

SUSTAINABILITY REPORT 2025

dagar



About the report

Dagar is a well-established yet forward-looking company that builds its strength on a strong and experienced workforce with decades of expertise. The company is a leader in customer service and at the forefront in the fields of cleaning, property management, and specialized workplace solutions, including security services, general services, and innovation.

Dagar is now publishing its sustainability report for the second time. The report provides a comprehensive overview of the company's operations in 2025 and its key priorities. The company has set clear, measurable sustainability targets and regularly monitors progress to ensure continuous improvement. The report annually accounts for sustainability performance and the steps taken towards more responsible and sustainable operations.



CEO's Foreword

Brynhildur Guðmundsdóttir

It has been both a pleasure and an honor to take on the role of CEO at Dagar and to continue leading the outstanding work carried out here every day. In recent years, Dagar has evolved from a traditional cleaning company into a comprehensive facility management company that takes broader responsibility for the daily operations of buildings and work environments, thereby supporting our clients' operations in an efficient and sustainable way.

Sustainability is an inseparable part of our daily operations. We emphasize reducing the environmental impact of our activities and supporting our clients on their journey toward greater sustainability.

The strength of Dagar lies first and foremost in our people. A diverse and capable team works here, performing their duties with professionalism and ambition. We want to be a reliable and attractive workplace where equality, safety, education, and professional development are at the forefront.

We will continue to develop solutions that support the sustainable operations of our clients and create real value for the future.

Our purpose is clear: **We make your life easier.**

„We want to be a reliable and attractive workplace where equality, safety, education, and professional development are at the forefront.“



Dagar and Sustainability

Dagar aims to be a leader in the field of sustainable services. The company's operations extend to businesses and institutions across the country, and it therefore plays an important societal role in the spaces and working environments it serves. One of Dagar's goals for 2026 is to develop and implement a sustainability policy that will create a comprehensive framework for the company's sustainability efforts.

Dagar approaches sustainability from the perspective of double materiality and has conducted a double materiality assessment. This analysis involves evaluating both how environmental, social, and governance factors affect the company's operations, and how the company's activities impact those same factors.

The results of the analysis form the basis of Dagar's strategy, which is built on three core pillars: environmental, social, and governance. In the analysis, six ESRS standards were assessed as material, namely E1, E2, E5, S1, S4, and G1. These are defined as subcategories of the three pillars and provide a foundation for effective prioritization and informed decision-making in sustainability matters.

Social Factors

- Own workforce (S1)
 - Attractive Workplace
- Consumers and End Users (S4)
 - Service



Governance Factors

- Responsible Business Conduct (G1)
 - Corporate Culture
 - Social Impact
 - Disclosure

Environmental Factors

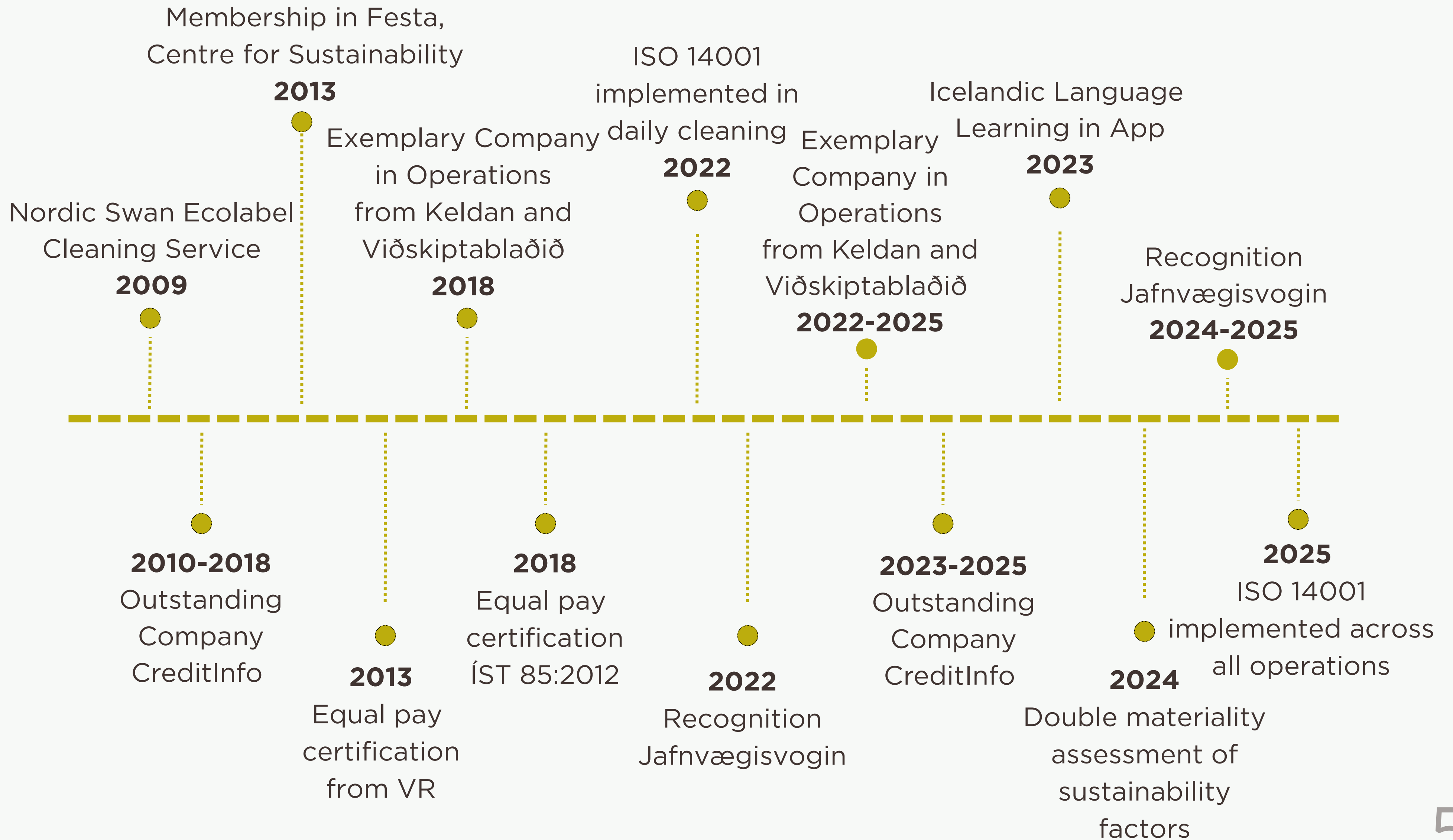
- Climate Change (E1)
 - Energy Transition and Travel Habits
- Pollution (E2)
 - Chemical Use
- Circular Economy (E5)
 - Waste

Dagar's Sustainability Goals

Dagar has set measurable and time-bound sustainability goals and follows an action plan to achieve them. Here you can see the company's main priorities in sustainability matters.

Key Priorities	Target	Performance 2025
Climate Change	<ul style="list-style-type: none"> • Reduce revenue emission intensity by 85% by 2030 compared to 2019* • For 70% of vehicles to be electric by 2027 • For the recycling rate to be 70% by 2027 	<ul style="list-style-type: none"> • Revenue emission intensity has been reduced by 72% since 2019* • 60% of Dagar's vehicles are electric • The rate increased year-on-year and is now 58%
Diversity and Inclusion in the Workplace	<ul style="list-style-type: none"> • For the gender pay gap not to exceed 1% • To increase the number of users in the Bara Tala app • For job satisfaction to be above 7.6 and participation rate to be above 60% 	<ul style="list-style-type: none"> • The gender pay gap measured 0.1% • The number of Bara Tala users remains stable year-on-year, around 200 individuals • Average job satisfaction was 7.9 and average participation rate 58%
Responsible Operations and Product Offering	<ul style="list-style-type: none"> • To maintain ISO 14001 certification and Nordic Swan Ecolabel • For customer satisfaction to be above 4.2 • For the proportion of environmentally certified cleaning agents in daily cleaning to be 100% 	<ul style="list-style-type: none"> • Two successful audits were completed • Customer satisfaction measured 3.9 • The proportion of environmentally certified agents in daily cleaning is 99%

Sustainability Journey

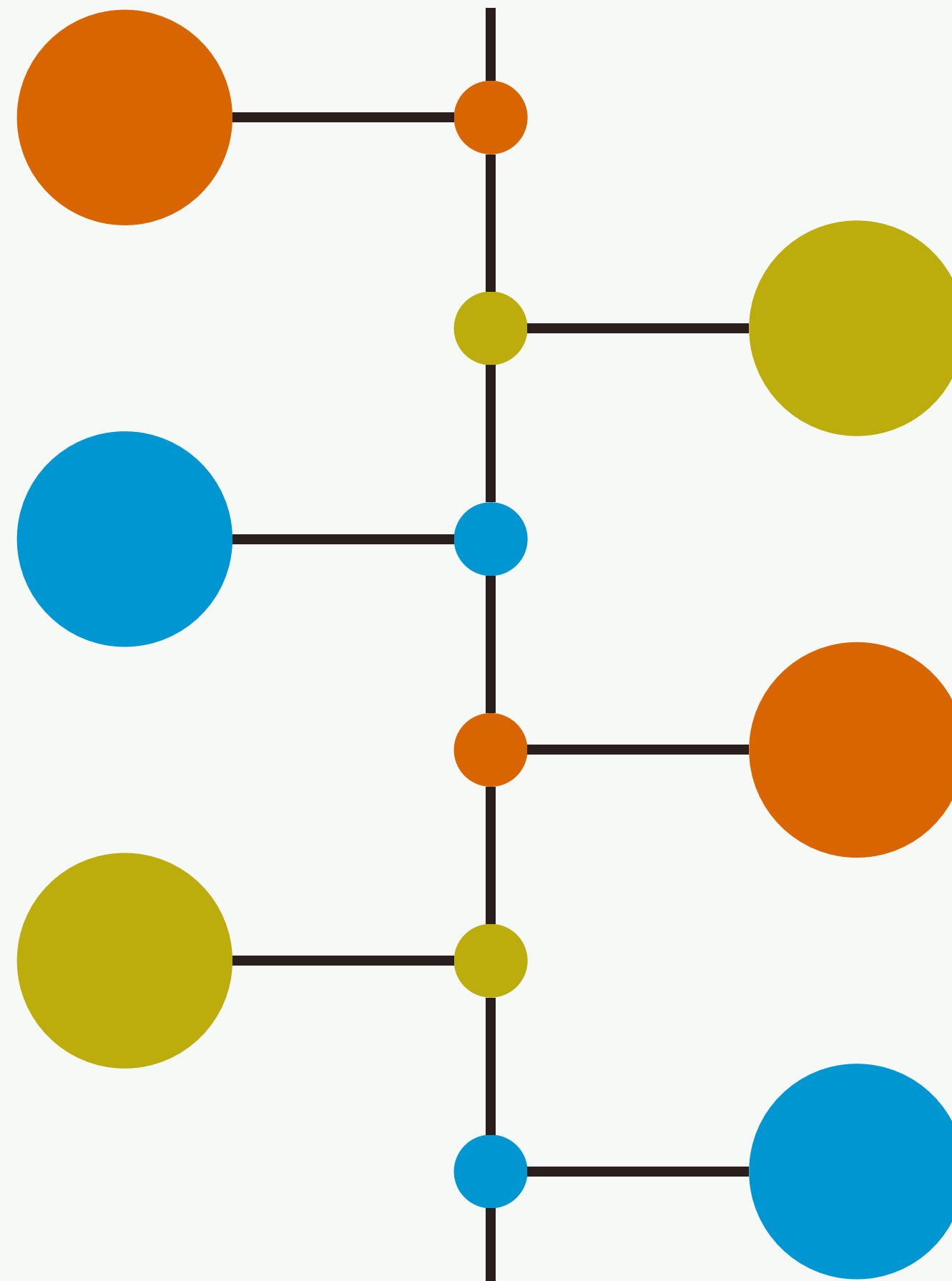


Year 2025

60%
electric vehicles in
operations

A cleaning product
line, developed from
plöntuefnum,
is in use

Job satisfaction
**measures
above target**



Implementation of
ISO 14001
across all
operations

Recertification of the
**Nordic Swan
Ecolabel**

30%
of foreign staff are
active in Bara Tala

The UN Sustainable Development Goals

The United Nations Sustainable Development Goals were established in 2015 and are 17 in total with 169 sub-targets. The goals apply for the period 2016–2030 and through Dagar's operations we specifically support the following SDGs.



