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EUSL GROUP FRAMEWORK

THE FOUNDATIONAL VISION OF EUSL

CREATED BY

EUSL AB

Care to Change the World

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EUSL Group Framework

Chapter 1: Introduction and Background

The Group Division constitutes a strategic pillar within the European Social Label (EUSL) structure, designed to consolidate advanced social innovation mechanisms and entrepreneurial ecosystems under a unified governance framework. Its origin is rooted in the foundational vision of EUSL to operationalize social equity through private sector activation, thereby creating sustainable pathways for inclusive growth.

The Division emerged as an evolutionary response to the increasing demand for integrated platforms that combine social entrepreneurship, collaborative business environments, and market-driven inclusion strategies. Unlike other Divisions that primarily focus on sectoral or thematic interventions, the Group Division serves as an incubatory and catalytic entity, fostering systemic transformation through entrepreneurial empowerment, shared infrastructure, and market facilitation.

Strategically, the Group Division aligns with EUSL's overarching mandate to institutionalize Charity as a Business and to operationalize the principles of Agenda for Social Equity 2074. It functions as a structural enabler for long-term socio-economic resilience, bridging the gap between micro-level entrepreneurial initiatives and macro-level policy frameworks. By integrating innovation hubs, collaborative spaces, and inclusive market systems, the Division ensures that social impact is not an ancillary outcome but a core operational objective.

The Division's relevance is further underscored by its role in addressing structural barriers to entrepreneurship, particularly for marginalized groups, through mechanisms that combine financial inclusion, capacity building, and access to sustainable markets. Its operational philosophy is anchored in the belief that social equity and economic competitiveness are not mutually exclusive but mutually reinforcing objectives when governed under a coherent institutional framework.

Chapter 2: Mandate and Scope

The Group Division operates under a formal mandate to design, implement, and govern institutional mechanisms that enable inclusive entrepreneurship, collaborative innovation, and socially responsible market systems. Its scope extends beyond conventional business incubation by embedding social equity principles into every operational layer, ensuring that economic participation is both accessible and sustainable for diverse demographic groups.

The Division's mandate is threefold:

- 1. Institutionalization of Social Entrepreneurship**

To establish structured pathways for individuals and organizations to engage in entrepreneurial activities that generate measurable social impact, while maintaining financial viability and compliance with EUSL's governance standards.

- 2. Creation of Collaborative Ecosystems**

To develop and manage physical and digital infrastructures—such as innovation hubs, co-working environments, and shared service platforms—that facilitate cross-sectoral collaboration, knowledge exchange, and resource optimization.

3. Market Integration and Access

To design and operationalize inclusive market systems that enable small and medium-sized enterprises (SMEs), social enterprises, and marginalized entrepreneurs to access competitive markets under fair and transparent conditions.

The operational boundaries of the Group Division encompass three primary modules: Social Green House, Social Impact House, and Growthify Markets. Each module functions as a specialized instrument within the Division's broader mandate, collectively forming an integrated ecosystem that supports the full entrepreneurial lifecycle—from ideation and incubation to market entry and scale-up.

Alignment with EUSL's overarching goals is explicit and systemic. The Division serves as a critical enabler for the implementation of Charity as a Business, the realization of Agenda for Social Equity 2074, and the achievement of EUSL's membership-driven impact objectives. Its activities are designed to complement and reinforce the work of other Divisions, particularly Impact (project incubation and consulting) and ECSR (corporate engagement), thereby ensuring coherence across the EUSL ecosystem.

Chapter 3: Organizational Structure

The Group Division is structured as a composite entity comprising three primary operational modules: **Social Green House**, **Social Impact House**, and **Growthify Markets**. Each module operates under a distinct functional mandate while remaining integrated within the Division's overarching governance and strategic framework.

3.1 Legal Status and Ownership

The Group Division is constituted as an internal division under EUSL, with its operational modules organized as follows:

- **Social Green House** – Incorporated as a Swedish Aktiebolag (AB), functioning as an entrepreneurial vocational program with equity participation mechanisms.
- **Social Impact House** – Incorporated as a Swedish Aktiebolag (AB), operating as a collaborative business hub providing co-working spaces, shared services, and strategic partnerships.
- **Growthify Markets** – Incorporated as a Swedish Aktiebolag (AB), serving as a market facilitation platform for inclusive trade and socially responsible commerce.

Ownership of all three entities resides with EUSL through its central holding structure, ensuring compliance with EUSL's governance standards and alignment with the **Agenda for Social Equity 2074**.

3.2 Internal Governance

The Division is overseen by a **Division Board**, appointed by the EUSL Executive Council, with representation from each operational module. The Board is responsible for strategic oversight, compliance, and performance monitoring. Each module maintains an independent management team, reporting to the Division Board through structured reporting lines and standardized governance protocols.

3.3 Interrelations and Functional Integration

The three modules are interlinked through a shared operational philosophy and integrated service delivery model:

- **Social Green House** acts as the entry point for entrepreneurial talent, providing incubation, mentorship, and equity-based support.

