

]pexip[

Sustainability Report



2020

ESG Performance Summary



361

Employees



23

Countries



77 eNPS

Employee engagement



0

Data security incidents



0

Fines for anti-competition or IP breaches



0

Code of conduct breaches



466

Tonnes
CO₂e



Diversity Female Leaders

40%

Board

11%

Executive

16%

Employees

CEO Statement

I am pleased to introduce Pexip's inaugural Sustainability Report. The report provides a look into our Environmental, Social, and Governance (ESG) initiatives and performance in 2020 and solidifies our commitment to systematically addressing these topics going forward. Our aim is to report transparently and drive continuous improvement. We want to create sustainable value through a business strategy that reflects our contribution to society as a whole.

Pexip develops and delivers a video conferencing solution targeted at large private and public organizations around the world and our mission is to empower people to be seen and engage with each other in a better way. Established in 2011, we have long believed in the power of video conferencing to contribute to a sustainable future, from reducing carbon emissions from travel, e-waste and network usage, to providing a better work life balance for our employees, partners and customers.

2020 - A Year of Immense Change and Growth

2020 proved to be a pivotal year for Pexip as a company, the industry in which we operate and society as a whole.

We listed on the Oslo Stock Exchange in May 2020, raising investment capacity to further fuel the rapid growth of the company. In addition, the outbreak of the Covid-19 pandemic led to the widespread adoption of video conferencing as traveling and commuting were curtailed across the globe, further accelerating our growth.

The changes that occurred at industry and societal levels highlighted many topics that feed directly into our sustainability reporting and focus areas. These include the need for technology companies like ours to protect our customers through stringent data privacy. They also encompass the need to help organizations make the most of their existing technology investments in order to provide employees with communication and collaboration tools that

function well in a home office or hybrid work environment. As a result, I believe this has made it even more important to document what we are doing from a technology and strategic perspective to innovate for change in a sustainable and responsible manner. The environmental impact of technology is often seen as being secondary to the benefits it brings but we need to be better at documenting its footprint.

Pexip aims to be the leading people-focused organization in the industry and we seek to build a strong company culture through inclusion and diversity, anchored in our corporate values, The Pexip Way. Rapid internal growth, including 198 new employees in 2020, has meant that we have put even more emphasis on this in the past year, especially in the areas of talent acquisition and retention. We realise that, along with the IT sector as a whole, we still have considerable work to do to address gender diversity, inclusion and equal opportunity. We have, however, seen improvements. Of our employees hired prior to or during 2019, we had 11% female employees. In 2020, 22% of the 198 new hires were female. Furthermore, at the time of writing, in Q1 2021, 37% of our new hires this year so far are female. To make sure we maintain our focus on improving diversity as a whole across the company, we have formed a working group ("Pexip Diversity") to assess, plan and implement initiatives to ensure a balance in recruitment, succession planning and leadership. An inclusive workforce leads to diversity in thinking - we see this as a key driver for innovation and growth at Pexip.

We are continually monitoring the effects on our people of working at home as a result of Covid-19 restrictions. As a video conferencing company, we are used to virtual meetings but these are normally combined with in-person meetings and gatherings, something that was almost impossible in 2020. We have taken several steps to ensure employee well-being, connectivity and inclusion. I would like to take this opportunity to thank the Pexip team for all their hard work, resilience and adaptability during the challenging year that was

2020. The unusual circumstances, combined with the unprecedented growth of Pexip and the use of video conferencing in general, meant long hours and unparalleled commitment from the whole team.