Dagar's operations contribute, among other things, to promoting a clean and healthy working environment for clients and purposefully reducing the use of harmful substances.



At Dagar, equal pay for comparable work and equal access to career advancement are ensured. Dignity, safety, and equality in the workplace are also upheld.



Dagar's goal is to be a safe workplace with fair wages and clear employment terms. Training and opportunities for career development are offered.



At Dagar, environmentally certified cleaning agents are used and emphasis is placed on reducing chemical and resource use. Emphasis is placed on waste sorting, minimizing packaging, and equipment renewal. At Dagar, a responsible and professional tendering culture is promoted.



At Dagar, strong emphasis is placed on reducing greenhouse gas emissions, including through the electrification of the vehicle fleet. Emphasis is also placed on staff education and awareness regarding climate and environmental issues.

Responsible Operations

Nordic Swan Ecolabel

Dagar's Cleaning Service has had a Nordic Swan Ecolabel since 2009 and in 2025 the company received a renewed Nordic Swan certification. Dagar was the first company to complete the recertification process under the updated and more stringent criteria.

The Nordic Swan Ecolabel is a well-known environmental label in the Nordic countries, and its primary objective is to reduce the environmental impact of cleaning operations. That is done by using almost exclusively eco-certified cleaning products and by keeping chemical use to a minimum. The Nordic Swan Ecolabel requirements also cover fuel use, circular economy, quality management, and much more. The Nordic Swan Ecolabel certification helps Dagar to set ambitious environmental targets in operations and confirms the company's commitment to eco-friendly practices throughout the entire lifecycle of its services.



Ræstipjónusta
1076 0021

ISO 14001 Certification

Dagar's environmental management system is certified in accordance with ISO 14001, and the certification confirms that the company works systematically toward continuous improvement and meaningful results in environmental matters. Dagar was the first company in the industry to receive ISO 14001 certification.

In 2025, Dagar received recertification of the ISO 14001 standard, and what makes this recertification particularly noteworthy is that it now covers all of Dagar's operations, not just the daily cleaning division as before. Achieving certification for all operations was a goal set for 2026, and that goal was reached ahead of schedule through coordinated effort and ambitious work across all areas of the company.



ENVIRONMENTAL FACTORS

Dagar's environmental policy is based on objectives, actions, and key performance indicators that cover all major areas of the company. Dagar can have a positive environmental impact through its product and service offerings, and the company is committed to doing so effectively. Dagar emphasizes environmentally friendly solutions and offers customers certified cleaning products and sustainable methods that reduce negative environmental impacts. An environmental and safety week is held annually, with special emphasis placed on specific issues in the field of environmental and safety.

Selected environmental factors are monitored on a monthly basis. In the company's environmental accounting, the year 2019 is used as the baseline for setting targets. The environmental accounting is prepared with reference to emission factors from the Environment Agency of Iceland, which were updated in August 2024. Additionally, the Festa climate measurement tool is used, which is based on the Greenhouse Gas Protocol and adapted as closely as possible to the Icelandic context.

Key Environmental Goals

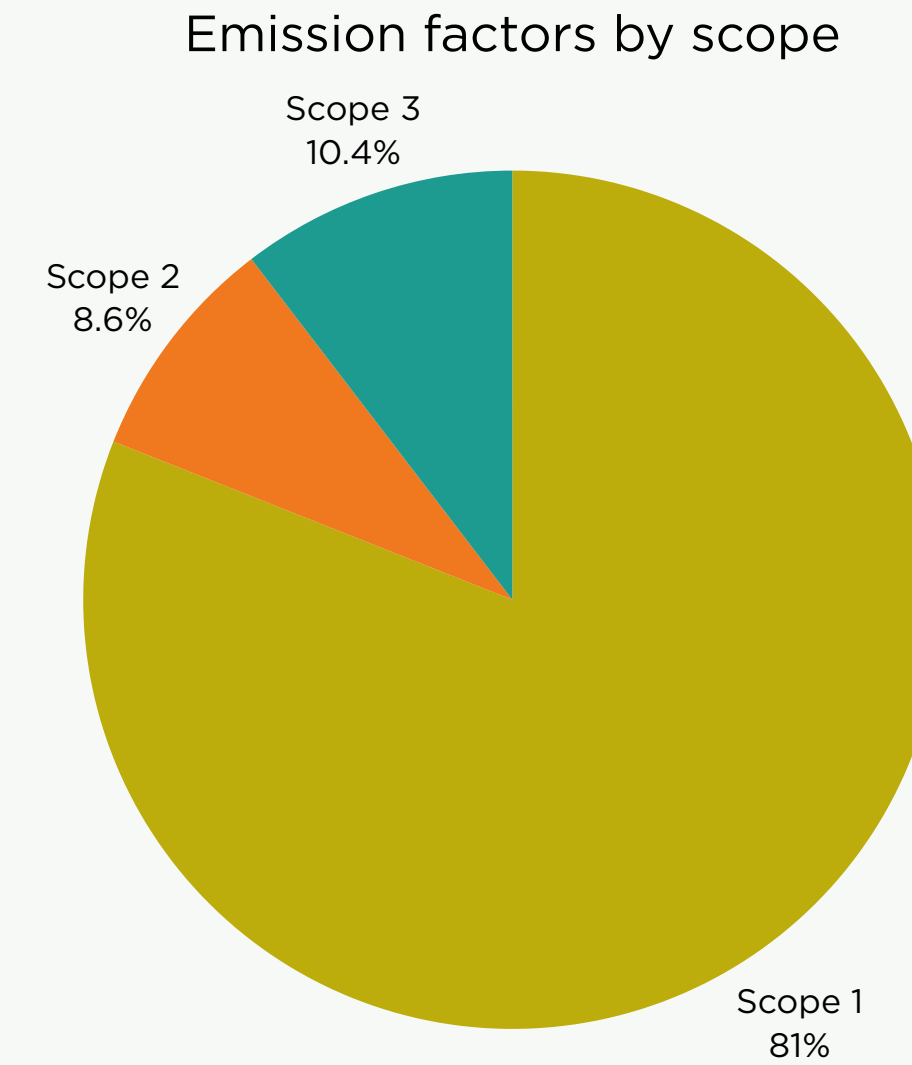
- To reduce the carbon intensity of revenue by 90% by 2030 compared to 2019*.
- For 70% of the vehicle fleet to be electric by 2027.
- For the recycling rate to be 70% by 2027.
- For the proportion of environmentally certified cleaning agents in daily cleaning to be 100%.



Climate Change

Dagar's environmental performance is clear and measurable. Since 2019, total greenhouse gas emissions from operations have decreased by 68%, from 268 tons of CO₂ to 87 tons of CO₂ in 2025.

Scope 1 covers emissions generated by the daily operations of the business, such as from petrol and diesel use and taxi journeys. Scope 2 covers emissions related to energy use, i.e. electricity and hot water. Scope 3 covers emissions related to waste and business travel.



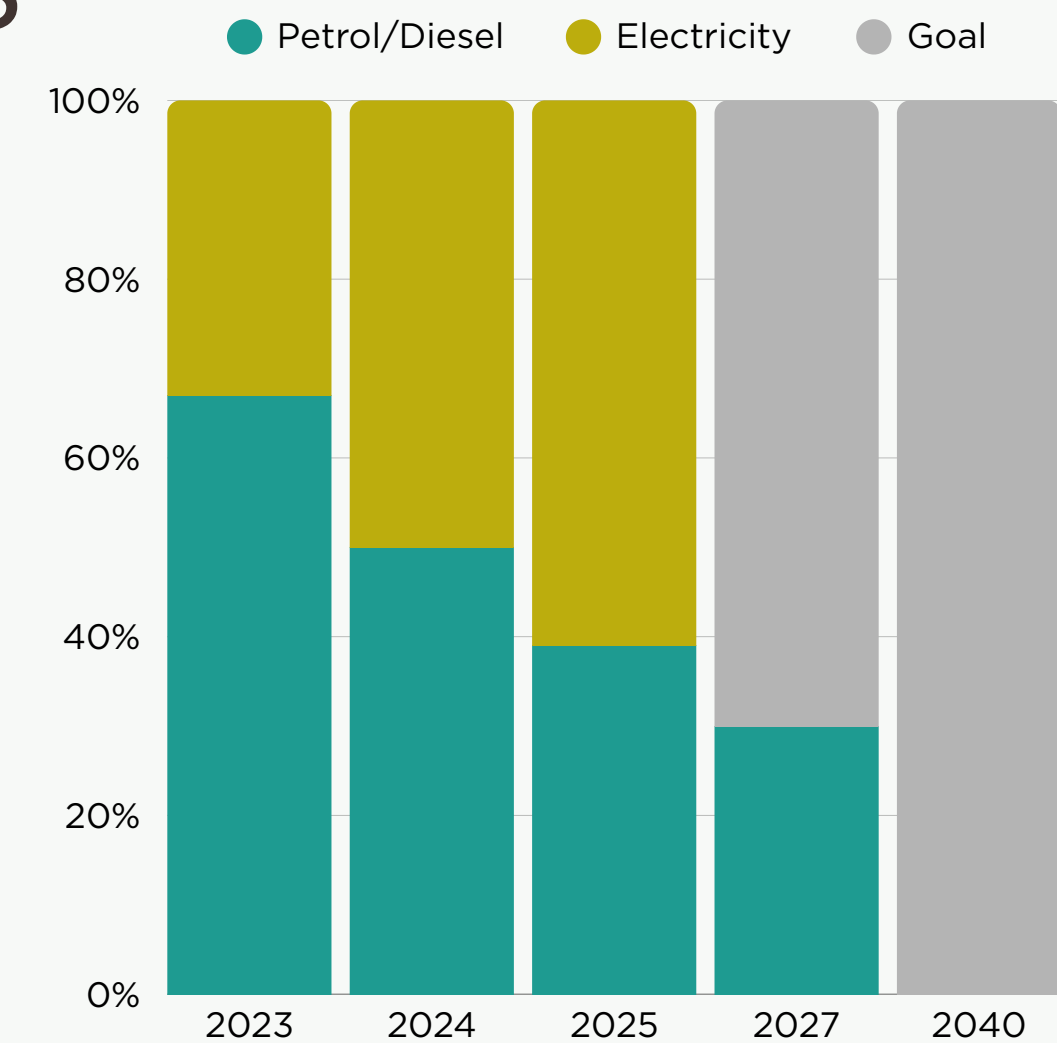
Here you can see Dagar's measured carbon footprint from 2019

		2019	2020	2021	2022	2023	2024	2025
Scope 1	tCO ₂	258,4	223,7	233,5	215,5	182,8	98,5	70,2
Scope 2	tCO ₂	4,4	3,1	3,9	8,0	7,8	8,1	7,4
Scope 3	tCO ₂	5,5	3,5	7,0	15,2	10,2	6,8	9,0

