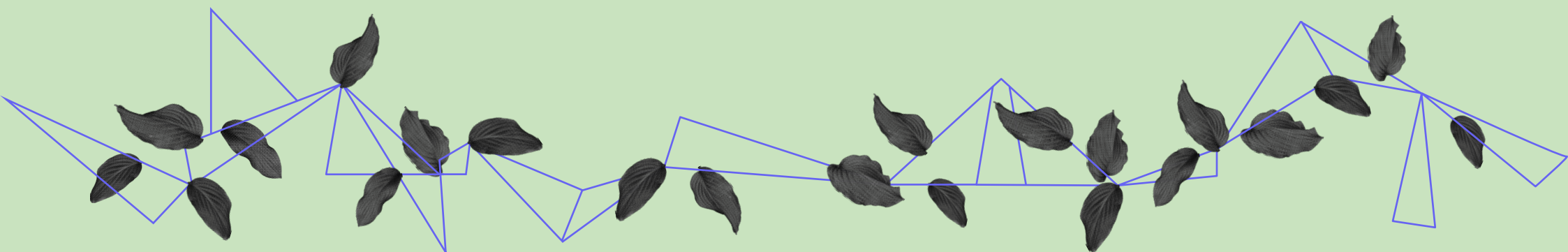




Netlight AB
2022



SUSTAINABILITY REPORT



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- 1.1 Who we are
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Introduction

1.1 Who we are

The sustainability report for 2022 constitutes the group's and the company's statutory sustainability report and is part of the management report for Netlight Consulting AB (publ) with organisation number 559331-7034.

Netlight Consulting AB (publ), in this report called Netlight, is a consulting company within IT and digital transformation with around 2,000 employees across Europe. In Sweden, there are 850 employees and internationally, Netlight operates in Denmark, Finland, Norway, Germany, the Netherlands, and Switzerland, where there are another 1,150 employees distributed over a total of eleven offices. Since 1999, Netlight helps clients across several industries – such as media, finance, e-commerce and transport – to succeed in their ambitious digitalisation journeys. Together with approximately 300 clients worldwide, Netlight can offer a wide range of digital services.

Netlight is characterised by an open, encouraging and prestige-free culture. We are a flat organisation without manager titles, with a focus on relationships and collaboration. The Netlight model creates great commitment and responsibility among the employees, which influences the entire organisation and the decisions we make. Instead of manager titles, each employee gets their own mentor and career coach for personal development, support and continuous learning. Over the years, Netlight has been awarded several times for growth as well as for driving important initiatives and areas, one example being gender equality.

The report focuses on Netlight's sustainability work in 2022, which includes climate, environment, society, equality, and diversity, as well as information security and data protection.

1.2 Our view on sustainability

Sustainability is an important part of Netlight's business, and we want to act as a role model in the IT industry and show that it is possible to create change. The greatest impact is made every day through our consultants at our clients, where we together contribute to positive change in society. Our hope is to further spread our commitment through active and ambitious environmental and social work outside of Netlight. Netlight's climate policy, *Climate First*, forms the basis of the environmental work and creates both transparency and leads to concrete results. Since 2017, we have been measuring parts of Netlight's CO₂ footprint, which enables us to follow the impact and results of our investments. Furthermore, Netlight is passionate about increased equality and diversity in the industry and work strategically and actively with these initiatives.

1.3 Our climate journey

Netlight measures its climate footprint to be able to drive positive change and act where it has the greatest effect. Over the years, we have identified that *business travel* is Netlight's largest source of emissions. IT purchases, events, food, and offices are also sources of emissions that contribute to climate impact. Netlight's climate policy engages the employees in making environmentally conscious choices and spread lessons about environmental work. In turn, *Climate First* includes the initiatives *Train First*, *Veggie First*, and *Fix First*.

Train First means that we strive to replace business-related air travel with train. The aim is to completely replace air travel and to increase the level of awareness among employees. At all Netlight events, conferences and meetings, Veggie First is applied, which means that vegetarian or vegan meals are served. Fix First imply to maintain and repair technical hardware and office furniture and materials, to the greatest extent possible, rather than buying new goods. All these initiatives are used as guiding principles and considered in the daily work as well as used as support for decisions making.

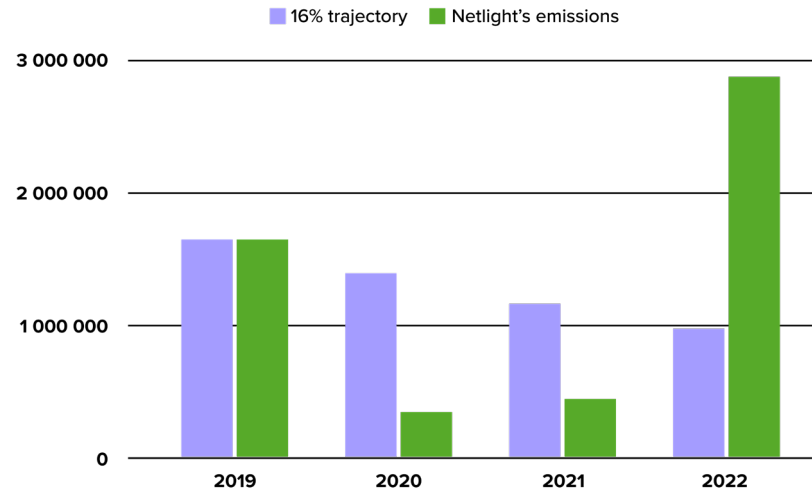
1.4 Netlight's climate goal

Netlight's climate goal is to reduce carbon dioxide emissions linked to our operations by 16% annually, which is aligned with the Paris Agreement 2015 and a goal that was set in 2018. Netlight's climate goal is part of our work to combat the climate crisis. As part of Netlight's commitment to achieving our targets, we calculate our emission sources annually. This helps us identify if we need to take more ambitious action to achieve change, or if we need to set new targets going forward. We constantly strive to improve our environmental initiatives, and Climate First is a living policy that both highlights the individual's opportunities and responsibilities but also Netlight's joint initiatives and collaborations.

Netlight's benchmark year is currently 2019, which means that we start from 2019's calculations when comparing results. The goal of reducing emissions by 16% per year is set between the years 2019 and 2025. This means that Netlight's emissions should have decreased by 65% by 2025 and 41% by 2022 in relation to the emissions we had in 2019. The emissions that are taken into consideration is Scope 1, Scope 2, and food, IT equipment and business travel which fall under Scope 3. Netlight has made drastic improvements in ways of working when calculating emissions over the years, which has resulted in better data quality in 2022 in relation to 2019.

This year, Netlight has chosen to include more emission sources than before, when we were not able to make these calculations. As of 2022, we have expanded the range of categories with *hotel nights* in connection with business travel and *employee commuting* to and from the respective office. In previous years, only the emissions associated with electricity and heat consumption were included, while as this year, we have added *home offices*, *waste* and *water consumption*. The new categories set a new, higher standard for Netlight's future sustainability reports and result in a more comprehensive and thorough analysis of our emissions. This gives us a clear starting point for the upcoming years.

Since 2019, Netlight has almost doubled the number of employees globally; from 1,165 employees as of 2019-01-01 to 2,029 employees as of 2022-12-31. This is an important factor to consider when looking at the outcome of the emissions of 2022.



Going forward, Netlight needs to focus on making active choices to achieve our climate goals. As a result of improved and extended data collection, and an increased number of employees, Netlight needs to review where the largest climate footprints are made and how to reduce these. 2022 is therefore the new benchmark year going forward and will give us the opportunity to present fairer results in the future.

We acknowledge the long-term responsibility in reducing our emissions and take the current forecast seriously. In the following chapters, our largest emission sources are identified and presented.

2.1 Climate results and calculations

2.2 Netlight's emissions in 2022

2.3 Risks and opportunities





2.1 Climate results and calculations

Method

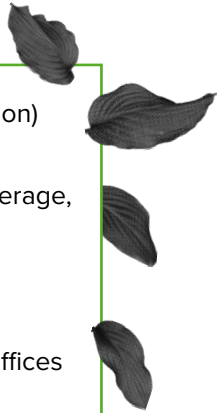
A dedicated group has calculated Netlight's emissions on a quarterly basis during the year. These reoccurring meetings have enabled us to improve the ongoing climate work and made it easier for us to discover risks, opportunities and trends. During the year, GoClimate has supported Netlight in increasing the understanding of our climate footprint, and in ensuring that the data collection has been analysed as accurately as possible. Once Netlight's annual data collection was completed, GoClimate analysed the information and assisted with a comprehensive analysis and report, which forms the basis of the 2022 sustainability report.

