation of financial assets and liabilities, cont.

Group 2021	Financial assets measured at fair value through other comprehensive income	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total carrying amount	Fair value
Securities held as non-current assets	13	–	–	13	13
Non-current receivables	–	14	–	14	14
Trade receivables	–	4,446	–	4,446	4,446
Accrued income	–	175	–	175	175
Other receivables	–	–	–	–	–
Cash and cash equivalents	–	1,594	–	1,594	1,594
Total assets	13	6,229	–	6,242	6,242
Non-current liabilities to credit institutions	–	–	–	–	–
Current liabilities to credit institutions	–	–	500	500	500
Commercial paper	–	–	1,103	1,103	1,103
Overdraft facilities	–	–	–	–	–
Trade payables	–	–	2,534	2,534	2,534
Other liabilities	–	–	194	194	194
Accrued expenses	–	–	100	100	100
Total liabilities	–	–	4,431	4,431	4,431

Parent company 2022	Financial assets measured at amortised cost	Other financial liabilities measured at amortised cost	Total carrying amount	Fair value
Current receivables from Group companies	2,290	–	2,290	2,290
Cash and cash equivalents	1,055	–	1,055	1,055
Total assets	3,345	–	3,345	3,345
Non-current liabilities to credit institutions	–	500	500	500
Current liabilities to credit institutions	–	–	–	–
Commercial paper	–	663	663	663
Current liabilities to Group companies	–	–	–	–
Trade payables	–	5	5	5
Other liabilities	–	2	2	2
Accrued expenses	–	5	5	5
Total liabilities	–	1,174	1,174	1,174

NOTE 24. Valuation of financial assets and liabilities, cont.

Parent company 2021	Financial assets measured at amortised cost	Other financial liabilities measured at amortised cost	Total carrying amount	Fair value
Current receivables from Group companies	1,588	–	1,588	1,588
Cash and cash equivalents	1,380	–	1,380	1,380
Total assets	2,968	–	2,968	2,968
Non-current liabilities to credit institutions	–	–	–	–
Current liabilities to credit institutions	–	500	500	500
Commercial paper	–	1,103	1,103	1,103
Current liabilities to Group companies	–	–	–	–
Trade payables	–	14	14	14
Other liabilities	–	2	2	2
Accrued expenses	–	2	2	2
Total liabilities	–	1,622	1,622	1,622

NOTE 25 FINANCIAL RISKS AND FINANCIAL POLICIES

Financial risks and financial policies

Through its operations the Group is exposed to various types of financial risk. Financial risk refers to fluctuations in the company's earnings and cash flow as a result of changes in exchange rates, interest rates, and refinancing and credit risk. The Group's financial management is governed by the applicable financial policy, which is adopted by Bravida's Board of Directors and constitutes a framework of guidelines and rules in the form of risk mandates and limits for the company's financial activities. The Treasury Unit is responsible for coordinating the Group's financial activities. The overall objective for the Treasury Unit is to provide cost-effective financing and to minimise negative effects on the Group's earnings that derive from financial risk.

Market risk

Market risk is the Group's risk that the fair value of financial instruments or future cash flows from financial instruments will fluctuate as a result of changes in market prices. The Group's main market risks are interest rate risk and currency risk.

Interest rate risk

Interest rate risk is the risk of interest rate changes having an adverse effect on the Group's future earnings and cash flow. The Group is primarily exposed to interest rate risk through cash and cash equivalents and through interest-bearing liabilities. The average fixed-rate period for all interest-bearing assets was 0 years (0). The interest rate for interest-bearing assets at year-end was 0 percent in SEK, DKK and EUR, and in NOK the interest rate was 3.14 (0.90) percent and in SEK 2.41 (0.08) percent. Of the Group's total interest-bearing financial assets, 0 (0) percent have fixed interest rates and 100 (100) percent have variable interest rates. The average fixed-rate period for all interest-bearing liabilities, excluding pension liabilities, was 0 years (0). The interest rate for interest-bearing liabilities at year-end was 3.13 (0.53) percent. Of total interest-bearing financial liabilities, 0 (0) percent have fixed interest rates and 100 (100) percent have variable interest rates.

Currency risk

Currency risk is defined as the risk that changes in exchange rates will have a negative impact on the consolidated income statement

and cash flow. This risk can be divided into transaction exposure, i.e. the net operating and financial (interest/repayments) flows, and translation exposure, which relates to net investments in foreign Group companies.

Bravida's transaction exposure is low, as both sales and purchases are largely made in local currency. Translation exposure arises when assets and liabilities are denominated in different currencies, and when the earnings and net assets of foreign subsidiaries are translated to Swedish kronor. For the Group, translation risk arises for subsidiaries in Norway, Denmark and Finland. Assets and liabilities in foreign currency are translated at the rate at the balance sheet date.

Liquidity risk

Liquidity risk is the risk that the Group will face problems meeting its obligations associated with financial liabilities. The Group has a rolling three-month liquidity planning system that covers all units in the Group. The plans are updated continuously. The Group's forecasts also comprise medium-term liquidity planning. Liquidity planning is used to manage liquidity risk and the costs of funding the Group. The goal is to ensure that the Group is able to meet its financial obligations regardless of economic climate without incurring significant unforeseen expenses. Liquidity risk throughout the Group is managed by the central Treasury Unit.

Credit facilities

The Group has bank loans of SEK 500 (500) million and a revolving facility of SEK 2,500 (2,500) million. SEK 400 (0) million of the revolving facility was used. The loan and revolving facility agreements specify key financial performance indicators (covenants) that the Group is required to meet. At year-end, Bravida fulfilled these covenants by a good margin. At year-end, the Group's cash and cash equivalents totalled SEK 1,308 (1,594) million.

Nominal liquidity reserve totalled SEK 4,308 (4,594) million, of which the portion utilised was SEK 900 (500) million. The available liquidity reserve was SEK 3,408 (4,094) million. The remaining term of the revolving credit is 22 (34) months.

NOTE 25. Financial risks and financial policies, cont.

Maturity structure of financial liabilities

Group 31/12/2022	2023	2024	2025	2026
Borrowings	401	–	500	–
Overdraft facilities	–	–	–	–
Trade payables	3,259	–	–	–
Commercial paper	663	–	–	–
Accrued interest expenses	4	–	–	–
Total	4,327	–	500	–

Group 31/12/2021	2022	2023	2024	2025
Borrowings	504	–	–	–
Overdraft facilities	–	–	–	–
Trade payables	2,534	–	–	–
Commercial paper	1,103	–	–	–
Accrued interest expenses	2	–	–	–
Total	4,143	–	–	–

Parent company 31/12/2022	2023	2024	2025	2026
Borrowings	401	–	500	–
Overdraft facilities	–	–	–	–
Trade payables	5	–	–	–
Commercial paper	663	–	–	–
Accrued interest expenses	4	–	–	–
Total	1,073	–	500	–

Parent company 31/12/2021	2022	2023	2024	2025
Borrowings	504	–	–	–
Overdraft facilities	–	–	–	–
Trade payables	14	–	–	–
Commercial paper	1,103	–	–	–
Accrued interest expenses	2	–	–	–
Total	1,623	–	–	–

Credit facilities

Group 31/12/2022	Nominal	Drawn	Available
Credit institution loans	500	500	–
Revolving facilities	2,500	400	2,100
Overdraft facilities	–	–	–
Cash and cash equivalents	1,308		1,308
Liquidity reserve	4,308	900	3,408

Group 31/12/2021	Nominal	Drawn	Available
Credit institution loans	500	500	–
Revolving facilities	2,500	–	2,500
Overdraft facilities	–	–	–
Cash and cash equivalents	1,594		1,594
Liquidity reserve	4,594	500	4,094

Fixed-rate period for drawn credit

	31/12/2022	31/12/2021
Amount	1,563	1,603
Average effective interest rate, %	3.13%	0.53%
Share, %	100	100
Fixed-rate period	Variable	Variable

Exposure of net assets in foreign currency

The translation exposure that arises through investments in foreign net assets is not hedged.

Foreign net assets

	Group	
	31/12/2022	31/12/2021
NOK	1,488	1,460
DKK	426	382
EUR	25	25

A 10 percent strengthening of the Norwegian krone at 31 December 2022 would have a positive translation effect on equity of SEK 157 million. The same increase in the value of the Danish krone would have a positive translation effect on equity of SEK 64 million. The same increase in the value of the euro would have a positive translation effect on equity of SEK 28 million.

The foreign exchange difference for the year in comprehensive income was SEK 142 (98) million.

NOTE 25. Financial risks and financial policies, cont.

Commercial exposure

International purchases and sales of goods and services in foreign currencies are limited in scope but can be expected to increase as the Group expands and in response to mounting competition in respect of purchasing of goods and services.

Credit risk

Credit risk refers to the risk of losing money due to the inability of a counterparty to meet its obligations.

Credit risk in financing activities

The credit risk in the Group's financing activities is very small, as Bravida only concludes agreements with counterparties with the highest creditworthiness. Credit risk refers mainly to counterparty risks in connection with receivables from banks and other counterparties. The Group's financial policy contains a set of counterparty regulations specifying maximum credit exposures for different counterparties. The estimated gross exposure to counterparty risk in respect of cash and cash equivalents and short-term investments was SEK 1,308 (1,594) million.

Credit risk in trade receivables and contract assets

The risk that the company's customers will not fulfil their commitments, i.e. that it will not receive payment from its customers, constitutes a customer credit risk. Credit losses are normally small thanks to the very large number of projects and customers, which are invoiced regularly during the period of production. The credit risk of customers is assessed, where information about the customer's financial position is obtained from various credit information companies. The Group has a credit policy for the management of customer credits. The policy states, among other things, where decisions should be made on credit limits of various sizes and how doubtful receivables should be handled. A bank guarantee or other security is required for customers with low creditworthiness or an insufficient credit history. The maximum credit exposure is stated in the consolidated balance sheet. Total credit losses were SEK 9 (7) million. There was no significant concentration of credit risk at the balance sheet date.

