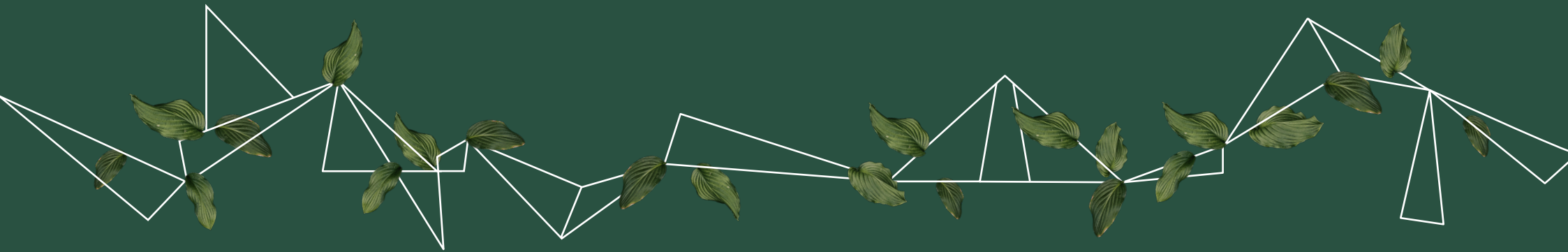




**NETLIGHT
CONSULTING**

2021



SUSTAINABILITY REPORT



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1.1 Who we are

1.2 Our view on sustainability



Introduction

1.1 Who we are

This annual sustainability report presents the statutory group and company sustainability report for 2021, which is also part of the management report by Netlight Consulting AB, CRN 556575-6227.

Netlight is an IT and management consulting company with over 1,700 employees throughout Europe. We have some 800 employees in Sweden, and have international presences in Denmark, Finland, Norway, Germany, Switzerland, and the Netherlands where we have another approximately 900 employees. Since 1999, Netlight has helped our clients from various industries, such as media, finance, e-commerce and transportation, to succeed with their digitalization journeys. Together with our nearly 300 clients across the globe, we offer a broad range of digital services.

Netlight is characterized by our open, encouraging, and unpretentious culture. Netlight's flat network organization ensures strong commitment and accountability, where collaboration throughout the company includes each employee having their own mentor and career coach. We have received several awards in recent years related to our growth and driving important social issues such as equal opportunity.

1.2 Our view on sustainability

Sustainability is important to Netlight's operations in our hope to act as role model for the IT industry and show change is possible. With our active and ambitious environmental and equality efforts we want to encourage more companies to greater action and commitment. The Netlight climate policy, Climate First, is the foundation of our environmental activities helping to create transparency and bring concrete results. Since 2017, Netlight has tracked parts of our CO₂ footprint to enable measuring the impact and results of our activities. Moreover, Netlight is dedicated to increasing equal opportunity in the industry having implemented strategic and active efforts for these issues.

This report presents sustainability activities at Netlight for 2021 covering all issues relating to climate, environment, society, equality, and diversity.

2.1 Our Climate Journey

2.2 Climate results and estimates

2.3 Netlight emissions in 2021

2.4 Risks and opportunities





2.1 Our Climate Journey

Netlight has measured our climate footprint since 2017 so we can drive change in a positive direction, and take action to have the greatest impact. At that time, travel was identified as the largest source of emissions, although IT purchasing, events, food, and office space were also identified to have significant impact.

Netlight has introduced our *Climate First* policy to involve our employees and create greater environmental awareness. This includes initiatives such as Train First, Veggie First, and Fix First, that encourage concrete action. Train First tells us to choose rail travel as first choice, before air travel. Veggie First involves always ordering vegetarian and vegan meals for Netlight events, conferences, and meetings. Fix First is where we work to repair unusable equipment before buying new replacements.

The significance and footprint of these initiatives have increased along with our growth. In inspiring our 1,700 European employees to also influence their surroundings to be more climate smart in their lives, we have also inspired our clients. To emphasize our individual responsibility to live more climate neutral lives, Netlight pays climate compensation, and climate investment for all employees' annual climate footprint. This annual footprint is estimated to be 11 tons per person (average for Europe) in UN sanctioned projects. We do this through our partner, GoClimate, who have helped us with the estimates in this report. We strive to continually improve our environmental efforts, by highlighting possibilities and responsibilities for individuals, and joint initiatives and partnerships through Netlight.

The Netlight climate targets and the pandemic

Netlight's climate targets include to reduce our emissions 16% annually as stated in the 2015 Paris Climate Agreement. We reached this target in 2019 when air travel related emissions decreased 19%. In 2020, we showed a 93% reduction in air travel related CO₂ emissions, though this result was impacted heavily by the pandemic. Thus, 2021 showed Netlight increased our total climate impact by 29% compared to the lower levels during the pandemic. Still, comparing 2021 to 2019 to better understanding operational trends excluding pandemic impact, Netlight reduced CO₂ air travel emissions by 64%.



As a consultant company, Netlight has relatively low emissions for scope 1 and 2 due to no on-site production. Therefore, they are taking greater responsibility for their scope 3 emissions (up and downstream), as their travels, purchases and food consumption has a higher impact. They are taking great action to reduce these emissions by the use of progressive policies such as “Veggie first” and “Train first” and minimizing their scope 2 emissions by choosing green electricity.

— Cecilia Lindén, Co-founder, GoClimate

2.2 Climate results and estimates

The total Netlight climate footprint for 2021 was 461,084kg CO₂, which is approximately 271kg CO₂ per employee. This was a 29% increase over the previous year, when our climate footprint totaled 356,636kg CO₂, for approximately 247kg CO₂ per employee. Total CO₂ emissions for 2019 were 1,663,496kg CO₂, approximately 1,220kg CO₂ per employee. This shows the significant impact of the pandemic on the climate footprint for 2020 compared to 2021.

IT equipment represented nearly half of all Netlight CO₂ emissions, making it the largest emissions source for 2021. While this shows an increase over last year, it is still 25% lower than 2019.

Air travel emissions also increase for 2021, however, compared to 2019 (when these emissions were 1,264,000kg CO₂) this is a decrease of nearly 64%. For 2021, we compensated for a total of 156,900kg CO₂ for air travel that could not be avoided.

Netlight now uses green electricity for our established offices, which reduces our CO₂ office-related emissions. If our offices had not used green electricity, their emissions would have exceeded 46,085kg CO₂, compared to the actual emissions of 5,741kg CO₂.