- **Social Impact House** serves as the physical and digital infrastructure for collaboration, enabling entrepreneurs to scale their ventures through shared resources and strategic networking.
- **Growthify Markets** provides the market access layer, ensuring that ventures emerging from the incubation and collaboration phases can integrate into competitive markets under fair and transparent conditions.

This structural configuration ensures a seamless progression from ideation to market integration, reinforcing the Division's mandate to institutionalize social entrepreneurship within a sustainable and scalable framework.

Chapter 4: Strategic Objectives

The strategic objectives of the Group Division are designed to ensure systemic impact, operational sustainability, and alignment with EUSL's overarching mission of institutionalizing social equity through private sector engagement. These objectives are structured to deliver measurable outcomes across entrepreneurial development, collaborative innovation, and inclusive market integration.

4.1 Long-Term Goals

1. **Institutionalize Social Entrepreneurship as a Standard Practice**
Establish the Group Division as a recognized framework for socially responsible entrepreneurship within the European and global business ecosystems, ensuring that social impact becomes an intrinsic component of business models.
2. **Develop a Scalable Ecosystem for Inclusive Growth**
Create a replicable and adaptable model that can be deployed across multiple regions, enabling local adaptation while maintaining global governance standards under EUSL.
3. **Foster Cross-Sectoral Collaboration and Knowledge Exchange**
Position the Division as a hub for multi-stakeholder engagement, facilitating partnerships between SMEs, corporations, academia, and civil society to accelerate innovation and social inclusion.
4. **Enable Market Access for Marginalized Entrepreneurs**
Operationalize Growthify Markets as a leading platform for ethical trade and inclusive commerce, ensuring equitable participation in both local and international markets.

4.2 Key Performance Indicators (Indicative)

- **Entrepreneurial Activation:** Number of ventures incubated through Social Green House annually.
- **Collaborative Engagement:** Occupancy and utilization rates of Social Impact House facilities.
- **Market Integration:** Volume and value of transactions facilitated through Growthify Markets.
- **Social Impact Metrics:** Employment generated, diversity of beneficiaries, and measurable contributions to Agenda for Social Equity 2074 targets.

4.3 Intended Impact

The intended impact of the Group Division is to create a structural shift in how entrepreneurship and social responsibility intersect, transforming isolated initiatives into an integrated system that drives both economic competitiveness and social equity. By embedding these objectives into its operational

framework, the Division seeks to establish a sustainable model that can influence policy, reshape market dynamics, and serve as a benchmark for global social innovation.

Chapter 5: Operational Modules and Functions

The Group Division operates through three interdependent modules, each designed to address a specific dimension of the entrepreneurial and social innovation lifecycle. These modules are not isolated entities but components of an integrated system that ensures continuity from ideation to market integration.

5.1 Social Green House

Purpose:

Social Green House functions as an entrepreneurial vocational program and incubation platform, targeting individuals and groups with innovative ideas that align with social equity principles. Its primary objective is to transform early-stage concepts into viable enterprises through structured mentorship, capacity building, and equity-based participation.

Core Activities:

- **Incubation and Acceleration:** Providing tailored programs for start-ups and social enterprises, including business modeling, financial planning, and compliance training.
- **Equity Participation:** Offering seed funding and equity-sharing mechanisms to ensure sustainability and alignment of interests.
- **Capacity Building:** Delivering vocational training and entrepreneurial education in partnership with academic institutions and industry experts.

Interlinkages:

Social Green House serves as the entry point into the Group Division ecosystem, feeding successful ventures into Social Impact House for scaling and into Growthify Markets for commercialization.

5.2 Social Impact House

Purpose:

Social Impact House operates as a collaborative business hub, providing physical and digital infrastructure for entrepreneurs, SMEs, and social enterprises. It is designed to foster innovation through co-working spaces, shared services, and strategic networking opportunities.

Core Activities:

- **Co-Working and Shared Services:** Offering flexible office solutions, administrative support, and access to shared resources.
- **Innovation Labs:** Facilitating research and development initiatives in partnership with corporate and academic stakeholders.
- **Strategic Networking:** Hosting events, workshops, and forums to connect entrepreneurs with investors, mentors, and policy influencers.

Interlinkages:

Social Impact House acts as the scaling platform for ventures emerging from Social Green House, while also serving as a feeder for Growthify Markets by preparing businesses for market entry.

5.3 Growthify Markets

Purpose:

Growthify Markets is the market facilitation arm of the Group Division, designed to create inclusive and transparent trade ecosystems. It enables SMEs and social enterprises to access competitive markets under conditions that prioritize ethical standards and social responsibility.

Core Activities:

- **Digital Marketplace:** Developing an online platform for B2B and B2C transactions, emphasizing fair trade and sustainability.
- **Market Linkages:** Establishing partnerships with retailers, distributors, and procurement agencies to integrate social enterprises into mainstream supply chains.
- **Compliance and Certification:** Implementing standards for ethical sourcing, quality assurance, and social impact verification.

Interlinkages:

Growthify Markets completes the entrepreneurial lifecycle by providing ventures from Social Green House and Social Impact House with structured access to markets, ensuring long-term viability and scalability.