The calculations for Netlight's climate emissions are based on the international standard for corporate climate calculations, the Greenhouse Gas (GHG) Protocol, and are carried out in collaboration with GoClimate. Scope 1 includes car and real estate emissions, which is not applicable to Netlight. Scope 2 includes indirect emissions from the production of purchased electricity, heating, and cooling consumed. Scope 3 includes all other indirect emissions that occur in the value chain but that we do not own or control. Scope 3 is voluntary to report but we are aware that a significant part of Netlight's emissions falls under Scope 3. Therefore, we have taken greater responsibility for these calculations, even though it is not a requirement of the GHG Protocol.

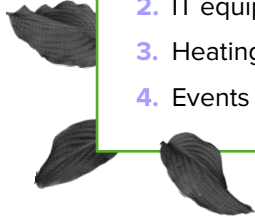
Limitations

Deliveries by external suppliers, purchases of furniture, flights booked by clients on behalf of Netlight's consultants, and food paid for by employees for compensation are not included in the calculation for 2022 nor in previous years' calculations.

The calculations include:

- 
- ✦ Business travel (transport and accommodation)
 - ✦ Purchase of electronics (IT equipment)
 - ✦ Conferences (consumption of food and beverage, energy use of the premises, gifts)
 - ✦ Events
 - ✦ The offices' energy and water consumption
 - ✦ Consumption of food and beverage in the offices
 - ✦ Employee commuting
 - ✦ Work from home
 - ✦ Waste

Netlight has identified four areas as the largest sources of emissions:

- 
1. Air travel
 2. IT equipment
 3. Heating and electricity consumption of offices
 4. Events and purchase of food

2.2 Netlight's emissions in 2022

Scope 1

Cars and real estate

Netlight has no climate footprint that includes direct emissions from owned or controlled sources. Cars hired for business travel are outside the company's operational control and are therefore classified as Scope 3.4. Also, Netlight does not own any real estate, as office premises are rented.

Scope 2

Office, electricity and heating

Netlight's offices are a place for meetings and interactions between colleagues, clients, and recruits. The offices account for a large part of Netlight's climate footprint, and we work actively to improve our processes to reduce the climate footprint. The deliberately central location of all offices makes it possible to get to work via, for example, bicycle, walking or public transport, for most of our employees. This year, Netlight has calculated the climate footprint of the employees' daily commute, and the effect of the offices' location can be found under Commuting further down.

Netlight can continue to keep the office space small in relation to the number of employees, since most of the employees work on-site at the client. By choosing green electricity for most of the offices, Netlight has avoided 243,091 kg of CO₂ emissions. If non-green energy had been used at all offices, CO₂ emissions from electricity would have been 92% higher. There is an apparent increase in energy and heat consumption in 2022 compared to previous years. During the year, Netlight has continued to expand office spaces globally, resulting in the greater electricity consumption. 2022 was also the year that Netlight welcomed the employees back to Netlight's offices at full capacity, after almost two years of home offices due to the COVID-19 pandemic. According to the GHG Protocol, Netlight reports energy emissions based on the location where the electricity is produced (plastic-based method). Netlight's total electricity emissions were 103,245 kg CO₂ for 2022.

Netlight is a growth company, where the strong growth has led to the expansion of office space. When Netlight looks into new office premises, we consider our needs over an extended period, since every relocation of offices creates a great climate footprint. For example, we explore the possibility of renting a larger office space and renting out space we do not use initially. In this way, we can keep the same address for a longer period and gradually grow into the space we need. It also means that we can largely avoid office moves, which lead to large purchases and adaptation of premises. In renegotiations and new office contracts, we have chosen to work with landlords who can offer green electricity contracts, smart recycling options or have a climate-certified office building.

The emissions for office premises in 2022 include emission sources that were not previously included in our calculations. Netlight is constantly working on expanding and improving the calculations for the climate sources available, to give a comprehensive picture of Netlight's total climate footprint. In previous years, only the emissions associated with electricity and heat consumption have been included. This year Netlight has added waste and water consumption. Netlight's total waste and water consumption are based on the Stockholm office's data.

The calculations of emissions for *home offices* in Table 2.3.2 are based on Eco-act's methodology, considering the number of days working from home and the electricity use of a computer. The use of heating and cooling was assumed to be irrelevant in the calculation, provided that they are constantly in use even when no one is at home. The number of days and months our employees have worked from home was determined through a survey sent to all employees, to which 22% responded. The climate emissions for the home office are based on data from the survey.

Table 2.3.1
Total emissions for electricity and heat per office, specified in kg CO₂

Office	2022	2021	2020	2019
Stockholm	6,212	6,402	4,821	4,450
Zürich	2,763	0	2,061	0
Oslo	0	4,508	23,226	23,943
Helsinki	46,481	25,012	18,856	4,761
Munich	4,587	15,598	13,464	21,613
Hamburg	0	0	0	16,724
Berlin	809	2,284	3,043	550
Copenhagen	9,506	85	403	0
Frankfurt	5,488	6,913	1,378	0
Cologne	2,950	0	0	0
Amsterdam	9,074	0	0	0
% Change from 2019	18.8%	-15.1%	-6.1%	
Total	81,273	60,803	67,252	71,591

81,273 kg CO₂

Table 2.3.2

Total emissions for office premises and home offices in 2022, specified in kg CO₂

Office	Electricity consumption <i>market-based*</i>	Heat consumption <i>market-based</i>	Energy production and distribution <i>market-based</i>	Waste	Water	Home office
Stockholm		6,212	1,422	1,566	587	
Zürich		2,763	1,514	106	40	
Oslo			659	295	110	
Helsinki		46,481	3,089	212	80	
Munich		4,587	4,957	786	80	
Hamburg			1,283	291	109	
Berlin		809	1,475	222	83	
Copenhagen		9,506	1,944	138	52	
Frankfurt	4,944	544	1,063	69	26	
Cologne	2,781	169	577	6	2	
Amsterdam	8,564	510	2,097	24	9	
Total	16,289	68,820	20,079	19,529	1,392	32,979

**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.*

Scope 3.1**Food**

Veggie First means that vegetarian or vegan options are always the first choice when serving food to employees. At all major events, such as Netlight's annual conferences, Summits, only vegetarian or vegan food is served. From the reported climate footprints related to food in 2022, we can see that 96% of the food served was vegetarian or vegan.

In 2022, Veggie First contributed to avoiding 9,775 kg of CO₂ emissions during Summits. If meat had been served to all participants, the CO₂ emissions from food during these conferences would have been 54% higher, assuming that the carbon footprint of a meal of meat is 2 kg CO₂.

As a result of the home office that the COVID-19 pandemic brought during 2020 and 2021, food purchases were done mainly by the employees themselves. Data for self-ordered food could not be included in the previous climate reporting since Netlight could not determine the climate footprint of the meals. In 2022, food expenses made by our employees decreased, and Netlight have a more extensive and accurate database for the purchase of food, resulting in a better estimate of the climate footprint. This is a contributing factor to the emissions for purchase of food being significantly higher in 2022, than in previous years. With Netlight's event organisers taking back ownership and applying Veggie First, we estimate that the number of meat dishes consumed by our employees has decreased.