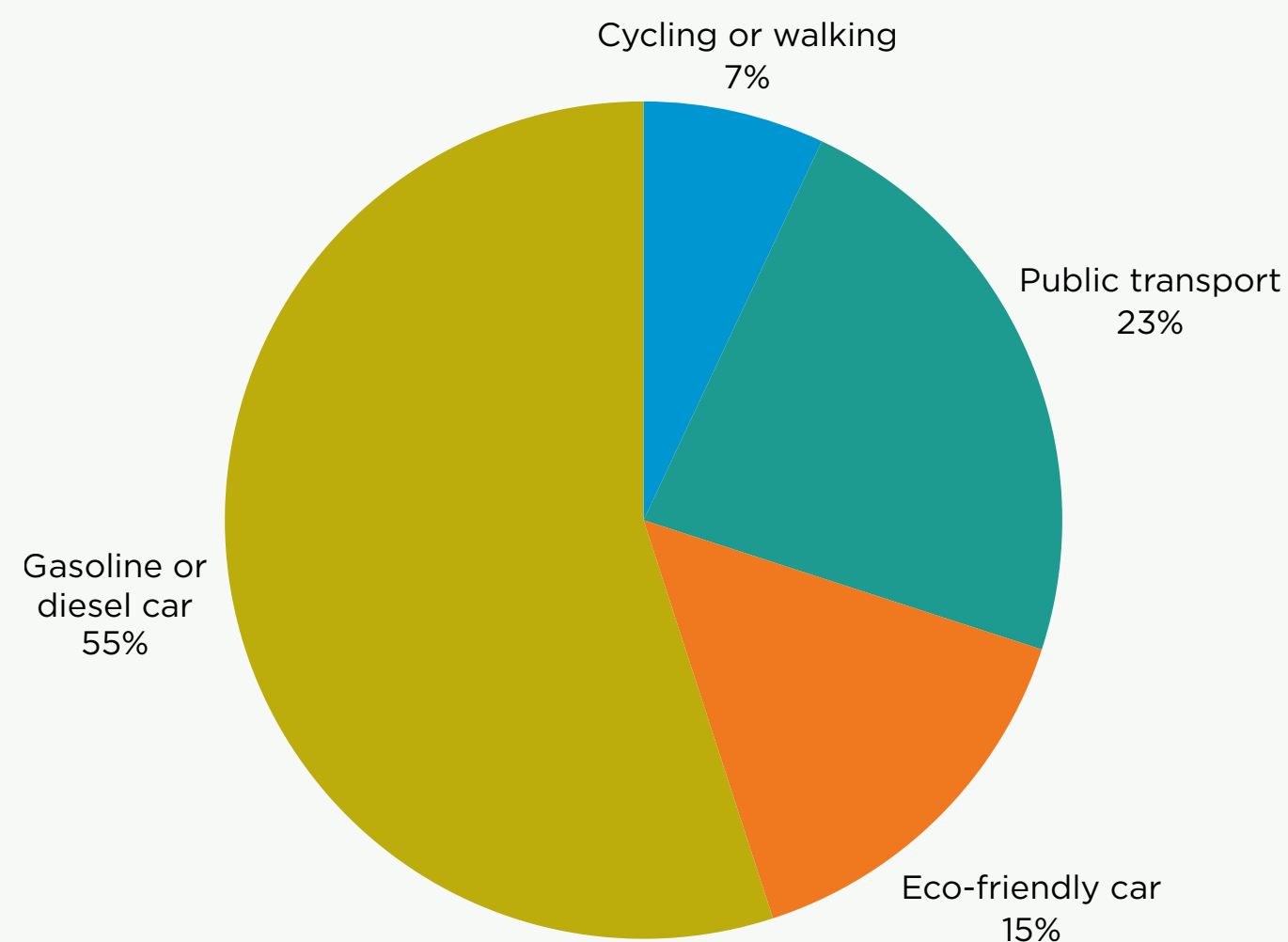
Energy Transition and Travel Habits

Operations require considerable driving to service locations, and the largest share of the company's carbon footprint comes from petrol and diesel use. Therefore, Dagar places strong emphasis on energy transition in its operations, and the proportion of electric vehicles in the fleet has grown steadily in recent years. Through the purposeful introduction of electric vehicles, the company has managed to reduce Scope 1 emissions by 73% since 2019. Dagar's goal is for 70% of the vehicle fleet to be electric-powered by 2027, and the aim is to continue electrification in the years after that. However, the progress of electrification depends on various external factors, such as technological developments and infrastructure development.

Development of Dagar's car fleet

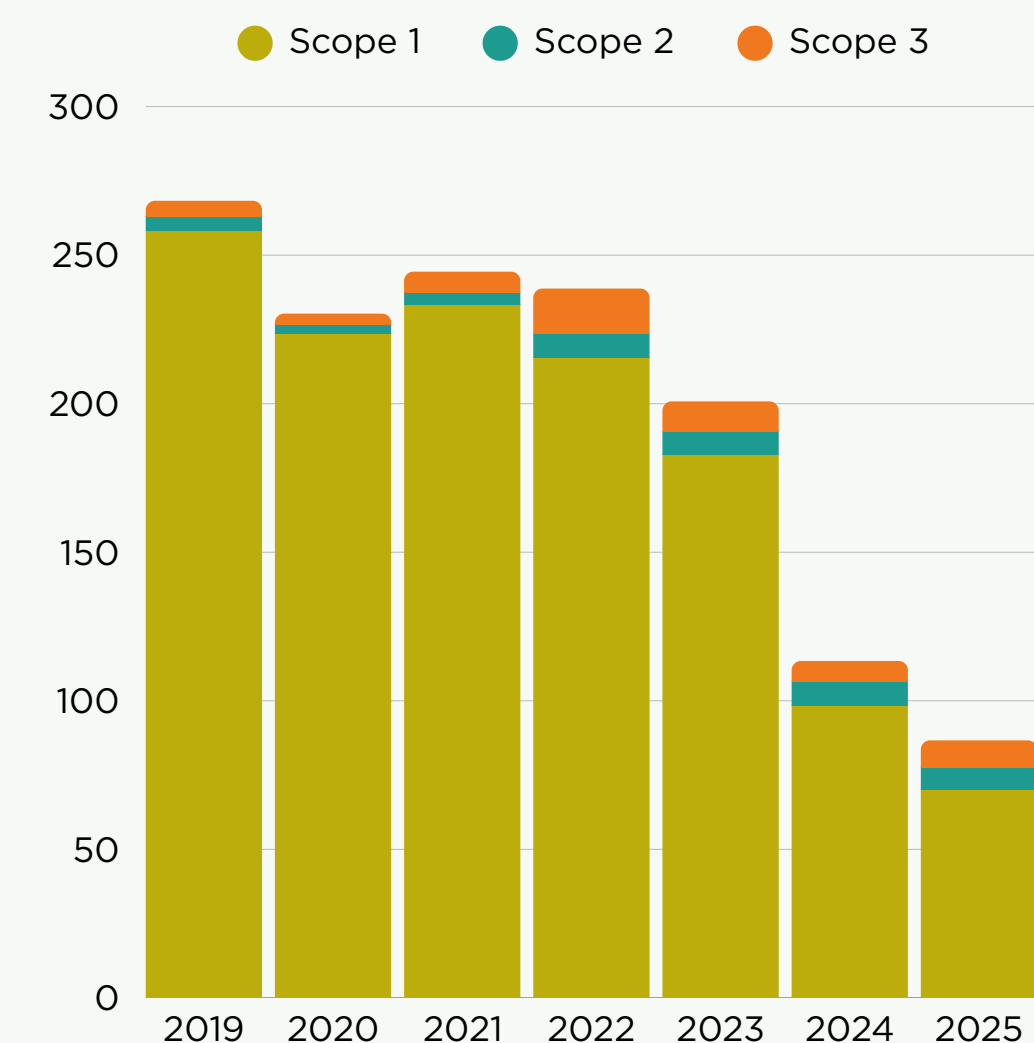


Employee travel habits to and from work



In 2025, Dagar's new remote work policy was approved, with the goal of providing office staff with greater flexibility and reducing the company's carbon footprint. That same year, a survey was conducted among employees to map commuting habits to and from work, in order to gain better insight into modes of transportation and assess opportunities for improvements in terms of sustainability and work organization.

Dagar's total emission in tCO2



Chemical Use

Reducing chemical use is an important part of the company's environmental work. The Nordic Swan Ecolabel imposes strict requirements to keep chemical use at a minimum, and at Dagar, special emphasis is placed on educating staff that stronger chemical mixtures do not equate to better cleaning.

Dagar aims for 100% of the cleaning products used in daily cleaning to be environmentally certified, and in 2025 approximately 99% of daily cleaning services were performed using certified products. Dagar uses a line of cleaning products derived from plant-based ingredients that holds both the EU Ecolabel and Cradle to Cradle Gold environmental certifications. The use of such products enables Dagar to implement even more sustainable practices in daily cleaning and to ensure a safer working environment for employees, customers, and their clients.

Pollution prevention is also an integral part of daily operations. Dagar's employee app provides clear guidelines and procedures on how cleaning areas should be organized, how chemicals should be stored, and how to ensure safety, hygiene, and proper work practices. The company's safety instructions also include clear procedures for the use and handling of chemicals. In this way, Dagar supports both pollution prevention and a safe working environment through education, standardized procedures, and accessible information.

Dagar continuously monitor developments in sustainable products and actively participate in promoting a more sustainable product supply.

Approx. 99% of cleaning products in daily cleaning and 100% of chemicals in Dagar's laundries are environmentally certified.



The EU Ecolabel is the European Union's official environmental label. Its certification process evaluates the product's entire lifecycle, including environmental impacts from resource extraction, production, transport, use, and end-of-life management.



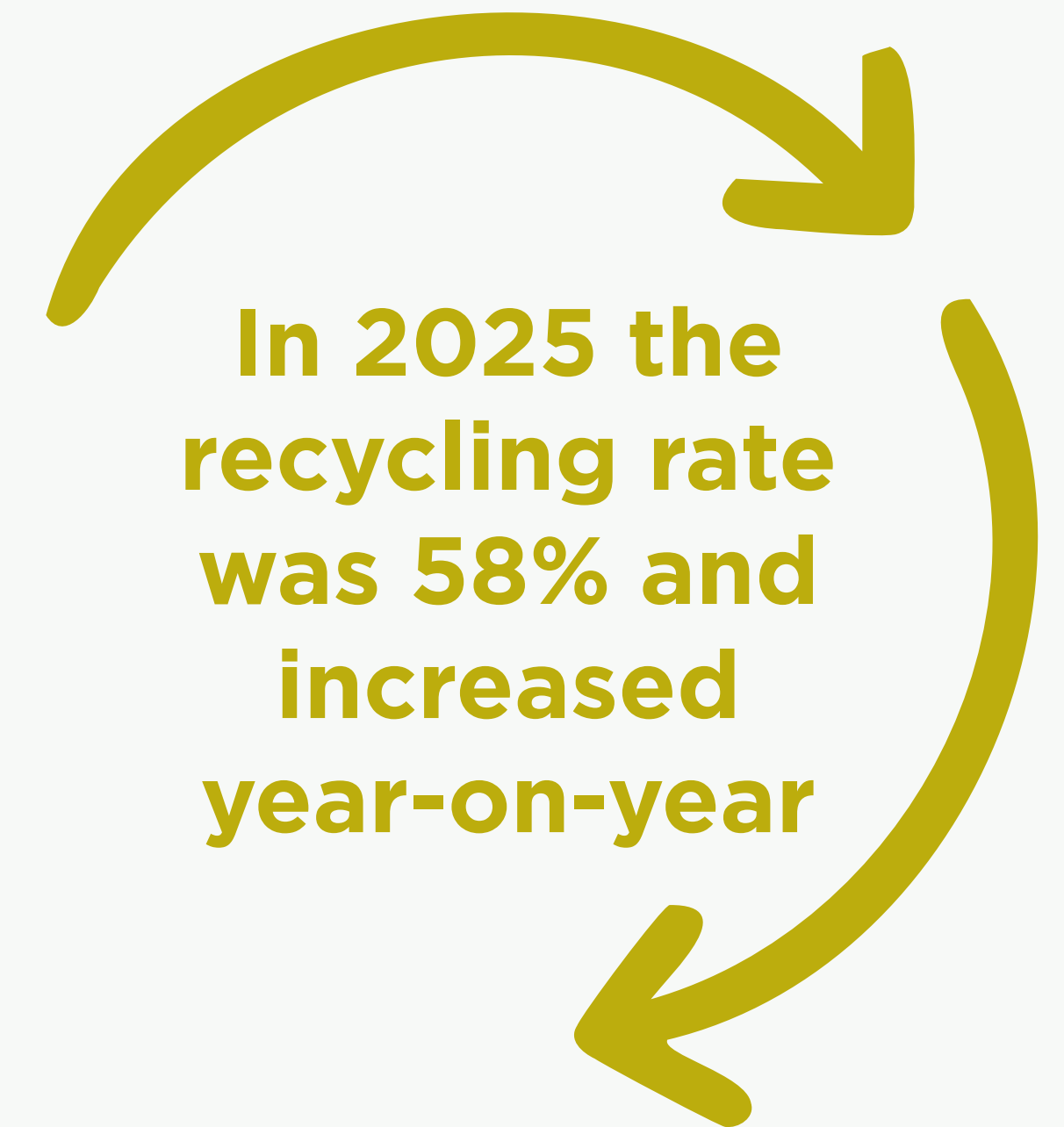
Cradle to Cradle is an international standard for products designed and manufactured with safety, circularity, and responsibility in mind. The certification is based on the principle that products should not become waste but should be able to return safely into the natural or industrial cycle without causing harm.