Chapter 6: Governance and Oversight

The Group Division is governed through a layered model that combines statutory corporate governance applicable to its incorporated entities with a coherent division-wide oversight framework anchored in recognized international standards. The Division Board, appointed by EUSL, exercises strategic and fiduciary oversight across Social Green House AB, Social Impact House AB, and Growthify Markets AB, while each company's statutory board retains directorial duties under Swedish company law. This dual structure ensures both compliance with national legal obligations and uniform adherence to EUSL's social-equity mandate. The governance architecture is benchmarked against international guidance on organizational governance to maintain principled, accountable, and effective stewardship. See ISO 37000:2021 – Governance of Organizations (<https://www.iso.org/standard/65036.html>) and the G20/OECD Principles of Corporate Governance (2023) (https://www.oecd.org/en/publications/g20-oecd-principles-of-corporate-governance-2023_ed750b30-en.html).

Legal foundations and statutory duties. Each operating company within the Division is an Aktiebolag (AB) and is therefore subject to the Swedish Companies Act, including provisions on the general meeting, the board's management and oversight responsibilities, audit, related-party transactions, and duties of care and loyalty. This statutory baseline governs the appointment and dismissal of directors, capitalization, dividends, and the formal role of the general meeting vis-à-vis the board.

See Aktiebolagslag (2005:551) via the Riksdag's consolidated text

https://www.riksdagen.se/sv/dokument-och-lagar/dokument/svensk-forfattningssamling/aktiebolagslag-2005551_sfs-2005-551/.

Division Board and reserved matters. The Division Board sets strategy, approves annual operating plans, allocates capital between the three companies, and adopts division-wide policies on ethics, compliance, risk, and disclosure. Matters reserved to the Division Board include: establishment or dissolution of subsidiaries; approval of financing arrangements and guarantees; adoption of



consolidated risk appetite; and entry into material strategic partnerships. Delegated authorities are formalized in written mandates to each company board and the Division Executive. The model aligns with international governance guidance that emphasizes a clear allocation of roles between governing bodies and management. See ISO 37000:2021 (<https://www.iso.org/standard/65036.html>) and G20/OECD Principles (2023) (https://www.oecd.org/en/publications/g20-oecd-principles-of-corporate-governance-2023_ed750b30-en.html).

Management accountability and reporting lines. Each company CEO reports to their statutory board and, functionally, to the Division Executive for cross-division policies and performance consolidation. The Division Executive reports to the Division Board through quarterly governance reports covering strategy execution, risk, compliance, financial performance, and impact metrics. This separation of governance (board) and management (executive) is consistent with leading practice. See King IV Report on Corporate Governance (2016) web version (https://www.iodsa.co.za/page/king_iv_report) and King IV PDF (<https://www.adams.africa/wp-content/uploads/2024/08/King-IV-Report.pdf>).

Risk management and internal control. The Division adopts a unified risk management framework calibrated to ISO 31000, with risk identification, analysis, evaluation, and treatment embedded in planning cycles at company and division levels. Internal control design and effectiveness are evaluated with reference to the COSO Internal Control—Integrated Framework to ensure a coherent control environment, risk assessment, control activities, information and communication, and monitoring. See ISO 31000 resource page

(<https://www.iso.org/cms/%20render/live/en/sites/isoorg/home/standards/popular-standards/iso-31000--risk-management.html>) and COSO, Internal Control—Integrated Framework (Exec. Summary) (<https://www.como.gov/wp-content/uploads/2021/12/COSO-2013.pdf>).

Compliance and ethics. A Division-wide compliance management system is instituted in line with ISO 37301, covering legal compliance mapping, policy management, training, monitoring, and continual improvement. Anti-bribery controls are established with reference to ISO 37001, including due diligence, financial and non-financial controls, incident response, and disciplinary protocols. See ISO 37301:2021

(<https://www.iso.org/cms/%20render/live/en/sites/isoorg/contents/data/standard/07/50/75080.html>) and ISO 37001 (standard page/status) (<https://www.iso.org/standard/37001?browse=ics>).

Data protection and information governance. All personal data processing within the Division adheres to Regulation (EU) 2016/679 (GDPR), including lawful bases, data subject rights, records of processing, DPIAs where required, and appropriate technical and organizational security measures. Company boards receive periodic GDPR compliance attestations as part of their oversight role. See GDPR on EUR-Lex

<https://eur-lex.europa.eu/legal-content/EN/ALL/?tid=+111608483&uri=celex%3A32016R0679>.

Whistleblowing and protected disclosures. The Division maintains internal reporting channels, protection against retaliation, confidentiality safeguards, and follow-up procedures, in accordance with Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law. Local implementing legislation applies per jurisdiction of operation, with Sweden's transposition guiding practices for the ABs. See Directive (EU) 2019/1937 (<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L1937>).



Financial reporting and sustainability disclosures. Statutory financial statements for each AB are prepared under applicable accounting requirements; for international comparability and investor dialogue, the Division consolidates management reporting with reference to IFRS standards. Sustainability and impact disclosures align to the GRI Standards to ensure clear articulation of material topics, governance, strategy, and metrics relevant to the Division's mandate. See IFRS Foundation (<https://www.ifrs.org/?m=1>) and GRI Standards (<https://www.globalreporting.org/standards/>).