44,121 kg CO₂

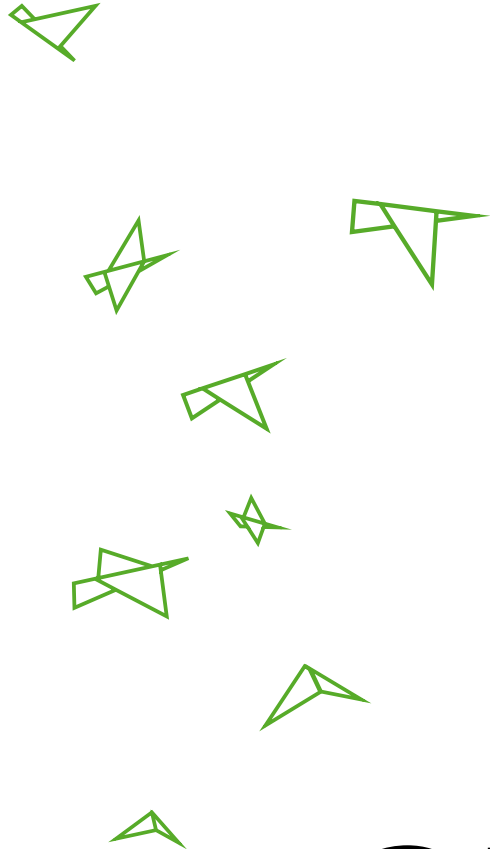
Table 2.3.3
Total emissions linked to the purchase of food, specified in kg CO₂

Office	2022	2021	2020	2019
Stockholm	11,257	1,765	970	2,583
Zürich	350	91	84	1,441
Oslo	882	857	144	847
Helsinki	864	38	70,4	555
Munich	9,882	376	n/a	n/a
Hamburg	1,258	163	498	4,378
Berlin	989	174	208,8	223
Copenhagen	419	700	148.2	1,852
Frankfurt	42	12	85	50
Cologne*	0	0	0	0
Amsterdam**	3	2	0	0
Annual conferences (Summits)	18,176	3,229	3,842	8,465
% Change since 2019	116.3%	-63.7%	-70.3%	
Total	44,121	4,177	2,208	11,929

* The office opened in 2022

** The office opened in 2021

Scope 3.2



IT equipment

IT equipment is Netlight's primary work tool and constituted 8.2% of Netlight's total climate footprint in 2022. IT equipment is thus Netlight's second largest source of emissions and includes computers, monitors, and phones. Netlight has created and adopted the purchasing and consumption policy *Fix First*. For example, in connection with new hardware orders, employees are asked to actively choose between new and pre-used equipment. Choosing a pre-used phone or computer significantly reduce emissions. Fix First also means that Netlight first investigates the possibility of fixing broken equipment, before making the decision to buy new hardware.

When comparing 2022 to 2019, Netlight has reduced the emissions related to IT equipment by 12%, and per employee, from 225 kg CO₂ to 136 kg CO₂. The reduction is positive considering that the number of employees has increased during the same period.

Netlight continuously monitors current equipment and recycles non-functional units. In addition, at some offices, Netlight regularly sells older, still functioning, models of equipment to employees. We believe these devices should not be discarded but instead can be used for private purposes. The initiative started in Stockholm and has now been extended to other offices, such as Munich and Oslo. In this way, Netlight extends the lifespan of equipment and at the same time, increase awareness among employees about the climate impact of IT equipment.

271,389 kg CO₂

Table 2.3.4

Total emissions per office linked to the purchase of IT equipment specified in kg CO₂

Office	2022	2021	2020	2019
Stockholm	95,163	91,728		
Zürich	4,226	11,453		
Oslo	20,514	12,672		
Helsinki	14,609	23,169		
Germany***	128,400	80,721		
Copenhagen	7,320	10,500		
Amsterdam	1,158	n/a		
% Change since 2019	-11.7%	-25.1%	-37.1 %	
Total	271,389	230,243	193,485	307,511

Table 2.3.5

Total emissions linked to the purchase of IT equipment specified in kg CO₂

Source of emission	2022
Computer	169,274
Phone	31,114
Screen	71,002
Total	271,389

*** Contains all offices in Germany; Munich, Berlin, Hamburg, Cologne, Frankfurt

Scope 3.3

Travels

The years of 2020 and 2021 were marked by the COVID-19 pandemic, which limited the opportunities for Netlight to meet physically. This resulted in reduced traveling between Netlight's offices and, consequently, lower levels of CO₂ emissions connected to travel. The limitations created a great desire to meet physically, which is reflected in Netlight's climate data for 2022, when the restrictions were lifted. Netlight is a global company where collaboration between offices is essential for the company's development and knowledge exchange. To create deep and meaningful relationships, Netlight employees communicate and meet to a great extent digitally, but there is also a need to meet physically to deepen relationships further. Train First means that the first choice of transport is always train whenever possible. The choice of means of transportation is crucial to keep CO₂ emissions as low as possible. Unavoidable air travel is 100% climate compensated by Netlight.

Air travel is identified as one of Netlight's most significant sources of emissions, which plays a key role in why our climate goal has been challenging to achieve in 2022. In 2022, air travel amounted to 2,494,865 kg of CO₂, and in relation to the benchmark year's (2019) emissions, when the corresponding number was 1,264,000 kg CO₂, there is an increase of 98%. This should be put in relation to the number of employees, as the number of employees globally has almost doubled since 2019. The relative increase in carbon dioxide emissions per employee between 2019 and 2022 is noticeably smaller at 36.5%, which more fairly reflects the travel habits of our employees. However, the importance of total emissions should not be minimised or overlooked.

The trend of increased travel is also found in train and taxi travel data. In total, for 2022, train journeys amounted to 7,547 kg CO₂ and taxi journeys to 3,619 kg CO₂, which is a significant increase compared to the previous year.

To demonstrate further awareness, Netlight has included CO₂ emissions associated with accommodation in this year's report, calculated by GoClimate using a standardised CO₂ value per currency unit. The choice to expand our climate calculations linked to accommodation connected to travel is a contributing factor to an increase in the absolute CO₂ figures for travel.

In total, in the travel category, CO₂ emissions amount to 2,630,023 kg CO₂. Netlight will closely examine the development of business travel in 2023 and compare it to 2022 figures, to identify if employees' travel habits have changed. In future sustainability reports, we also want to investigate whether the 2022 results can be explained by a temporary increase in travel in the footsteps of the lifted restrictions of the pandemic.

Table 2.3.6
Total emissions linked to travel in 2022, specified in kg CO₂

Office	Airplane	Train	Taxi	Accommodation	Total Emission
Stockholm	993,500	649	2,262	23,234	1,019,645
Zürich	28,000	1,465	40	9,228	38,733
Oslo	309,100	254	243	12,487	322,083
Helsinki	273,700	23	426	6,413	280,562
Germany***	742,600	3,788	574	64,866	811,828
Copenhagen	121,000	801	56	6,226	128,783
Amsterdam	24,000	157	18	1,539	25,715
Conference (Summits)	2,265	411	0	n/a	2,676
Total	2,494,865	7,547	3,619	123,992	2,630,023

*** Contains all offices in Germany; Munich, Berlin, Hamburg, Cologne, Frankfurt

2,630,023 kg CO₂

Scope 3.4

Commuting

In line with Climate First, Netlight has chosen to place all offices in a central city location to enable commuting by bicycle, foot or public transportation.

In previous sustainability reports, the climate footprint of commuting between home and workplace has not been calculated. Therefore, it is a newly introduced emission source for 2022. Together with GoClimate, Netlight conducted a survey for employees on how they commute to either a Netlight office or a client’s office. The total commuting emissions are based on the survey’s response rate of 22%, but the result shows an estimated emission for a 100% response rate.

In the survey, the answer options were divided into different means of transport, and which of these are used in two different seasons; autumn/winter and spring/summer. The possibility to select more than one means of transportation per season allows each means to be included, making the total percentage per seasons greater than 100%.

Table 2.3.7

Total emissions linked to commuting between home and workplace specified

Transport	2022	% nr of people during autumn/winter	% nr of people during spring/summer
Walk / Run	0%	4.53%	9.09%
Bicycle	0%	9.07%	61.98%
Electric Bike / Electric Scooter	3.8%	0%	1.65%
Train	38.2%	4.30%	1.43%
Subway / Tram	21.3%	19.33%	3.58%
Bus	30.3%	64.68%	1.43%
Car	6.3%	18.62%	0.48%
Totalt	113,093 kg CO₂		

113,093 kg CO₂

Scope 3.5

146,784 kg CO₂

28% answered that they changed the way of traveling between the two seasons, which is reflected in the result that more people choose to cycle during spring/summer. This is a contributing factor to the fact that commuting emissions account for only 3.4% of the total climate footprint.

Netlight's annual conferences – Summits

Twice a year, all Netlight employees get together during the weekend for a Summit. The purpose of these conferences is to strengthen relations between employees and offices. They also focus on strategic development and knowledge sharing, which is an important part of Netlight.

Around 900 employees attended the 2022 spring Summit, a weekend event in Vigsø, Denmark. Most participants travelled by train to Copenhagen and by bus to the destination, except for the employees in Helsinki and Zurich. Train was not an option for the Helsinki employees who needed to travel by air. The Zurich employees travelled by train to the destination, but the return journey was made by air travel since there were no suitable train connections. Accommodation for all participants was in cabins with four to five people on a campsite.