We detail the estimates included in our 2021 climate results below. As opposed to last year's report which could only cover our Stockholm office for climate results as provided in the Greenhouse Gas Protocol (GHG), we have included all Netlight offices this year. This became possible due to improved processes and better data quality which we developed in 2020. Now, we can follow and analyze data better, enabling us to document the Netlight climate journey.

461,084kg CO₂

Method

A dedicated group has conducted our quarterly climate impact estimates in 2021. This improved our continuing climate activities since it helped us to uncover risks, opportunities, and trends. This investment also added motivation and understanding among the group responsible for collecting the data.

These estimates are based on the international standard for calculating company climate impact, the Greenhouse Gas Protocol, and conducted in partnership with GoClimate. We are aware that a significant portion of our emissions fall under Scope 3, and we therefore take these estimates more seriously even though this is not strictly required by the GHG protocol.

Netlight has identified the four areas where we produce the most emissions:

- ✦ Air and other travel
- ✦ IT hardware – Purchasing
- ✦ Offices – Heating and power consumption
- ✦ Food and events

Delimitations

Hotel nights, messengers, employee commuting, waste, air travel for customers on behalf of our consultants, and food paid by employees against compensation are not included in these estimates for 2021, nor for previous estimates.

2.3 Netlight's emissions in 2021

Scope 1

Autos and property

Netlight has no CO₂ impact from direct emissions from owned or controlled sources. Rental cars for work travel are outside the company's operation control, and are therefore classified under Scope 3.6. Netlight also does not own any properties since we rent our office premises.

Scope 2

Offices, electricity and heating - 60,803kg CO₂

Netlight's offices are a meeting place between colleagues, clients, and recruits. These offices are responsible for a large portion of our climate impact and we work actively to improve processes to reduce this impact. The central location of all our offices enables commuting to work by bicycle, walking, or public transport.

2021 emissions from electricity show a 70% decrease from the previous year – where 2020 electricity emissions were 20,010kg CO₂ while for 2021 this was 5,741kg CO₂. This reduction is due to Netlight using green electricity at all established offices. We did this by switching to office premises where we partnered with climate profiled landlords. Our two start-up offices in Amsterdam and Frankfurt share office space in office space providers where Netlight tries to influence the energy source, but has not direct control. Using green electricity, Netlight has reduced emissions by more than 40,000kg CO₂ annually from 46,085kg to 5,741kg.

We are able to keep relatively less office space for our size since the majority of our employees work on-site with our clients. Collecting accurate data for office space for 2019 and earlier was difficult. But for 2020 and 2021 the quality of our data has been significantly improved. Even with this better data, we see that emissions have declined since 2019 (71,591kg CO₂) when we also rented less office space.

Table 1:
Offices, electricity and heating 2021

| 2021 | Heating | Electricity (market based)* | Electricity (location based)* | Total |
|--------------|--------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Stockholm | 6,403 | 0 | 1,955 | 6,403 |
| Zürich | 0 | 0 | 1,503 | 0 |
| Oslo | 255 | 4,253 | 601 | 4,508 |
| Helsinki | 25,012 | 0 | 3,366 | 25,012 |
| Munich | 15,598 | 0 | 18,242 | 15,598 |
| Hamburg | 0 | 0 | 11,197 | 0 |
| Berlin | 2,284 | 0 | 4,969 | 2,284 |
| Copenhagen | 85 | 0 | 1,454 | 85 |
| Frankfurt | 5,425 | 1,488 | 2,799 | 5,425 |
| Amsterdam | n/a | n/a | n/a | n/a |
| Total | 55,062kg CO₂ | 5,741kg CO₂ | 46,854kg CO₂ | 60,803kg CO₂ |

** The market based method involves trade with guaranteed origin green electricity being included in the calculation. The local method involves using only average emissions in the appropriate power grid, that is, the allocation method does not consider trade with green electricity.*

60,803kg CO₂

Table 2:
Offices, electricity and heating 2020

| 2020 | Heating | Electricity (market based) | Electricity (location based) | Total |
|-----------------------|---------------------------------|---------------------------------------|---|--------------------------------|
| Stockholm | 4,821 | 0 | 1,688 | 4,821 |
| Zürich | 1,066 | 995 | 973 | 2,061 |
| Oslo | 4,839 | 18,387 | 322 | 23,226 |
| Helsinki Kluuvikatu 3 | 16,588 | 0 | 1,430 | 16,588 |
| Helsinki Vuorikatu 20 | 2,268 | 0 | 511 | 2,268 |
| Munich | 13,464 | 0 | 18,055 | 13,454 |
| Hamburg | 0 | 0 | 18,903 | 0 |
| Berlin | 3,043 | 0 | 36,452 | 3,043 |
| Copenhagen | 403 | 0 | 859 | 403 |
| Frankfurt | 750 | 628 | 1,005 | 1,378 |
| Total | 47,241 kg CO₂ | 20,010kg CO₂ | 80,196kg CO₂ | 67,252kg CO₂ |

Table 3:
Offices, electricity and heating 2019

| 2019 | | | | |
|-----------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Stockholm | 4,450 | 0 | 6,441 | 4,450 |
| Zürich | <i>n/a</i> | <i>n/a</i> | <i>n/a</i> | <i>n/a</i> |
| Oslo | 2,673 | 21,270 | 5,513 | 23,943 |
| Helsinki Kluuvikatu 3 | 4,761 | 0 | 1,558 | 4,761 |
| Helsinki Vuorikatu 20 | <i>n/a</i> | <i>n/a</i> | <i>n/a</i> | <i>n/a</i> |
| Munich | 21,163 | 0 | 7,809 | 21,163 |
| Hamburg | 15,089 | 1,635 | 5,227 | 16,724 |
| Berlin | 550 | 0 | 1,783 | 550 |
| Copenhagen | <i>n/a</i> | 0 | 483 | 0 |
| Frankfurt | <i>n/a</i> | <i>n/a</i> | <i>n/a</i> | <i>n/a</i> |
| Total | 48,686kg CO₂ | 22,905kg CO₂ | 28,814kg CO₂ | 71,591kg CO₂ |

Scope 3.1

7,406kg CO₂

Food - 7,406 kg CO₂

We follow our *Veggie First* policy, where we always select vegetarian or vegan meals as a first choice over meat or fish. We serve only vegetarian or vegan meals at all our larger events – conferences, summer and winter celebrations, and similar. This has allowed us to reduce emissions up to 80% compared to serving meat or fish.