Audit and assurance. External audits of each AB are performed by authorized auditors in accordance with applicable auditing standards, with the Division Board receiving the auditors' reports and management letters. Internal audit is established as a second-line/third-line function (as appropriate) to assess the effectiveness of internal controls and compliance programs, leveraging COSO's control principles and the risk framework described above. See COSO framework (<https://www.ciso.gov/wp-content/uploads/2021/12/COSO-2013.pdf>) and ISO 31000 resource page (<https://www.iso.org/cms/%20render/live/en/sites/isoorg/home/standards/popular-standards/iso-31000--risk-management.html>).

Transparency and stakeholder engagement. The Division publishes an annual governance statement summarizing board composition and independence, committee work, risk oversight, ethics and compliance performance, whistleblowing statistics, and key impact indicators. This approach is consistent with leading global principles that encourage transparency on board responsibilities, stakeholder relations, and sustainability considerations. See G20/OECD Principles (2023) (https://www.oecd.org/en/publications/g20-oecd-principles-of-corporate-governance-2023_ed750b30-en.html) and King IV (https://www.iodsa.co.za/page/king_iv_report).

Policy framework integration. All division-wide policies—including Code of Ethics, Anti-Bribery and Corruption, Conflicts of Interest, Delegation of Authority, Information Security and Privacy, Risk Management, Internal Control, Whistleblowing, Disclosure and Transparency, and Sustainability Reporting—are approved by the Division Board, implemented by management, and reviewed at least annually. Their design and review are explicitly mapped to the international standards and guidance cited above to ensure coherence, comparability, and continuous improvement. See ISO 37000 (<https://www.iso.org/standard/65036.html>), ISO 37301

(<https://www.iso.org/cms/%20render/live/en/sites/isoorg/contents/data/standard/07/50/75080.html>), ISO 37001 (<https://www.iso.org/standard/37001?browse=ics>), ISO 31000

(<https://www.iso.org/cms/%20render/live/en/sites/isoorg/home/standards/popular-standards/iso-31000--risk-management.html>), COSO (<https://www.ciso.gov/wp-content/uploads/2021/12/COSO-2013.pdf>), IFRS (<https://www.ifrs.org/?m=1>), and GRI (<https://www.globalreporting.org/standards/>).

Chapter 7: Integration with the EUSL Ecosystem

The Group Division is not an isolated operational unit but an integral component of the EUSL architecture, designed to function in synergy with other Divisions and the broader Creativa Center ecosystem. Its integration model is structured to ensure coherence, eliminate redundancies, and maximize collective impact across all strategic layers of EUSL.

7.1 Inter-Divisional Synergies

The Group Division maintains structured linkages with the following Divisions:



- **Impact Division:** Collaboration occurs primarily in the incubation and project development phases. Ventures emerging from Social Green House often originate from concepts validated within Impact's consulting and project office frameworks, ensuring a seamless transition from ideation to operationalization.
- **Social Constitutional Chamber Division:** The Group Division supports SCC initiatives by embedding entrepreneurial pathways into social inclusion programs, thereby converting community engagement into sustainable economic participation.
- **European Corporate Social Responsibility (ECSR) Division:** Growthify Markets aligns with ECSR's corporate engagement strategy by offering a platform for Portal Companies and their supply chains to source from socially responsible SMEs, reinforcing EUSL's value proposition to large corporations.

7.2 Integration with Creativa Center Entities

The Division leverages Creativa Center's governance and strategic instruments, including:

- **Agenda 74 Agency** for alignment with the Agenda for Social Equity 2074 framework.
- **GSIA (Global Social Impact Alliance)** for compliance monitoring and external validation of impact metrics.
- **GSDA (Global Social Development Alliance)** for access to development finance instruments supporting scale-up initiatives.

7.3 External Partnerships and Networks

The Group Division acts as a conduit for partnerships with academic institutions, financial intermediaries, and corporate actors. Through Social Impact House, it facilitates structured engagement with universities for research collaboration and with investors for blended finance solutions. Growthify Markets extends these partnerships into the commercial domain, integrating SMEs into ethical supply chains and digital marketplaces.

7.4 Digital and Operational Integration

All operational modules within the Group Division utilize the standardized Microsoft E5 ecosystem adopted by EUSL, ensuring interoperability, data security, and compliance with GDPR and ISO 27001 principles. This digital integration enables real-time reporting, centralized governance dashboards, and harmonized communication channels across Divisions.

7.5 Strategic Alignment

The Division's activities are explicitly mapped to EUSL's strategic imperatives, including the institutionalization of **Charity as a Business**, the operationalization of **Agenda for Social Equity 2074**, and the long-term vision of creating a globally recognized social economy framework. This alignment ensures that the Group Division not only contributes to but also amplifies EUSL's systemic impact objectives.