To comply with Train First, the autumn Summit happened at two different locations at the same time and the employees were allocated a destination based on their geographical location. 600 employees from the Nordic offices and Amsterdam gathered in Copenhagen, and in Berlin, 500 employees from the DECH offices (the offices located in Germany and Switzerland) got together. All participants travelled by train to the Summit, except for the Helsinki and Oslo employees who travelled by air, as train was not possible.

Netlight have chosen to calculate the emissions connected to giveaways during the Summits. At the spring Summit, all participating employees received terry trousers and a sweater, and at the autumn Summit the giveaway was a bum bag. Netlight's guideline for giveaways in connection to Summits is that they must be reusable by the employees after the conference.

Up until now, Netlight has not calculated the emissions connected to Summits. For 2022, we have chosen to include it in the sustainability report to get a clearer overview of emissions. The calculation for Table 2.3.8 is only for visualising the climate footprints of our conferences and is presented under the total climate emissions for Netlight.

Table 2.3.8

Total emissions linked to spring and autumn conferences (Summits), specified in kg CO₂

Emission source	Spring Summit	Autumn Summit	Total
Travel	1,368	1,308	2,676
Food & Drink	7,919	10,257	18,176
Site – market-based	50,855	54,487	105,342
Site – local based	2,213	2,372	4,585
Giveaways	11,051	4,954	16,005
Total	73,406	73,378	146,784

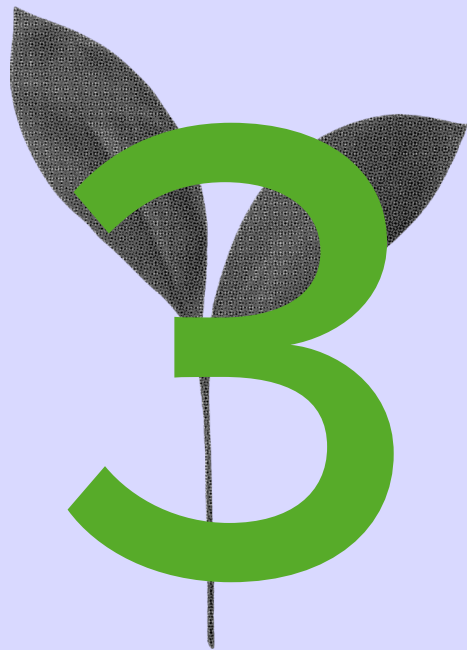
2.3 Risks and opportunities

Future calculations

Netlight's internal processes for collecting climate data are constantly evolving. We see opportunities in using our external partners to gain a better understanding of our emissions. Netlight's partner Skovik, a portal where the employees register expenses, helps us to extract more detailed figures for some of the calculations and simplifies the administrative work. During Q4, Netlight started a new collaboration with the travel tool Egencia, who helps us with the administrative work of booking travels. The Egencia portal gives us an overview of how our employees travel between Netlight offices in an accessible and efficient way. Going forward, Netlight's goal is for all air and train travel to be booked through Egencia and, in the future, these travels will be included in Netlight's climate reports.

ISO certified in environment and quality

Netlight Consulting AB is certified according to ISO 14001 for environmental management and ISO 9001 for quality management for the Stockholm office. The ongoing ISO work creates the conditions for systematically identifying opportunities and risks in our environmental and quality work, which are then analysed and addressed. In 2022, an external audit was carried out at Netlight, including internal environmental and quality requirements, among other things. The review resulted in an approved result.



Societal engagement

3. Societal engagement

Netlight employees receive a gift each year in the form of donations or investments in our planet. In 2022, the gift came in the shape of a new partnership with the World Food Programme (WFP) Innovation Accelerator that will run throughout 2023. The purpose of the partnership is to contribute to preventing world hunger, and thereby lay the foundation for a better future, through Netlight's services. Specifically, Netlight will actively contribute to developing high-potential innovations, technologies, and business models aimed at ending hunger worldwide. This unique opportunity is a big step towards becoming the best consultants for the world and a role model in terms of driving sustainable change.

Sustainability initiatives

Netlight as a company has a responsibility to monitor our carbon dioxide emissions, as well as do what we can to reduce them. For a long time, climate compensation has been part of Netlight's Employee Value Proposition.

In 2022, Netlight climate compensated for the business travels by air made during the year, by investing in a Gold Standard certified climate project in Kenya. The project aims to help families replace their three-stone open-fire stoves with new and cleaner cookstoves, to create a healthier environment for cooking food in. The new cookstoves reduce the amount of fuel needed by almost 40%. Each cookstove has a serial number that is scanned and assigned to a family, so that sales can be recorded in a transparent and continuous manner. The project distributes affordable, durable, and energy-efficient cooktops to families across Kenya.

On individual level, Netlight took a further step forward in the climate work, aiming to encourage employees to carry out climate actions in their everyday life to avoid emissions. One initiative was *Pass it forward* where the employees themselves presented a goal to achieve during a certain period, for example, to not buy new clothing for a month, with the goal of inspiring others to take on the same challenge. Netlight

climate compensated 10 EUR for each completed climate act. During one period, extra emphasis was put on Pass it forward and the reward for each completed act was increased from 10 EUR to 20 EUR. This resulted in 400 completed climate actions during the period. Through Pass it forward, Netlight's employees succeeded in preventing 1,180 tons of CO₂ in 2022.

GoClimate

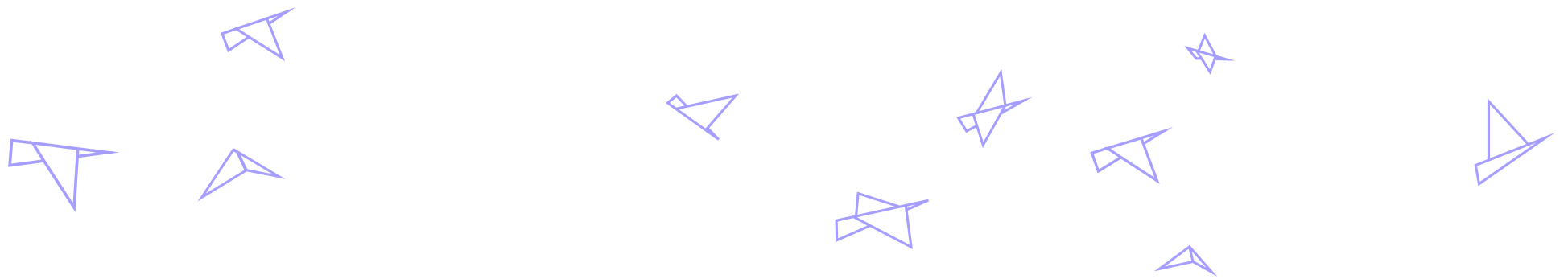
For the third summer in a row, Netlight provided interns to GoClimate, and during the summer of 2022, Netlight provided seven IT students to help GoClimate develop its services. Netlight is proud to have a close collaboration with GoClimate, where the primary focus is to help GoClimate simplify its website and make the service more accessible to those who want to make active choices in everyday life, and climate compensate for their emissions. GoClimate focuses on mitigating climate change with a focus on reducing carbon emissions. The main service they offer is to help both individuals and companies offset by calculating their carbon footprint and then compensating for it. The seven interns worked on the project, and all are now employed at Netlight as consultants. The collaboration with GoClimate continues in 2023.

Netlight developed three of their services:

- ✦ Developed a new feature that offers individuals to take on high-impact, low-effort climate challenges, such as challenging their shopping or commuting habits.
- ✦ Improved the user flow of the GoClimate website when individuals want to calculate their carbon footprint.
- ✦ Simplified and improved the calculation of the carbon footprint of companies by working with accounting data and its categorisation. Through this practice, Netlight enabled faster development of GoClimate's ideas to help the environment.

Greenlight

Greenlight is a group of committed employees with an interest in environmental issues who drive initiatives and climate projects at Netlight that benefit themselves, Netlight, and clients. Initiatives can be based on everything from a strong desire to train clients in equal recruitment to inspire their surroundings to living more climate-smart. Greenlight is a global community for Netlight employees with the purpose to discuss, spread information, and create new networks with the environment as a common denominator.