Circular Economy

Dagar is constantly working to reduce waste and increase recycling rates, and at Dagar's headquarters, waste is sorted into 13 categories. Dagar's staff is trained to follow sorting guidelines, and there is also a strong emphasis on our staff sorting correctly for customers.

Dagar's target was to achieve a 60% recycling rate by 2025. That target was not fully reached, but the recycling rate was 58% and increased from the previous year. The company continues to work purposefully to improve performance in this area.

We place strong emphasis on responsible procurement and follow procedures for environmentally friendly purchasing. These rules apply to everyone involved in procurement at Dagar and cover all significant environmental aspects of operations, as well as requirements for service providers and contractors. Consideration is given to buying in larger units where appropriate and selecting products made from recycled materials. This is reflected in product selection, where the cleaning product line used in daily cleaning is made from 100% recycled plastic. EcoNatural paper from Lucart is also purchased, which is made from recycled milk cartons.



Collaboration on Environmental Matters

Emphasis is placed on collaboration with specialized parties to develop more sustainable and professional service solutions. Such cooperation aims to strengthen services in the areas of cleaning, air quality, and mold prevention, with the view that these topics are closely interconnected and that the best results are achieved through coordinated analysis, clear processes, and purposeful responses.



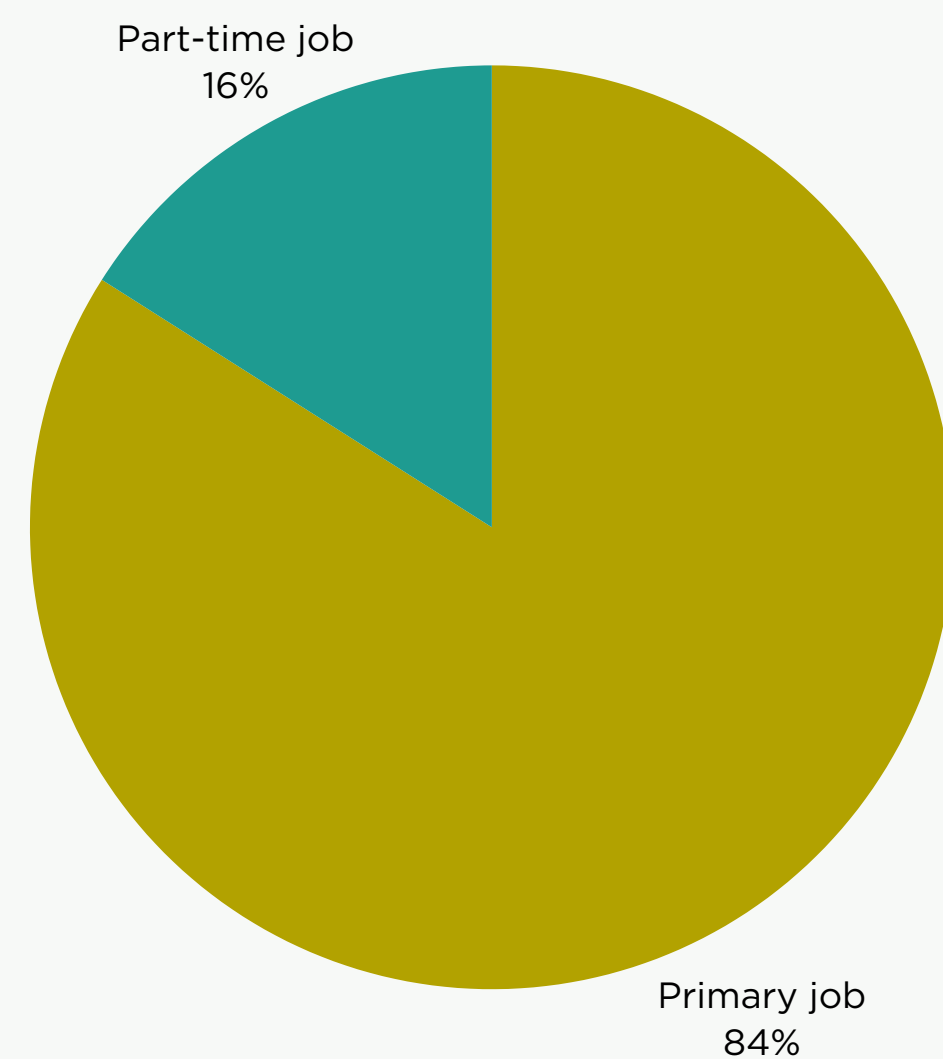
"Cleanliness, air quality, and mold prevention are closely interconnected topics"

In many cases, symptoms related to mold and contamination can be similar, such as unpleasant odors, reduced air quality, or staff discomfort. Without purposeful analysis, it can therefore be difficult to identify the cause of the problem and respond appropriately. With increased emphasis on professional analysis, it is possible to better assess conditions and choose appropriate measures, whether this involves changes to cleaning, specific disinfection, mold treatment, or further investigations.

With this approach, increased emphasis is placed on prevention, purposeful analysis, and sensible use of resources, which supports both more sustainable operations and a healthier working environment.

SOCIAL FACTORS

Dagar's goal is to be an attractive workplace and the employer of choice in the sector, with a focus on equality, safety, education, and professional development. Emphasis is placed on helping our employees grow and develop so that our customers can do the same.



In recent years, jobs in the cleaning sector have undergone significant changes. These jobs were previously often done as extra work in the evenings or alongside other employment, but today they are increasingly becoming daytime jobs, often in full-time positions. In an employee survey, 84% of Dagar's staff consider their work to be their primary occupation, which contributes to stability in human resources, increased professionalism, and a stronger company culture.

Key Social Goals

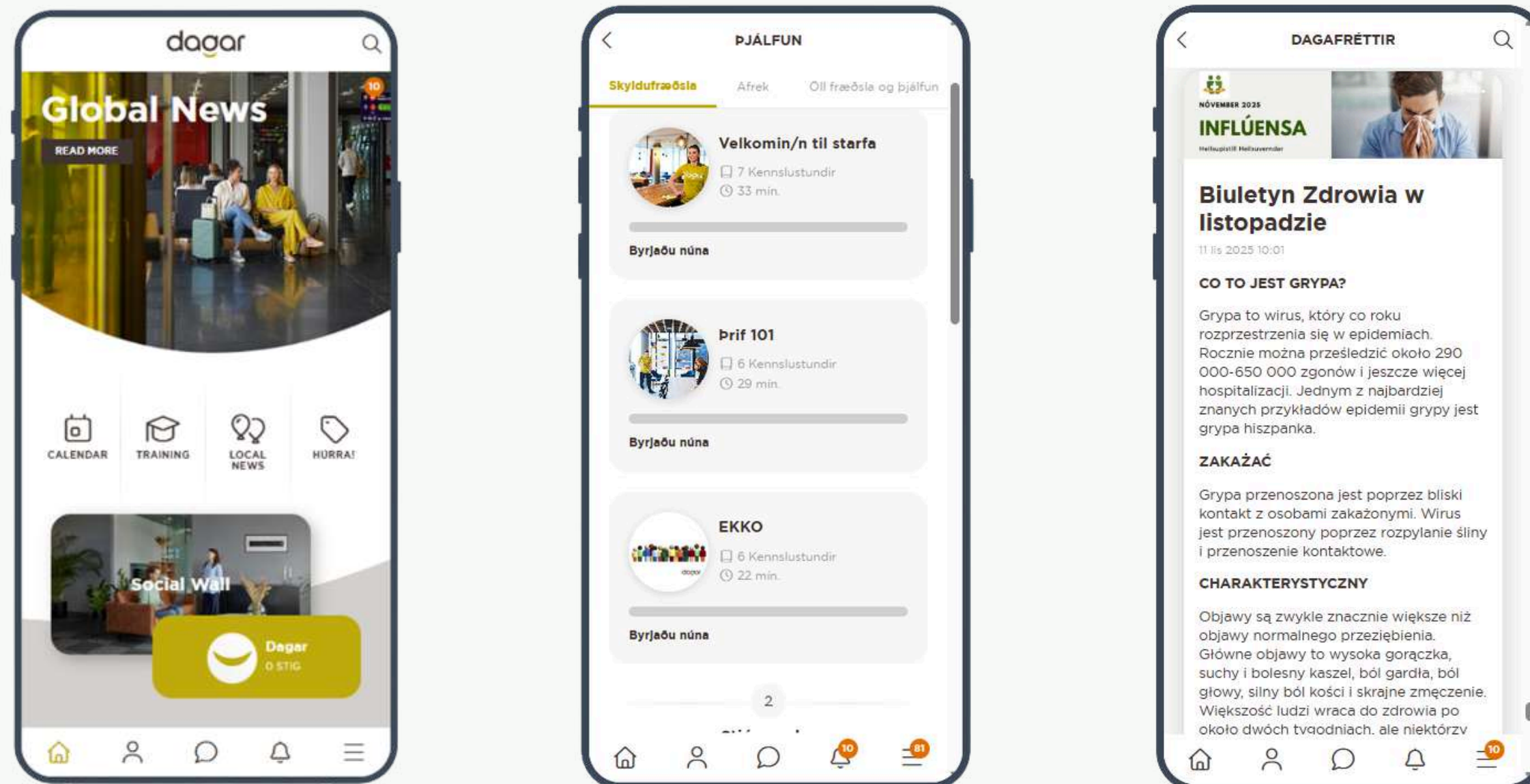
- For the gender pay gap not to exceed 1%
- To increase users in digital Icelandic language teaching
- For job satisfaction to be above 7.6 and participation rate to be above 60%



Training and the Dagar App

Dagar’s training policy is based on systematic staff development that supports both daily work and long-term career growth. Training is divided into mandatory courses on safety, professional practices, and company procedures, and optional content that supports skills and career development. Training is delivered both on-site and through digital solutions, using internal materials as well as instruction from external experts. Managers and specialists at Dagar also regularly provide practical guidance based on in-house experience, including through the monthly “Dagatalið” sessions.

All employees have access to the Dagar app, which serves as a central platform for internal communication, training, and development. Content is available in Icelandic, English, and Polish, and staff are organized into training groups according to the nature of their work. On average, around 65% of employees are active users of the app.

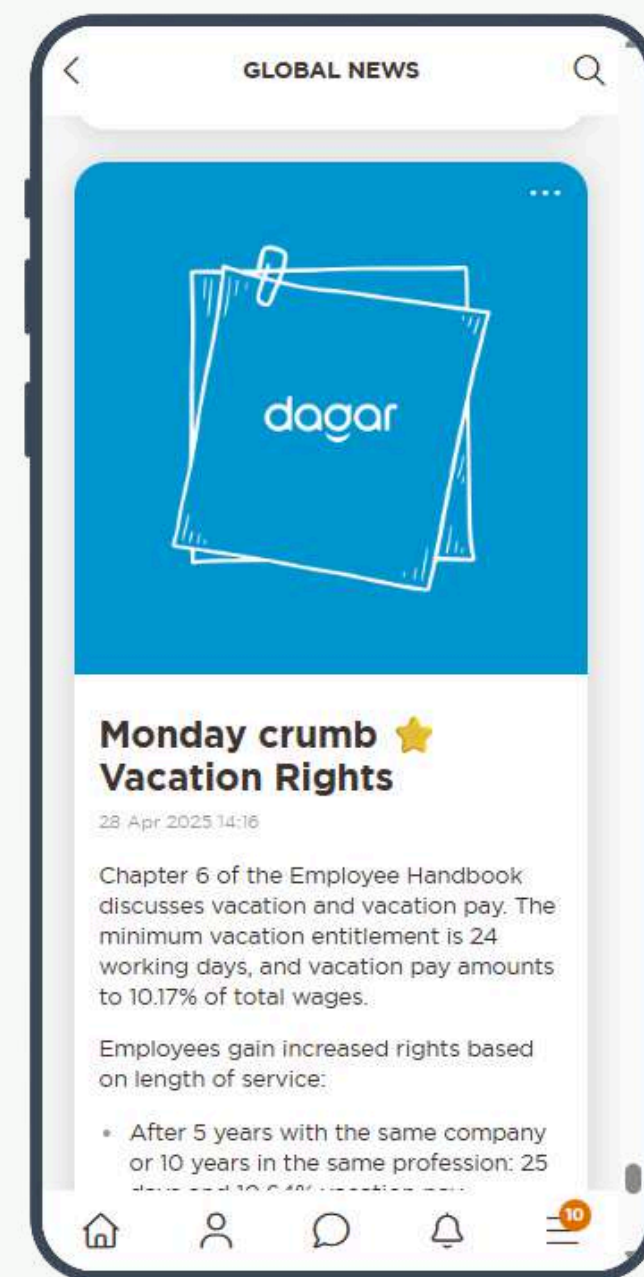


In 2025 the proportion of active users was 65%

Training and Development

In 2025, employees had access to a wide range of training through the Dagar app, in addition to training assignments and courses. Special emphasis was placed on safety, health, and managerial skills for service leaders, who are the primary point of contact for frontline staff.

