

Sustainability Report 2022



greenstep

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Our passion is to do
as much good as
possible.



Year of sustainable growth

As I write this, Russia's war of aggression on Ukraine still wages on and there is an overwhelming feeling of powerlessness. Nevertheless, it is paramount that we put effort into our responsibilities at work and reflect on how to resolve the global challenges related to sustainable development. This is what we work for at Greenstep, too. Every day.

COVID, Russia's invasion of Ukraine and many other events that cause uncertainty have demonstrated in concrete terms how fragile our society is, on a global scale. The energy crisis, lack of products and services, and the consequent surging inflation have affected the lives of every person, globally and will continue to do so. However, my trust in the future is strong: we all can contribute through our actions to resolving the challenges one step at a time.

In these tumultuous times, those with the lowest income suffer the most in relative terms. Therefore we all must ponder what solidarity fundamentally means to us and what we can each do to mitigate or resolve the problems. Now it is even more important than before to support those facing the worst hardships.

I am also hoping for solid action in combating climate change, since the recently published IPCC report was bleak. It is high time each of us wakes up and take action. To reduce emissions, we all – individuals, companies and governments – must work much more systematically to combat a global environmental catastrophe and its multiplicative effects.

We seek to minimise our footprint and increase our handprint

At Greenstep, we seek to consider sustainability in everything we do. We believe that even our basic business helps our customers towards their ESG targets. The objective of our different business units is to help our customers to execute and develop sustainability in economic, social and governance terms in their business.

In accordance with its earlier promise, the Greenstep group has already invested three million euro in the generation of renewable energy as part of our five million euro programme we announced at the turn of 2021/2022. This year, we will continue our renewable energy investments with approximately EUR 1–2 million.

As a company, we were carbon neutral last year. We reduced our own carbon footprint in many ways. On the other hand, the success of our business and its expansion into new geographical areas have increased our emissions somewhat. We have compensated for these emissions.

We are well aware of challenges related to compensations, and the primary target is to minimise our own footprint and increase our handprint in cooperation with our customers. Compensation is always a last alternative for us, and we have selected a reliable organisation as our compensation partner.

Our non-profit company Carestep developed favourably, and it currently employs a personnel of 12. Carestep helps and employs in particular, people who have thus far been unable to find their place in a working environment for one reason or another. It invests in their competence development to make it easier for them to find work in the future.

We have also continued our support for those suffering from the war in Ukraine. In 2022, we donated EUR 223,833 through the Finnish Red Cross and Unifec for this purpose. We have also helped the Ukrainians in many other ways.

Greenstep performed well last year and also paid a bonus that complements our other remuneration structures for the past financial year. Every Greenstep employee received a Together bonus, amounting to an even share of 10% of the company's operating profit, in addition to their individual performance-based bonuses. In 2022, the Group's Together bonuses totalled a million euro.

As much good as possible

Greenstep is committed to creating as much good as possible by way of its mission. To make this possible, we must first take care of one everyone within our Greenstep family. When we feel well ourselves, we are able to serve our customers and society at large in a way which exceeds expectations.

Greenstep personnel are satisfied with their work and being part of the Greenstep community: our most recently measured employee satisfaction (eNPS) was 69, which is an excellent result relative to the general level. The satisfaction and wellbeing of the personnel are also reflected in our customer satisfaction, which was 3.4 on a scale of 1–4.

During the COVID times, we made efforts to ensure that no one at Greenstep would feel alone. We supported them in challenges posed by teleworking, and provided an opportunity to converse with specialists about coping. At the same time, we have pondered and developed new ways of working, allowing us to combine the best of remote and on-site working from the perspective of the individual and the teams. I believe that this work and many other of our development actions have played a significant role in the wellbeing of both Greenstep and its employees and in enabling us to also help our customers to develop their own activities.

I am also satisfied in how Greenstep's sustainability team, launched in the second half of 2021, has grown and how its activities have developed. The experienced sustainability team of twelve people is ready to help the Finnish corporate sector towards more responsible and sustainable operation.

I believe firmly that sustainable companies will also succeed better in financial terms. We want to help them to build this success.

We hope that our sustainability report inspires you!

15. April 2023

Tore Teir

Founder, Chairman of the Board

Greenstep Oy's brands

Bezala®

Travel expense software that automates accounting. Bezala enables emission calculation for business travel.

finance.rocks

Smart automation processes accounts payable automatically using existing data. The purpose is to improve speed and efficiency, reducing the burden on the accountant.

greenstep.academy

Greenstep Academy's growth-supporting training services are tailored to correspond to the customer's needs concerning for example finance, HR, accounting systems and transformation.

BI Book

BI Book is a tool that centralises the most important views to a company under a single, clear portal, and facilitates the management and sharing of reports.

Carestep

Carestep Oy provides high-quality cleaning service to its customers, and uses 100% of its profits on the education and career counselling of its employees.

Our services support sustainable business and respond to changing demands

Greenstep is a family business established in 2010. It provides a variety of exceptionally broad high-quality services to support its customers' business and growth. In addition to Finland, it operates in Estonia, Sweden, and Norway.