Physical events and meetings were limited during 2021 due to the pandemic, but with an increase in these being held when restrictions were eased during the year. Therefore, we also see increased emissions linked to food compared to 2020. In 2019, our total emissions for Food and Summits were at 20,394kg CO₂, an approximately 60% larger footprint than 2021.

The pandemic forced our physical meetings to be remote digital meetings whereby food purchases were simply up to our employees. In these instances, we saw that more people chose fish and meat than when food is ordered centrally by Netlight. Our goal is to take back control of such events and related food purchasing when our employees return to the office.

| Food + Summit | 2021 | 2020 | 2019 |
|---------------|-------------------------------|---------------------------------|--------------------------------|
| Stockholm | 1,765 | 970 | 2,583 |
| Zürich | 91 | 84 | 1,441 |
| Oslo | 857 | 144 | 847 |
| Helsinki | 38 | 70.4 | 555 |
| Munich | 376 | 0 | n/a |
| Hamburg | 163 | 498 | 4,378 |
| Berlin | 174 | 208.8 | 223 |
| Copenhagen | 700 | 148.2 | 1,852 |
| Frankfurt | 12 | 84 | 50 |
| Amsterdam | 2 | 0 | n/a |
| Summit | 3,229 | 3,842 | 8,465 |
| Total | 4,177kg CO₂ | 2,208.4kg CO₂ | 11,929kg CO₂ |

Table 4:
Food + Summit

Summits – Netlight’s Annual conferences

Netlight holds Summits – weekend conferences – twice each year. At the spring Summit, all Netlight employees from all offices come together, while for the fall Summit each office meets at separate locations around Europe. Our Summits are an important component in our culture – Netlight happens when Netlighters meet.

2021: 3,229kg CO₂

1,032 people took part in our 24 hour spring Summit event. We joined up in smaller groups of 2 to 4. The groups chose for themselves their destination, activities, and the food to prepare. Netlight sent out vegetarian and vegan food with snacks as a starting package to each group. The food from this event is not included in our total climate footprint for food.

856 people took part in our fall 24 -hour summit where five meals were served. 821 of these participants had the vegetarian food and 35 took vegan. No meat or fish was served at the event. If we had served meat for these meals, the footprint would have been 872kg CO₂, 82% higher.

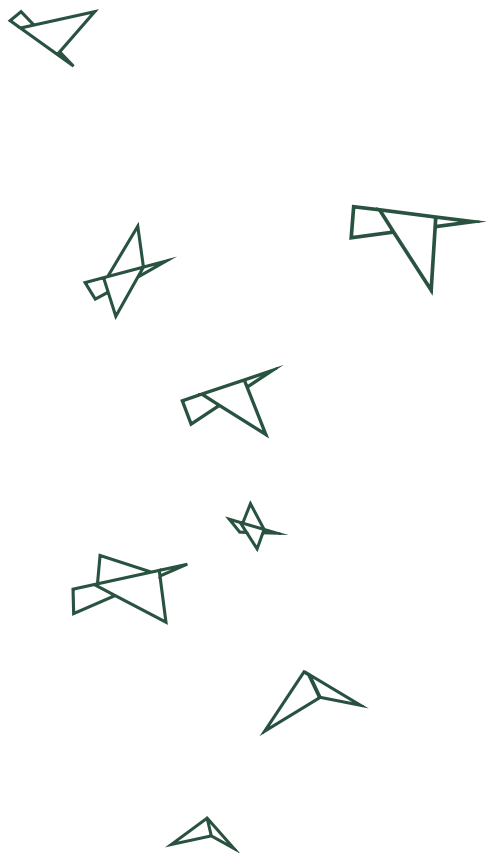
At both these events we chose to camp out. Had we instead stayed at hotels, we estimate a single night for each conference would consume about 20 tons of CO₂. We bought the tents for this and then gave them to our employees for their own use.

2020: 3,842kg CO₂

Two conferences were held in 2020 for a total 1,848 participants. The first event included a single meal, while the second served five. 302 chose meat, 1,466 vegetarian, 80 chose vegan. If each participant had chosen meat in the 2020 Summits, the footprint would’ve been 11,544 kg CO₂.

2019: 8,465kg CO₂

Two conferences were held in 2019 for a total 1,685 participants. No meat dishes were served, 365 fish dishes were served, 1,227 vegetarian and 39 vegan dishes. If everyone had meat in their meals in the 2019 Summits, the carbon footprint would have been 23,590kg CO₂.



Scope 3.2

IT hardware – 230,170kg CO₂

IT equipment is our primary tool, and during the pandemic this was also our largest source of emissions. Netlight responsibly follows our *Fix First* purchasing and consumption policy, through information and raising awareness at Netlight regarding the climate impact of the tools we use. We ask all employees to consider choosing between new and used equipment when ordering new hardware. A new smartphone generates some 70kg CO₂ and every new MacBook generates up to 350.kg CO₂. Choosing a used telephone or computer enables us to significantly reduce our largest emissions source.

For 2019, Netlight had emissions of 307,511kg CO₂ related to IT equipment purchases which generated average emissions of 225kg CO₂ per employee. By 2021, this figure declined to 135kg CO₂ per employee, for a nearly 25% reduction from 2019.

2021 showed a greater footprint than 2020 since the pandemic created such uncertainty regarding the future. We recruited significantly fewer new colleagues in 2020, thus reducing the demand for IT equipment. In 2021 Netlight experience a large increase in total employees, which led to greater demand for hardware. IT equipment purchases have also impacted recommendations to work at home.

To ensure a functioning work environment we found it vital to supplement employees' access to a proper office environment at home. Since we believe this necessity is partially temporary, we rented IT equipment to the extent possible in order to reduce purchases, this was primarily for screens.

230,170kg CO₂

However, we experienced extensive delivery delays and were forced to buy greater quantities of certain hardware to ensure meeting demand arising from starting the new hires arriving in fall 2021 and spring 2022.

We continually review and assess our existing equipment to recycle non-functional equipment jointly with our partners. Additionally, we sold a large volume of older models of functional equipment to our employees for their private use. Initiatives like this allow us to raise awareness in our employees regarding the climate impact of IT equipment and manage this equipment responsibly.