During the year, there was also increased focus on in-house training. “Monday crumbs” from the employee handbook were published regularly, and the management handbook was updated to support consistent leadership and more efficient workflows.



Key training projects of the year:

Specialized Training

- Waste Education
- First Aid Course
- Cybersecurity Course

Living in Iceland

- Icelandic language lessons
- Reading Pay Slips
- Moving to Iceland – Practical Content

Management Skills

- Service Leader Training
- Team Leader Training
- Self-Leadership

Dagar's Health Corner

- Mental Wellbeing and Exercise.
- Awareness Campaign Related to Yellow September
- Stress Management

Icelandic language lessons

Strong emphasis is placed on Icelandic language instruction as an important part of inclusion, engagement, and professional development. Since 2023, Dagar has partnered with Bara Tala, a digital Icelandic teacher that uses artificial intelligence and Icelandic language technology. On average, around 200 employees take part in Icelandic lessons through the app, and each year staff are specifically encouraged to participate in in-house challenges.

In October 2025, all employees who completed a special challenge in the app received recognition from Dagar. During the challenge, we observed a 32% increase in app usage.

A Dagar employee:

"The Bara Tala app is very helpful. With drawings, words, and sound, you can learn very useful things. Every day, you can learn a new word that helps you communicate in Icelandic."



Our People

At Dagar, we are proud to create opportunities for women to grow in their careers. In the magazine of the Association of Businesswomen in Iceland (FKA), there was an interview with Anna Kosmala, a service leader at Dagar. Anna has worked at Dagar for 16 years and now holds a leadership role within the company. Anna Kosmala's story is one of courage, hard work, and faith in people. It shows that with the right environment, trust, and opportunities, anyone—regardless of their background—can thrive and become a leader. Her story also reflects what Dagar strive to stand for: human-centered leadership that delivers lasting results. **Here** you can read the full interview.

“Leadership Built on Trust”



“The Power of Women is Remarkable”

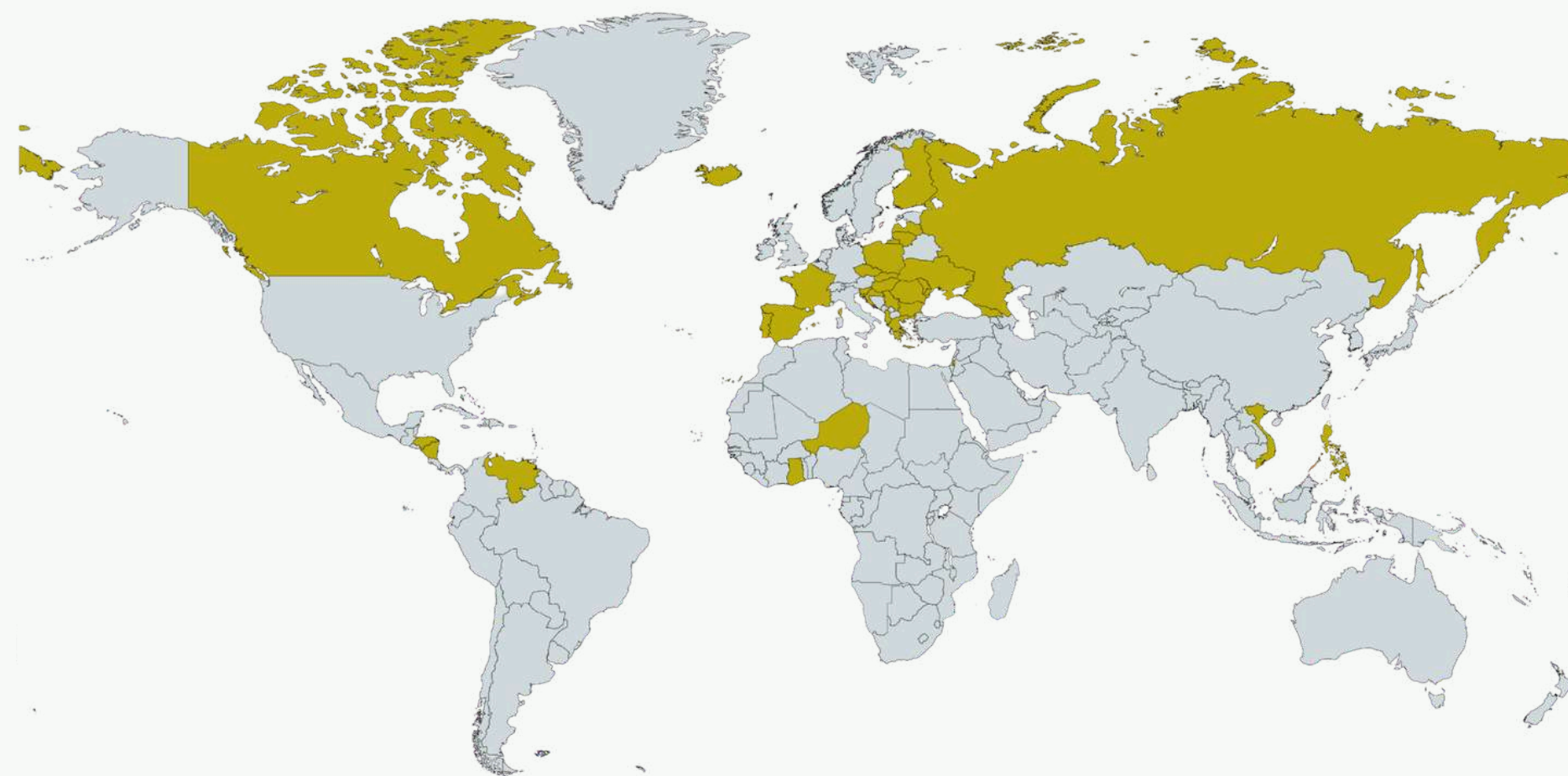
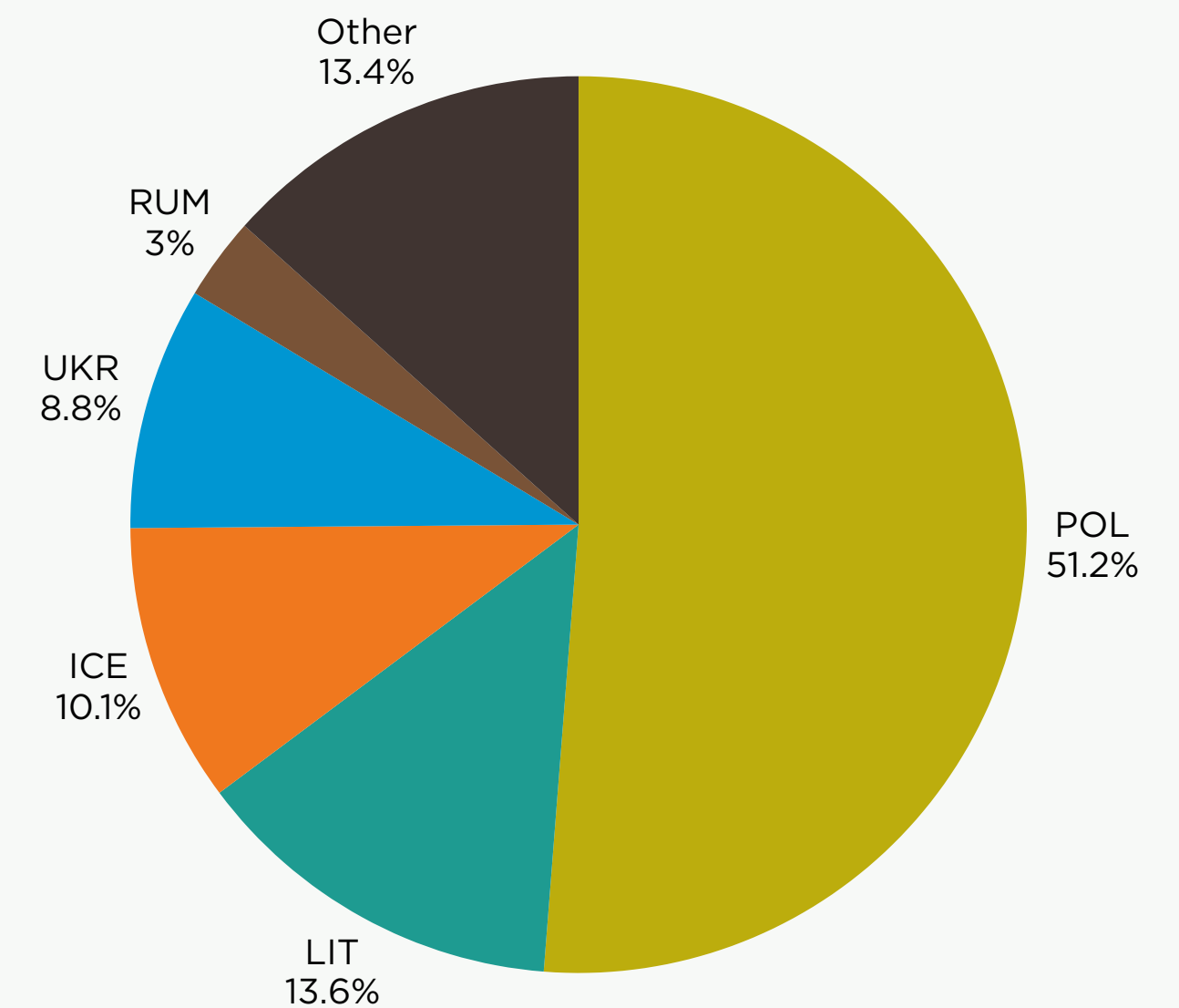
A group of strong female leaders also guide the staff at Dagar, with an emphasis on creating a family-friendly workplace and providing employees with opportunities to grow in their careers. Dagar was featured in Morgunblaðið, and **here** you can read more about the article.

Equality and Diversity

At Dagar, strong emphasis is placed on ensuring equality, diversity, and human rights, and we are proud to be a multicultural company. The company employs individuals from approximately 35 different nationalities, with a focus on professional practices and treating everyone with respect and fairness.

Dagar has developed an equality policy and action plan, with the goal of maintaining equality and equal opportunities for all. The company emphasizes creating a safe and supportive work environment and has clear policies and response plans regarding bullying, gender-based and sexual harassment, and workplace violence. Equality training (EKKO program) is mandatory, and with a clear focus, Dagar strives to be a workplace where equality, well-being, and professional development are prioritized.