The Greenstep family includes Greenstep Oy, Renance – Automated Financial Services Oy, Greenstep Oü, Carestep Oy, Greenstep Sverige AB, Etseerg AB, Greenstep Åland AB and Greenstep Norge AS.

The expansion of our operations both into new services and geographical markets is based on the needs of our customers. Greenstep's services include accounting and payroll services, tax and legal services, financial management, HR services, analytics and BI, business platform solutions, business development, finance as well as sustainability and training services. We operate as consultants for leading accounting systems, and we also develop our own software on a continuous basis.

The Greenstep family already encompasses over 600 experts. Greenstep operates, in addition to Finland, Sweden, Norway, and Estonia, in over 200 countries through the international MSI network. MSI Global Alliance is a global corporate network for accounting, payroll services, taxation, and legal services.

Our office network is expanding continuously both in Finland and abroad. Thanks to our growth, we are able to help our customers more extensively than before. Our head office is located in Espoo.



Sustainability management

At Greenstep, unnecessary intermediaries have been eliminated on purpose, and there are no discriminatory structures.

We empower every employee to take broad responsibility and influence their own work and the development of Greenstep.

Sustainability management

Sustainability is managed as part of business operations, and its practical implementation is the responsibility of everyone at Greenstep, supported by team leaders, area managers, city managers and the Head of Sustainability. The Board reviews and adopts the Sustainability Report.

The report concerns the year 2022, and it draws upon the Global Reporting Initiative (GRI) standards as applicable to the operations of the Greenstep family. The previous report concerned the operating year 2021.

Greenstep's values

- Desire to help our customers
- Willingness to improve and develop our expertise
- Passion to achieve and succeed together
- Honesty and appreciation towards each other

Our activities are bound and steered by legislation and our own, strong ethical operating principles. Each employee is obliged to comply with them. Greenstep's **Code of Conduct** determines the main principles guiding the business. They were established together with our employees, and our entire personnel is committed to observe them in their daily work. You can study our values and ethical principles on our website: <https://greenstep.com/career/culture/sustainability>. Furthermore, sustainability is embedded in our business choices since we also want to promote the sustainable business of our stakeholders.

We also expect our customers, associates, and suppliers to comply with the law and conduct their business responsibly. We are committed to notifying our customers when we notice any risks or unlawful conduct related to their operations or guidelines.

We have set up a **whistleblowing channel** for reporting any activities that violate our policies. The channel enables employees to report any breaches of our Code of Conduct or similar concerns. The whistleblowing channel is managed by an external partner to ensure the protection of the whistleblower as well as objective treatment. We also offer a whistleblowing service solution to our customers.

Construction of an ethical business culture

Supply chain

In Greenstep's supply chain, the most important stakeholders from a sustainability point of view are our software providers and office facility lessors. The principles of sustainability within the supply chain have been discussed with our most essential suppliers, along with their measures and goals towards developing sustainability.

Greenstep strives to be a high-profile partner for its software providers and a forerunner by investing in quality and sustainability efforts.

We also engage in active discussion about sustainability, the promotion of recycling and the use of renewable energy with the representatives of office facilities. Most of the facilities have already committed to purchasing renewable electricity. In contrast, the majority of our facilities still purchase non-renewable or partly renewable district heating.

Procurement

Sustainability is part of our brand. We make measured purchases that last through time and use and have been sustainably produced. We have created guidance on sustainable brand products, laying out the determining factors for procuring different Greenstep products.

In electronics, we emphasise maintenance and internal cycling. Our computers are CO2 compensated. We also seek compensated alternatives for IT supplies and ancillary products. We include these procurements in the Scope 3 category of the organisation's emission calculation.

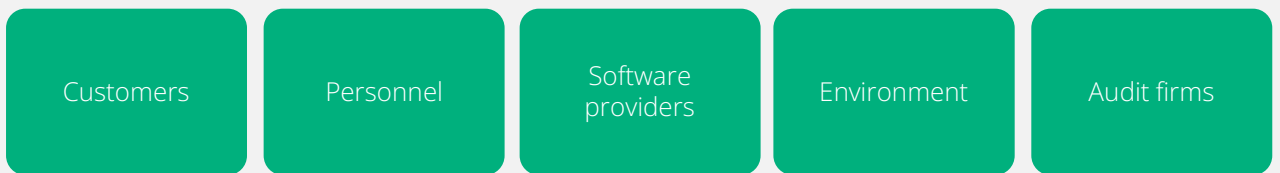


Stakeholder expectations as the basis for sustainability work

Greenstep's most important stakeholders are its customers, personnel and software providers, audit firms and the environment. Responding to climate change and sustainable commerce as a whole is globally critical for societies and business, which is why we have named environment as one of our stakeholders.

On the basis of stakeholder discussions, we have chosen the six most relevant UN Sustainable Development Goals from the perspective of development of our business:

GREENSTEP'S STAKEHOLDERS



UN SUSTAINABLE DEVELOPMENT GOALS



We have determined our focal points for sustainability based on the most significant operations-related effects and the expectations of stakeholders. Our actions have a significant impacts in particular on our employees as well as the employee experience, growth and development of our customer companies.