4.1 Equality and equity work

4.2 Work environment and culture



Employees

4.1 Equality and equity work

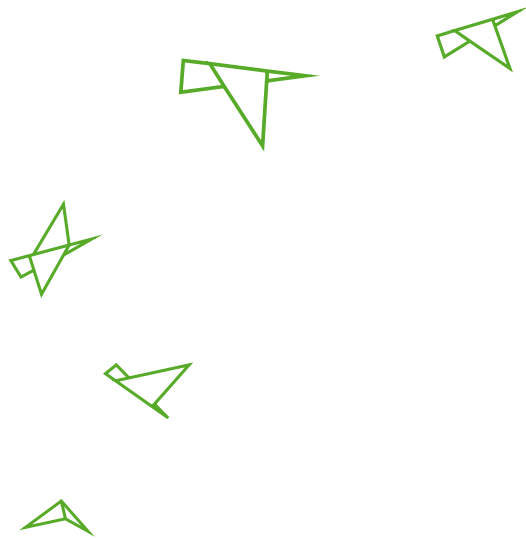
Equality initiatives

A fundamental requirement for a gender-equal company is an even gender distribution, which is why processes in recruitment and sales are permeated with a continuous focus on equality. In 2021, Netlight achieved a historical milestone when we passed 31% women employed globally, as a direct result of Netlight's commitment and hard work to find, attract, and recruit more women. In 2022, Netlight continued this important work, resulting in us now being 34% women globally at Netlight.

We are convinced that DEI (*Diversity, Equity, Inclusion*) is critical to business success and should therefore be seen as an integral part of Netlight. It has been a recurring theme in various forms throughout Netlight's history. For example, our equality policy, *Declaration of Equality*, written in 2007, or the *Vostok* initiative launched in 2012, where we have actively worked to meet high standards of equality within the organisation, and help Netlight address binary gender equality. This does not mean that the work is easy. Nor does it mean that we are done. After 22 years of Netlight, we understand we have only scratched the surface so far. There is still much work to be done for us to get where we want to be when it comes to DEI. To continue to channel this insight and take diversity, equity, and inclusion to the next level, this year, we formulated and introduced *Kaleidoscope*, a strategic agenda to define our approach and guide our work going forward.

The Code Pub

One of several equality initiatives at Netlight is *The Code Pub*, a network for women and non-binary individuals in IT, which now has over 5,000 members in Europe, aimed to attract and retain more women and non-binary individuals in the IT and technology industry. Netlight's efforts to be role models involve work through both internal and external initiatives. Every quarter, Netlight invites existing and new members of The Code Pub to meet-ups where they can strengthen their programming skills, share their knowledge, and at the same time get the opportunity to gain more female and non-binary role models in IT. Within Netlight, this is an initiative that extends globally across all our offices.



TechEq

Netlight's external industry initiative, *TechEq*, started in 2014 and is an initiative for companies in the tech industry aimed at working together for equality. The work towards greater equality does not mean we are competitors, rather, we benefit from everyone working together for a more equal industry. By signing an agreement, companies commit to actively working for a more even distribution of women and men throughout the company, to collaborating with the other companies in TechEq, and to counting the proportion of women and following up on the results of their work. Today, over 100 companies are part of TechEq.

Symmetry

Symmetry is an internal initiative and global network consisting of women and individuals who identify as women at Netlight. The aim is to create a safe space for women to exchange experiences, create role models, and support each other. Through this network and initiative, we want to drive inclusion at Netlight and create safe forums for women and those who identify as women at Netlight. We strive to create a strong network and inspire by increasing the visibility of our role models.

Gender equality education

Netlight educates various actors on gender equality. Among them is the student consultancy company, *We Know IT*, where we coach them through workshops and lectures in equal recruitment and then follow up on goals and numbers. Through the *Empower Women in Tech* mentorship programme, we aim to attract women studying technical courses and provide them with role models in the IT industry. In this initiative we connect students with women at Netlight who act as mentors and career coaches. Netlight also shares knowledge with clients on how they can recruit more women and create an inclusive culture.

Internal gender equality education

Netlight has recently included gender equality and equal opportunities in the introduction for all new employees. During the *Inclusive Leadership* training, employees learn about Netlight's work on gender equality and how to be inclusive leaders at Netlight and with clients. Everyone involved in the interview process and with sales at Netlight receives training in unconscious biases and inclusive leadership.

Men for gender equality

Netlight currently consists of 34% women globally, and these women cannot do 100% of the gender equality work. Five years ago, a group of men at Netlight started the *Purple Pill* initiative. The number of men involved in Purple Pill has increased from 200 men at Netlight to more than 420 men in the past two years. Under the umbrella of Purple Pill, members contribute to gender equality work at Netlight, including everything from creating initiatives to discussing real-life situations. The goal is for all men at Netlight to have participated in at least one meeting, which is why each participant is tasked with bringing a male colleague to the initiative. Purple Pill also organises events to mark the International Women's Day, something that was previously organised by women.

Measurable goals and continuous work

Netlight has a strong focus on diversity and inclusion in recruitment, and we currently choose to measure and report figures related to gender equality. Netlight is working with an external partner to review the type of measurable metrics that are valuable to introduce to measure and follow up on more dimensions. In 2022, we continued to focus on attracting and recruiting women to Netlight and actively working on networks, mentorship, and supporting women in technical education through mentorship and role models.

We achieved a historic percentage of female employees in 2021 throughout the Netlight group, which was 31%. In 2022, this figure increased further, with 34% women. Of all consultants, recruiters, and salespeople recruited in Stockholm in 2022, 36% were women. The goal for Stockholm in 2023 is to recruit 40% women. The recruitment team breaks down the goals and follows up on a weekly basis.

4.2 Work environment and culture

As part of Netlight's sustainability work, the employees and their well-being play a central role. Netlight as an organisation is built on a strong community among our employees and their similarities, differences, experiences, and qualities. All employees are offered equal opportunities to develop professionally and personally. Netlight's focus is to create a safe workplace permeated by health and well-being. Netlight strongly opposes and has a zero-tolerance policy against harassment, bullying, and discrimination.

A starting point in Netlight's work environment management is to act early and implement proactive measures to ensure a sustainable working life. Follow-ups and evaluations of sick leave are carried out continuously, followed by targeted initiatives as needed. The sick leave rate for 2022 is 2.4% in Stockholm and 3.4% for the entire Group.