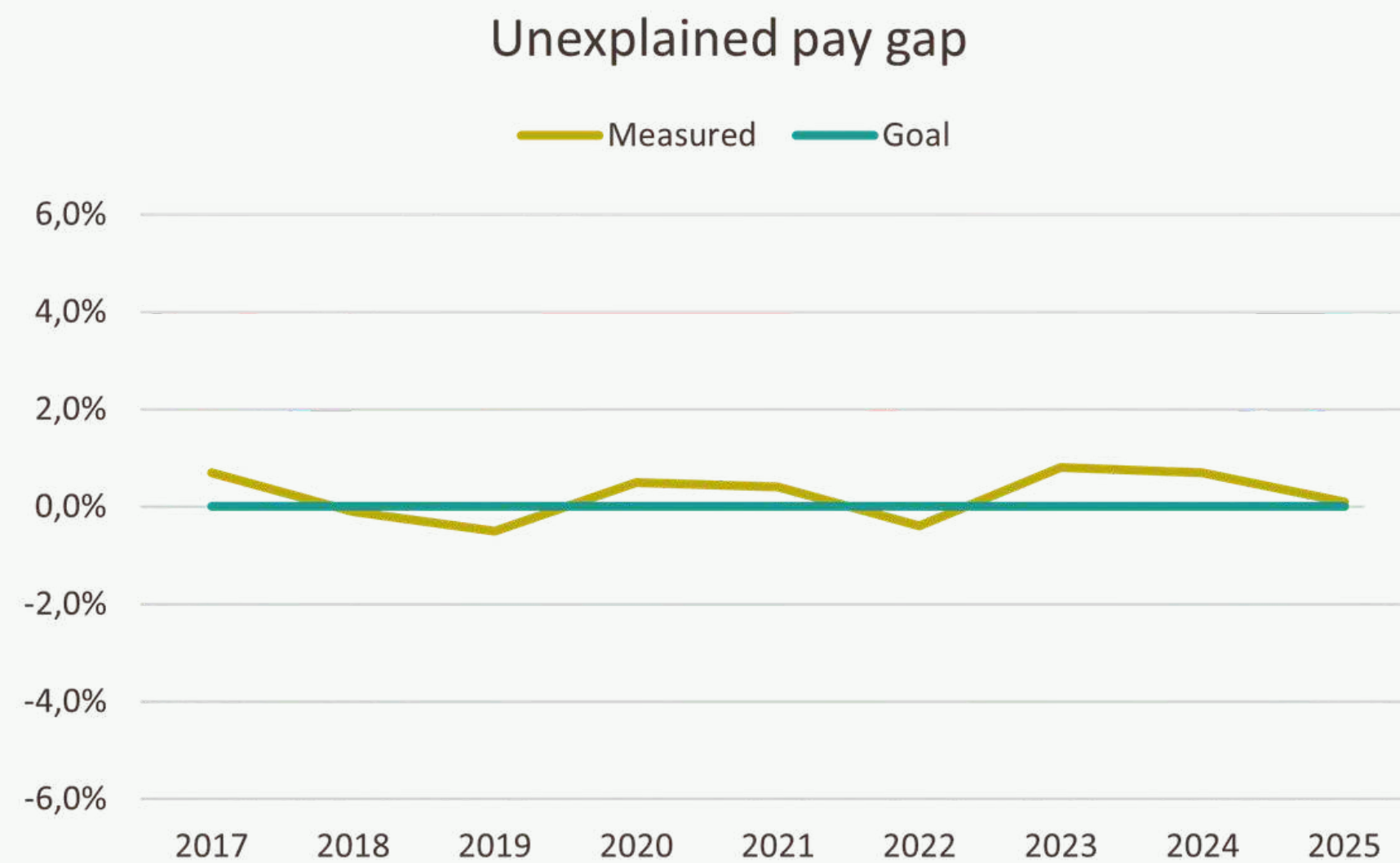
Nationality of Dagar's employees



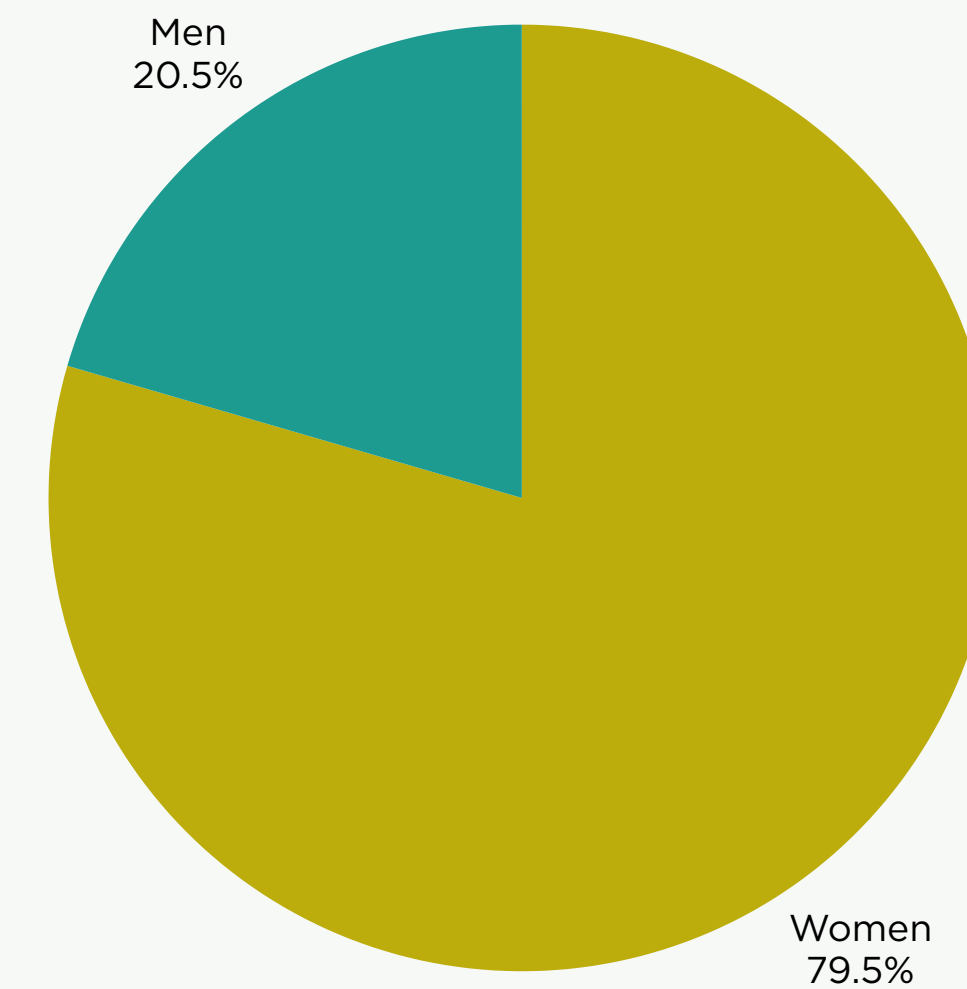
Equality and Diversity

Dagar was one of the first companies in Iceland to receive Equal Pay Certification, and we have obtained recertification for 2024-2027, confirming our commitment to equal pay for comparable work. In 2025, the unexplained pay gap was 0.1% in favor of women, with a clarity ratio of 94%. These results are well above the set targets, and we are very proud of them.

Dagar has signed the Balance Scale (Jafnvægisvögin) declaration of intent, thereby contributing to balancing the proportion of men and women in executive management teams in Icelandic companies. The goal of the Balance Scale initiative is to increase gender balance at the top management level in Icelandic business, aiming for a 40/60 gender ratio in executive teams by 2027.



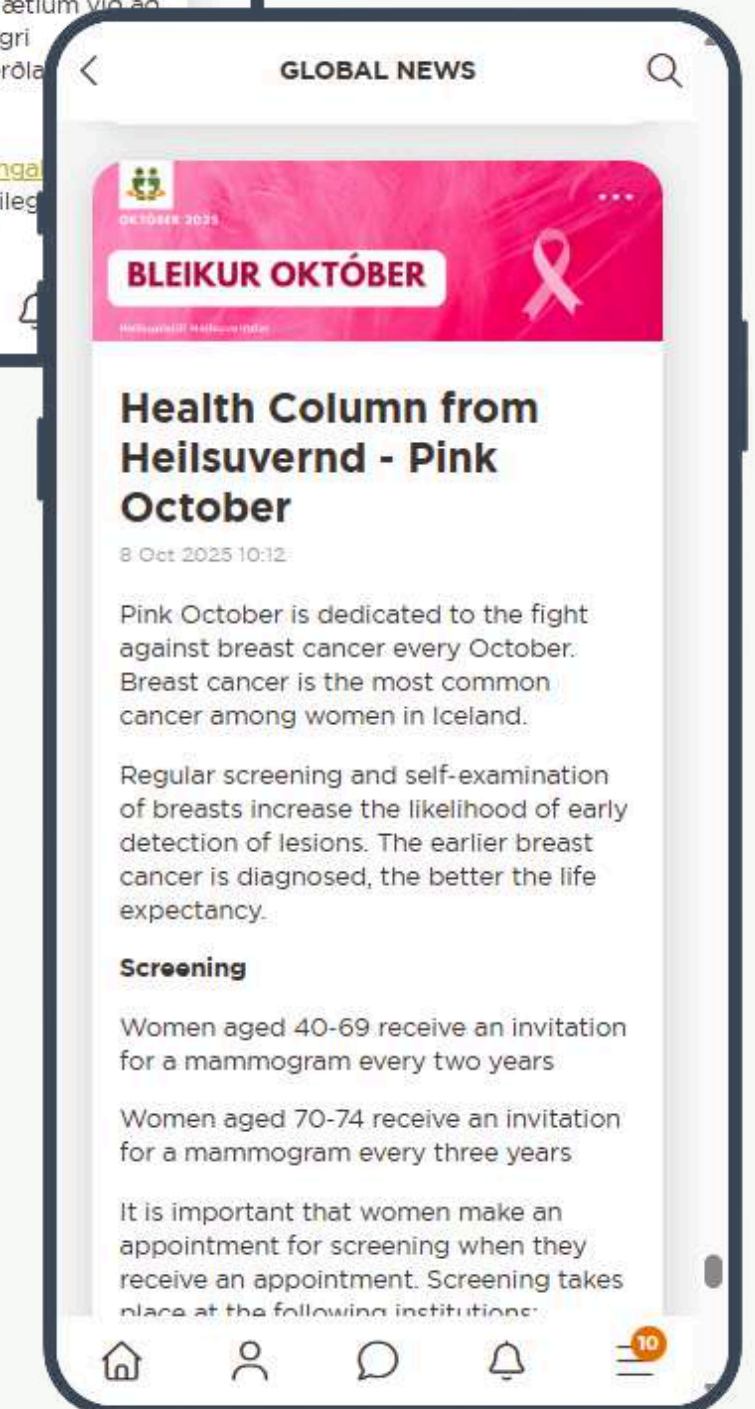
Employee gender ratio at Dagar



Health and Safety

Dagar's operations have a daily impact on the working environments of tens of thousands of people across the country. By using environmentally certified products and sustainable methods, the company contributes to healthier workplaces for both employees and customers. The Dagar app includes a dedicated health section with diverse and accessible resources on health-related topics, such as exercise, nutrition, and mental well-being. Dagar collaborates with Heilsuvernd and Auðnast, benefiting from expert support that strengthens systematic and effective occupational health and wellness efforts.