The focal points of Greenstep's sustainability efforts:

- Sustainable finance and governance
- Equal and healthy working community
- High-quality competence development
- Environmentally sustainable choices

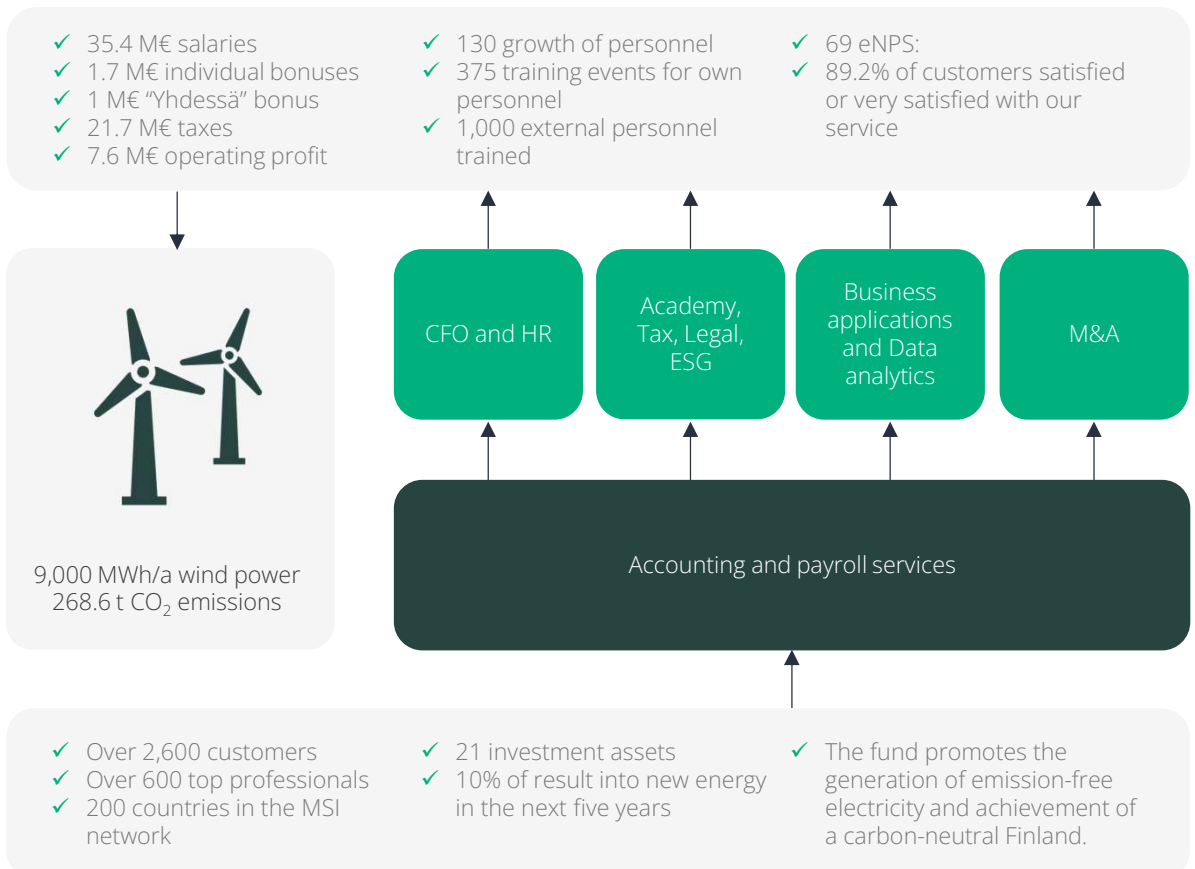
Economic sustainability and governance

Economic responsibility produces sustainable well-being

Greenstep's revenue comes from a diverse catalogue of provided services. Accounting and payroll services make up approximately 50% of Greenstep's revenue. The other half consists of various consulting services. At Greenstep, economic responsibility also entails direct responsible investments in Finnish growth companies and renewable energy. The evaluation of responsibility is an important part of every investment decision.

Greenstep has performed well and its business is profitable – therefore we are able to provide our personnel with a steady job and develop our operations and practices in everyone's best interests.

The value creation chart below illustrates what Greenstep is, what kind of services we provide, and what kind of economic and sustainability impacts our business has on an annual basis. Greenstep's expertise covers a full range of services needed by growth companies at different phases of their development, thereby promoting sustainable economic growth. Greenstep has also grown rapidly alongside its customer companies. Our operations generate not just economic value added, but also social and environmental impacts.