The Group applies the simplified method for calculating expected credit losses. This method involves expected losses over the duration of a receivable being used as the basis for trade receivables and contract assets. Expected credit loss levels are based on customers' payment history. Historical losses are then adjusted to take account of current and forward-looking information that could affect customers' ability to pay a receivable. Based on historical data, the Group makes the assessment that no significant impairment of trade receivables that are not yet past due has been made at the balance sheet date.

Contract assets refer to revenue accrued but not invoiced and are assessed to have the same properties as revenue already invoiced. As a result, the same weighted loss percentage is used for contract assets as is used for trade receivables.

2022	Group			
	Trade receivables, gross	Contract assets	Weighted loss percentage	Loss provision
Loss matrix – trade receivables and contract assets				
Not past due	3,561	3,225	0.04	-2
Past due 1-15 days	461	–	0.33	-2
Past due 16-30 days	88	–	1.71	-2
Past due 31-60 days	36	–	7.72	-3
Past due > 60 days	1,191	–	10.08	-120
Total	5,337	3,225		-127

2021	Group			
	Trade receivables, gross	Contract assets	Weighted loss percentage	Loss provision
Loss matrix – trade receivables and contract assets				
Not past due	3,079	2,019	0.02	0
Past due 1-15 days	274	–	1.06	-1
Past due 16-30 days	11	–	9.01	-34
Past due 31-60 days	55	–	14.59	-56
Past due > 60 days	1,157	–	10.44	-40
Total	4,577	2,019		-131

Loss provision/impaired trade receivables	Group	
	31/12/2022	31/12/2021
Opening balance	-131	-139
Change for the year	4	7
Closing balance	-127	-131

Sensitivity analysis	Group	
	Change +/-	Effect on profit before tax +/-
Sales	1%	13
EBITA margin	1 percentage point	263
Payroll costs	1%	83
Materials and subcontractors	1%	118
Share of productive installer time	1 percentage point	118
Interest rate on loans	1 percentage point	8
Exchange rate DKK	10%	25
Exchange rate NOK	10%	27
Exchange rate EUR	10%	9

NOTE 26 LEASING

The Bravida Group leases mainly properties and vehicles. For a specification of the right-of-use assets, see Note 12 Right-of-use assets. Interest expenses for the year attributable to leases totalled SEK 23 (25) million, see also Note 8 Net financial items. For carrying amounts, amortisation and additional values of right-of-use assets, see Note 12 'Right-of-use assets'. Costs of leases that are short and of low value total insignificant amounts.

Property leases

The Group leases properties mainly for office and warehouse premises. Leases normally have a term of between three to five years, and there are also leases with longer terms. It is usual for it to be possible for the lease period to be extended by additional periods if the Group does not terminate the agreement with 6 to 12 months' notice.

Where possible, the Group attempts to include such options in new leases. Whether it is reasonably certain that additional periods will be used is determined on the start date of the lease. Most premises

that are leased are not of such significance to the Group and it is not so costly to find and move to other premises that it is reasonably certain that the Group will use additional periods, and it is therefore most common for the lease period to correspond to the agreed lease term without extensions. The Group reconsiders whether it is reasonably certain that an extension option will be exercised if an important event takes place or significant circumstances arise that are within the Group's control.

Some leases contain lease payments that are based on changes in local price indices. The lease liability and the right-of-use asset are revalued when any indexation of lease fees takes effect. There are variable property tax charges in most of the leases.

Vehicle leases

The Group leases vehicles, company and service cars, with lease periods of three to five years. In some cases there are extension options, mainly linked to service vehicles. With regard to vehicles, most of the vehicles are covered by residual value guarantees.

Maturity structure of lease debt at 31 Dec 2022

	Properties	Vehicles	Total
2023	176	208	384
2024	114	142	256
2025	79	100	179
2026	51	56	107
2027	38	15	54
After 2027 and no later than 2032	82	0	83
After 2032	7	–	7
Total payments	548	521	1,069
Total liability according to the balance sheet			1,050
of which short liability			384
of which long liability			666

Maturity structure of lease debt at 31 Dec 2021

	Properties	Vehicles	Total
2022	179	177	356
2023	127	113	240
2024	88	75	163
2025	59	37	96
2026	39	9	48
After 2026 and no later than 2031	100	0	100
After 2031	11	–	11
Total payments	602	411	1,013
Total liability according to the balance sheet			994
of which short liability			356
of which long liability			638

NOTE 27 PLEDGED ASSETS AND CONTINGENT LIABILITIES

	Group		Parent company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Pledged assets				
For own liabilities and provisions				
Floating charges	57	91	-	-
Funds, endowment policies	26	27	-	-
	82	118	-	-
Contingent liabilities				
For own liabilities and provisions				
Guarantee commitments, FPG/PRI	25	24	-	-
Guarantee commitments, for Group companies	-	-	1,128	1,124
	25	24	1,128	1,124

Bravida Holding AB has acted as a guarantor for Bravida Sverige AB's pension liabilities, which in turn are guaranteed by PRI.

NOTE 28 TRANSACTIONS WITH RELATED PARTIES**Relationships**

The parent company's subsidiaries are reported in Note 29, 'Investments in Group companies'. Investments in associates are reported in Note 14, 'Investments in associates'. Information about the members of the Board and Group management, along with their remuneration, is presented in Note 5, 'Employees and personnel costs and remuneration of senior executives,' and in the Corporate Governance Report.

Transactions

Transactions with related parties are priced on market terms.

The parent company Bravida Holding AB is the primary account holder of the Group's cash pool.

The table below lists the parent company's transactions with subsidiaries:

	Parent company	
	31/12/2022	31/12/2021
Revenue		
Sales	232	198
Dividend	215	255
Group contributions	550	900
Interest income	17	9
Costs		
Operating expenses	-133	-124
Group contributions	-7	-18
Interest expenses	-30	-5
Receivables	2,290	1,587
Liabilities	4,406	3,738

NOTE 29 INVESTMENTS IN GROUP COMPANIES

The parent company's investments in Group companies	Parent company	
	31/12/2022	31/12/2021
Accumulated cost		
At start of year	7,341	7,341
Carrying amount at end of period	7,341	7,341

Itemisation of investments in Group companies Group company / Company reg. no. / Reg. office	31/12/2022		
	No. of shares	Holding in, % ¹	Book value
Bravida AB, 556713-6519, Stockholm	1,012,429,900	100.0	7,341,332
Bravida Sverige AB, 556197-4188, Stockholm	20,000	100.0	2,543,983
Bravida Prenad AB, 556454-1315, Malmö	50,000	100.0	103,044
Bravida Säkerhet AB, 556193-1832, Stockholm	5,100	100.0	24,961
SystemHouse Solutions AB, 559203-8904, Stockholm	50,000	100.0	50
Byggnadsaktiebolaget konstruktör, 556012-3670, Stockholm	1,485,417,130	100.0	427
Erfator Projektledning AB, 556401-7795, Stockholm	1,000	100.0	14,022
E/S Styromatic AB, 556111-9248, Skellefteå	1,000	100.0	1,028
Juhl Air Control AB, 556308-0356, Kävlinge ³	2,000	100.0	229
ABEKA EI & Kraftanläggningar AB, 556515-7012, Nyköping	6,000	87.5	96,720
Lindsténs Elektriska AB, 556097-8255, Tomelilla	100	100.0	35,404
Herberts Rör AB, 556409-5221, Stenungsund	1,000	100.0	5,222
Runevads VVS Teknik AB, 556634-2563, Varberg	100	100.0	2,077
Norrstyr AB, 559232-4940, Umeå	1,498	100.0	209
Sören Anderssons EI i Delsbo Aktiebolag, 556379-0574, Hudiksvall	10,000	100.0	6,725
Sörens Kraft och Montage AB, 556774-0682, Hudiksvall	1,000	100.0	9,643
Öbergs Vent Teknik AB, 556560-6315, Jönköping	20,000	100.0	4,408
Direct Larm i Bergslagen AB, 556486-1705, Norberg ³	1,200	100.0	926
Skoglund EI & Tele AB, 556597-1974, Örebro	1,000	100.0	7,362
Elmontage i Gällivare AB, 559008-1500, Gällivare	500	100.0	1,650
LR-Installation AB, 556073-5283, Kalmar	5,000	100.0	52,441
HNA Storköksservice AB, 556433-9439, Höganäs	1,000	100.0	15,429
Karlstads Processrör AB, 556722-1972, Karlstad	1,000	100.0	15,717
Electrosec Elteknik i Östergötland AB, 556756-0353, Linköping	1,000	100.0	4,389
Indupipe AB, 556750-5135, Gävle	5,000	100.0	156,500
Brafus nr 1 AB, 559197-4570, Jönköping	50,000	100.0	437
E/S Intressenter AB, 556564-6741, Skellefteå	1,000	100.0	619
Profire Sprinkler AB, 556692-0178, Örebro	1,000	100.0	13,450
IEAB Installationsentreprenören AB, 556917-6174, Malmö ²	10,000	100.0	3,586
E3K Installation AB, 556685-4955, Stockholm ²	1,000	100.0	9,820
Sundins EI i Norrköping AB, 559003-7916, Norrköping ²	500	100.0	6,407

NOTE 29. Investments in Group companies, cont.