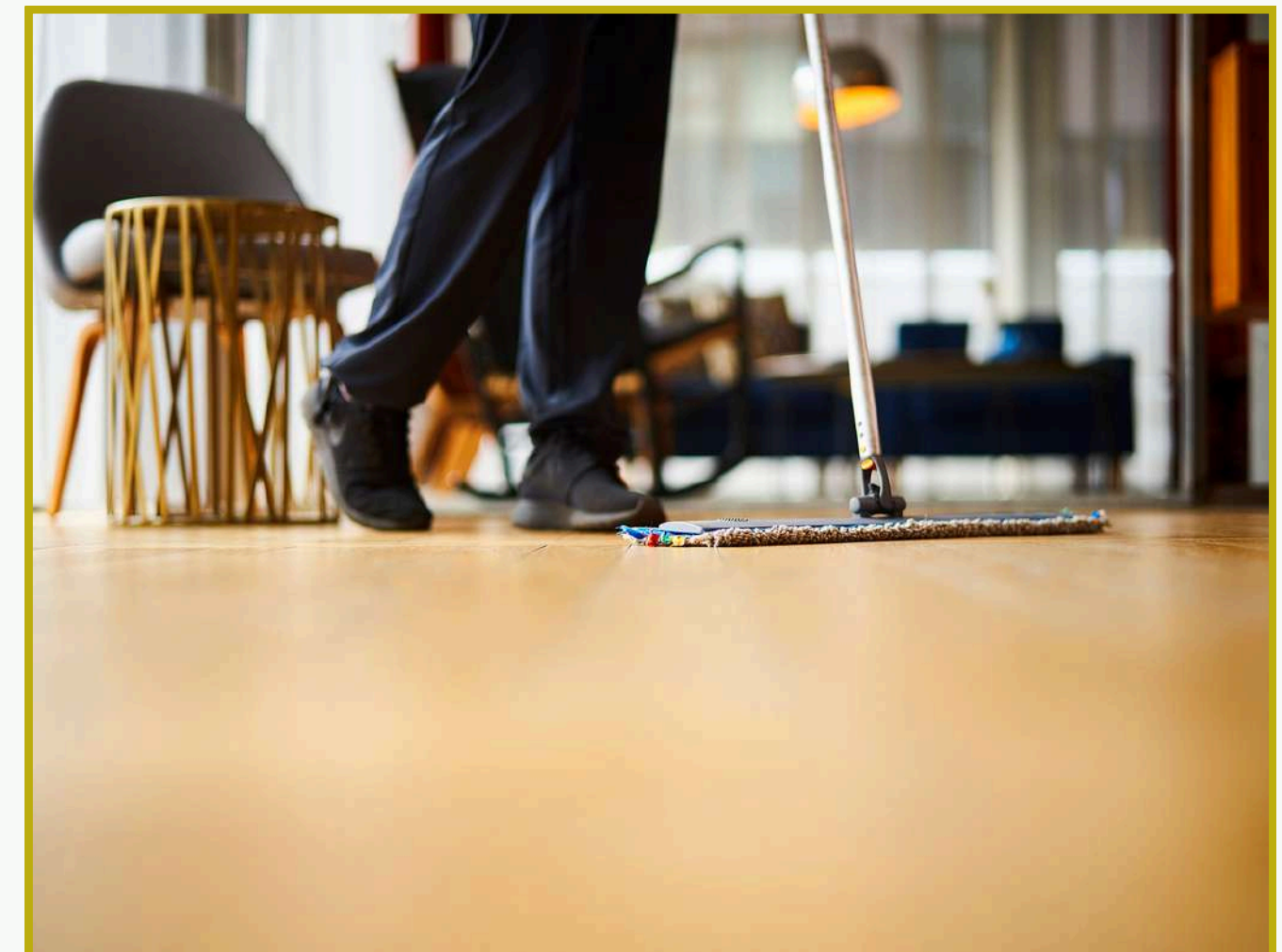
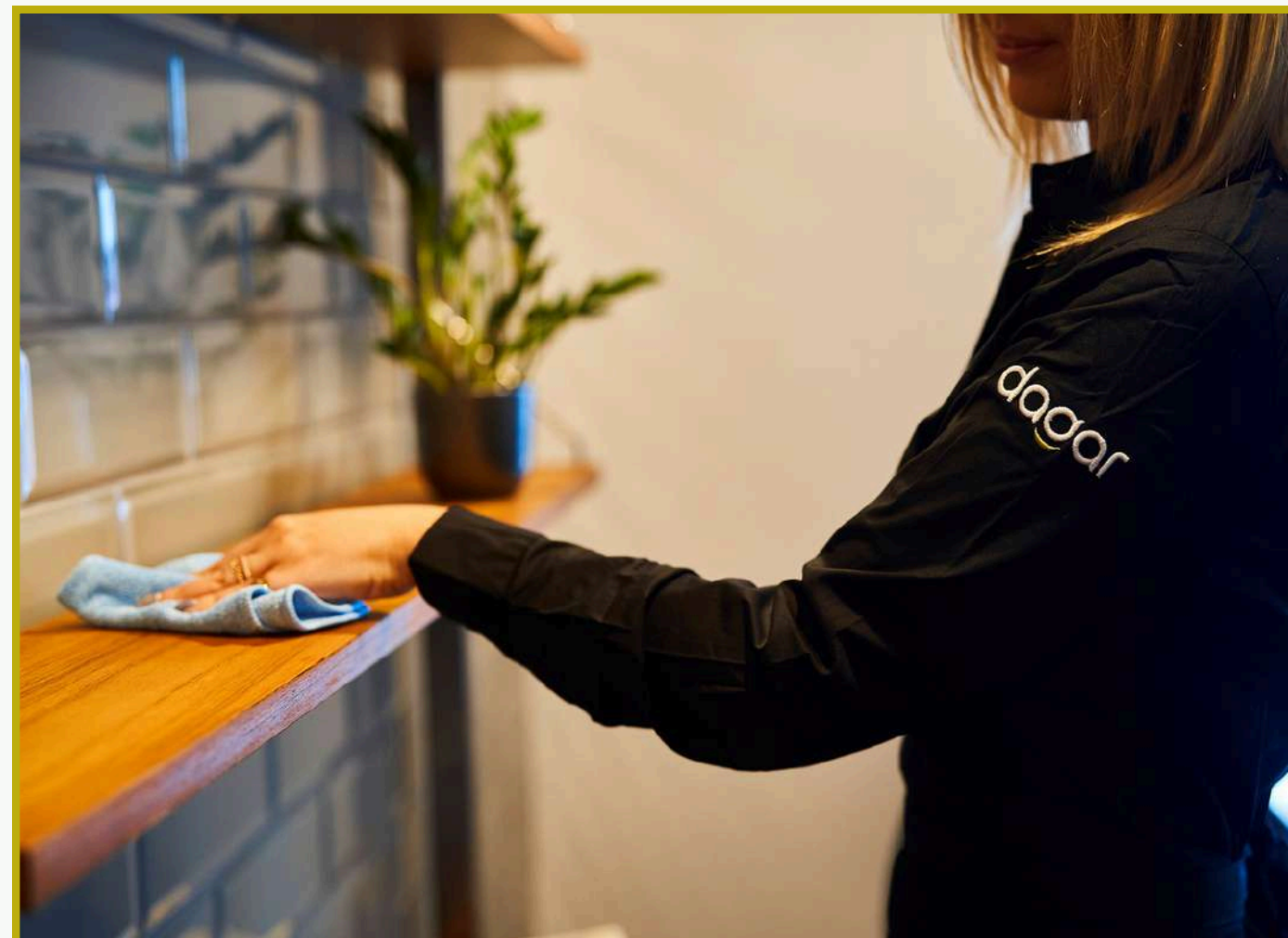
Employee safety is a key aspect of Dagar's operations. A safety committee is in place that meets at least quarterly. The committee's main tasks include educating employees about workplace safety and health risks, ensuring they receive appropriate training, conducting and following up on risk assessments, and monitoring that equipment and tools are safe and comply with requirements. The committee also tracks accident reports and develops corrective action plans as needed. Accidents and near-misses are systematically recorded with the aim of analyzing causes and preventing recurrence. In 2025, special emphasis was placed on raising employees' safety awareness to support continuous improvements in safety management.



Service

Dagar's goal is to support our customers' operations in a sustainable and efficient manner while providing outstanding service that strengthens business relationships. Rather than focusing on isolated tasks, we take responsibility for the daily management of facilities and work environments, resulting in clearer accountability and greater operational predictability for our customers. At the same time, this creates a nurturing work environment that supports employees and enhances the long-term success of businesses.

In 2025, Dagar received recognition from Credit Info as one of the Outstanding Companies of the Year, for the third year in a row. Only about 2% of Icelandic companies achieve a comparable level of success. This achievement is not only a measure of operational and financial strength but also a result of cohesion, professionalism, and a testament to the dedication of Dagar's employees, who strive every day to provide reliable and high-quality service to our customers.



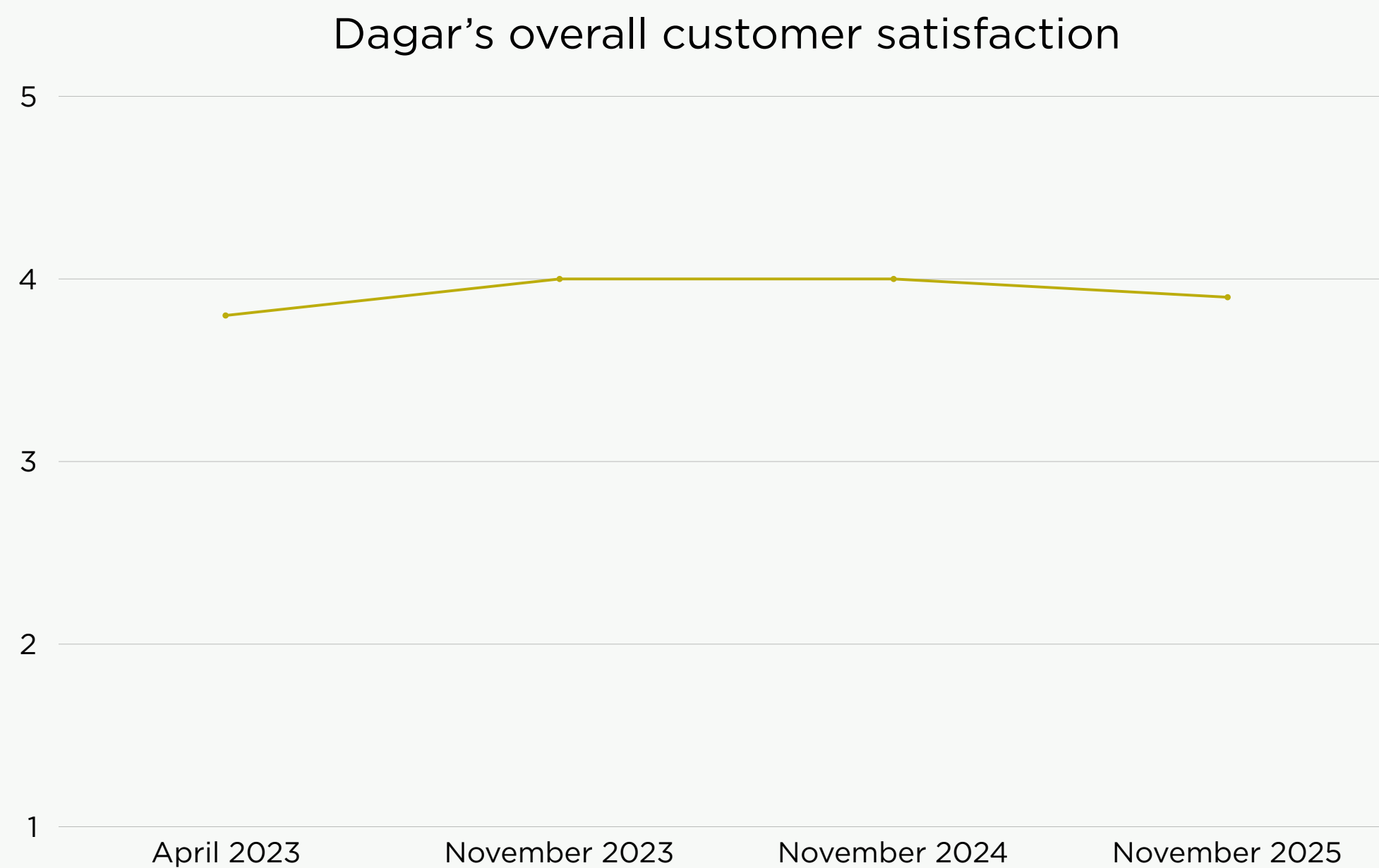
The Golden Smile

To recognize and appreciate employees, Dagar awards the Golden Smile twice a year, honoring staff for outstanding service. The award is based on positive customer feedback and nominations from colleagues who want to highlight excellent performance and a strong service mindset. Dagar also regularly provides service training for service managers and frontline staff.



Customer Satisfaction

An annual customer survey is conducted among Dagar's customers to assess their experience and satisfaction. Customers are asked about, among other things, the attitude of Dagar's staff, the quality of service, and initiative. The results are used to analyze trends and support continuous improvements in service and collaboration with clients.