Financial indicators

	Finland		Sweden		Estonia		Norway		All countries in total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue	57,177,406	43,697,417	3,897,034	1,766,738	752,952	602,983	92,359		61,919,751	46,067,138
Other operating income	254,593	111,771	1,629	1,027	5	4			256,227	112,802
Materials and services	-6,118,913	-4,537,266	-468,974	-89,446	-17,714	-4,218			-6,605,600	-4,630,930
Greenstep family personnel expenses	-33,828,526	-26,296,448	-2,988,532	-1,648,007	-552,265	-446,038	260,120		-37,109,203	-28,390,493
Depreciations and impairments	-4,926	-33,405	-63,736	-48,855	-14,151	-11,991			-82,814	-94,251
Other operating expenses	-4,803,901	-3,474,865	-586,937	-347,550	-125,700	-77,354	90,992		-5,425,545	-3,899,769
Financial income and expenses	-12,638	2,116	-14,302	-5,239	-1,868	-1,870	1,030		-27,778	-4,993
Income taxes	-2,063,486	-1,566,433			-5				-2,063,491	-1,566,433
Profit for the period	8,025,270	6,095,880	-223,817	-371,331	41,253	61,516	-259,784		7,582,922	5,786,064
Dividends	5,340,720	3,986,466							5,340,720	3,986,466

Tax footprint: 21,7 MEUR

We are proud taxpayers, and we do not practice active tax planning. We contribute to building a prosperous society by paying our taxes in full in each country we operate in. We have calculated our tax footprint, which is displayed in the graph below.

	Finland		Sweden		Estonia		Norway		All countries in total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue	57,177,406	43,697,427	3,897,034	1,766,738	752,952	602,983	92,359		61,919,751	46,067,148
Earnings/loss before appropriations and tax	10,088,755	7,662,367	-223,817	-371,331	55,409	73,507	-259,784		9,660,564	7,364,543
VAT on sales	13,781,372	10,395,613	853,136	400,102	68,968	39,502	8,240		14,711,715	10,835,217
VAT on procurements	2,775,249	2,062,123	187,068	72,288	17,195	12,166			2,979,512	2,146,578
VAT paid (net)	11,002,677	8,331,954	666,068	327,813	51,773	27,336	-2,981		11,717,537	8,687,103
Wage taxes	7,117,427	5,474,090	557,968	319,390	216,616	174,915	30,255		7,922,266	5,968,395
Pension insurance charges				12,567					0	12,567
Income taxes	2,063,486	1,566,433			5				2,063,491	1,566,433
Total taxes paid	20,144,827	15,346,213	1,224,037	659,770	268,394	202,251	27,274		21,664,532	16,208,234

The most recent result in our customer satisfaction survey is 3.4 (in 2021: 3.4).

Quality and customer service are our guiding star

We develop quality of experience through comprehensive education and teamwork, as the best result for the customer often stems from cooperation among of experts from various disciplines. Our strength lies in combining the diversity of our experts' know-how with a proactive approach. Teamwork ensures the service's continuity for the customer through any situation.

We measure customer satisfaction annually in the spring and autumn. We asked our customers how well we have performed on a scale from 1 to 4. The result was 3.4, which is a solid grade. 82% of our customers were satisfied or very satisfied with our service.

Our membership in the Association of Finnish Accounting Firms (Taloushallintoliitto), and thereby being an authorised accounting firm, helps assure our customers. However, Greenstep's internal criteria are even higher than what the authorisation requires. Quality of experience is the most important factor for garnering recommendations and, therefore, the target of continuous development.

Data security and data protection

Greenstep's willingness to improve is demonstrated as a value so that digital and software solutions are strongly present in our daily work. From the perspective of sustainability, this entails the obligation to look after data security and data protection at the same time to protect Greenstep and its personnel's data from unauthorised violations.

The promotion of data security and data protection at Greenstep is a continuous process, but in 2022 these topics were embraced as a special area of attention due to the global rise in threats to data security. We began to build a data security management system in compliance with the ISO 27001 standard with the objective of having the system certified in 2023.

Knowing the customer's business and confidentiality

We want to understand how our customers' businesses operate and learn to know our broad customer base. This is at the heart of our business, and it is also our obligation. We have issued guidelines for our personnel on customer due diligence practices (know your customer, KYC), and compliance with these guidelines is monitored. Our entire customer-facing personnel has undergone the KYC training.

Although the adoption of the ISO 27011 management system will introduce an even more systematic approach to our conduct, confidentiality and secrecy are at the heart of everything we do, already based on our existing values. It concerns every Greenstep employee working with customers and our stakeholders based on customer, employment and procurement contracts and also special legislation, such as insider regulations, and the Code of Conduct.

Despite the confidentiality obligation, in accordance with the Act on Detecting and Preventing Money Laundering and Terrorist Financing, we are under an obligation to report any suspicious activity we may notice in our customers' operations.

“Yhdessä” performance bonus

Greenstep distributes 10% of its operating profit to the personnel in the form of the “Yhdessä” (together) performance bonus. The new reward scheme was used for the first time in the financial period 2020/21.

Greenstep was founded on the basis of values. Its activities have always been based on cooperation and forward planning. Doing things together and moving ahead have allowed for the creation of originality, evolution, transformation and business expansion. Growth has enabled business continuity and customer-driven development of operations. In addition, it has given everyone at Greenstep opportunities to grow and develop as people.

The “Yhdessä” performance bonus covers everyone who has worked in the group during the financial period concerned. The bonus for 2022 is payable to anyone who worked at Greenstep (Oy, Ab, As, Ou, Åland, Renance) during the financial period from 1 June 2021 to 31 May 2022.

In addition to the “Yhdessä” bonus, Greenstep has incentive schemes based on individual targets and performance.

Everyone at Greenstep has done a great job, and therefore we have decided to establish a new “Yhdessä” reward scheme.