Group company / Company reg. no. / Reg. office	31/12/2022		
	No. of shares	Holding in, % ¹	Book value
Bravida Danmark A/S, 14769005, Brøndby, Denmark	4	100.0	260,859
Viva Energi AS, 29822441, Tilst, Denmark	DKK thousand 600	60.0	38,217
Bravida Norge Holding AS, 998 121 221, Oslo, Norway	30	100.0	909,020
Bravida Norge AS, 987 582 561, Oslo, Norway	NOK thousand 10,796,137	100.0	788,678
Oras AS, 922070679, Oslo Norge	NOK thousand 30	100.0	56
Oras Industrirør AS, 934541588, Oslo, Norway	NOK thousand 200	100.0	298
Oslo Rørleggerbedrift AS, 947880675, Oslo Norge	NOK thousand 100	100.0	192
Langhus Rør AS, 994 976 818, Ski, Norway	NOK thousand 1,000	100.0	8,333
Bravida Finland Oy, 2528874-1, Helsinki, Finland	2,500	100.0	223,643
Ab Hangö Elektriska - Hangon Sähkö Oy, 1998764-2, Hanko Finland	EUR thousand 1,000	100.0	9,849
Savon Aurinkoenergia Oy, 3100091-9, Kuopio, Finland	EUR thousand 1,813	72.5	5,270
Polar 2000 OY, 0890903-2, Lappeenranta, Finland ²	EUR thousand 2,400	100.00	2,909

1 Refers to the proportion of ownership of equity, which is also consistent with the share of voting rights for the total number of shares.

2 Merger initiated in 2022 and completed in the first quarter of 2023.

3 Liquidation has been decided.

NOTE 30 STATEMENT OF CASH FLOWS

Notes	Group		Parent company	
	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021
Adjustments for non-cash items etc.				
Depreciation/amortisation and impairment of assets	7, 11, 12, 13 468	432	–	–
Capital gain/loss on disposals of businesses/ subsidiaries	–	–	–	–
Pension provisions	63	17	–	–
Change in provisions	82	59	–	–
Costs for share incentive programme	37	35	37	35
Other	11	7	2	1
Total	660	550	39	36
Interest received and paid				
Interest received	15	4	32	13
Interest paid	-67	-51	-65	-25
Undrawn credits				
Undrawn credit facilities total	21 -2,100	-2,500	-2,100	-2,500

NOTE 30. Statement of cash flows, cont.

Reconciliation of liabilities attributable to financing activities and reconciliation of net debt

Below is an analysis of liabilities attributable to financing activities and reconciliation of net debt for the periods shown.

Group	Liabilities attributable to financing activities					Cash and cash equivalents	Net debt
	Non-current liabilities	Current liabilities	Leasing debt	Overdraft facilities	Total		
Balance at 01/01/2021	-500	-1,350	-1,022	-	-2,872	1,748	-1,124
Cash flow	-	247	397	-	643	-223	420
Non-cash items	500	-500	-349	-	-349	-	-349
Foreign exchange differences	-	-	-19	-	-19	69	50
Balance at 31/12/2021	-	-1,603	-994	-	-2,597	1,594	-1,003
Cash flow	-500	541	426	-	467	-304	163
Non-cash items	-	-	-457	-	-457	-	-457
Foreign exchange differences	-	-	-26	-	-26	18	-8
Balance at 31/12/2022	-500	-1,063	-1,050	-	-2,613	1,308	-1,304

Reconciliation of net debt

Group	31/12/2022	31/12/2021
Non-current loan liabilities	-500	-
Short-term loan liabilities	-1,063	-1,603
Lease liabilities	-1,050	-994
Overdraft facilities	-	-
Total	-2,613	-2,597
Cash and cash equivalents	1,308	1,594
Net debt	-1,304	-1,003

NOTE 31 EVENTS SINCE THE END OF THE PERIOD

Five acquisitions have been made so far in 2023, with total annual sales of around SEK 155 million, see Note 4 for more information.

Signatures

The Board of Directors and Chief Executive Officer certify that the annual accounts have been prepared in accordance with generally accepted accounting principles in Sweden and that the consolidated financial statements have been prepared in accordance with the international financial reporting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The annual accounts and consolidated financial statements give a true and fair view of the parent company's and Group's financial positions and results. The Directors' Report for the parent company and Group gives a true and fair overview of the development of the parent company's and Group's activities, their financial position and earnings, and describes significant risks and uncertainties faced by the parent company and the companies included in the Group.

Stockholm, 21 March 2023

Fredrik Arp
Chairperson

Jan Johansson
Member of the Board

Marie Nygren
Member of the Board

Karin Stålhandske
Member of the Board

Staffan Pålsson
Member of the Board

Cecilia Daun Wennborg
Member of the Board

Mattias Johansson
Chief Executive Officer

Jan Ericson
Employee representative

Geir Gjestad
Employee representative

Örnulf Thorsen
Employee representative

Christoffer Lindal Strand
Employee representative

Our Auditor's Report was submitted on 30 March 2023.
KPMG AB

Mattias Lötborn
Authorised Public Accountant

As stated above, the annual accounts and consolidated financial statements were approved for publication by the Board of Directors on 21 March 2023. The consolidated statement of comprehensive income and balance sheet and the parent company income statement and balance sheet will be submitted for adoption at the Annual General Meeting on 28 April 2023.

Audit Report

To the General Meeting of the Shareholders of Bravida Holding AB (publ), corporate identity number 556891-5390

Report on the annual accounts and consolidated financial statements

Opinions

We have audited the annual accounts and consolidated financial statements of Bravida Holding AB (publ) for 2022, except for the Corporate Governance Statement on pages 154-159 and the Sustainability Report on pages 52-83. The annual accounts and consolidated financial statements of the company are on pages 52-83, 90-148 and 154-159 of this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Group as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the Corporate Governance Statement on pages 154-159 or the Sustainability Report on pages 52-83. The Directors' Report is consistent with the other parts of the annual accounts and consolidated financial statements.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the Group.

Our opinions in this report on the annual accounts and consolidated financial statements are consistent with the content of the additional report that has been submitted to the parent company's Audit Committee in accordance with Article 11 of the Audit Regulation (537/2014).

Basis for opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the Group, in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on our best knowledge and beliefs, no prohibited services referred to in Article 5(1) of the Audit Regulation (537/2014) have been provided to the audited company or, where appropriate, its parent or its controlled company in the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated financial statements for the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated financial statements as a whole, but we do not provide a separate opinion on these matters.

Revenues and percentage-of-completion earnings from installation contracts

See Notes 2 and 18 and the accounting policies on pages 111-113 of the annual accounts and consolidated financial statements for detailed information and a description of the matter.

Description of the matter

Performance commitments attributable to installation assignments are usually fulfilled over time. This means that the revenue is recognised over time where the progress is measured against full compliance with the performance commitment. The earnings are recognised in line with the project completion rate. The percentage of completion depends on actual costs in relation to the total projected costs for each project. The latter may change during the life cycle of the projects which in turn may have a significant impact on reported revenue and percentage-of-completion earnings. Unforeseeable costs may also have to be included in the assessments to take project risks or disputed claims into account. These items are regularly assessed by the Group and are adjusted if necessary. Income from alterations and additional work in the Group is reported in relation to what is expected to be obtained. Based on the above, there is a large element of assessments from the Group, which in turn affects the recognition of revenue.

Response in the audit

We have evaluated the Group's processes for review and assessment of installation contracts, including the identification and recognition of loss-making projects and/or high-risk projects.

We have further, among other things:

- evaluated the actual financial performance against the budget and historical outcomes to assess the Group's ability to forecast

- challenged management's forecasts taking account of unforeseen expenses and identified claims from customers
- assessed whether the risks and opportunities in projects are reflected in a balanced way in the accounts.

We have also verified the completeness of the underlying facts and circumstances presented in the disclosures in the annual accounts and consolidated financial statements and assessed whether the information is sufficiently comprehensive to allow an understanding of management's judgements and key assumptions applied.

Valuation of goodwill (Group) and shares in subsidiaries (parent company)

See Note 11 (Group) and Note 29 (parent company) and the accounting policies on page 111 (Group) and page 113 (parent company) of the annual accounts and consolidated financial statements for detailed information and a description of the matter.

Description of the matter

The consolidated balance sheet includes goodwill of SEK 10.4 billion, which relates to historical acquisitions. The risk primarily pertains to any need for impairment of goodwill attributable to a cash-generating unit which may exist. Due to the inherent uncertainty involved in future forecasting and discounted cash flows, which are the basis for impairment testing, this is one of the matters containing material assessment issues.

The Group annually carries out impairment testing of goodwill based on discounted cash flows from the cash-generating units (recoverable amounts are calculated). This is calculated using certain assumptions concerning discount rates, growth rates and cash flow forecasts.

A corresponding impairment test is carried out by the parent company regarding the value of shares in subsidiaries. The calculation conditions are similar to the descriptions above regarding goodwill.

Response in the audit

Our procedures included assessing the key assumptions applied by the Group in determining the recoverable amount of each cash-generating unit. Among other things, we have:

- assessed the allocation of cash flows and goodwill to the various cash-generating units based on reasonableness and how consistently this allocation was applied;
- assessed the underlying assumptions in determining the cash flows and growth assumptions applied with reference to historical outcomes and macroeconomic aspects;
- challenged the assumptions regarding discount rates used and compared these against external sources;
- made an assessment of the Group's sensitivity analysis, including a reasonable reduction of growth rate and cash flows for the identification of audit areas for further focus.

We have also assessed whether the Group's supplementary disclosures in the annual accounts and consolidated

financial statements adequately describe the assumptions used in the impairment tests.