Key goals regarding Customer Satisfaction

- Overall satisfaction to be above 4.2
- NPS to be above 0
- Expectation fulfilment to be above 80%
- Staff conduct to be above 4.6
- Quality of work to be above 4.9

GOVERNANCE

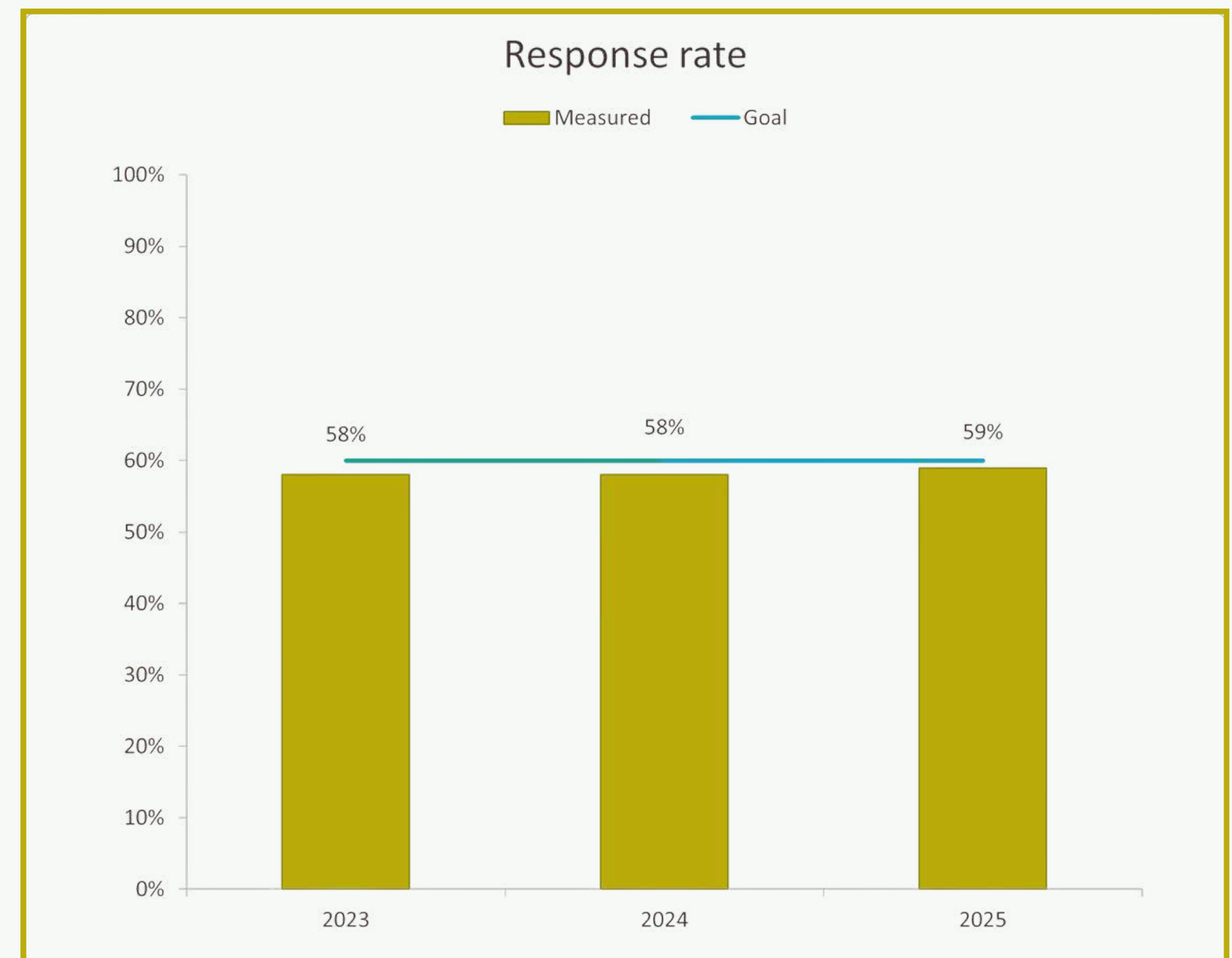
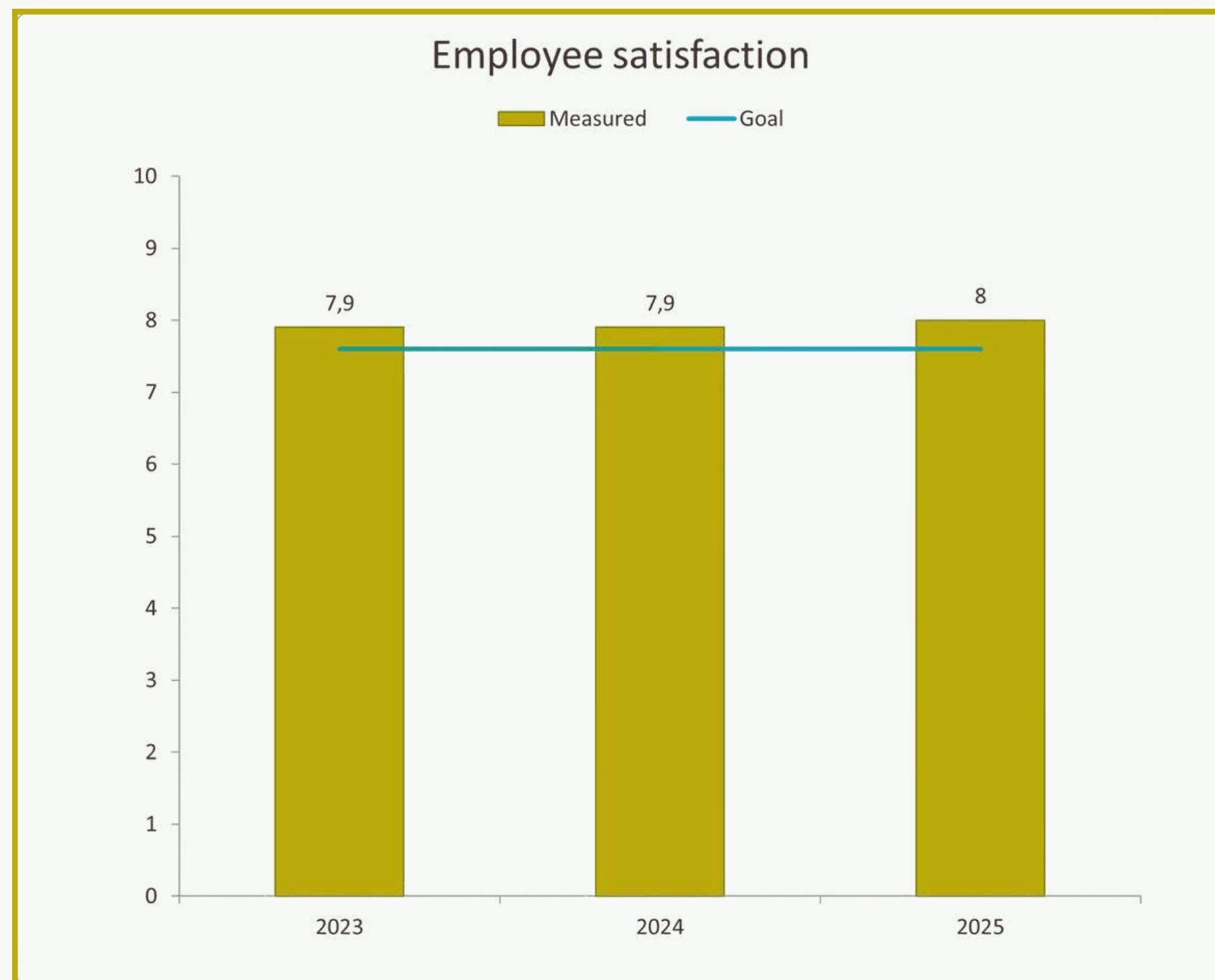
Corporate Culture

Dagar builds and fosters a positive corporate culture where employees feel a sense of belonging and have equal opportunities to grow and develop. Monthly human resources surveys are conducted covering various aspects such as opportunities for growth, working conditions, job satisfaction, health and well-being, and how well employees align with the company. These HR surveys provide real-time insights into key human capital metrics, enabling timely responses when needed.



Corporate Culture

In 2025, job satisfaction was measured above targets, but the average response rate was just below target. All of Dagar's human resources activities are linked to these objectives, and ongoing efforts are made to find new ways to better support employees and further enhance job satisfaction.



Corporate Culture

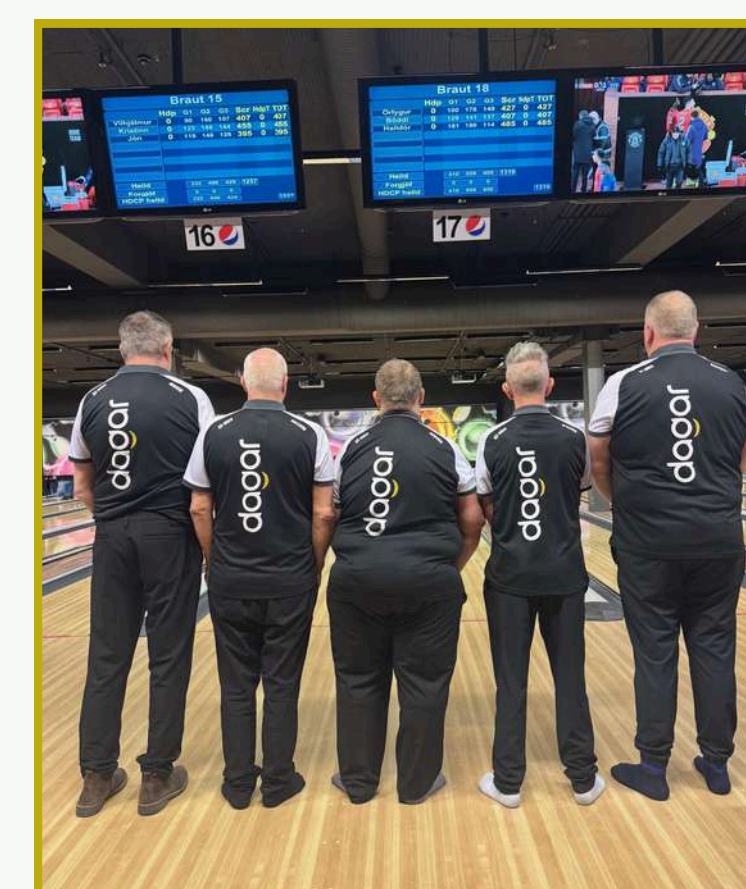
In December, there was a strong Christmas spirit at Dagar. All employees were encouraged to give praise to their colleagues through the “Christmas Praise 2025” initiative. Around 300 compliments were received, bringing great joy as employees shared kind and sincere words with one another. A competition for the best Christmas decorations at the company’s locations was also held, which received positive feedback and delighted the staff.



Social impact

Dagar supports a positive tendering culture through their influence and promotes the sector paying fair wages in large tenders. During the year, Dagar and its representatives actively participated in workshops, conferences, and presentations covering topics such as governance, procurement, wage issues, and sustainability in the service sector. Additionally, Dagar representatives served on working groups and committees organized by the Confederation of Icelandic Enterprise (Samtök atvinnulífsins), Federation of Trade and Services (Samtök verslunar og þjónustu), Festa, and other labor market stakeholders, maintaining regular collaboration with trade unions and interest groups to promote professional governance practices. Through this participation, the company contributes to the development of a more responsible and transparent procurement culture in the market.

During the year, Dagar also supported various social causes. The company, for example, contributed to the operations of the Hafnarfjörður Rescue Team and is a proud sponsor of the KF Döff bowling team at ÍR. Over the holidays, Dagar's management decided to allocate funds to an important social cause instead of giving Christmas gifts to customers and partners. The Women's Shelter was chosen, which performs invaluable work by providing women and children fleeing domestic violence with safe shelter, counseling, and support.



Code of Conduct

Dagar operate according to a Code of Conduct that outlines key principles regarding integrity and honest business practices, serving as a guiding framework for employee conduct, behavior, and attitudes. The policy applies to all Dagar employees and is part of their employment terms. As a leader in its field, Dagar is in a crucial position to uphold ethical and social responsibility both internally and externally. In 2026, Dagar plans to place even greater emphasis on this area and develop a supplier policy.

Sustainable reporting

In recent years, Dagar has placed increased emphasis on sustainable reporting, both for internal and external stakeholders. This is the company's second sustainability report, and efforts will continue to strengthen and expand the information provided. One of Dagar's goals for 2026 is to develop a sustainability policy that defines the company's key priorities. In addition, the company intends to leverage various opportunities, including publishing more sustainability information in the Dagar app.