Table 5:
IT hardware 2021

| Offices | IT kg CO ₂ |
|--------------|-----------------------|
| Stockholm | 91,728 |
| Zürich | 11,453 |
| Oslo | 12,672 |
| Helsinki | 23,169 |
| Munich | 61,303 |
| Hamburg | 9,610 |
| Berlin | 7,366 |
| Copenhagen | 10,500 |
| Frankfurt | 2,442 |
| Total | 230,243 |

Our emissions related to IT equipment for the previous years were:

2020: 193,485kg CO₂

2019: 307,511kg CO₂

Scope 3.6

162,705kg CO₂

Travel – 162,705kg CO₂

The Netlight policy *Train First* tells us to choose rail travel when possible. This is a vital policy in reducing our emissions from air travel. When air travel is unavoidable, the trip is fully climate compensated. For 2021, almost all air travel was made in the fourth quarter compared to the rest of the year due to eased restrictions at that time.

Air travel emissions totaled 156,900kg CO₂ for 2021, for an 82% increase over 2020 when CO₂ emissions for air travel was only 86,200kg CO₂. Comparing this year's emissions to 2019 (1,264,000kg CO₂) we see a reduction of nearly 90%.

The annual Netlight conferences, our Summits, usually represent the largest share of company air travel emissions. We held two conferences during 2021 were Netlight located them in cities where we had a local office. Therefore, all participants could travel to their destinations without using air travel. The exception was the fall Summit where a few participants used air travel.

Emissions for taxi travel were reduced from 2,910 kg to 1,300, a 55% reduction. It is difficult to track why taxi travel declined in 2021, since most of these trips are to and from airports. Despite the increase in air travel from last year, we reduced the number of trips by taxi. Netlight recommends our employees to choose rail or bus transport to the airport, which can explain the reduction in taxi trips. Comparing this year's emissions to 2019 (1,264,000kg for both) we see a reduction of nearly 90%.

In 2020, rail travel represented 683kg CO₂ emissions. Rail travel emissions increase in 2021 to 4,504kg CO₂ for all offices. We are pleased to see that Netlight takes the opportunity to visit other offices using rail services instead of air travel now that travel restrictions have eased.

Table 6:
Travel emissions 2021

| Travel emissions | Germany | Sweden | Finland | Norway | Denmark | Switzerland | Total |
|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Air travel | 66,300 | 45,100 | 23,400 | 9,800 | 4,800 | 7,500 | 156,900 |
| Rail | 628 | 2,542 | 3 | 22 | 1,102 | 208 | 4,504 |
| Taxi | 174 | 931 | 100 | 59 | 35 | 1.3 | 1,300 |
| Autos | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 67,102kg | 48,573kg | 23,503kg | 9,881kg | 5,937kg | 7,709.3kg | 162,705kg |
| | CO₂ | CO₂ | CO₂ | CO₂ | CO₂ | CO₂ | CO₂ |

Table 7:
Travel emissions 2020

| Travel emissions | Germany | Sweden | Finland | Norway | Denmark | Switzerland | Total |
|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Air travel | 22,700 | 21,400 | 6,700 | 24,800 | 5,900 | 4,700 | 86,200 |
| Rail | 180 | 311 | 20 | 40 | 33 | 99 | 683 |
| Taxi | 1,095 | 1,374 | 162 | 196 | 83 | <i>n/a</i> | 2,910 |
| Autos | <i>n/a</i> | 8 | 49 | <i>n/a</i> | <i>n/a</i> | <i>n/a</i> | 57 |
| Total | 23,975kg | 23,092kg | 6,931kg | 25,036kg | 6,016kg | 4,799 kg | 89,849kg |
| | CO₂ | CO₂ | CO₂ | CO₂ | CO₂ | CO₂ | CO₂ |

2.4 Risks and opportunities

Netlight is a service provider who has a relatively small environmental and climate footprint. Climate risks are therefore assessed to be low, primarily involving office operations, business travel, purchasing, and commuting. We anticipate that travel will increase as restrictions ease. The pandemic has helped us work to reduce travel on a global scale. The development of video conferencing platforms has taught us to work between offices while cutting climate impact – a new working method we will keep using long after the pandemic.

We also expect to increase meal ordering in 2022 as many of the usual physical events of Netlight will be held as more restrictions are removed. We plan to improve data gathering for this.

Future estimates

Our goal for 2021 was to estimate Netlight's CO₂ emissions from hotel nights, commuting, and more events. Since the pandemic limited our travel compared to previous years, we chose to not estimate hotel nights (which were relatively few in 2021) as the climate impact was therefore low. Instead, we camped in tents at both our spring and fall Summits.

We decided to postpone estimating CO₂ for commuting to offices to next year since the majority of our employees worked from home during the pandemic. When we return to primarily working from the office again, we will start collecting data through an employee questionnaire. Our goal for the future to estimate commuting and hotel nights remains and we also want to estimate total climate impact from our conferences.

We continually work to improve the process of gathering climate data. Our partners for expense accounting, Skovik, helps us obtain certain data for the calculations and facilitate our efforts. The climate data team, including representatives from Operational functions and Greenlight which was formed in 2021 is a step forward for continuing climate activities at Netlight.

ISO certification for environmental and quality management

Netlight is certified under ISO 1400 for environmental management and for ISO 9001 in quality assurance management at our largest office in Stockholm. Continuing ISO activities are predicated on systematically identifying opportunities and risks in our environmental and quality control efforts which are then assessed and addressed.

An external audit was conducted in 2021, which returned an approved results. This included review internal environmental and quality requirements, and Netlight's requirements on our providers.

Additionally, Netlight continually conducts internal quality audits throughout the year to ensure we comply with our own and our clients' requirements. Working methods for case management is being developed to improve internal structures for employees to report deviations or to propose improvements.

Sustainable offices

Netlight is a growth company where our strong growth has led to expanding office premises. When we search for new premises, we review our requirements for longer term. Every time we relocate offices we leave a large footprint, so we consider the possibility to lease larger spaces to then sublease spaces we don't use. This enable us to remain at the same address for a longer term as we successively grow into the large space as needed. We do this to avoid moves that lead to greater purchasing and fitting out the premises and thus avoid causing a larger climate impact.

When renegotiating and entering new office leases, we have chosen to work with landlords who can offer green electricity contracts and smart recycling possibilities or who have a climate certified office building. The Helsinki office relocated in 2021, choosing a landlord who meets our requirements, and will apply for a LEED certification* in 2022 for the building with our offices. The Stockholm office rent space in a currently LEED platinum certified building.