Other information than the annual accounts and consolidated financial statements

This document also contains other information than the annual accounts and consolidated financial statements, available on pages 1-89 and 160-163. The other information also consists of the Remuneration Report, which we expect to be available after this date. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our opinion on the annual accounts and consolidated financial statements does not cover this other information, and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated financial statements, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated financial statements. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and of the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the annual accounts and consolidated financial statements and for them giving a fair presentation in accordance with the Annual Accounts Act and, with regard to the consolidated financial statements, in accordance with IFRS as adopted by the EU. The Board of Directors and the Chief Executive Officer are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated financial statements, the Board of Directors and the Managing Director are responsible for the assessment of the company's and the Group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and apply the going concern basis of accounting. The going concern basis of accounting is not, however, applied if the Board of Directors and the Chief Executive Officer intend to liquidate the company, cease operations, or do not have any realistic alternative to doing any of this.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that contains our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the overriding of internal control.
- obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- evaluate the appropriateness of accounting policies applied and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Chief Executive Officer.
- draw a conclusion on the appropriateness of the Board of Directors' and the Chief Executive Officer's use of the going concern basis of accounting in preparing the annual accounts and consolidated financial statements. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the annual accounts and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual accounts and consolidated financial statements, including the disclosures, and whether the annual accounts and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient and appropriate audit evidence regarding the financial information of the units or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope, focus and timing of the audit. We must also report significant audit findings made during our audit, including any significant deficiencies in internal control that we identify.

We must also provide the Board of Directors with a statement that we have complied with the relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on our independence, and where applicable, measures taken to eliminate such threat or countermeasures taken.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated financial statements, including the most important assessed risks for material misstatement, and that are therefore the key audit matters. We describe these matters in the Auditor's Report, unless laws or other statutory instruments preclude disclosure about the matter.

Report on other legal and regulatory requirements

Auditor's review of management and proposal for the appropriation of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated financial statements, we have also audited the administration of the Board of Directors and the Managing Director of Bravida Holding AB (publ) for 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the Directors' Report and that the members of the Board of Directors and the Chief Executive Officer be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the section on Auditor's Responsibilities. We are independent of the

parent company and the Group, in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and of the Chief Executive Officer

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. Regarding the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the demands which the company's and the Group's type of operations, size and risks place on the size of the parent company's and the Group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organisation and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the Group's financial situation and ensuring that the company's organisation is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Chief Executive Officer has to manage the ongoing administration in accordance with the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfil the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's Responsibilities

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Chief Executive Officer in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and contraventions would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board's reasoned opinion and a selection of supporting evidence for this in order to assess whether the proposal is in accordance with the Companies Act.

Auditor's review of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated financial statements, we have also verified that the Board of Directors and the President have prepared the annual accounts and consolidated financial statements in a format that permits uniform electronic reporting (ESEF report) in accordance with Chapter 16, Section 4(a) of the Securities Market Act (2007:528) for Bravida Holding AB (publ) for 2022.

Our review and opinion relates only to the statutory requirement.

It is our opinion that the ESEF report has been prepared in a format that allows uniform electronic reporting.

Basis for opinion

We conducted our review in accordance with FAR Recommendation RevR 18 Auditor's Review of the ESEF Report. Our responsibilities under this recommendation are further described in the section on Auditor's Responsibilities. We are independent of Bravida Holding AB (publ), in accordance with professional ethics for accountants in Sweden, and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and of the Chief Executive Officer

It is the responsibility of the Board of Directors and the Managing Director to ensure that the report has been prepared in accordance with Chapter 16, Section 4(a) of the Securities Market Act (2007:528), and that there are such internal controls as the Board of Directors and the Managing Director determine are necessary to enable the preparation of an ESEF report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our task is to express an opinion, with reasonable assurance, as to whether the ESEF report has been prepared, in all material respects, in a format that complies with the requirements of Chapter 16, Section 4(a) of the Securities Market Act (2007:528), on the basis of our review.

RevR 18 requires us to plan and perform our audit procedures to obtain reasonable assurance that the ESEF report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with RevR 18 (change in FAR recommendations) and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The audit firm applies ISQC 1 Quality Control for Audit Firms Performing Audits and Reviews of Financial Statements and Other Assurance and Related Services and thus has a comprehensive quality control system in place, which includes documented policies and procedures regarding compliance with professional ethics requirements, professional standards and applicable legal and regulatory requirements.

The audit searches for evidence, through a variety of procedures, that the ESEF report has been prepared in a form that permits consistent electronic reporting of the annual accounts and consolidated financial statements. We choose which actions to take, including by assessing the risks of material misstatement in reporting, whether due to irregularities or errors. In making those risk assessments, we consider those parts of the internal control that are relevant to the Board's and the Executive Director's preparation of the documentation for the purpose of establishing audit measures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. An audit also includes evaluating the appropriateness and reasonableness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Executive Director.

The audit procedures mainly include verification that the ESEF report has been prepared in a valid XHTML format and checking that the ESEF report is consistent with the audited annual accounts and consolidated financial statements.

The audit also includes assessing whether the consolidated income statement, balance sheet, statement of changes in equity, cash flow statement and notes in the ESEF report have been marked using iXBRL, in accordance with the ESEF Regulation.

The auditor's examination of the Corporate Governance Statement

The Board of Directors is responsible for the Corporate Governance Report on pages 154-159 and for it being prepared in accordance with the Annual Accounts Act.

Our examination of the Corporate Governance Statement is conducted in accordance with FAR's auditing standard RevR 16 The Auditor's Examination of the Corporate Governance Statement. This means that our examination of the Corporate Governance Statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A Corporate Governance Statement has been prepared. Information in accordance with Chapter 6, Section 6 second paragraph points 2-6 of the Annual Accounts Act and Chapter 7, Section 31 second paragraph of the same Act is consistent with the other parts of the annual accounts and consolidated financial statements and is in accordance with the Annual Accounts Act.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the Sustainability Report on pages 52-83 and for it being prepared in accordance with the Annual Accounts Act.

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

A statutory sustainability report has been prepared.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Bravida Holding AB (publ) by the general meeting of the shareholders on 5 May 2022. KPMG AB or auditors working at KPMG AB have been the company's auditor since 2012.

Stockholm, 30 March 2023

KPMG AB

Mattias Lötborn
Authorised Public Accountant

Corporate governance report

For Bravida, which has a decentralised organisational structure, good corporate governance is essential and a very important part of its core business operations. Governance, management and control are distributed between the shareholders, the Board of Directors, the Chief Executive Officer and company management in accordance with applicable laws, rules and recommendations and Bravida's Articles of Association, the Board's rules of procedure, instructions for the Chief Executive Officer and other internal instructions.

Bravida Holding AB (publ) is a Swedish public limited company, with registered office in Stockholm, whose ordinary shares are listed on Nasdaq Stockholm. The Corporate Governance Statement is not part of the formal annual accounts documentation.

Corporate governance

The general meeting of the company is the company's highest decision-making body, at which shareholders exercise their right to vote. The Board of Directors and the Chair of the Board are elected by the Annual General Meeting. The Board appoints the Chief Executive Officer (CEO). The Board and CEO's administration and the company's financial reporting are audited by the external auditor appointed by the AGM. In order to streamline and strengthen work on certain issues, the Board has established an Audit Committee and a Remuneration Committee.

Bravida applies the Swedish Corporate Governance Code (the Code) and did not deviate from this in any respect during the year. Bravida Holding AB complies with Nasdaq Stockholm's Regulations for Issuers and good equity market practice. The most important internal governance instrument is the Articles of Association adopted by the general meeting of the company. In addition to this are the Board's rules of procedure and the Board's instructions for the CEO. Internal policies and instructions that clarify responsibilities and powers within specific areas such as data security, compliance and risk management are key policy documents for the entire company.

Ownership structure

At the end of 2022 Bravida had 11,434 holders of ordinary shares according to the shareholder register maintained by Euroclear Sweden. The five largest shareholders at 31 December 2022 were Mawer Investment Management Funds with 10.1 percent of the votes, Swedbank Robur Funds with 9.6 percent of the votes, the Fourth Swedish National Pension Fund (AP4) with 7.7 percent of the votes, Didner & Gerge Funds with 6.3 percent of the votes and Handelsbanken Funds with 5.5 percent of the votes.

Corporate bodies

General meeting of shareholders

The shareholders' right to make decisions on matters relating to the company is exercised at general meetings of the company. This is the highest decision-making body in the company, and all shareholders are entitled to attend it. The term Annual General Meeting (AGM) refers to the general meeting of the company that is held within six months of the end of the

financial year, at which the consolidated financial statements and the Group Auditor's Report are submitted and decisions are taken regarding the adoption of the income statements and balance sheets of the company and the Group, the appropriation of profits, and the discharge from liability of the Board and the Chief Executive Officer.

Bravida's 2023 AGM will take place on 28 April. Shareholders wishing to submit a proposal to the Nomination Committee or to have a matter addressed by the AGM may submit the proposal to the Nomination Committee and the matter to be addressed to the company by 3 March. Contact information can be found at www.bravida.com.

Each ordinary share (class A share) entitles the holder to one vote at general meetings and each class C share entitles the holder to one tenth of a vote. Shareholders are entitled to one vote for each share that they own in the company.

Notice convening general meetings should be given no earlier than six weeks and no later than four weeks before the meeting. In accordance with Bravida's Articles of Association, shareholders wishing to attend a general meeting must notify their intention to attend within the time period stated in the convening notice. Such date must be a working day and not fall any earlier than five working days before the stated date of the meeting.

All documentation relating to the AGM can be found at www.bravida.com.