Chapter 8: Revenue and Sustainability Model

The Group Division's revenue model is designed to be diversified, predictable, and compliant with applicable legal and reporting frameworks. It integrates three complementary engines—Social Green House AB, Social Impact House AB, and Growthify Markets AB—under a unified policy for pricing, capitalization, disclosure, and reinvestment. Financial statements are prepared in accordance with the



IFRS framework for comparability, while sustainability and impact disclosures follow GRI Standards and, where material, the ISSB's IFRS S1 and IFRS S2 to ensure investor-grade transparency. Where the Corporate Sustainability Reporting Directive (CSRD) applies by size or listing, the Division will operationalize the ESRS interoperability guidance alongside ISSB/GRI to avoid duplication. See IFRS Foundation (<https://www.ifrs.org/?m=1>), GRI Standards

<https://www.globalreporting.org/standards/>,

IFRS S1 <https://www.ifrs.org/content/dam/ifrs/publications/html-standards-issb/english/2023/issued/issbs1.html>,

IFRS S2 (<https://www.ifrs.org/supporting-implementation/supporting-materials-for-ifrs-sustainability-disclosure-standards/ifrs-s2/>), and CSRD consolidated text

<https://eur-lex.europa.eu/eli/dir/2022/2464/eng>.

Revenue architecture by module. Social Green House AB generates programmatic revenues through fee-based incubation and vocational entrepreneurship tracks, complemented by minority equity stakes in selected ventures admitted to its investment pathway. Equity-linked upside (dividends and exit proceeds) is treated as long-term, with program fees and grants covering operating costs in early cohorts. Social Impact House AB realizes recurring revenues from workspace rentals, hub memberships, shared services (administration, accounting, IT, and procurement), and curated innovation programs for corporate and public clients. Growthify Markets AB operates a two-sided digital and physical marketplace; principal revenue lines include transaction commissions ("take-rate"), listing and verification fees, and optional buyer subscriptions for procurement tooling. The pricing logic reflects established platform economics for multi-sided markets, balancing access and usage fees to optimize participation on both sides. See Hagiu, "Two-Sided Platforms: Product Variety and Pricing Structures" (<https://onlinelibrary.wiley.com/doi/pdf/10.1111/j.1530-9134.2009.00236.x>) and Rochet & Tirole, "Two-Sided Markets: An Overview" (https://web.mit.edu/14.271/www/rochet_tirole.pdf).

Capitalization and funding strategy. The Division blends own-income with catalytic instruments where appropriate. Social Green House AB may complement fee income with concessional or blended finance to de-risk early-stage cohorts and attract commercial co-investment into graduate ventures, applying the OECD DAC Blended Finance Principles (additionality, crowding-in, tailored risk-return, effective partnering, and monitoring). Growthify Markets AB and Social Impact House AB primarily use operating cash flows and standard debt facilities; any concessional element is ring-fenced to targeted inclusion outcomes and reported under recognized development-finance metrics. See OECD DAC Blended Finance Principles (https://www.oecd.org/en/publications/oecd-dac-blended-finance-principles_dc66bd9c-en.html) and OECD overview of funds and facilities (https://www.oecd.org/en/publications/blended-finance-funds-and-facilities_806991a2-en.html).

Pricing and cost-recovery policy. Program pricing within Social Green House AB is set to recover direct delivery costs and a reasonable share of shared services, while preserving accessibility through scholarships or partner-funded seats. Social Impact House AB maintains market-based tariffs for space, services, and bespoke programs, with volume discounts for EUSL members under transparent criteria. Growthify Markets AB calibrates commission tiers by category, order value, and service bundle (e.g., verification, escrow, logistics orchestration), consistent with two-sided platform practice in which distribution of fixed and variable charges influences cross-side participation and network effects. See Hagiu (<https://onlinelibrary.wiley.com/doi/pdf/10.1111/j.1530-9134.2009.00236.x>) and Rochet & Tirole (https://web.mit.edu/14.271/www/rochet_tirole.pdf).



Dividend, value-transfer, and reinvestment policy. Dividend decisions for each AB comply with the Swedish Companies Act, including coverage of restricted equity and the precautionary rule that prohibits value transfers jeopardizing the company's financial stability in light of its nature, scope, and risks. As a principle, free cash flows are first allocated to working-capital buffers and pipeline development; residual distributable profits may be paid as dividends to EUSL or reinvested to scale impact, subject to the statutory board statement on justifiability. See Aktiebolagslag (2005:551) (https://www.riksdagen.se/sv/dokument-och-lagar/dokument/svensk-forfattningssamling/aktiebolagslag-2005551_sfs-2005-551/) and commentary on Chapter 17 precautionary rule (<https://refisthm.se/news/distribution-of-dividends-and-the-precautionary-rule-swedish-supreme-court-case-t-5171-23/>).

Financial reporting and assurance. Each AB prepares annual accounts under applicable IFRS requirements as adopted, with external audit in accordance with local law. At the Division level, management reporting is consolidated for steering purposes; material sustainability-related financial disclosures follow IFRS S1, while climate-related disclosures follow IFRS S2, leveraging the ISSB's educational materials and interoperability guidance to align with ESRS where relevant.