** LEED (Leadership in Energy and Environmental Design) world-wide recognized certification program for green buildings that verifies the design of buildings as having improved performance in areas like energy savings, water efficiency, reduction of CO₂ emissions, improved indoor environmental quality, and resource management. LEED also offers property owners and operators a concise framework to identify and implement practical measurable solutions for green building design, construction, operation, and maintenance.*

We actively work to select sustainable, recycled, and locally produced material when fitting out and renovating new premises. Our strategy relating to fitting out our current or new office includes refurbishing furniture to extend its product life, and selecting climate smart and sustainable material as presented in our Fix First policy.

We believe in the commitment of our employees and the necessity for everyone to pitch in. Every employee at Netlight is briefed on our Climate First policy and how we work with waste management at all our offices.



Social engagement

3. Social engagement

Milkywire

Each year Netlight offers a gift to each employee for the purpose of giving back – an investment in the climate or in society. For 2021 Netlight invested in Milkywire, an umbrella organization that supports global charity projects where people work to help others. The Milkywire platform, which Netlight developed, allows employees to select a sustainability project they want to support with an investment. This enables a joint effort to increase understanding and commitment for sustainability issues, and also contribute to a better world.

GoClimate

In the summer of 2021 Netlight provided eleven internships for IT students partnering with GoClimate to help them develop their positions. GoClimate concentrates on slowing climate change focusing on reducing CO₂ emissions. The primary services they offer is to help private individuals and businesses obtain climate compensation by estimating their footprint to compensate for this. Netlight has created three of these positions.

- ✦ First, developed a new function that offers private individuals to address climate challenges that have greater impact with less effort.
- ✦ Second, flow was improved for when private individuals calculate their footprint on a website.
- ✦ Thirdly, simplified and improved calculations to estimate a business' footprint using categorized business data.

With these internships, Netlight enabled faster development of the climate friendly ideas GoClimate worked with. Eleven students worked in the project and all are now employed as consultants at Netlight. We are continuing our partnership with GoClimate through 2022.

Environmental and climate training

In partnership with GoClimate, we introduced a newsletter providing ideas on how to reduce individuals' climate footprint in 2021. This newsletter is sent quarterly to all our employees and published on the Netlight intranet. The newsletter provides all our employees climate news and ideas for how to change your own climate footprint. Spreading information and motivational ideas for climate change is an important part of Netlight's sustainability activities.

Greenlight

All employees are encouraged to run projects and initiatives that they believe in themselves which could benefit themselves, the company, or the client. These initiatives can be based on anything from a strong interest in teaching clients about equality in recruitment to inspiring others to live more climate smart.

Greenlight is a group of involved employees interested in environmental issues who run their initiatives and climate projects at Netlight. These active groups are located at our offices around Europe, while also acting as a global group.

In 2021, the initiative the *Greenlight Cookbook* was completed, it is a digital cookbook in which employees share vegetarian and vegan recipes to inspire others to adopt a more environmentally friendly diet. The cookbook is now published on our intranet. Physical climate events and meetings for Greenlight were replaced during the pandemic with digital conferences and discussions in the Greenlight channel in the communications platform Slack. Our members have used the channel to share news, ideas, and suggestions related to climate issues.

4.1 Equality initiatives

4.2 Work environment and culture



Employees

4.1 Equality initiatives

A basic prerequisite for an equal opportunity company is a more balanced gender distribution. Netlight processes are therefore informed by equality considerations within recruitment and sales. Netlight passed an historic milestone in 2021 as we became 31% woman globally. This is a direct result of our commitment and the consistent effort we've spent on attracting more women in our recruitment process.

We want to be a role model for equality, and to work for change. We are therefore proud that Netlight was nominated in 2021 in two categories for the Nordic Women in Tech Awards. This is an initiative taken to support and inspire women in the tech industry. Among the several hundred women nominated, our consultant Dipika Baad won the award for *Developer of the year 2021*. Netlight's *The Code Pub*, an international network for women working in tech, was nominated for the category *Initiative of the year 2021*.

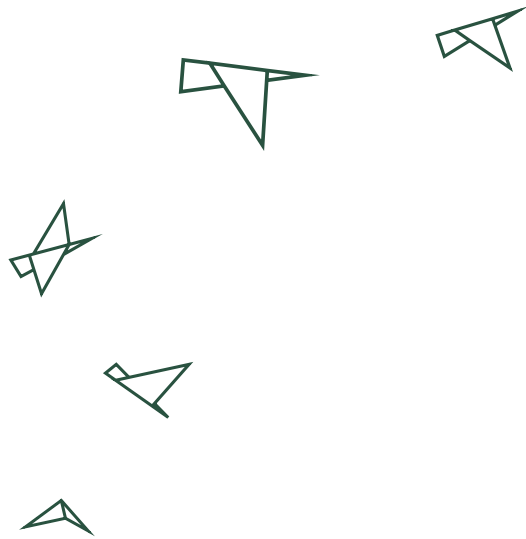
Our desire to work for change stretches beyond our organization with equality initiatives and social commitments like TechEq. TechEq was formed to achieve greater equality in the IT industry, for which Netlight was a primary mover. This is intended to allow companies to join by undertaking to collaborate on equality issues during the year.

Equality initiatives

The Netlight strategic equality program, Vostok, which we started in 2013, informs everything Netlight does in relation to recruitment, sales, and employees. Netlight also has an equal opportunity policy, *Declaration of Equality*, that every partner in the company has signed, and actively follows to achieve our high standards. Vostok opened our activities for more equality initiatives including us starting a network for women working in IT fields, The Code Pub.

The Code Pub

The Code Pub is a network for women in the IT industry and now has 5,000 members in Europe who work to attract more women to the IT and technology industry. Meetings are arranged for current and new member to help reinforce their programming skills and learn new approaches while they meet more women role models in IT.



TechEq

Our industry initiative TechEq was started in 2014 and is a challenge to tech companies to address their equal opportunity efforts. In terms of equal opportunity, we aren't competitors, but rather gain from everyone working to create greater equality in the industry. In signing this agreement, companies undertake to actively work for more equal gender distributions of women and men throughout their company, to collaborate with other companies within TechEq, and to track the share of women, monitoring their company activities. Currently over 100 companies have joined TechEq.

Women of Netlight

Women of Netlight is an internal company initiative from 2018 when we understood that concentrating externally on attracting new women recruits was not enough, and that we also needed to work to keep all those we already hired. The objective of the network is to gather women from every level in the company to meet where they could find new role models and support each other career-wise in our male dominated profession.