Nomination Committee

Nomination of members of the Board prior to the election at the AGM takes place through the Nomination Committee. In addition, the Nomination Committee proposes fees for the members of the Board, as well as proposing the election of and fees for the auditor. The current Nomination Committee instructions stipulate that Bravida should have a Nomination Committee consisting of a representative of each of the three largest shareholders or shareholder groups, by number of votes, who wish to appoint a representative. The company's chairperson is a co-opted member of the Nomination Committee. For the coming year the composition of the Nomination Committee must be based on the list provided by Euroclear Sweden of registered shareholders and shareholder groups and other reliable information as of the last business day in July. Further documentation relating to the AGM can be found at www.bravida.com.

The Nomination Committee up to the 2023 AGM consists of the following members: Joachim Spetz from Swedbank Robur Funds (chair), Lovisa Runge from Fourth Swedish National Pension Fund (AP4), Henrik Didner from Didner & Gerge and Fredrik Arp (co-opted), chair of the board of Bravida Holding AB.

Mawer Investment Management Funds, the company's largest owner, has declined to participate in the Nomination Committee and Didner & Gerge has instead been offered the place. No remuneration was paid for Nomination Committee work. The Nomination Committee's proposals, report on the Nomination Committee's work for the 2023 AGM and additional information about proposed members of the Board are published in conjunction with the convening notice and will be presented at the AGM.

Composition of the Board

According to the Articles of Association, the Board of Directors of Bravida shall consist of three to ten members, with a maximum of five deputy members. The members and deputies are elected at the Annual General Meeting for the period until the end of the next Annual General Meeting. In 2022, six directors were elected by the Annual General Meeting. Employees are represented on the Board through representatives appointed by employees. Throughout the year, the number of employee-appointed members was four, with one alternate.

All Board assignments in Bravida are based on merit, with the main aim being to maintain and improve the overall effectiveness of the Board. To fulfil this, the Board aims to achieve a broad range of characteristics and capabilities and it is explicitly stated that diversity regarding aspects such as age, gender, geographical origin, education and professional background are important to respect.

At the Annual General Meeting held on 5 May 2022, Fredrik Arp, Cecilia Daun Wennborg, Jan Johansson, Marie Nygren, Staffan Pålsson and Karin Stålhandske were re-elected. Fredrik Arp was re-elected as chairperson for the period until the next AGM. For further information about the Board of Directors, see page 160 and www.bravida.com.

The composition of Bravida's Board meets the requirements regarding independent members of the Board.

The Board's work

The Board held nine meetings during the year, including one constitutive meeting to elect its officers. Board member attendance is shown in the table below. The secretary at the Board meetings was Bravida's lawyer. Members of the Board received written material about the issues to be addressed before each Board meeting.

The work of the Board mainly comprises strategic issues, annual accounts, the establishment and monitoring of business goals, business plans, internal control, risk management, sustainability issues, acquisitions and other decisions which, according to the procedural rules, should be addressed by the Board. Internal and external presentations were made to the Board about the markets in which Bravida operates and Bravida's local operations. The Board discussed Bravida's performance and opportunities at these meetings. The Board has been actively working with management on various strategic issues, including at a joint strategy meeting in June 2022.

A key aspect of the Board's work is its review of the financial statements that are presented at each ordinary Board meeting, and this includes in-depth analysis of ongoing work by the company. The Board also receives monthly reporting on the Group's financial position.

During the year, the Board monitored the company's work and strategy linked to rapidly changing market conditions, and was involved in the following-up of the new sustainability strategy, the following-up of the current business plan, including the digital strategy, and the following-up of the business plans submitted by management and the development potential in the various business areas in which Bravida operates.

Board committees

The Board has established two Board committees as part of streamlining and strengthening the Board's work with regard to certain issues: the Audit Committee and the Remuneration Committee. The committees' members are appointed at the constitutive Board meeting immediately after the AGM. They are appointed for one year at a time and the work and authority of the committees are regulated by the committee instructions, which are adopted annually.

The committees have a preparatory and administrative role. The issues addressed at the committees' meetings are minuted and a report is submitted at the subsequent Board meeting.

The Audit Committee consists of Jan Johansson (chair), Staffan Pålsson and Karin Stålhandske. This committee is also attended by the company's CFO. The Audit Committee's main tasks are to:

- monitor the company's financial reporting,
- monitor the effectiveness of the company's internal control and risk management with regard to financial reporting,
- keep informed about the audit of the annual accounts and the consolidated financial statements,
- review and monitor the auditor's impartiality and independence and, in so doing, pay particular attention to whether the auditor is providing the company with services other than auditing services,
- assist in the preparation of proposals for the AGM's election of auditor,
- assist in monitoring of the compliance with legal and regulatory requirements that have a material impact on the financial statements,
- assist in monitoring transactions with related parties, and
- assist in monitoring and evaluating selected projects.

In 2022, the Audit Committee held four minuted meetings, as well as a thematic meeting. The thematic meeting focused on the increased reporting requirements relating to sustainability, EU Taxonomy reporting and the future CSRD reporting, as well as on a review of the company's internal control and monitoring activities. The company's external auditors attended those meetings at which performed auditing actions were reported. During the year, the Audit Committee monitored the impact on the company of rapidly changing market conditions, reviewed the financial reports and the external auditors' reporting of the audit work they carried out. The Audit Committee also looked at the company's reporting on its performance audit. In addition, the committee continued to examine the project process in depth, particularly regarding securing projects, project management and project follow-up. The committee also evaluated external auditors, reviewed and monitored the impartiality and independence of the external auditor and

verified that the external auditor had not provided advisory services that had affected impartiality. The committee subsequently made a recommendation for the election of an external auditor to the Board of Directors.

The Remuneration Committee comprises Fredrik Arp (chair), Cecilia Daun Wennborg and Marie Nygren. In addition, the company's CEO, HR Director and Chief Legal Officer are present. The Remuneration Committee's main tasks are to:

- prepare Board decisions on issues regarding remuneration policies, remuneration and other terms of employment for senior executives,
- monitor and evaluate ongoing variable remuneration programmes for senior executives and such programmes concluded during the year; and
- monitor and evaluate application of the guidelines for the remuneration of senior executives that are determined by the AGM and the applicable remuneration structure and remuneration levels in the Group.

The Remuneration Committee held five minuted meetings in 2022. At its meetings, the Remuneration Committee addressed matters such as the overall level of remuneration and other employment terms for the CEO and senior executives. The Committee has reviewed and prepared proposals for the Remuneration Report and prepared proposals for a long-term incentive programme. The final proposals on the Remuneration Report and the Long-Term Incentive Plan will be presented for approval at the Annual General Meeting. Furthermore, the committee has prepared a revised calculation model for the bonuses of line managers and certain administrative staff. The committee was informed about the ongoing work relating to the results of the company's employee survey and the activities undertaken in response to it. The committee also monitored the company's implementation of a new leadership model. A new process for succession planning and skills management, primarily aimed at senior positions, was also presented to the committee.

Assessment of the Board and the Chief Executive Officer

In accordance with the Board's procedural rules, the Chair of the Board should initiate an evaluation of the Board's work once a year.

An assessment of the Board's work was made in 2022. A questionnaire was sent to all the members of the Board. Their responses were collated and analysed. In addition, the Chair of the Board conducted individual assessment discussions with all the members of the Board.

The purpose of the assessment is to gain an understanding of the Board members' views of the work conducted by the Board and what measures could be taken to streamline the Board's activities. The aim is also to gain an understanding of what type of issues the Board believes should be accorded more scope and what areas may require additional capabilities within the Board. The results of the assessment have been reported to the Board.

The Board also assesses the work of the Chief Executive Officer on an ongoing basis by monitoring the performance of the business against the targets that are set. A formal assessment is carried out once a year.

The Chief Executive Officer, company management and organisation

The Chief Executive Officer's responsibilities include personnel, financial and business management issues, as well as ongoing contact with the company's stakeholders such as authorities and the financial markets. The Chief Executive Officer ensures that the Board receives the information it needs to take well-informed decisions.

Bravida's business operations are divided into four segments, based on geographical markets; Sweden, Norway, Denmark and Finland. Each geographical market has a segment manager. The CEO is responsible for the Sweden segment, while segment responsibility for the other geographical segments lies with the relevant Head of Division. These segments are divided into divisions; four for Sweden and one for each of the other countries. Each division has a Head of Division, who reports directly to the CEO. The Heads of Division are responsible for each division's operations and results and are also responsible for ensuring that the division's operations are conducted in accordance with decisions that have been taken. The Heads of Division are supported by their own staffs as well as group-wide staff functions. Bravida's Group management consists of the CEO, the Heads of Divisions and the Group Staff Heads. For further information about the Chief Executive Officer and Group management, see page 161.

Group management holds regular meetings, with at least one meeting a year dedicated to addressing forward-looking strategies. Group management meetings discuss and address ongoing group-wide initiatives, changes in the market, current issues in the divisions and staffs, acquisitions and the follow-up of operating target achievement. Group management is working actively to clarify Bravida's values and to engage employees in this work to further develop Bravida's corporate culture.

During 2022, the Group management handled the rapidly changing market conditions and continued to focus on implementing the current business plan and its various initiatives. Work also began on the preparation of a new business plan for the coming business plan period. Continued improvement in the project process, mainly project management and project monitoring, has also been addressed. Furthermore, there was a focus on implementing the new sustainability strategy and its associated activities, to reduce the company's carbon footprint. The work environment and employee health continued to be a priority. In addition, work continued on making Bravida the most attractive employer.