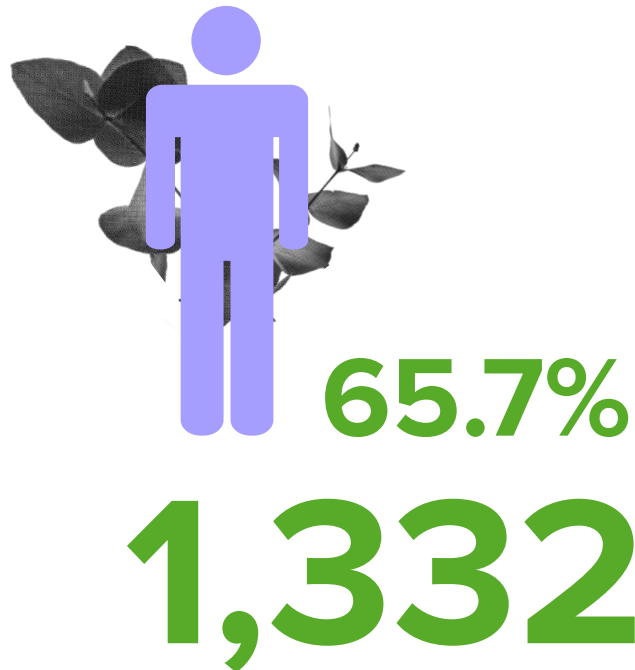
Table 4.2.1
Sick leave rate at Netlight

Sick leave rate	Per 2022-12-31
Group	3.4 %
Men	3.3 %
Women	3.7 %

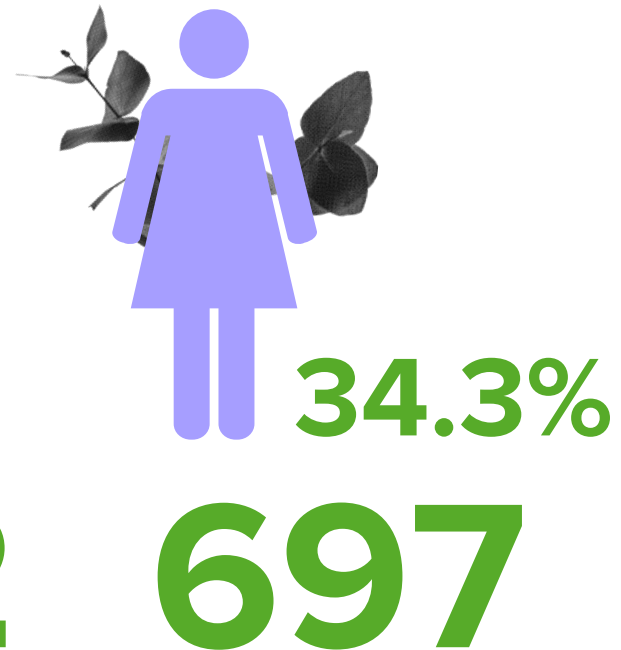
Total number of employees at year end



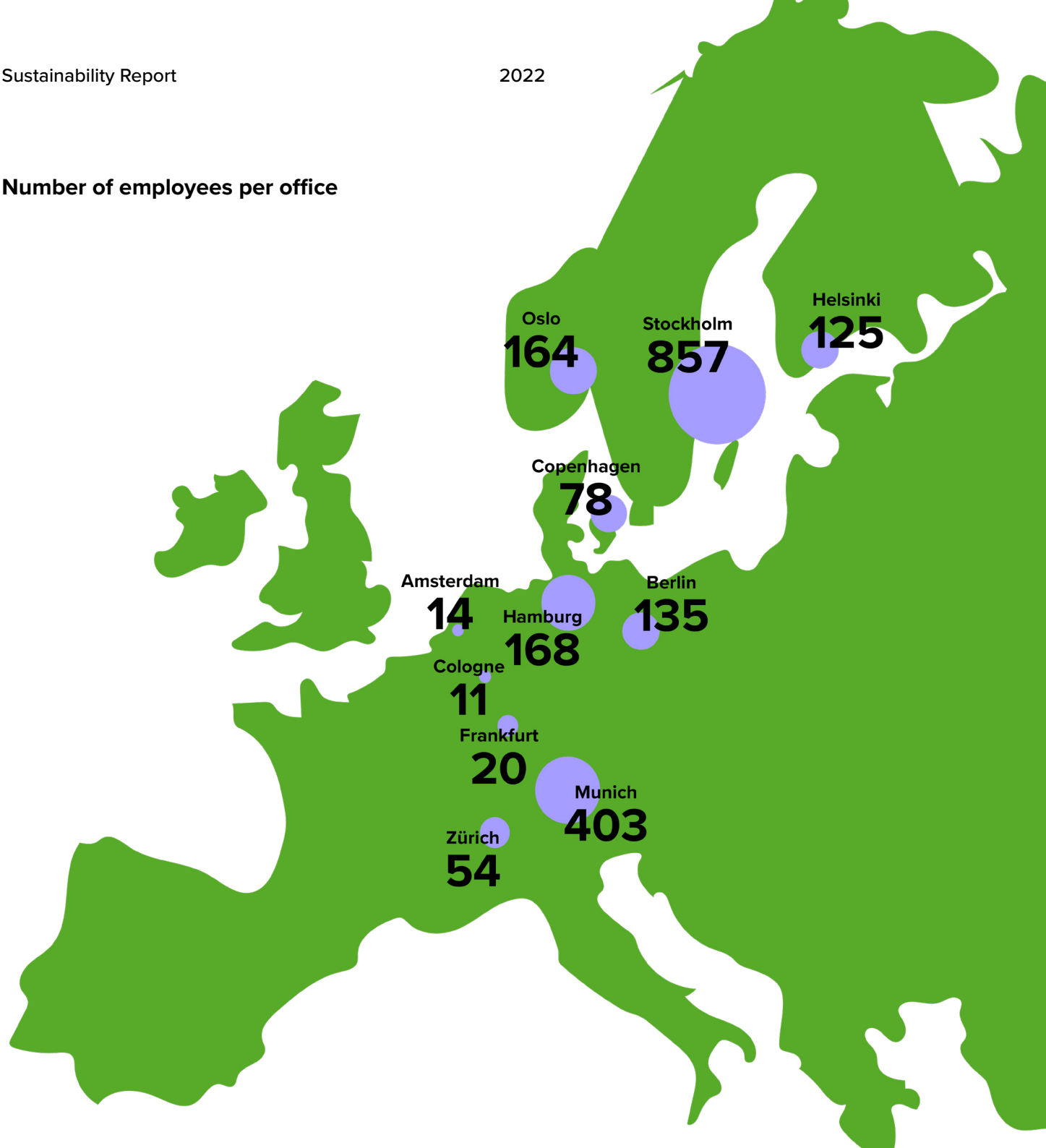
Total men



Total women



Number of employees per office



Sustainable work life

Netlight's work environment is of utmost importance for our growth and development. The work environment is characterised by openness, respect, and equality where all employees can engage and influence through various initiatives and forums. The work environment is constantly present in everything we do in collaboration with all of Netlight. Each employee is surrounded by an individual safety net of dedicated people who identify and support each other in career development and well-being. The safety net is based on trust, competence sharing, and complementing our differences to enable innovation and problem solving.

We continuously carry out risk assessments and draw up action plans for our physical, psychosocial, and organisational work environment in order to constantly develop our work environment efforts. The work environment group consists of representatives from different functions in the organisation and continuously follows up on the ongoing work environment efforts together with our safety representatives.

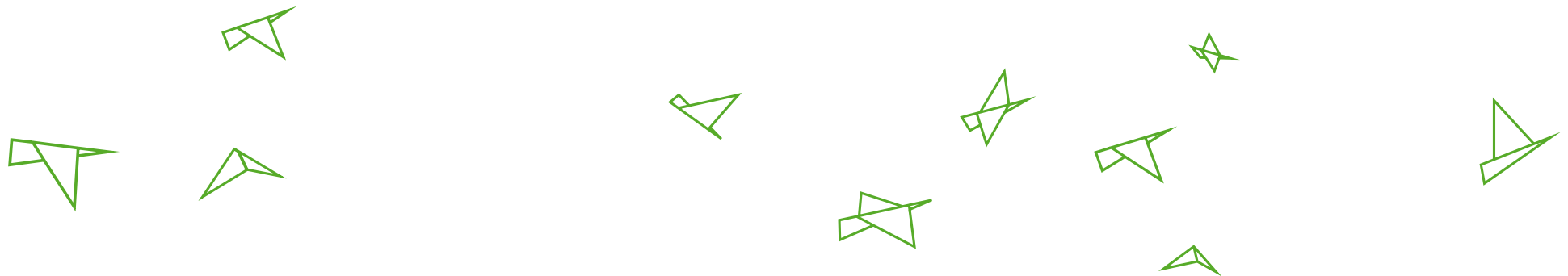
Netlight educates all employees in issues that affect their work environment through internal training programmes. Similarly, everyone has access to our approach to work environment issues through policies on Netlight's intranet. We also conduct training initiatives specifically aimed at Netlight's mentors and partners on health and safety responsibilities, communication, and leadership to identify, prevent, and respond to the different needs of employees. Through Netlight's sales function, Engagement Search, our consultants, work environment group, and HR function, we work actively to ensure a good work environment for our consultants on assignment.


Netlight's offices have an activity-based layout and offer a variety of workspaces and meeting rooms. They favour social interactions as well as more focused individual work. The workplaces in the office landscape are ergonomically designed, including height-adjustable tables, standing mats, adjustable screens, and chairs. Netlight continuously adapts the work environment and provides ergonomic equipment and support based on employees' individual needs.

Netlight's strategy for a sustainable work life is summarised in the *Eternal Flame – Declaration of Sustainable Consulting*. The strategy forms the foundation of Netlight's management structure and is based on the important balance between the passion for what we do and that everyone at Netlight should have the opportunity to work sustainably throughout their career. Netlight's way of working is characterised by self-leadership, being a role model as both leader and follower, for both ourselves and others. As such, employees have a great responsibility for their career development and the confidence to make decisions based on competence and perspectives from the Netlight network. Netlight wants to provide a safe environment for everyone to dare to challenge themselves and to be vulnerable with each other. We learn from our own and others' challenges.

Work environment according to Post New Normal

During the COVID-19 pandemic, Netlight's strategy was to follow the authorities' recommendations while offering a safe environment in the office to meet individual needs. To continue to unleash the full potential of Netlight's employees and clients in how and where we work, we learn from the past years as we enter the post new normal where we organise ourselves based on workspace, instead of workplace. Netlight's *Post New Normal Workspace* strategy emphasises that work life and community are about much more than just where you physically work, which allows for a higher degree of flexibility for personal sustainability.