Equality clause

We have an equality clause in our contracts placing demands on our customers. This clause allows Netlight to cancel contracts with companies that discriminate on the bases of gender or ethnicity.

Equal pay

We achieve equal pay using a transparent salary model applying equal pay at every consultant level and which is accessible to everyone in the company.

Training in equality

Netlight holds training for various stakeholders in equality activities. This includes helping a student consultant company, *We Know IT*, by providing workshops and lectures where we coach them on equality recruitment and tracking targets or figures. We use our mentor program *Empower women in Tech* to address women studying for technical degrees early so they easily find role models in the IT industry. This way we can link students with women at Netlight who then act as mentor or career coach. Netlight also shares its knowledge about recruiting more women with customers to help create a more including culture.

Internal equality training

Netlight recently added equality and equity into our new hire introduction process. In our training course, *Inclusive Leadership*, employees learn about Netlight's equality initiatives and how to incorporate inclusion in their leadership at Netlight and our clients. All those working in sales and the interview process at Netlight take this course learning about unconscious prejudice and inclusive leadership.

Men for equality

Netlight is currently made up of 31% women. And these 31% can't answer for 100% of all our equality activities. That's why we started the Netlight *Purple Pill* initiative four years ago. The number of Netlight men involved in Purple Pill has grown from 200 to 370 this year. Under the umbrella of Purple Pill, members contribute to equality efforts at Netlight, with anything from creating initiatives to discussion of actual situations. The objective here is for all men at Netlight to have attended at least one meeting, and every participant is assigned to invite another male colleague to the initiative. Purple Pill also holds events to celebrate International Women's Day, which was previously run by women. The Purple Pill initiative has gained media attention, and raises issues like inclusive leadership with our clients.

Measurable targets and continual activities

In 2021, we continued our focus on attracting and recruiting women to Netlight, while also actively using networking, mentorship, and supporting women in technical educational programs with mentorship and role models. In 2021, 35% of our new hires at our Stockholm office were women. From our start in 1999, we have never recruited more than 29% women as new hires in a single year. Making this a historic figure. Netlight's budget presents clear equality targets where for this we want to recruit 36% women in 2022.

The recruitment team breaks targets into totals for offers, interviews, and meetings. Every Friday, the team tracks the number of women we have in the interview process, how many we meet, and how many receive offers to ensure we reach our targets. This requires continual monitoring and that every person takes responsibility.

Total employees at year end

1,707

Total men

69%

1,171

Total women

31%

536

Total employees per office



4.2 Work environment and culture

Our employees and their well-being is central to our sustainability efforts. Netlight as organization is built on a strong sense of community between our employees, their similarities, their differences, experiences, and characteristics. Everyone is offered the same opportunities to develop professionally and personally. Our systematic work environment management is reflected in our occupational health policy available to all Netlight employees. A basis for our work environment management is to act early and implement proactive measures to ensure a sustainable work life. We also conduct annual follow up and assess sick absence where active measures are implemented when necessary. Sickness absence rate for 2021 was 3.4% (previous year was 2.5%). Our primary focus lies with creating a secure workplace informed by health and well-being. Netlight is thereby strongly opposed to harassment, bullying, and offensive discrimination – a zero-tolerance policy.

| Sickness absence | |
|-------------------------|------|
| Group | 2.7% |
| Men | 2.5% |
| Women | 3.2% |

Sustainable work life

The Netlight work environment is the highest priority for our growth and progress. Our work environment is based on openness, respect, and equality where all employees can be involved and have a say. The work environment is therefore present in everything we do jointly throughout Netlight. We have a safety net around every employee that includes dedicated individuals who address and support these employees in their career development and well-being.

We continually conduct risk assessments and prepare action plans for our physical, psychosocial, and organizations work environment to act proactively and prevent risks in order to continually develop our work environment management system. The Occupational Health Committee includes representatives from various functions within the organization. They monitor the company’s systematic work environment management jointly with our safety representative.

We train all employees with internal programs in issues impacting their work environment. Equally, everyone has access to the Netlight approach to work environment issues published in our policies on our intranet. We also conduct training activities specifically oriented for our mentors and partners regarding work environment responsibility, communication, and leadership to identify, prevent, and act on work environmental requirements of our employees. Netlight shares work environmental responsibilities with our customers where our *Engagement Search* sales function joins with our consultants to collaborate in creating a good work environment with support from HR as needed.

The Netlight strategy for a sustainable work life is our *Eternal Flame - Declaration of Sustainable Consulting*. This provides the foundation of our management structure, establishing the vital balance between our passion for our work, and ensuring that everyone at Netlight has the opportunity to work sustainably throughout their career. The well-being of our employees is our primary concern, whereby this is a basic prerequisite for us to address and develop together. Our working method highlights self-leadership where employees have greater responsibilities to research and drive their own individual development. The risk is that laying greater responsibility on the individual may lead to ambiguity and uncertainty where the safety net around each employee provides the foundation for establishing our sustainable work methods. The starting point for Eternal Flame – to keep the fire burning – therefore becomes fully vital for our efforts to strengthen mental health based on a long-term, sustainable perspective.

Work environment during the pandemic

The length of the pandemic brought a variety of changes to our work environment management. Our strategy continues to be based on recommendations from authorities and experts. Moreover, we have learned from the previous year and adapted and improved our procedures related to safety activities, transmission tracking, and risk assessments. The strategy is based on our employees' physical and psychosocial health involving implementing both group oriented and individual measures and adapting these based on current recommendations and restrictions. All important pandemic related information and guidelines are collected onto a common platform to enable quick, easy updates for the organization and current recommendations.

Since the beginning of the pandemic, we have acted with transparency and accuracy to quickly adapt operations to the actual situation in society. Every office has functioned as a safe space and been open for everyone who needed to work from there. The work environment in office landscapes have been successively modified to comply with restrictions to prepare room for more individuals and reduce the number of workplaces.

To maintain and reinforce our sense of community, we have (to the extent possible) re-arranged events and training to virtual formats. The digital meeting place has opened new communication paths and platforms. We still see a great void in not being able to meet physically, so we have enabled safe ways to meet for events, training, and in our daily work. Employees' home workplaces are made safe by offering tables, chairs

and screens. Additionally, continual assessments are made of ergonomic equipment to meet individually adapted needs. To address the challenges presented by the new virtual work methods, we have concentrated on directed leadership efforts and our internal mentors have been allowed wide latitude to share competencies, experience, and lessons with each other.