Governance of Bravida

Bravida's business operations are divided into four segments, based on geographical markets; Sweden, Norway, Denmark and Finland. These segments are divided into divisions; four for Sweden (North, Stockholm, South and Growth Segment) and one for each of the other countries. These divisions are in turn divided into regions, which are themselves divided into branches. The business is decentralised, which means that the main business operations and customer contact take place at branch level. Each branch manager (BM) is responsible for the results of the branch and is consequently responsible for the organisational structure, staffing, and the signing and performance of contracts. The branches are supported by

group-wide business and purchasing systems and other tools for risk assessment, cost estimates and effective performance of signed contracts within their branch. Branches' independence is restricted by instructions and an authorisation procedure. Bravida has clear rules on project approval, with threshold levels governed principally by contract value. This means that a branch manager cannot enter into an agreement above a certain value without approval from the regional manager (RM), neither can a regional manager enter into an agreement above a certain value without the approval of the Head of Division (HD). Tenders over SEK 50 million must always be approved by the CEO.

As a significant part of the President's (also CEO's) management and control of the business, the President and Group CFO meet each Head of Division once a quarter to review the division's financial position, major projects, billing, cash flow, etc. according to the specific points on a score-card. During the year, at one of these briefings, the focus and in-depth discussion was on project assurance in the division. These meetings are also attended by the division's head of finance and the respective regional manager and financial controller. These quarterly reviews are held in a corresponding manner down through the organisation according to a schedule.

Type of meeting	Coordinator	Frequency
Group (CEO, HD, RM)	President	every 3 months
Division (HD, RM, LBM)	Head of Division	every 3 months
Region (RM, LBM, proj./serv. manager)	Regional Manager	every 3 months
Branch (BM, project/service manager, senior fitter)	Branch Manager	every 3 months

These regular meetings enable the relevant responsible person to meet their manager's manager and have the opportunity to report on their business in detail and to point out improvements, but they also have to be accountable, for example, for less successful projects or poor adherence to change management initiatives. This ensures high visibility and clarity of

Bravida's annual cycle

The Annual Cycle describes how Bravida works with targets, strategies and action plans during the business year.

October–December

9. Target process

October

8. Divisional management
Compiles these into a common strategy

September

7. Regions and branches' targets, strategy and action plans are established for the coming years and sent to Divisional Management by the end of September

August – September

6. Strategy work in the regions

June

5. Group management (Strategy days)
– Establishment of targets, strategy and action plan for the coming years



February – March

1. Regional management meetings
– Assessment/adjustment of targets, strategy and action plan (management review)

April

2. Divisional management meeting
– Assessment/adjustment of targets, strategy and action plan (management review)
3. Group management meeting
– Assessment/adjustment of targets, strategy and action plan

May

4. Divisional management conference
– Adjustment of targets, strategy and action plan

leadership within the company. It is also a highly effective way of managing the business and ensuring and monitoring that decisions that are taken are implemented. In addition, the 'grandfather principle' is also applied to a range of decisions taken within Bravida. This principle means that certain decisions must be taken/approved by the manager's manager. This includes decisions regarding investments, major tenders and projects, new hiring and certain own costs.

In the longer term, Bravida is managed based on a business plan for the coming three years. This is then applied down from Group to department level. Each year target figures are set for all departments and at aggregate level for the Group, along with an action plan for how these targets are to be achieved. Evaluation and any adjustments take place on an ongoing basis according to the annual planning cycle; see figure. This work is ongoing throughout the year and at different levels. In addition, twice a year a regional manager conference is held at which Group management meets the regional managers to address important strategic issues.

Under the management of the group-wide acquisition team, the divisions and regions draw up summaries on an ongoing basis of potential and ongoing acquisitions for review by a Decision Group, consisting of the CEO, CFO and acquisitions manager. This enables ongoing control of current activities and prioritisation can be done. No acquisitions are made without first having been dealt with and approved by the Decision Group following a formalised process and decision-making procedure. Large acquisitions must also be approved by the Board.

Code of Conduct

Correct conduct is important to Bravida, not only in respect of our customers and suppliers but also between everyone who works at Bravida. Bravida has adopted a code of conduct which includes guidelines and rules on how we should behave. Bravida employees receive regular training on business ethics issues. There is also a training programme that includes work relating to different 'typical cases' regarding the code of conduct and related issues, aimed at all managers and administrative personnel at Bravida. Bravida also has a whistleblower function, which allows suspected irregularities to be reported anonymously.

Board of Directors

Overview of the Board and list of attendance at Board and committee meetings in 2022.

Members of the Board elected by the AGM	Year elected	Independent ¹	Attendance at Board meetings	Attendance at Audit Committee ³	Attendance at Remuneration Committee ³	Board fees SEK thousand ²	Committee fees SEK thousand ²	Number of Bravida shares
Fredrik Arp	2018	Yes	9/9	–	5/5	1,290	110	20,000
Jan Johansson	2014	Yes	9/9	5/5	–	510	200	37,895
Marie Nygren	2018	Yes	9/9	–	5/5	510	80	1,000
Staffan Pålsson	2016	Yes	9/9	5/5	–	510	100	1,673,745
Karin Stålhandske	2020	Yes	9/9	5/5	–	510	100	0
Cecilia Daun Wennborg	2016	Yes	9/9	–	5/5	510	80	7,000

Ordinary employee representatives

Jan Ericson	8/9
Geir Gjestad	9/9
Örnulf Thorsen	9/9
Christoffer Lindal Strand	9/9

1 Independence from the company, management and owners.

2 Fees set at the Annual General Meeting 2022.

3 At the constitutive meeting of the Board in May 2022, the roles of the members in the committees were determined, attendance based on number of meetings in relation to committee member.

Remuneration

Board remuneration

The remuneration of the Board of Directors for 2022 was decided at the 2022 Annual General Meeting. The fee was distributed as shown in the table above.

The Chief Executive Officer's total remuneration is determined by the Board. Guidelines on remuneration for other members of Group management are proposed by the Remuneration Committee and determined by the Board.

Guidelines for the remuneration of senior executives in 2022

The current guidelines on the remuneration of senior executives were determined at the 2020 AGM. The guidelines cover the company's Chief Executive Officer and other members of the Group management. The guidelines should be applied to contractually agreed remuneration, and amendments made to remuneration already contractually agreed, after the guidelines were adopted by the 2020 AGM. The guidelines do not cover remuneration determined by a general meeting of the company. Members of Bravida's Board of Directors only receive fees determined by an annual general meeting, which is why these guidelines do not include members of the Board.

More information on fixed and variable remuneration is available in the Remuneration Report and the consolidated financial statements for 2022, in the Directors' Report and in Note 5, Employees and personnel costs.

Audit

The auditor is tasked with auditing the annual accounts and consolidated financial statements, as well as the administration by the Board of Directors and the Chief Executive Officer. After each financial year, the auditor submits an Auditor Report and a Group Auditor Report to the AGM.

Auditor

Under its Articles of Association, Bravida is required to have one to two auditors with up to two deputy auditors. Registered

auditing firms may also be appointed as auditor. The auditor is appointed by the AGM for a term of one year, unless otherwise stated in Bravida's Articles of Association.

The 2022 AGM re-elected the registered auditing firm KPMG AB as auditor for the period until the end of the 2023 AGM. Mattias Lötbörn, authorised public accountant, is the auditor in charge for the company and the Group.

Bravida's auditors: KPMG AB

Auditor in charge: Mattias Lötbörn, authorised public accountant

Born: 1970

Auditor in charge for Bravida since: 2020

Shareholdings in Bravida Holding AB: 0 shares

Other audit assignments: Microsystemation AB (publ), Midsummer AB (publ), SBF Bostad AB (publ), Workforce Logiq AB, CBRE GWS Sweden AB and Compass Group AB

The auditor's independence in relation to the company is ensured by the elected auditor being allowed only to a limited extent to perform services other than the audit.

The Board's report on the internal control of financial reporting

Control environment

The Board of Directors has responsibility for internal control in relation to financial reporting. Internal control regarding financial reporting aims both to provide reasonable assurance on the reliability of external financial reporting, and to ensure that external financial reporting has been prepared in accordance with law, applicable accounting standards and other requirements.

The control environment includes how targets are set, how results are monitored and how risks are managed. A good control environment is based on an organisational structure with clear decision-making paths and a corporate culture with shared values and an awareness among individuals of their role in maintaining good internal control.

The control environment for financial reporting is based on

the allocation of roles and responsibilities within the organisation, established and communicated decision-making pathways, instructions relating to powers and responsibilities, and accounting and reporting instructions. The Board of Directors has adopted procedural rules, CEO instructions and instructions for financial reporting. In addition, there is also an overarching authorisation scheme for the entire Group and policies and guidelines in a number of areas for operational activities.

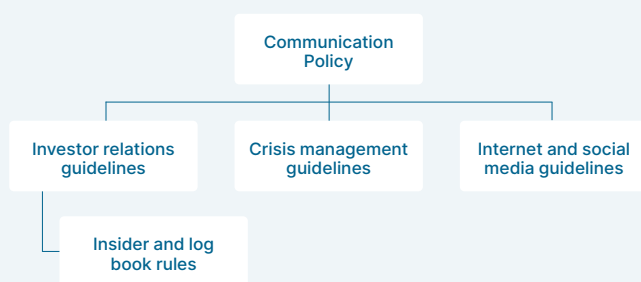
Bravida has established policies, instructions and detailed process descriptions covering all significant aspects of its operations. These policy documents are available on Bravida's intranet for staff. These documents are updated annually or as necessary to reflect applicable laws and regulations and the changes to processes that have been implemented. There is internal auditing and monitoring of compliance with key processes.

Risk assessment

An integral part of the management work of the Board of Directors and the Group management is a broad-based risk assessment. Risks are reported to the Board of Directors on an ongoing basis. During the year, the Board held discussions about various kinds of risk, as well as the risk management process. Risk within Bravida can be divided into operational risks, financial risks and market risks. The most significant operational risks are the management, costing and valuation of current projects. Bravida has developed a model for managing these risks and works continuously to make improvements.