See IFRS Foundation (<https://www.ifrs.org/?m=1>), IFRS S1 (<https://www.ifrs.org/content/dam/ifrs/publications/html-standards-issb/english/2023/issued/issbs1.html>), and IFRS S2 resources (<https://www.ifrs.org/supporting-implementation/supporting-materials-for-ifrs-sustainability-disclosure-standards/ifrs-s2/>).

Sustainability and impact disclosure. Public sustainability reports adopt the GRI Standards to disclose governance, strategy, material topics, metrics, and targets, including supply-chain social criteria embedded in Growthify Markets. Where the CSRD applies, ESRS content is mapped to existing GRI/ISSB disclosures following interoperability guidance, prioritizing "double materiality" and decision-useful comparability for stakeholders. See GRI Standards (<https://www.globalreporting.org/standards/>) and CSRD consolidated text (<https://eur-lex.europa.eu/eli/dir/2022/2464/eng>).

Integrity of revenue and controls. The Division's revenue recognition, contract management, and marketplace flows are governed by internal controls aligned to the COSO Internal Control—Integrated Framework, with risk management integrated per ISO 31000. Compliance and anti-bribery safeguards for third-party sales channels, sponsorships, and procurement partnerships follow ISO 37301 and ISO 37001 respectively, including due diligence on sellers, conflict-of-interest controls, and reporting channels. See COSO ICIF (<https://www.coso.gov/wp-content/uploads/2021/12/COSO-2013.pdf>), ISO 31000 overview (<https://www.iso.org/cms/%20render/live/en/sites/isoorg/home/standards/popular-standards/iso-31000--risk-management.html>),

ISO 37301

<https://www.iso.org/cms/%20render/live/en/sites/isoorg/contents/data/standard/07/50/75080.html>), and ISO 37001 (<https://www.iso.org/standard/37001?browse=ics>).

Long-term financial sustainability. The portfolio model balances recurrent operating revenues (rentals, services, commissions, and program fees) with selective exposure to equity-linked upside from Social Green House alumni. Scenario planning for marketplace growth and cost elasticity is incorporated into the Division's strategy and risk registers, with stress-testing and contingency measures disclosed under IFRS S1/S2 and, where applicable, CSRD/ESRS. This approach ensures that impact scale-up is not subsidized by imprudent leverage or value transfers inconsistent with statutory creditor protections. See IFRS S1



(<https://www.ifrs.org/content/dam/ifrs/publications/html-standards-issb/english/2023/issued/issbs1.html>), IFRS S2 (<https://www.ifrs.org/supporting-implementation/supporting-materials-for-ifrs-sustainability-disclosure-standards/ifrs-s2/>), and Swedish Companies Act reference text (https://www.riksdagen.se/sv/dokument-och-lagar/dokument/svensk-forfattningssamling/aktiebolagslag-2005551_sfs-2005-551/).

Chapter 9: Strategic Endgame or Vision

The Group Division's strategic endgame is to establish a replicable, standards-aligned, and investment-ready infrastructure for inclusive entrepreneurship that can be deployed locally, scaled regionally, and federated globally through EUSL. The Division will mature from three coordinated companies into a distributed network of hubs and market channels that measurably expands economic participation, institutionalizes responsible market access, and creates durable pathways from community engagement to enterprise growth. This trajectory is anchored to international policy and reporting frameworks to ensure legitimacy, comparability, and long-term capital alignment, including the EU's Social Economy Action Plan, OECD guidance on inclusive entrepreneurship, and the UN 2030 Agenda.

End-state definition.

The envisaged end-state is a self-sustaining ecosystem composed of: a) a geographically distributed set of Social Impact House hubs operating as mixed-use innovation environments; b) a steady pipeline of Social Green House graduates that receive structured post-incubation support; and c) a scaled Growthify Markets platform that integrates SMEs and social enterprises into procurement and retail channels under transparent, ethical standards. The spatial and institutional design of these hubs will emulate evidence-based features of innovation districts—dense, proximate, mixed-use agglomerations that co-locate research actors, growth firms, and start-ups to accelerate knowledge spillovers and commercialization—while adapting them to social-equity objectives and inclusive entrepreneurship cohorts.

Programmatic anchor and cultural horizon.

The ecosystem's societal anchor is a long-term contribution to youth health, inclusion, and community cohesion through sport. In this respect, the Group Division's vision aligns with EUSL's broader intention to culminate in a large-scale youth sports festival and competition modelled on established international youth tournaments. Gothia Cup, widely recognized as the world's largest international youth football tournament, offers a reference for scale and operational choreography, with recent editions gathering approximately 1,900 teams from roughly 70–80 nations and thousands of matches over one week in Gothenburg. The Division's role is not to replicate the tournament per se, but to integrate entrepreneurial pathways, supplier ecosystems, and ethical marketplaces around such an event architecture so that private-sector participation finances inclusion at scale.

Policy alignment and legitimacy.

The Division's endgame requires durable alignment with European and international policy instruments that prioritize social inclusion, decent work, and sustainable growth. The European Commission's Social Economy Action Plan explicitly positions social-economy entities as engines for quality jobs, local development, and fair transitions; the Group Division's hubs and marketplace aim to operationalize these aims at firm and district levels. In parallel, OECD work on inclusive entrepreneurship provides a policy frame for broadening participation among under-represented groups via tailored supports and enabling ecosystems. At the global level, the Division aligns its outcome mapping with the UN Sustainable Development Goals, notably Goals 4, 8, 9, 10, 11 and 17, to ensure that program outputs,

market integration, and community benefits can be benchmarked against a common international language.