We strive to use the lessons from before and during the pandemic to ensure our intention to release the full potential of our clients and ourselves. In this *post new normal* we focus on workspace rather than workplace. Our *Workspace Strategy* emphasizing that work life and belonging concern much more than the location where you actually work. To create together in the *post new normal*, we will adopt the following:

(1) Workplace to Workspace:

The core of the Workspace Strategy is that we move from a workplace to several and different work spaces that are not only in Netlight offices or on-site at the client. This also includes the home office space, a café, the train, or elsewhere. People have varying needs for a functional workspace, so we therefore train and coach on attitudes towards *workspace* to create the best conditions for our employees.

(2) Creativity requires Proximity First!:

We have great confidence in our employees to use their self-leadership to find a flexible work method that emphasizes proximity to ensure it functions well for our organization and the clients, and enable a sustainable work life for themselves.

(3) Mutual caring creates togetherness:

With broad (personal) freedom follows significant responsibility. We are role models (for the whole). We show consideration for the whole when we work from home and we are role models for our clients.

We build further on our digital platforms and meeting places, while still offering to a greater extent the opportunity to secure our physical meetings and events at the office as needed – both on-site and digitally – Netlight does not cancel, but rather resets so we can grow through any challenges together.

Employee satisfaction

Netlight conducts annual employee surveys to measure employee satisfaction. We measure seven categories as presented in the table below. Responses are made on a scale of 1 to 5, with this year's global results indexed at 4.23, compared to 4.18 in 2020. The category receiving the highest values was Mentorship, at 4.44 (4.34 2020) and Sustainability was lowest at 3.97 (3.95 2020). We will continue to actively introduce new measures to proactively address our employees' concerns regarding sustainability and the psychosocial work environment.

Table 8:
Employee satisfaction

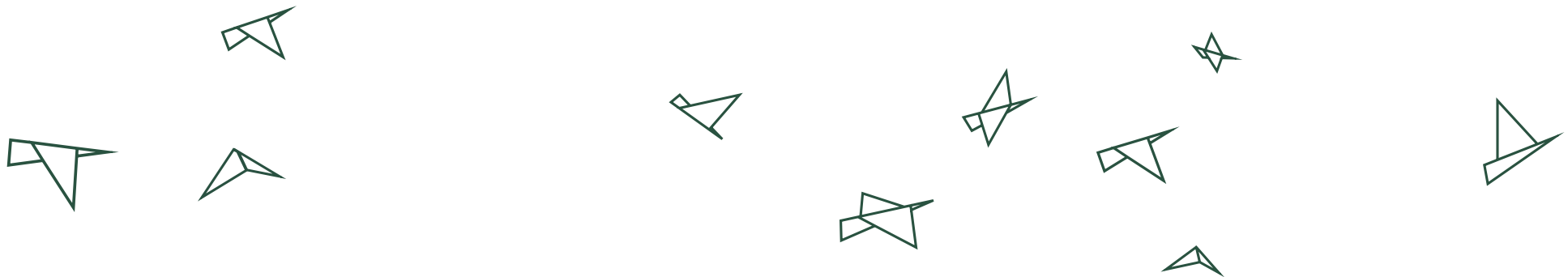
| Category | Explanation |
|-------------------------|---|
| Learning & Development | Opportunities to develop |
| Sustainability | Psychosocial work environment |
| Mentorship | Trust, clarity, and being seen |
| Support & Facility | Physical work environment and work tools |
| Benefits & Compensation | Fair and relevant |
| Commitment | Pride, agree with the direction of Netlight |
| Connection | Receive appreciation, able to be yourself, look forward to being on the job |

Risks and opportunities

The greatest occupational safety and health risks are stress related symptoms and repetitive strain injuries. Help and support is available for every individual through a safety net for preventing and managing work related stress issues. We created an ergonomic guide for work from home that offers ideas and exercises, as well as ergonomic equipment based on assessment on individual needs. Moreover, mentors are continually trained in work methods, personal sustainability, and coaching to support their adepts about their well-being and careers.

We offer training for all employees regarding personal sustainability. Netlight has external partnerships for both proactive and reactive activities to address psychological and physical ill health regarding individual support, either with or without support through HR. The Netlight occupational health committee, who are representatives from the organization, conduct risk assessments on an annual basis to ensure our systematic work environment management.

During the pandemic, risk assessments and action plans designed to maintain a safe office in the event of disease with a clear infection tracking process were conducted continually. The pandemic meant that work is largely performed remotely, whereby we have identified several risks in these changed work methods. We have, and will, continue to work proactively and support our employees on issues of work life balance, motivation, and leadership. The challenge lies in being able to differentiate between work and private life, and primarily reduce the sense of loneliness and isolation by enabling inclusions and safe meetings at the office.



5.1 Human rights

5.2 External suppliers

5.3 Anti-corruption



Social responsibility

5.1 Human rights

Netlight supports and respects international conventions on human rights and is actively engaged in promoting diversity, equality, and inclusion. This means that Netlight does not tolerate forced or child labor, or harassment. Netlight has adopted several policies to uphold a sound workplace that promotes innovation and quality, The Netlight diversity policy, *Declaration of Equality*, provides for us to treat every person equally regardless of age, gender, ethnicity, religion, functional impairment, or sexual orientation. The Netlight anti-discrimination policy *Netlight's Policy Against Harassment* provides for addressing every person with respect and enabling them to have the same rights and opportunities. Netlight has also published guidelines for prevention of harassment of all kinds including sexual harassment, offensive discrimination, and retaliation.

Netlight employees follow these policies as adopted and strive daily to prevent discrimination at the company, our clients, and with our other business partners. An anonymous questionnaire is distributed annually to all employees regarding issues related to the work environment and salary. The questions in the questionnaire are focused on perspectives related to discrimination. This includes questions addressing fair compensation, appreciation, and equal opportunity for development. This also includes an open response field for comment respondents can use to discuss their ideas and experiences.