Identification and assessment of risks of not achieving business objectives and reliable financial reporting take place continuously as part of day-to-day processes within Bravida. The Board is responsible for ensuring that material financial risks and risks of errors occurring in financial reporting are identified and addressed. The Board continuously monitors risk exposure.

The Chief Executive Officer is responsible for ensuring that the business applies and monitors established procedures and for ongoing monitoring and management of risks within the organisation.



Data security and communication

Bravida's Board has established a Communication Policy (see figure) aimed at ensuring that external information is handled correctly. There are internal instructions in the company regarding data security and how financial information should be communicated between management and other employees.

Information about internal policy documents, including for financial reporting, is available to staff concerned through Bravida's intranet.

Control activities

To ensure that the business is conducted effectively and efficiently and that financial reporting at each reporting date provides an accurate picture, control activities are in place, involving all levels of the organisation, from the Board and Group management to other employees.

Within Bravida, these control activities include approval of projects and agreements, monitoring of result trends in projects, account reconciliations and monitoring of performance, as well as analytical follow-ups of decisions.

Bravida's financial statements are analysed and ultimately validated by the control function within Group Finance. The validation includes both automatic controls, such as analyses and plausibility assessment of values. The effectiveness of the automatic controls in IT systems is followed up based on information from system managers in the business process. Proposals for improvements are identified and implemented on an ongoing basis.

The Group's control activities, such as authorisation, project approval and implementation, originate at Group level, but are then handled primarily at regional level. The Group has an established approach to the governance and control of Bravida's project activities where all departments and employees are continuously trained.

Follow-up

Bravida's Board and management regularly monitor compliance with and the effectiveness of internal controls for quality assurance of processes. The Group's financial position and strategy regarding financial position is addressed at each Board meeting, with the Board receiving detailed monthly reports on the financial position and the performance of the business. The Audit Committee fulfils an important function in ensuring and monitoring control activities for key risk areas in financial reporting processes. The Audit Committee, management and the financial controller functions at divisional and regional level follow up reported deficiencies on a regular basis.

Bravida does not have a separate internal audit function. The Board evaluates the need for this annually. In Bravida, quarterly reviews fulfil an important function by ensuring that the entire organisation is analysed four times a year. These quarterly reviews use standardised scorecards to measure and monitor key indicators. The branches' operations are reviewed by the financial controllers of the relevant region. The regions are reviewed in turn by the divisions' finance departments, and finally there is a financial controller function at Group level. The accounts payable and accounts receivable ledger is centralised and is intended to provide some oversight. Payments may only be made by using special work order numbers, and each payment must be authorised and approved by a superior.

The Group function Business Development undertakes an audit of a number of randomly selected branches and projects each year, with all branches having been auditing within a three year period. This audit verifies that the business is implementing projects in accordance with the established processes and procedures. If deficiencies are identified, feedback is provided and an action plan is activated.

Board of Directors, Bravida Holding AB



Fredrik Arp

Chair of the Board since 2018

Born 1953

Other current positions Chair of the Board of Nolato AB and Gränges AB

Previous positions CEO of companies including Volvo Car Corporation and Trelleborg AB

Education MSc in Economics and Honorary Doctorate in Economics from Lund University

Number of shares 20,000



Jan Johansson

Member of the Board since 2014

Born 1959

Other current positions Chair of the Board of Malmö Cityfastigheter AB, Götenehus Group AB and Starka AB. Member of the Board of Eolus Vind and EHF AB

Previous positions CEO of Peab AB and Malmö Cityfastigheter AB. Member of the Board of Catena AB, Fastighets AB ML 4, and others

Education MSc in Road and Water Civil Engineering from Lund University

Number of shares 37,895



Marie Nygren

Member of the Board since 2018

Born 1965

Other current positions CEO of Coop Sverige AB, Chair of the Board of Coop Logistik AB. Member of the Board of Coop Online AB, Lyko Group Svensk Handel and Svensk Dagligvaruhandel

Previous positions CEO of KF Ekonomisk Förening, Vice CEO of Systembolaget AB. CEO of companies including Adara AB, Stor & Liten AB. Category Area Director at Coop Sverige AB. Various board assignments, at Apotek Hjärtat AB, Runsvensgruppen AB (ÖB), Trettio.se AB and Kicks kosmetikkedja AB

Education MSc in Economics and Business, Stockholm University; TBL Transition to Business Leadership, IMD Business School, Switzerland

Number of shares 1,000



Staffan Pålsson

Member of the Board since 2016

Born 1952

Other current positions Chair of the Board of Laholms Sparbank, Spolargruppen Sverige AB and Båstad Fritidshamn Ekonomisk Förening. Member of the Board of Eleda Group AB, Swedish National Savings Banks Association (SR), SSAB and Elteknikbranschens Utvecklings AB (ETU). CEO and owner of MOS Advisors AB and S Pålsson Fastigheter AB and subsidiaries

Previous positions Several positions within Bravida, including President and CEO and Head of Division

Education Upper-secondary electrical engineering qualification, Tycho Braheskolan

Number of shares 1,683,745, directly and through companies



Karin Ståhlhandske

Member of the Board since 2020

Born 1972

Other current positions Managing Director of Loomis Sweden and Regional Manager Nordic

Previous positions CEO of Upplands Motor Stockholm, Business Area Manager at Frösunda Omsorg, Business Area Manager at ISS Facility Services. Head of Contracts and Development at Coor Service Management. Strategic Consultant at Monitor Group

Education MSc in Economics and Business from Stockholm School of Economics and Bachelor of Laws from Lund University

Number of shares 0



Cecilia Daun Wennborg

Member of the Board since 2016

Born 1963

Other current positions Member of the Board of Getinge AB, Loomis AB, Oncopeptides AB, Atvexa AB, Hotell Diplomat AB and the Oxfam Sweden Foundation. Member of the Swedish Securities Council

Previous positions Deputy CEO and CFO of Ambea; CEO and CFO of Carema; Head of Sweden for Skandia and CEO of SkandiaLink

Education MSc in Economics and Business, Stockholm University

Number of shares 7,000

Employee representatives

Jan Ericson

Born 1965

Member of the Board as an employee representative for Bravida and has been employed as an electrician at Bravida since 1985. Represents the Swedish Electricians' Union

Number of shares 500

Geir Gjestad

Born 1964

Member of the Board as an employee representative for Bravida and has been employed as an electrician at Bravida since 1997. Member of the Board of Bravida Norway. Representative of the Electrician and IT Workers Union in Norway (EL og IT Forbundet)

Number of shares 0

Christoffer Lindal Strand

Born 1986

Member of the Board as an employee representative for Bravida and has been employed as a plumber at Bravida since 2005. Represents the Swedish Building Workers' Union (Byggnads)

Number of shares 0

Örnulf Thorsen

Born 1966

Member of the Board as an employee representative for Bravida; was employed as an electrician and service manager since 1984, and has been a branch manager at Bravida since 2022. Represents Ledarna organisation for managers

Number of shares 500

Bravida Group Management



From the left, top row: Magnus Liljefors, Lars Täuber, Åsa Neving, Thommy Lundmark, Mattias Johansson, Johnny Hey, Lars Korduner and Tore Bakke. From the left, bottom row: Andreas Olofsson, Anders Ahlquist, Magnus Hamerslag and Marko Holopainen.

Mattias Johansson

CEO and Group President since 2015

Born 1973

Employed at Bravida since 1998

Previous positions Many years of experience within Bravida, including as Branch Manager, Regional Manager, and Head of Division South (Sweden) and Division Norway

Board assignments Member of the Board of Fabega AB

Education MSc in Engineering

Number of shares 723,472

Åsa Neving

CFO since 2019

Born 1965

Employed at Bravida since 2019

Previous positions CFO at Svevia AB; Vattenfall Group – various management positions in Vattenfall Markets; Head of Finance at Nordic Heat and SSC

Board assignments Member of the Board of Adven Group

Education MSc in Economics and Business

Number of shares 22,408

Andreas Olofsson

CHRO since 2021

Born 1970

Employed at Bravida since 2021

Previous positions VP HR & Organisational Development Electrolux Group Operations, HR & Communications Director Munters AB, Head of Human Resources Bahco Group

Board assignments –

Education Master's Degree in Economics

Number of shares 4,000

Magnus Hamerslag

Head of Division Growth Segments

Born 1973

Employed at Bravida since 2008

Previous positions Head of Business Development Bravida, CEO Erfator Project Management, Group Manager Sweco, Group Manager AFRY

Board assignments –

Education Upper-secondary engineering qualification

Number of shares 21,457

Lars Korduner

Chief Purchasing Officer since 2005

Born 1966

Employed at Bravida since 2005

Previous positions Group Purchasing Manager at Cramo AB, Sales and Business Development Manager, Cramo Sverige AB

Board assignments Chair of the board of Resultatfabriken AB

Education Business Administration and Accounting and Finance

Number of shares 17,782

Magnus Liljefors

Chief Legal Officer since 2010 Head of Acquisitions since 2017

Born 1963

Employed at Bravida since 2005

Previous positions Lawyer with legal firm Glimstedt. Chief Legal Officer, Nordisk Renting AB

Board assignments –

Education Bachelor of Laws Uppsala University and Master of Laws University of Amsterdam

Number of shares 55,806

Anders Ahlquist

Head of Division South (Sweden) since 2013

Born 1966

Employed at Bravida since 2008

Previous positions Branch Manager, Wikströms VVS-kontroll. Head of Marketing, Bravida Division South

Board assignments –

Education Upper-secondary mechanical engineering qualification

Number of shares 191,077

Thommy Lundmark

Head of Division North (Sweden) since 2016

Born 1964

Employed at Bravida since 1983

Previous positions Many years of experience within Bravida, including as Project Manager, Branch Manager and Regional Manager