Innovation governance and replication.

As the network expands, innovation must be systematized rather than improvised. The Division will therefore implement an innovation-management system with reference to ISO 56002 guidance, enabling disciplined ideation, portfolio steering, and continual improvement across sites and program cohorts. This provides a portable method for establishing and maintaining innovation capabilities as new hubs are opened and as Growthify Markets enters additional categories or geographies.

Economic model and marketplace maturity.

The end-state marketplace is designed to function as a mature two-sided platform with stable cross-side network effects, transparent pricing, and calibrated take-rates that sustain operations while preserving supplier viability. The Division's pricing and participation strategy follows established platform economics in which the allocation of access and usage charges between producers and buyers is optimized to maximize participation and total surplus under competitive conditions. Embedding this logic in Growthify Markets, while ring-fencing ethical and social-impact verification, enables scale without diluting purpose.

Territorial integration and district effects.

The hubs will be embedded in urban and regional planning processes to capture agglomeration benefits and enhance accessibility. Evidence from innovation-district practice indicates that proximity, density, and mixed-use programming are central to accelerating collaboration and job creation; the Division will integrate these design principles with inclusion-first programming and targeted procurement corridors to connect marginalized entrepreneurs to anchor demand.

Measurement, disclosure, and external assurance.

To secure long-term public and private capital, the end-state requires credible, decision-useful disclosures. The Division will publish sustainability and impact information aligned to GRI Standards, and, where material, investor-grade sustainability-related financial disclosures in accordance with the ISSB's IFRS S1 and IFRS S2 for governance, strategy, risk, metrics and targets. Where within scope of the EU Corporate Sustainability Reporting Directive, the Division will ensure interoperability with ESRS to meet statutory expectations on double materiality and comparability. These choices minimize reporting friction across jurisdictions and investor bases while preserving line-of-sight from program outputs to financial resilience.

Financing strategy and crowding-in.

To accelerate diffusion and replication, the Division anticipates a financing mix that blends operating cash flows with catalytic instruments and private capital. In settings where inclusion or early-stage risk warrants it, the Division will pursue blended-finance structures consistent with OECD DAC Principles—ensuring a development rationale, additionality, effective partnering, and robust monitoring—so that concessional elements de-risk targeted segments while crowding in commercial investors over time.

Contribution to EUSL's long-range architecture.

In its mature form, the Group Division will provide the entrepreneurial and market backbone that other EUSL Divisions and Creativa Center entities can leverage for societal missions, including youth inclusion through sport and community programs, corporate responsibility pathways, and cross-regional replication. By aligning district-level hubs, a verifiable marketplace, and a programmatic anchor that mobilizes private sponsorship around youth sports, the Division supports a transition from isolated

projects to a multi-country, standards-aligned social economy infrastructure. This is consistent with the European policy direction to professionalize and scale social-economy entities and with international agendas that frame inclusive growth as a function of both market access and institutional quality.

Terminal vision.

The terminal vision is a recognized, standards-compliant network of inclusive innovation districts linked by Growthify Markets, supplying goods, services, and sponsorship capacity to a recurring, youth-centered event architecture that demonstrably improves health, cohesion, and upward mobility. The Division thereby converts private-sector marketing and procurement budgets into long-horizon social investments, with transparency supported by interoperable disclosures and policy alignment recognized by European and global institutions. The cultural centerpiece draws on the proven ability of large-scale youth tournaments to convene diverse communities and international participants, providing the focal point through which local hubs, graduating ventures, and ethical supply chains meet citizen audiences at scale.

Chapter 10: References and Source Frameworks

The following sources constitute the normative, legal, policy, and empirical frameworks underpinning the Group Division. Each reference is presented with a direct, clickable link suitable for citation and inclusion in formal documents.

Governance Standards and Corporate Law

- **ISO 37000:2021 – Governance of Organizations (Guidance)** — Principles and key aspects of governance for governing bodies. <https://www.iso.org/standard/65036.html>
- **G20/OECD Principles of Corporate Governance (2023)** — International benchmark on board responsibilities, shareholder and stakeholder rights, disclosure, and sustainability. https://www.oecd.org/en/publications/g20-oecd-principles-of-corporate-governance-2023_ed750b30-en.html
- **Aktiebolagslag (2005:551) – Swedish Companies Act** — Statutory basis for governance of Swedish limited companies (AB). https://www.riksdagen.se/sv/dokument-och-lagar/dokument/svensk-forfattningssamling/aktiebolagslag-2005551_sfs-2005-551/
- **King IV Report on Corporate Governance (2016)** — Principles and recommended practices for governance and disclosure. https://www.iodsa.co.za/page/king_iv_report
- **King IV Report – PDF (reference copy)** — Web-readable copy for detailed consultation. <https://www.adams.africa/wp-content/uploads/2024/08/King-IV-Report.pdf>