Going forward, we will distribute 10% of the Greenstep group's operating profit for each financial period as rewards directly to the personnel. We want to acknowledge that everyone at Greenstep is an important part of our company's success and can enjoy the results of success and a job well done the same way shareholders do.

Tore & Michaela



Equal and healthy working community

Personnel growth in 2022 amounted to 28%.

In 2022, the employee net promoter score eNPS¹ was 69 (in 2021: 70), which is an outstanding result.

The average employee vibe score² during the year was 3.95 (in 2021: 3.8/5).

¹eNPS = proportion of promoters - detractors

²The employee vibe indicator has 5 levels, 5 being the highest. The survey is conducted weekly and its average is the average for the whole calendar year.

The Greenstep team

Greenstep's operations are based on its experts' competence and well-being at work. In 2022, every Greenstep employee was in a contractual employment relationship with Greenstep Oy or its subsidiaries.

The information on the Greenstep team include Greenstep personnel, excluding the personnel of Carestep Oy. In 2022, Carestep Oy had 12 employees on a monthly salary and 8 employees paid by the hour. You can read more about Carestep's operations at our website (linkataan: <https://carestep.fi/vastuullisuus>)

At the end of the year, the Greenstep team had 595 permanent employees and 7 temporary employees. The number of personnel increased by some 28% from the previous year, and the trend has remained similar for many years.

There were a total of 241 new recruitments in 2022. Staff turnover increased slightly from the previous year, which was consistent with the general trend in the sector. However, the turnover declined towards the end of the year to a level typical for the consulting branch. New recruitments and leavers include all employees (fixed-term, summer workers, interns, project workers; leavers also include retirements and other reasons for departing). The average age of our personnel is 39 years, with an age distribution of 22–67 years. The high ratio of women in our personnel is typical of the sector.

We promote our employees' well-being by supporting health and the ability to work and by ensuring that there is an open and communal working atmosphere. The work is done in close cooperation with occupational health care, the HR team, team leaders and the occupational safety and health committee. Early support is an integral part of managing well-being. Through the promotion of health and well-being and the communal work atmosphere, the leave of absence rates for our employees have stayed very low.

	2022	2021	2020
Sick leave absence, % ²	2.1	2.3	1.6
Occupational and commuting accidents	4	4	2

GREENSTEP OY'S PERSONNEL RESPONSIBILITY INDICATORS	2022	2021	2020
Number of personnel at the end of the year	602	471	368
Average number of personnel during the year	536	420	330
New recruitments during the year (including projects and fixed-term)	241	176	105
Staff turnover ¹	19	15	14
Women/men as % of personnel	72/28	74/26	74/26
Average age of personnel, years	39	40	40

¹ Staff turnover is calculated by dividing the number of personnel that have left Greenstep with the total number of personnel at the end of the calendar year (including fixed-term employment relationships, retirements, summer workers and project workers)

We support our employees' daily activity through various employee benefits, guided exercise breaks and annual workplace well-being challenges.

We have compiled the results from the well-being challenge in the chart below.

We encourage active lifestyles

Greenstep arranges an annual personnel wellness challenge where we raise money for charity based on the number of kilometres cycled and steps walked. As an example, you can read about our Norwegian office's participation in various well-being challenges.

The Norwegian team participated actively in wellness challenges

Greenstep launched its operations in Norway in 2022. The personnel has already participated actively in local wellness competitions and charity events.

The working community participated in a wellness competition organised by the lessor of the office facility. The challenge focused on how many times in a month the employees would climb the stairs up to the sixth floor. The competition is arranged regularly and it seeks to motivate employees keep active during the work day. The competition in 2022 was won by a Greenstep employee, who won a gift card as a reward.

In the autumn of 2022, the personnel participated in a fundraiser by the Norwegian broadcasting company NRK, pertaining to a TV show, with the aim to raise funds for Doctors Without Borders to procure vaccines. Greenstep employees had the opportunity to donate money to the fundraiser, and the employer matched the amount donated by any employee.

In addition, a Greenstep employee participated in the fundraiser by calling local companies during the TV show to raise money. In total, the local fundraising campaign raised NOK 386,750, (EUR 35,500,) which is enough for about 94,300 vaccine doses.

WELLNESS CHALLENGE	2022	2021	2020
Cycled km/ person avg.	14	16	27
Steps walked/ person avg.	25,956	46,190	41,227
Donated to charity through the wellness challenge, amount and target	4,827 €, Hope ry, AAMU children's cancer foundation, Finnish Diabetes Association, Venner, SISU Ukraine, Tampereen Lastenkliniikka Tuki ry, UN Women Suomi, Doctors Without Borders (Médecins Sans Frontières), animal sanctuary Eläinsuojelukeskus Tuulispää	€5,753, Mieli Mental Health Finland, Sylva, Tukikummit foundation, Hope ry, Suomen ratsastusterapeutit ry, Lasten Liikunnan tuki ry, Unicef's COVAX programme for COVID vaccination in poorer countries, Finnish Olympic Committee's "Lasten Liike" programme for children, Finnish Association for Nature Conservation's climate work, PRIDE, tuplapotti, AAMU children's cancer foundation, Vaasa maritime rescue association, Finnish Association for Nature Conservation's fundraising for forests, water and swamps, Hunger Day collection, Pink Ribbon and Hope ry	€4,905, Maritime rescue association, Hope ry, SOS children's village, Nappi Naapuri, Finnish Olympic Committee: nuorelle siivet (help for young athletes), SEY Animal Welfare Finland, Kuopio University Hospital's children's haematology and oncology unit, Finnish Association for Nature Conservation, Children of the Station ry: K-0 anti-bullying project, Sylva ry, MLL, Apuna ry, Lasten liikunnan tuki ry, Save the Children, Finnish Natural Heritage Foundation, Pink Ribbon

It is vital that the employees can be themselves at the workplace and know they are in a safe and supportive environment.