Board assignments –

Education Upper-secondary engineering qualification

Number of shares 20,537

Lars Täuber

Head of Division Stockholm (Sweden) since 2019

Born 1967

Employed at Bravida since 2019

Previous positions Director Communication Eitel Sverige, Head of Business Area/CEO ISS Sverige, Head of Division YIT, Regional Manager ABB Contracting

Board assignments Member of the Board of Samhall AB and deputy member of the Board of Installatörsföretagen

Education Bachelor of Science (BSc) in Control and Maintenance

Number of shares 16,557

Tore Bakke

Head of Division Norway since 2015

Born 1970

Employed at Bravida since 2009

Previous positions Head of Department, Siemens AS. Head of Region East, Bravida Norway

Board assignments Chair of the Board of HeLa Bakke AS

Education BSc in Engineering

Number of shares 66,289

Johnny Hey

Head of Division Denmark since 2017

Born 1967

Employed at Bravida since 2007

Previous positions Regional Manager, Bravida Denmark, Region North. Operational Controller, Falck Securitas AS. Head of emergency centre and several other services within G4S Denmark

Board assignments Member of the Board of TEKNIQ

Education BA in Business Administration; MBA in Change Management

Number of shares 17,112

Marko Holopainen

Head of Division Finland since 2018

Born 1967

Employed at Bravida since 2018

Previous positions CEO of Consti Group Oy, Consti Talotekniikka Oy and Kojia Tekniikka Oy

Board assignments Member of the Board of TerraWise Oy

Education MSc in Engineering

Number of shares 27,984

Alternative key indicators

The company presents certain financial indicators that are not defined under IFRS. The company considers that these indicators provide valuable additional information for investors and the company's management as they allow relevant trends to be assessed. Bravida's definitions of these indicators may differ from other companies' definitions of the same terms. These financial measures should therefore be regarded as complementary rather than replacing the

measures defined under IFRS. These measures are defined and reconciled below. Calculations do not always tally because amounts in the table have been rounded to the nearest million Swedish kronor.

The IFRS 16 Leases standard has been introduced from 1 January 2019. The financial statements for previous periods and key indicators presented in this report have not been restated.

	2022	2021	2020	2019	IAS 17 2018
Reconciliation of key indicators, not defined under IFRS					
Interest-bearing liabilities					
Long-term loans	-500	-500	-500	-500	-1,300
Short-term loans	-1,063	-1,103	-1,350	-1,495	-800
Lease liability	-1,050	-994	-1,022	-1,040	-
Total interest-bearing liabilities	-2,613	-2,597	-2,872	-3,035	-2,100
Net debt					
Interest-bearing liabilities	-2,613	-2,597	-2,872	-3,035	-2,100
Cash and cash equivalents	1,308	1,594	1,748	972	735
Total net debt	-1,304	-1,003	-1,124	-2,063	-1,365
EBITA					
Operating profit, EBIT	1,696	1,512	1,348	1,224	1,207
Amortisation and impairment of non-current intangible assets	1	0	2	3	4
EBITA	1,697	1,512	1,351	1,226	1,211
EBITDA					
Operating profit, EBIT	1,696	1,512	1,348	1,224	1,207
Depreciation, amortisation and impairment losses	468	432	434	417	33
EBITDA	2 165	1,944	1,782	1,641	1,240
Working capital					
Current assets	10,611	8,764	6,969	6,571	5,946
Cash and cash equivalents	-1,308	-1,594	-1,748	-972	-735
Current liabilities	-12,191	-10,887	-8,728	-8,714	-7,120
Lease, current liability	384	356	343	340	-
Short-term loans	1,063	1,603	1,350	1,495	800
Current provisions	434	287	226	144	169
Total working capital	-1,007	-1,471	-1,587	-1,136	-940
Interest coverage ratio					
Profit/loss before tax	1,632	1,456	1,274	1,151	1,191
Interest expenses	67	51	47	51	32
Total	1,699	1,507	1,320	1,202	1,223
Interest expenses	67	51	47	51	32
Interest coverage, multiple	25.2	29.5	28.2	23.5	38.5
Cash conversion¹					
Cash flow from operating activities	1,592	1,437	2,171	1,599	1,052
Income taxes paid	359	210	244	154	219
Net interest income	64	56	74	73	16
Investments in machinery and equipment	-142	-88	-34	-34	-12
Adjusted cash flow from operating activities	1,874	1,615	2,455	1,792	1,275
EBITDA	2 165	1,944	1,782	1,641	1,240
Cash conversion, %	87	83	138	109	103

1 A change in the cash conversion calculation was made during 2021; see the definitions.

Definitions¹

Financial definitions

Return on equity

12-month rolling net profit/loss as a percentage of average equity.

EBITA'

Operating profit excluding amortisation and impairment of non-current intangible assets. EBITA is the key indicator and performance metric that is used for internal operational monitoring. EBITA provides an overall view of profit generated by operating activities.

EBITA margin¹

EBITA as a percentage of net sales.

EBITDA'

Earnings before interest, taxes, depreciation, and amortisation. EBITDA is a measure that the Group regards as relevant for investors who want to understand earnings generation before investments in non-current assets.

Effective tax rate

Recognised tax expense as a percentage of profit/loss before tax.

Equity per share, SEK

Equity attributable to equity holders of the parent company divided by the number of ordinary shares outstanding at period end.

Net financial items

Total exchange differences on borrowing and cash and cash equivalents in foreign currency, other financial revenue and other finance costs.

Average number of employees

Calculated as the average number of employees during the year, taking account of the percentage of full-time employment.

Capital structure

(Net debt/EBITDA) Net debt in relation to EBITDA, based on a rolling 12-month calculation. A good capital structure provides a solid basis for continued business operations. The capital structure should enable a high degree of financial flexibility and provide scope for acquisitions.

Cash conversion¹

Cash conversion, operations, 12 months. Cash flow from operating activities adjusted for tax payments, net financial items and investments in machinery and equipment in relation to EBITDA.

This key indicator measures the share of profit converted into cash flow. The purpose is to analyse what percentage of earnings can be converted into cash and cash equivalents and, in the longer term, the opportunity for investments, acquisitions and dividends, with the exception of interest-related cash flows. A change was made in the cash conversion calculation during the year, and previous periods have been recalculated.

Net sales

Net sales are recognised according to the principle of accounting over time, previous revenues are

recognised as the projects have been completed.

Net indebtedness¹

Interest-bearing liabilities (including leasing liabilities, excluding pension liabilities), less cash and cash equivalents. This key indicator is a measure to show the Group's total interest-bearing debt.

Organic growth

The change in sales adjusted for currency effects, as well as acquisitions and disposals compared with the same period of the previous year. Sales from acquisition and divestments are eliminated for a period of 12 months from the date of acquisition or divestment.

Order intake

The value of new projects and contracts received, and changes in existing projects and contracts over the period in question. Includes both installation and service business.

Order backlog

The value of remaining, not yet accrued project revenues from orders on hand at the end of the period. Order backlog does not include service operations, only installation projects.

Diluted earnings per share

Profit/loss for the period attributable to shareholders of the parent company divided by the average number of outstanding ordinary shares after dilution.

Basic earnings per share

Profit/loss for the period attributable to shareholders of the parent company divided by the average number of outstanding ordinary shares.

Interest coverage ratio¹

Profit/loss after financial items plus interest expense, divided by interest expense. This key indicator is a measure of how much earnings may fall by without interest payments being jeopardised or how much interest on borrowing may increase without operating profit turning negative.

Working capital¹

Total current assets, excluding cash and cash equivalents, minus current liabilities excluding current provisions and borrowing. This measure shows how much working capital is tied up in the business and may be set in relation to sales to understand how efficiently tied-up working capital is being used.

Operating margin

Operating profit/loss as a percentage of net sales.

Operating profit/EBIT

Earnings before net financial items and tax.

Equity/assets ratio

Equity including non-controlling interests as a percentage of total assets.

Sustainability definitions

Please note that newly acquired companies are not included in the reporting of sustainability indicators.

Change in CO₂e emissions, vehicles

Refers to scope 1 emissions from

vehicles either leased or owned by Group companies and includes both service vehicles and company cars. Emissions are calculated in accordance with the GHG Protocol and emission factors for petrol, diesel, vehicle gas, ethanol

and HVO100 (Well To Wheel) are based on data from the Swedish Energy Agency.

LTIFR

(Lost Time Injury Frequency Rate) The number of work accidents that

lead to at least one day of sickness absence per million working hours. The reporting includes employed staff and the definition of occupational injuries is based on the "Target Zero" initiative.

Operational definitions

Service

Operation and maintenance, as well as minor refurbishment of installations in buildings and facilities.

Installation/contracting

The installation and refurbishment of technical systems in properties, facilities and infrastructure.

Technology area electrical

Power supply, lighting, heating,

control and surveillance systems. Telecom and other low-voltage installations. Fire and intruder alarm products and systems, access control systems, CCTV and integrated security systems.

HVAC (heating, ventilation and air conditioning)

Comfort ventilation and comfort cooling through air treatment, air conditioning and climate control.

Commercial cooling in freezer and cold rooms. Process ventilation, control systems. Energy audits and energy efficiency through heat recovery ventilation, heat pumps, etc.

Technical area heating & plumbing

Water, wastewater, heating, sanitation, cooling and sprinkler systems. District heating and cooling.

Industrial piping with expertise in all types of pipe welding. Energy saving through integrated energy systems.

Other

Refers to other technical areas such as power, security, cooling, solar panels, energy optimisation, sprinklers, building automation and technical facility management.

¹ Alternative key performance indicators used by Bravida; see page 162 for reconciliation.

We bring buildings to life

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5 years
5 vuotta