Supplier Code of Conduct

Another vital consideration is that Netlight's suppliers and clients respect human rights. We have therefore published a *Supplier Code of Conduct* for our suppliers to follow. In this way we place requirements for our suppliers to respect human rights to the same extent as Netlight. We expect:

- ✦ Our business partners to respect human rights and maintain a workplace free from harassment, sexual harassment, offensive discrimination, and retaliation.
- ✦ Our business partners to have a zero tolerance for forced and child labor within their organizations.
- ✦ Our business partners to work actively for anti-discrimination at the workplace regardless of sexual orientation, ethnicity, religion, functional impairment, or age.
- ✦ Our business partners to ensure that all work is performed in compliance with recognized and documented employment terms that match the national legislation in the country where that work is performed.

Risks and opportunities

Considering the wide circle of Netlight's business partners, we see the possibility that some of these fail to respect human rights or that they restrict diversity, equality, and inclusion. To address this risk, Netlight uses our Supplier Code of Conduct. We also see the possibility that Netlight clients are not asked to comply with the Supplier Code of Conduct, which would thereby mean that Netlight cannot practically ensure that all our clients respect human rights. To reduce this risk, we will ask clients to follow the Netlight Supplier Code of Conduct.

5.2 External suppliers

Netlight has high demands for business ethics and sustainability. This also applies to our business partners. Netlight endeavors to be a role models for equality and sustainability, where we want to influence others by contracting with other companies and organizations who are willing to do the same. We use the Netlight Supplier Code of Conduct to communicate the Netlight core values and our expectations for suppliers and service providers.

- ✦ We want to work with organizations who recognize the principles of the UN Global Compact and fulfil the basic responsibilities for human rights, work environment, climate, and anti-corruption.
- ✦ Our partners care about environmental issues and take action to minimize their own negative impact on the environmental and on issues related to equality and sustainability.
- ✦ We want to contribute to mutual and advantageous vendor relations that build on common values.

We audited new and existing suppliers in 2021 as part of our ISO internal audit. Results from our Supplier Evaluation showed that we can be proud of our partners that maintain such high quality and are ISO certified for environmental and quality management or they have a good climate profiles and policies. The suppliers we have worked with in 2021 are RP-Möbler (office furniture and fittings) and Techster (IT solutions) who have helped us secure our work environment in the home when office or on-site work became impossible due to the pandemic. We rented furniture and tech from RP-Möbler and Techster rather than buying furniture and tech that we won't have use for in the future and which will also have a large climate impact. A new supplier for 2021 is I-store who provide advertising and printed material keeping close control for sustainability.

5.3 Anti-corruption

Netlight ensures we maintain our responsibility and business ethics with a strong commitment against bribery and corruption. Our firm conviction is that corruption is a threat to economic, social, and democratic development. It deters competitiveness and represents serious, long-term risks for companies. To counter corruption, Netlight has an anti-corruption policy for the purpose of defining applicable standards for prevention, deterrence, and discovering the presence of bribery and corruption in our operations. The policy is also a supplement to the Netlight Supplier Code of Conduct.

The objective of combating corruption within operations also includes Netlight's clients and suppliers. We expect:

- ✦ Our business partners to follow all applicable anti-corruption legislation.
- ✦ Our business partners to not take or offer bribes.
- ✦ Our suppliers to comply with all applicable laws and international agreements regarding intellectual property and refrain from infringing these rights whether they belong to Netlight or a third party.
- ✦ Our business partners to respect fair competition and open markets, and to comply with applicable anti-trust and competition legislation.
- ✦ Our business partners respect and follow all applicable confidentiality restrictions. Our employees may not receive gifts or other benefits, and actively work to combat corruption and unethical conduct.

Risks and opportunities

To ensure that our supplier invoices contain correct information, our managing purchaser reviews these to then forward them for one or two more steps (based on amount) before they are approved for payment. These invoices are also reviewed by the bank. Internal controls and random sampling in accounts are conducted at regular intervals. To ensure that our vendor registry is updated with current information, we conduct semi-annual audits of our contract registry. When Netlight enters a new contract with a supplier, the Finance function registers a managing employee to that contract. The registration process includes tracking the validity dates for the contract and the contract manager is notified by email of the ending validity date to ensure the contract can be checked to determine whether it will be renewed and updated.



Looking forward

6. Looking forward

Netlight is one of Europe's fastest growing IT consultant businesses. Sustainability is important to Netlight's operations and we will continue our sustainability activities with:

- ✦ Regular reviews during the year of our climate targets jointly with GoClimate.
- ✦ Quarterly tracking and reporting total global climate emissions and environmental impact.
- ✦ Increase the percentage of vegan meals.
- ✦ Continue to count and meet more women and work together with other companies in the industry for equality and inclusion.
- ✦ Ask our clients to comply with the Netlight Supplier Code of Conduct to ensure that all our clients respect human rights.
- ✦ Act transparently to enable sharing our solutions between each other and creating greater impact together.

The board of directors and CEO for Netlight Consulting AB in Stockholm as of the date presented by our electronic signature.

Gustaf Eriksson
Board Chair

Kristoffer Nilsson
Director

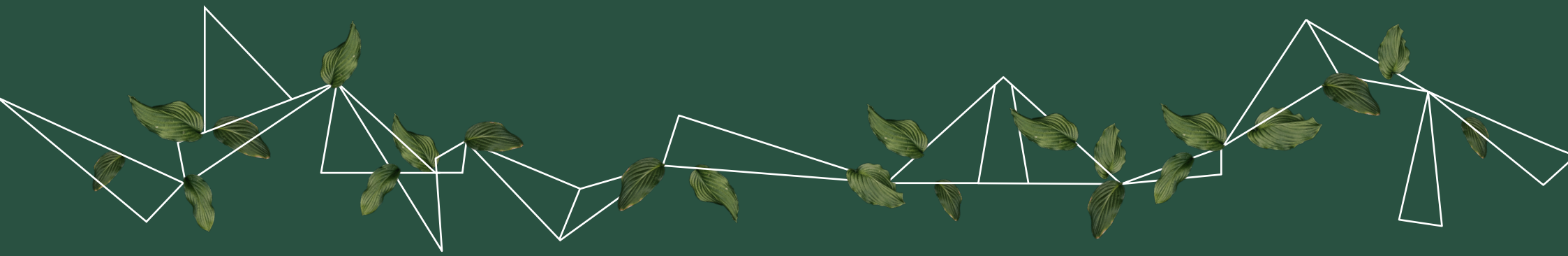
Djavad Hedayati
Director

Katri Junna
CEO

Felix Sprick
Deputy CEO

Our audit report was submitted the date presented on our electronic signature.

Ernst & Young AB
Christian Borg
Certified Public Accountant



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