(1) Workplace to Workspace:

The essence of Post New Normal Workspace is that we move from one workplace to different and more workspaces that are not only tied to Netlight's or clients' offices, but also our home offices. Individuals have different needs for a functional workspace and therefore, we educate and coach in workspace approaches to create the best conditions for Netlight's employees.

(2) Creativity requires Proximity First!:

Netlight has great confidence in the employees to find a flexible way of working through self-leadership with a focus on proximity that works for the organisation, the team, and the client and enables a sustainable working life.

(3) Mutual caring creates togetherness:

With great (personal) freedom comes great responsibility and leadership. We show consideration for the whole picture when working from home and are role models for our clients.

Netlight's office is a meeting place for building relationships, sharing expertise, and enabling creative work together. To meet different needs, Netlight has made efforts to rebuild the office according to the new ways of working. Some examples are areas specially designed for social interaction, inspiring workshops, digital meetings, phone calls, and quiet zones for focused work.

Global collaboration for work environment has increased in 2022, through common goals and sharing of expertise across offices. The purpose is to further unleash the full potential of each employee regardless of office location, through training, global collaboration, and digital forums. In 2022, a new global intranet was launched to increase accessibility to Netlight policies, important communication, and navigation around employment information, career opportunities, expertise sharing, and support.

Employee satisfaction

Netlight conducts an annual employee survey to measure employee satisfaction, consisting of seven categories, see the table below. The response scale ranges from 1-5, and this year's global result gave an index of 4.15 compared to 4.21 in 2021. The category rated highest is Connection at 4.36 (4.44 in 2021), and the lowest rated is Compensation and benefits at 3.94 (3.97 in 2021). Netlight reviews benefits and compensation twice a year. At each review, adjustments are made to the benefit and compensation offering to a greater or lesser extent.

Table 4.2.2
Employee satisfaction

Category	Explanation
Learning	Development opportunities
Sustainability	Psychosocial work environment
Mentoring	Trust, clarity, and being seen
Support and facilities	Physical work environment and work tools
Compensation and benefits	Fair and relevant
Commitment	Pride, in accordance with Netlight's direction
Connection	Gets appreciation, can be themselves, looks forward to going to work

In addition to the seven fixed categories, the employee survey also includes one or two flexible sections. The purpose of these sections is to collect data on specific focus areas that are relevant to our business. The flexible sections in this year's employee survey are Diversity, Equity, and Inclusion (DEI) and Post New Normal Workspace.

Risks and opportunities

Netlight's main occupational health and safety risks are stress-related ailments and strains. Netlight's employees have a significant amount of personal responsibility, which can lead to ambiguity and uncertainty, potentially challenging sustainable work practices. This puts demands on employees to actively understand and use their support system to prevent and manage stress. Netlight offers several training opportunities for the employees throughout the year on personal sustainability, and regularly provide coaching, leadership, and employment law education for mentors. The aim of these courses is to provide mentors with the best possible tools to support their mentees. Netlight also partners with external organisations to offer both proactive and reactive measures for mental and physical health through HR.

In accordance with the Post New Normal Workspace and with an emphasis on Proximity First, Netlight provides ergonomic seating and standing options in the office. We trust each other to plan our work schedules and physical workspaces to achieve a variation in workstations with ergonomic designs. The new hybrid office involves a greater number of digital meetings, which risk to negatively impact the feeling of inclusion and belonging. Netlight has developed guidelines and equipment in the office to improve the experience of digital meetings, as well as adapted the offices to new needs, such as phone booths, more meeting rooms, quiet focus areas, and social areas for relationship building. Data from employee surveys shows that when employees work from home, they are given the opportunity to work undisturbed and focused. During periods when a larger percentage of consultants are between assignments, we see increased pressure on the office space, which can lead to overcrowding and greater reliance on remote work. To meet this need, Netlight has flexibly created more temporary workspaces in the office and expanded the number of internal projects to build competence and value for Netlight and our clients.

As an employer, Netlight ensures that employees have a good working environment even in their homes. For example, employees can order computer monitors to work from home. On Netlight's intranet, there are tips for how employees can improve their ergonomics both at home and in the office.

Netlight's occupational health and safety group plays a crucial role with their work on systematic occupational health and safety, conducting risk assessments, safety inspections, and analyses to proactively address risks and areas for improvement. Through established procedures that we continually work after, we have excellent opportunities to continuously develop the work environment at Netlight.

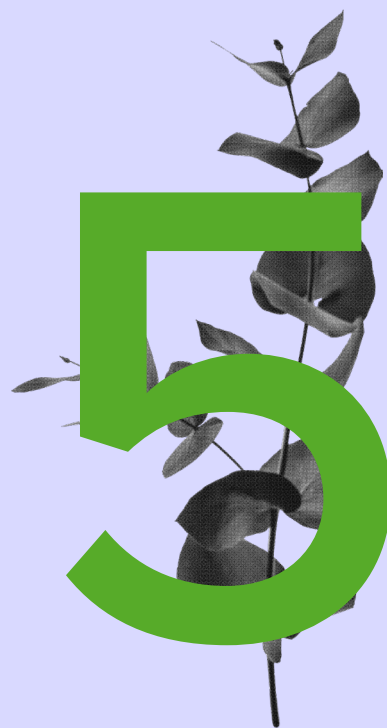
The current world situation poses a higher degree of uncertainty, including rising inflation and deteriorating security in Europe, where we see increasing concern. Netlight's most important tool is communication through our internal channels to create transparency and participation. Netlight's senior leaders are encouraged to be close to their mentees regarding well-being and motivation, with support from HR. We collaborate with external occupational healthcare providers for knowledge sharing and connect employees with professional support through our external partners, when necessary.

5.1 Human rights

5.2 External suppliers

5.3 Anticorruption

5.4 Risks and opportunities



Social responsibility

5.1 Human rights

Supplier Code of Conduct

It is important that Netlight's suppliers and clients respect human rights. Therefore, Netlight has established a Supplier Code of Conduct which our suppliers undertake to comply with. This requires our suppliers to respect human rights to the same degree as Netlight.

We expect our business partners to:

- ✦ Respect human rights and maintain a workplace free from harassment, sexual harassment, abusive behaviour and retaliation.
- ✦ Have zero tolerance for forced labor and child labour within their organisations.
- ✦ Actively work to fight discrimination in the workplace regardless of sex, sexual orientation, ethnicity, faith, disability or age.
- ✦ Ensure that all work is carried out under recognised and documented conditions of employment consistent with the national legislation of the country where the work is carried out.

5.2 External suppliers

Risks and opportunities

Given Netlight's wide range of business partners, there is a risk that business partners do not respect human rights or inhibit diversity, equity and inclusion. To counteract this risk, Netlight utilise its Supplier Code of Conduct. One identified risk is that Netlight's clients are not asked to comply with the Supplier Code of Conduct, which in practice means that Netlight cannot ensure that all clients respect human rights. To reduce this risk, clients will also be asked to comply with Netlight's Supplier Code of Conduct in the future.

Netlight has high standards for business ethics and sustainability. This also applies to our partners. Netlight strives to be a role model in equality and sustainability and our desire is to influence others by entering into business agreements with companies and organisations that are prepared to do the same.

Netlight uses the Supplier Code of Conduct to communicate Netlight's core values and expectations of our suppliers, Netlight wants to work with organisations and partners that:

- ✦ Recognise the principles of the UN Global Impact and fulfil basic responsibilities in the areas of human rights, work environment, climate, and anticorruption.
- ✦ Care about environmental issues and take measures to minimise its own negative environmental impact and work actively with regard to gender equality and sustainability issues.
- ✦ Want to contribute to mutual and beneficial supplier relationships based on shared values.

In 2022, Netlight has reviewed new and existing suppliers in connection with ISO revision (both internal and external revision). The result of the so-called Supplier Evaluation showed that Netlight can be very proud of its partners who maintain good quality and credibility and (i) are ISO certified in environment and quality or (ii) have a clear climate profile and policy and conduct active climate work. Suppliers that Netlight has collaborated with in 2022 include, among others, Egencia and Skovik. Both Egencia and Skovik have supported Netlight with visualising Netlight's and the employee's climate footprint during business travel, meaning that the employee has direct access to the climate footprint of the travel. Both Egencia and Skovik also contribute to improved data collection, which will contribute to the continued development of Netlight's own climate work.