Risk Management and Internal Control

- **ISO 31000 — Risk Management (family overview)** — Principles, framework, and process for enterprise risk management. <https://www.iso.org/cms/%20render/live/en/sites/isoorg/home/standards/popular-standards/iso-31000--risk-management.html>
- **COSO Internal Control—Integrated Framework (2013) – Executive Summary** — Control environment, risk assessment, control activities, information/communication, and monitoring. <https://www.ciso.gov/wp-content/uploads/2021/12/COSO-2013.pdf>



Compliance, Anti-Bribery, and Ethics

- **ISO 37301:2021 – Compliance Management Systems** — Requirements and guidance for establishing and improving a CMS. <https://www.iso.org/cms/%20render/live/en/sites/isoorg/contents/data/standard/07/50/75080.html>
- **ISO 37001 – Anti-Bribery Management Systems (2025 edition under publication; replaces 2016)** — Requirements and guidance for ABMS design and operation. <https://www.iso.org/standard/37001?browse=ics>
- **Directive (EU) 2019/1937 – Whistleblower Protection** — Internal reporting channels, confidentiality, non-retaliation, and follow-up. <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L1937>

Data Protection and Information Governance

- **Regulation (EU) 2016/679 – GDPR (EUR-Lex)** — Lawful bases, rights, DPIAs, security, and accountability. <https://eur-lex.europa.eu/legal-content/EN/ALL/?tid=+111608483&uri=celex%3A32016R0679>

Financial Reporting and Sustainability Disclosure

- **IFRS Foundation (portal)** — Authoritative resources and access to IFRS and ISSB materials. <https://www.ifrs.org/?m=1>
- **IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information (June 2023)** — Investor-grade sustainability disclosure framework. <https://www.ifrs.org/content/dam/ifrs/publications/html-standards-issb/english/2023/issued/issbs1.html>
- **IFRS S2 – Climate-related Disclosures (effective 2024)** — Topic-specific standard aligned with governance, strategy, risk, metrics, and targets. <https://www.ifrs.org/supporting-implementation/supporting-materials-for-ifrs-sustainability-disclosure-standards/ifrs-s2/>
- **GRI Standards (portal and access to standards)** — Global sustainability reporting system and modular standards. <https://www.globalreporting.org/standards/>
- **Corporate Sustainability Reporting Directive (CSRD) – Consolidated Text (EUR-Lex)** — EU reporting mandate and ESRS alignment. <https://eur-lex.europa.eu/eli/dir/2022/2464/eng>

Policy Frameworks for Inclusive Entrepreneurship and Social Economy

- **European Commission – Social Economy Action Plan (COM/2021/778 final)** — Policy measures for 2021–2030 to scale the social economy. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021DC0778>
- **OECD – Inclusive Entrepreneurship (topic gateway)** — Evidence and guidance for broadening participation in entrepreneurship. <https://www.oecd.org/en/topics/inclusive-entrepreneurship.html>
- **OECD – SME and Entrepreneurship Policy Frameworks across OECD Countries** — Comparative mapping of policy approaches and governance



mechanisms. https://www.oecd.org/en/publications/sme-and-entrepreneurship-policy-frameworks-across-oecd-countries_9f6c41ce-en.html

Blended Finance (Capital Mobilization for Inclusive Growth)

- **OECD DAC Blended Finance Principles** — Additionality, crowding-in, tailored risk/return, effective partnering, monitoring. https://www.oecd.org/en/publications/oecd-dac-blended-finance-principles_dc66bd9c-en.html
- **OECD – Blended Finance Funds and Facilities** — Evidence on instruments, investors, and performance considerations. https://www.oecd.org/en/publications/blended-finance-funds-and-facilities_806991a2-en.html

Innovation Management and District-Level Models

- **ISO 56002 – Innovation Management System (current work item replacing 2019 edition)** — Systemic guidance for establishing and improving innovation capability. <https://www.iso.org/standard/90309.html>
- **Brookings – Innovation Districts (program resources and reports)** — Evidence on proximity, density, mixed-use environments for innovation and inclusion. <https://www.brookings.edu/innovation-districts/>

Platform Economics and Marketplace Design

- **Rochet, J.-C., & Tirole, J. (2004). “Two-Sided Markets: An Overview.”** — Canonical treatment of pricing structures and cross-side externalities. https://web.mit.edu/14.271/www/rochet_tirole.pdf
- **Hagiu, A. (2009). “Two-Sided Platforms: Product Variety and Pricing Structures.”** — Pricing design and producer/consumer rent extraction dynamics. <https://onlinelibrary.wiley.com/doi/pdf/10.1111/j.1530-9134.2009.00236.x>

Reference Case – Youth Sports Tournament (Scale and Operational Benchmark)

- **Gothia Cup – Official Site (The World Youth Cup)** — Scale, international participation, and event operations as a reference model. <https://gothiacup.se/en/>

Global Goals (Outcome Mapping and Alignment)

- **United Nations – Sustainable Development Goals (SDGs) Overview** — Goals, targets, and official resources for outcome alignment. <https://sdgs.un.org/goals>