Equality and diversity of the working community.

Equality and respect for other people are strongly linked to Greenstep's fundamental values. An egalitarian culture where everyone is appreciated, is carefully safeguarded by our management. We monitor how equality is practiced through our annual employee satisfaction surveys.

In the 2022 survey, the personnel felt that people do not experience age based discrimination at Greenstep. The result was 3.92 (2021: 3.9). The personnel perceived that people are treated equally regardless of gender, religion or ethnicity. The result was 3.89 (3.87). The scale of the survey was 1–4.

In our recruitment process, we strive for equality on the basis that the suitability of every candidate is judged on the same principles: Relevant experience, educational background, language skills, special competence and a Greenstep attitude.

Any inappropriate treatment or discrimination will be taken seriously and will result in immediate intervention. In an organisation that supports equality, every member is responsible for making sure that they do not cause disruption or hurt the feelings of any other person in the working community through their behaviour.

Talking about diversity and bringing forward practices that support this is part of our initial training process. We recognise the importance of diversity also in a broader sense than just simply gender or age distribution. We aim to promote the cultural diversity of our working community, while also considering the importance of considering national regulations in our recruitment process

AGE BREAKDOWN (%)	16–30	30–49	16–50
Personnel	21	61	18
New recruits	25	56	19
Business unit / area management	5	65	30

GENDER COMPOSITION (%)	Women	Men
Personnel	72	28
New recruits	70	30
Business unit / area management	75	25

High-quality
competence
development

Training events for own personnel: 375.

Total duration of training events: 200h.

Total number of participants in training events: 9,182. On average, the personnel participated in at least 15 training events.

Number of training paths completed: 11.

In addition, we provided 2 trainee programmes aimed at accountants and wage management personnel.

We published a total of 23 (duration 9h) training recordings for self-study.

Development of working life skills and occupational competence

The will to develop and better ourselves is one of Greenstep's values and a promise of quality we give to our customers. It is one of the areas of focus for Greenstep's operations and strategy.

We provide versatile high-quality training for every Greenstep member through Greenstep Academy's brief topical training events and longer training plans. Learning at work plays a key part, and our personnel improve their professional competence through customer projects.

In the review year, we produced new training plans for our own personnel on project management at Greenstep, fund training for accountants, IFRS and a team leaders' power programme.

We recommend that all accounting experts complete the Finnish KLT accounting certification and wage management experts complete their corresponding PHT certification, and we support people aiming to complete these certifications through preparatory training programmes.

We participated for instance in the following collaboration projects in 2022:

DIGITA project: Accounting experts to support growth businesses. The goal is to establish an operating model and training programme driven by the needs of working life, in which the competence of accounting professionals is developed to meet the new requirements of the digital operating environment.

Jyväskylä University School of Business and Economics: Research publication on personnel management in the university's publication series

University of Oulu: Training, business skills for researchers

Oulu Chamber of Commerce: Member of the Labour and Education Committee – regional co-operation to maintain the availability of competent labour force and regional competitiveness

University of Turku: Member of the steering group of the Futures Research Centre. We introduced a business world viewpoint into the steering group's work.

University of Vaasa: Member of the steering group in a research project developing AI methodologies to process financial textual data.

Environmentally sustainable choices

We extended the carbon footprint calculation in the Scope 3 emission category to waste generated in operations.

Our organisation's carbon footprint

We calculated Greenstep's carbon footprint for the third time using the international Greenhouse Gas Protocol standard. The footprint has been calculated previously in 2019 and 2021. In 2020, our carbon footprint was calculated based on data for 2019, since 2020 was a very exceptional year due to the COVID-19 pandemic in terms of office use and travelling.

The carbon footprint calculation for 2022 considered the emissions from the whole of Greenstep's activities for the first time, including all of its countries of operation.

In the calculation, we included direct emissions and the indirect emissions of energy purchased by us (scope 2). Scope 2 calculation included, in addition to market-based emissions, location-based emissions, meaning average country-specific emissions from the generation of electricity and heat. Location-based emissions are not included in total emissions.

As regards to the indirect emissions of our value chain, we included waste from operations as a new category in the calculation (scope 3). In 2022, it was feasible to estimate the amount of waste from Finnish operations. In addition to the above, we reported the indirect emissions from purchased products and services, business travel and the generation of electricity for last year.

By measuring our carbon footprint, we monitor in particular the effectiveness of the transition to green electricity and heat as well as more sustainable procurement from a climate perspective.