5.3 Anticorruption

At Netlight, we uphold our responsibility and business ethics by taking a strong stance against bribery and corruption. It is Netlight's firm position that corruption is a threat to economic, social and democratic development. It discourages competition and represents serious legal and long-term risks for companies. To combat corruption, Netlight has an anticorruption policy whose purpose is to define applicable standards to prevent, deter, and detect the occurrence of bribery and corruption in our business. The policy is also a complement to the Supplier Code of Conduct.

The goal of counteracting corruption within the organisation also includes Netlight's clients and suppliers. **We expect our business partners and suppliers to:**

- ✦ Comply with all applicable anticorruption laws.
- ✦ Neither accept nor offer bribes.
- ✦ Comply with all applicable laws and international agreements on intellectual property rights and refrain from infringing Netlight's intellectual property rights as well as those of third parties.
- ✦ Respect fair competition and an open market and comply with applicable competition law.
- ✦ Respect and comply with all applicable confidentiality restrictions. Netlight's employees are not allowed to accept gifts or other benefits and actively work against corruption and unethical behaviour.

5.4 Risks and opportunities

To ensure that Netlight's supplier invoices contain correct information, the responsible buyer reviews the invoice. The invoice is then sent to one, or two, stages for further approval based on the amount, before it is authorised for payment. The invoices and their amounts are also reviewed at the bank before they are authorised for payment. Internal controls and random bookkeeping checks are also carried out at regular intervals. To ensure that Netlight's supplier register contain accurate information, we conduct a review of our contract register twice a year. When a new contract is signed between Netlight and the supplier, Netlight's finance department registers the employee responsible for the supplier contract. In connection with the registration, the date on which the contract expires is saved, and the responsible contract writer is, in connection with the expiry of the contract, asked by email to review their contract to update and check whether the cooperation should continue.



Information security and data protection

6. Information security and data protection

Netlight's work involves handling sensitive information, which includes both Netlight's and our clients' trade secrets, which are often of critical importance, as well as personal information (related to both Netlight employees and personal data processed as part of Netlight's client assignments). Our clients expect, and deserve, Netlight to handle such information with appropriate discretion and professionalism. Therefore, information security and data protection are high-priority issues within Netlight.

Netlight actively monitors and manages information security and data protection risks through our group-wide policies, which are owned and updated by Netlight's Security Council. These group-wide policies include Netlight's internal and external personal data policy, information security policy, and Netlight's Data Security Concept. Netlight's information security, data protection, and risk management policies describe parts of the organisational control systems implemented to help protect sensitive information. Other technical measures include firewalls, encryption, mobile device management, and monitoring, which contribute to maintaining the quality of Netlight's technical systems and ability to detect suspicious user activity.

Netlight's data protection work includes our internal and external personal data policy (including the Data Security Concept), through which we inform our clients about how we work to strengthen data protection and protect personal privacy, including (i) how we protect personal data from unauthorised access, (ii) how we collect, use, and share personal data, and (iii) the rights and choices of data subjects. Netlight strives for clear, transparent, and easily accessible policies to simplify opportunities for our clients and registered individuals to obtain information about how we handle personal data. As an example, Netlight's external personal data policy can be accessed through Netlight's website, which also includes a cookie consent manager with an accompanying cookie policy.

Netlight has also established a whistleblower function with an associated whistleblower policy to enable internal reporting of suspected violations of legislation or internal policies.

Netlight has not received any complaints regarding information security or data protection or identified any leaks, thefts, or losses of sensitive information during the past fiscal year.

Below is a summary of the measures that Netlight takes to maintain adequate information security and data protection.

Governance and policies

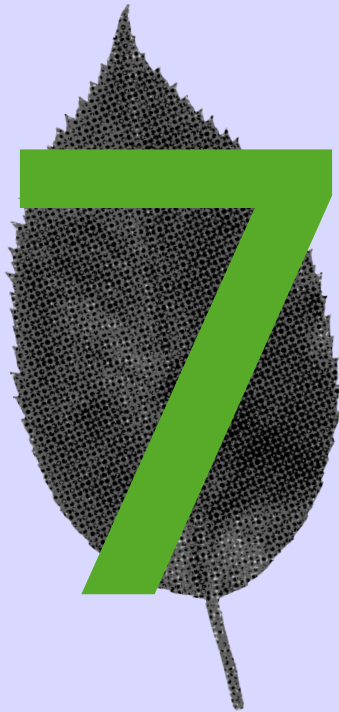
- ✦ Information security and data protection are a vital part of Netlight's overall risk management work. The Security Council monitors Netlight's information security work and conducts regular internal audits. Netlight also has a specific data protection group that has overall responsibility for Netlight's data protection and compliance with personal data legislation.
- ✦ All group-wide policies are available to all employees through Netlight's intranet.

Education and culture

- ✦ Information security permeates Netlight's culture.
- ✦ Netlight provides several e-learning modules on information security and data protection through the internal training system.

Risk monitoring

- ✦ Netlight has a dedicated team responsible for monitoring, identifying, analysing, and managing information security incidents. The work also includes risk analysis, taking into account continuity aspects in the event of an incident.
- ✦ Netlight has a continuity plan in place to assess and monitor business-critical systems and vendors.



Continuous work

7. Continuous work

Netlight's commitment to sustainability is a fundamental aspect of our business operations and corporate values. Netlight consistently endeavours to maintain a leading position and serve as a role model within the IT industry through our ongoing efforts to reduce our environmental impact. Netlight's climate work is characterised by transparency and a focus on tangible results through Climate First. For 2023, we aim to establish a comprehensive vision and strategy that encompass Netlight's climate efforts, as well as sustainability and gender equality work.

- ✦ Business travel represents our largest source of emissions, and we recognise the seriousness of the emissions associated with air travel. Consequently, we believe there should be a greater requirement for our employees to adhere to Train First, which encourages the use of train or bus for business-critical journeys.
- ✦ For future new office openings, we need to continue to set high standards and make climate-smart choices by only choosing properties with green electricity.
- ✦ Continue to maintain the high quality of our carbon footprint data with the hope of reducing the manual labour currently spent on calculations.
- ✦ Formulate a coherent and well-defined vision and strategy for all Netlight's climate initiatives moving forward, while fostering internal awareness and reminding our employees of Climate First.
- ✦ We strive to ensure that 40% of all consultants, recruiters, and salespeople recruited in Stockholm during 2023 are women.
- ✦ Continuously work to improve the conditions for mentors and mentees to advocate for a sustainable working environment in accordance with the Post New Normal Workspace.

The Board of Directors and CEO of Netlight Consulting AB in Stockholm on the date indicated by our electronic signature

Erik Fröberg
Chairman

Birgitta Elfversson
Board Member

Ellen Kugelberg
Board Member

Gustaf Eriksson
Board Member

Kristoffer Nilsson
Board Member

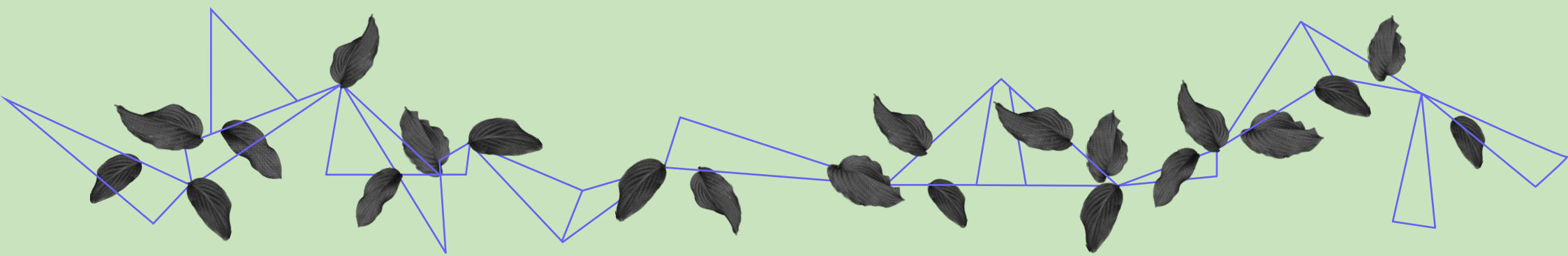
Julie Axelsson
Board Member

Djavad Hedayati
Board Member

Katri Junna
CEO

Our statement has been given on the date indicated by our electronic signature

Ernst & Young AB
Linn Haslum Lindgren
Authorised Public Accountant



 netlight

Netlight AB, 559331-7034, Stockholm, Sverige