EMISSIONS OF GREENSTEP OY'S ENTIRE ACTIVITY, T CO ₂ E		2022	2021	2019
Scope 1 direct emissions	vehicles	0.1	-	0
Scope 2 indirect emissions	electricity (market-based)	3.2	3.6	72
	electricity (location-based)	19.4	12.1	-
	heat (market-based)	65.9	67.5	55
	heat (location-based)	162.1	-	-
	purchased products and services	125.2	88.6	-
Scope 3 indirect emissions	indirect emissions of electricity generation	6.0	4.2	3
	business travel	57.6	13.7	67
	waste	10.6	-	-
Total, t CO ₂ e		268.6	177	197

Our organisation's carbon footprint

Our overall carbon footprint has grown since 2021. This was not just due to the expansion of our operation to new locations but also to the extension of the calculation in terms of indirect emissions. In addition, the volume of business travel has increased as travel restrictions have been reduced.

In 2023, our objective is to include the emissions of shipping services used by Greenstep in the calculation.

The carbon footprint calculation includes the emissions from the consumption of electricity and heat in all our offices.

Thirteen of our all offices used 100% green electricity in 2022. This also includes offices migrating to green electricity in 2022. In 2022, an increasing number of offices switched to green electricity. However, not all new offices opened in 2022 are yet within the scope of green electricity. This was due to, among other things, the fact that electricity was included in the lease agreement, which makes it difficult to change the type of energy.

Our target is to switch all offices to green electricity in 2023.

At the end of 2022, Greenstep Oy had a total of 12 offices in Finland and one on Åland. Greenstep has an office in Tallinn, Estonia, two offices in Sweden, Stockholm and Norrköping, and one in Moss, Norway.

At the end of 2022, Greenstep had 602 employees in Finland, Sweden, Estonia and Norway.

The carbon footprint per employee in 2022 was 446.21 kg CO₂e.

EMISSIONS OF GREENSTEP'S ACTIVITIES BY COUNTRY IN 2022, T CO ₂ E		Finland	Estonia	Sweden	Norway
Scope 1 direct emissions	vehicles	0.1	0	0	0
Scope 2 indirect emissions	electricity (market-based)	1.0	2.2	0	0.01
	electricity (location-based)	14.7	2.58	1.62	0.53
	heat (market-based)	49.6	7.4	8.9	0.01
	heat (location-based)	152.3	7.1	2.7	0.1
Scope 3 indirect emissions	purchased products and services	110.2	-	10.1	4.9
	indirect emissions of electricity generation	5.4	0.1	0.5	0.02
	business travel	52.3	0.8	4.3	0.3
	waste	10.6			
Total, t CO ₂ e		229.1	10.4	23.9	5.2

Emissions remaining after reduction measures are compensated reliably and transparently with Compensate Credits.

Towards carbon neutral operations

We are committed to achieving carbon-neutrality in our operations. Our original target was the carbon-neutrality of our operations as of 2022.

To achieve our target, we have sought to reduce and avoid greenhouse gas emissions in all our activities and to compensate for those that cannot be avoided in our activities.

Our target is that the electricity contracts of all our locations belong to the scope of green electricity at the latest by 11 March 2023. In 2022, more and more offices adopted green electricity. However, we fell behind the original target as four locations did not yet use green electricity in 2022. Our target is to change all our offices to green electricity in 2023.

The work computers we procure are CO₂ compensated, and we are actively looking for compensated alternatives for other IT supplies and ancillary products. For example, when procuring brand products and gifts, we prefer Co₂-measured products. The personnel has the option to choose a pre-owned electronic device.

We started a review of the measurement of waste generated in operations, and we succeeded in estimating the volume of waste generated in Greenstep's activities. Our objective is to improve the precision of the calculation going forward, and to include the volume of waste generated in all of Greenstep's activities. The calculation for 2022 covered the volume of waste generated in the Finnish operations.

In business travel, we prefer public transport. In job-related travel, we travel most frequently by train, which is the lowest-emission form of travel.

Emissions that cannot be avoided will be compensated for by certified emission reduction methods.

CARBON EMISSIONS FROM IT SUPPLIES



350 kg CO₂e



60 kg CO₂e



8 kg CO₂e

Climate change and the identification of its impacts is part of sustainability in our own operations and those of our customers.

Compliance with EU taxonomy

The main focus of the EU Taxonomy Regulation is on sectors with the largest climate impacts, such as energy production, manufacturing, transport and construction. Greenstep has reviewed the compliance of its service business with the taxonomy and identified sustainability services and parts of the analytics and BI (Business Intelligence) services as taxonomy eligible with respect to adaptation to climate change (activity 8.2). In connection with the taxonomy review, Greenstep's climate risks were also mapped.

Climate change and other sustainability risks pose business constraints that must be taken into account in strategy work. The purpose of risk assessment is to identify changes in the operating environment and prepare for them. The most significant sustainability impacts affecting our operations are described below in accordance with the TCFD framework (Task Force on Climate related Financial Disclosures), taking into account that some of our customers are more affected than others.

The transition to low carbon economy creates new opportunities for sustainable business. Our sustainability services support our customers' ability to respond to challenges resulting from the changes as well as stakeholder expectations. We promote the development of clear sustainability reporting combined with financial reporting, and we help our customers identify their impacts and new business opportunities.

TRANSITION RISKS	PHYSICAL RISKS	OPPORTUNITIES
Changes to the market and impact on customer businesses caused by new technologies. MINOR/ SIGNIFICANT	Caused by global warming, growing energy consumption in offices (e.g. cooling and ventilation). MINOR	Market success of customers' low-carbon technologies and services
Tax reforms and emission price increases affecting customers' business. MINOR	Effects of extreme weather phenomena on infrastructure and the resulting impact on customers' supply chains and business. MINOR/ SIGNIFICANT	Increasing demand for compliance services, sustainability services and financial reporting that incorporates sustainability services.
Changing and tightening reporting requirements and resulting labour costs in our own and our customers' operations. MINOR/ SIGNIFICANT	Direct impacts of extreme weather phenomena and energy costs on ensuring our customer service capability. MINOR	Low-carbon public transportation preferred in business travel. Emissions from travel are compensated.

In 2022, we supported our client's sustainability work through our sustainability business team, for example in the assessment, measurement, development and reporting of climate impacts.

Targets

Targets and achievements 2022

We had the following targets for 2022.

Sustainable finance and governance

A sustainability training path to be incorporated into the personnel training system

→ The training path was launched and will be developed further in 2023.

Equal and healthy working community

Development of resourcing with a new tool: the goal is a more proactive view to future needs.

→ The resourcing tool was rolled out during the year.

High-quality competence development

Our goal is to make our training offering accessible to everyone at Greenstep and to create development opportunities for people in all functions.

→ The training offering covered all our personnel groups.

The goal is to highlight the development of competencies with a new tool

→ Greenstep adopted the Greens Skills application, which makes skills visible.

→ We also started a competitive tender process for a new learning management system, which will enable a better visualisation of skills development.

100% renewable electricity in all our offices

→ 76% of our offices use renewable electricity

For the first time, the reporting includes all of the group's working premises; in some locations, the lessor has not yet enabled the use of renewable electricity.

Environmentally sustainable choices

Automation of carbon footprint calculation

→ Mapping of the possibilities for automation has begun.

A concrete time frame for shifting to renewable heating

→ 25% of offices use renewable district heat.

→ We have engaged in discussions with the lessors of the office premises about Greenstep's desire to shift to renewable district heat.

Reporting principles

The report pertains to Greenstep group's operations in the calendar year 2022.

At Greenstep, the determination of matters that are material to our sustainability efforts is based on stakeholder expectations and the most significant impacts of our operations. The definition of materiality is discussed on page 10.

The report references Global Reporting Initiative (GRI) standards relevant to Greenstep's operations.

Further information on the report and Greenstep's sustainability efforts may be inquired from Greenstep's Senior manager Eeva Perälä.

GRI content index

GRI content index

STATEMENT OF USE	Greenstep has reported the information cited in this GRI content index for the period 1.1.-31.12. with reference to the GRI Standards.	
GRI 1 USED	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	6
	2-2 Entities included in the organization's sustainability reporting	The Sustainability Report concerns the entire Greenstep Group.
	2-3 Reporting period, frequency and contact point	29
	2-4 Restatements of information	The Sustainability Report concerns the entire Greenstep Group.
	2-5 External assurance	Our report is not externally assured.
	2-6 Activities, value chain and other business relationships	9
	2-7 Employees	17-19
	2-9 Governance structure and composition	8
	2-12 Role of the highest governance body in overseeing the management of impacts	8
	2-14 Role of the highest governance body in sustainability reporting	8
	2-22 Statement on sustainable development strategy	Review of the Chair of the Board of Directors
	2-23 Policy commitments	Greenstep applies the prudence principle in its operations.
	2-26 Mechanisms for seeking advice and raising concerns	8
	2-28 Membership associations	Kasvuryhmä, Suomen Taloushallintoliitto ry, Perheyrittäjien Liitto Ry, Suomen Yrittäjät, Suomen Pääomasijoitusyhdistys ry, Hallituspartnerit Helsinki ry, MSI Global Alliance, Veronmaksajain Keskusliitto ry, Österbottens Företagarförening rf, EP Center Finland Oy, corporate responsibility network FIBS and local chambers of commerce.
2-29 Approach to stakeholder engagement	9-10	
2-30 Collective bargaining agreements	Our sector does not have a universally applicable collective bargaining agreement.	

GRI STANDARD	DISCLOSURE	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	10
	3-2 List of material topics	10
	3-3 Management of material topics	8
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	13
	201-2 Financial implications and other risks and opportunities due to climate change	26
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	12
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	8
GRI 207: Tax 2019	207-1 Approach to tax	13
	207-4 Country-by-country reporting	13
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	23-24
	305-2 Energy indirect (Scope 2) GHG emissions	23-24
	305-3 Other indirect (Scope 3) GHG emissions	23-24
	305-5 Reduction of GHG emissions	25
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	17
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	17
	403-6 Promotion of worker health	18-19
	403-9 Work-related injuries	17
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	21
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	19

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