Sustainability at Pexip

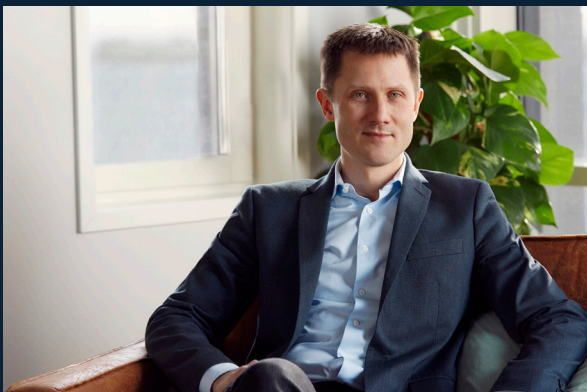
A key initiative undertaken in 2020 to kick-start our sustainability planning and reporting, was to engage an independent consultant to carry out a formal materiality assessment. Through interviews and surveys with key internal and external stakeholders, including employees, channel partners, and investors, we identified the core ESG risks and opportunities that are important for Pexip. This Sustainability Report transparently documents the material topics identified, how we are managing those topics and our performance to date.

Pexip is forming a robust and systematic approach to sustainability. We have established baseline measures for material topics and are actively addressing critical areas, such as diversity, where there is more work to be done. We continue to investigate how greenhouse gas emission savings, resulting from the use of videoconferencing, can be effectively measured.

Both the management and Board of Pexip are committed to sustainability. We see ESG measurement, management and reporting as a long-term value creation strategy that will help us to build resilience in all aspects of our business. Continuing to identify and address current and emerging ESG issues will be key to delivering on that value creation strategy. The journey has just started and I will continue to closely monitor our progress.

Odd Sverre Østlie,
CEO Pexip

“We have established baseline measures for material topics and are actively addressing critical areas, such as diversity, where there is more work to be done ... the journey has just started and I will continue to closely monitor our progress ”



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About this report

This report is Pexip's first comprehensive and stand-alone sustainability report. The report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards (core option). The GRI Standards are the world's most widely used sustainability reporting standard. The report meets the disclosure requirements of the Sustainability Accounting Standards Board (SASB) Software and IT Services Standard. The report presents the environmental, social and governance (ESG) performance of Pexip, alongside its management approach for material sustainability topics, for the 2020 calendar year.

For feedback, questions or comments on this report contact:

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About Pexip

Pexip simplifies video communication across borders, businesses and platforms, enabling everyone to be seen, heard and included.

Mission

Empower people to be seen and to engage with each other in a better way.

Vision

Make virtual meetings better than meeting in person.

The Pexip Way - company values

Pexip's company values are core to the Pexip team - and they define how the team interacts with each other, customers and partners on a daily basis. They guide the business, product development, and the brand. As the company continues to evolve and grow, these values remind us of who we are, where we came from and where we are going.



No Bullshit

We say it as it is, with no hidden agenda but always speaking our mind in a considered and constructive manner.

We do what needs to be done to help our colleagues, partners and customers.

We stand for honesty and integrity.



One Team

We make each other better by respecting, supporting and caring for each other.

We appreciate diversity and with over 300 employees in 23 countries, diversity is in our DNA.



Freedom & Responsibility

We encourage initiative and innovation; we are all leaders; we act like owners, making decisions that are best for Pexip.

In other words, we hire great people and empower them with the trust and autonomy to do what they do best.



Professional & Fun

We are committed to our partners and customers; we are passionate and fun to work with; we strive for excellence.

We believe in what we do and we let that shine through in our interactions with colleagues, partners, and customers.

Pexip - Empowering Organizations for the Future of Work

Pexip develops and delivers a video conferencing solution that provides enterprise-grade security and data management, a high quality meeting experience, and seamless interoperability with other platforms and devices.

Pexip delivers software that is developed in-house, and software-as-a-service products. In the software, Pexip depends on third-party licences for certain components which the company pays royalties for, in addition to open source software components. Pexip also contributes to open source libraries. The company's external suppliers are data center providers, network providers and supporting software providers.

Pexip sells through a global network of 300 reseller partners located in 75 countries. Pexip currently serves more than 3400 customers with headquarters in 73 countries and users in 190 countries.



High-quality video meetings

Reliable, high-performing video experience. Every time.



Total interoperability

A single solution for connecting all video-conferencing technology. Support tools like Microsoft Teams, Google Hangouts Meet, or Skype for Business in the same workflow as meeting room systems and mobile, desktop, or web users.



Flexible and secure deployments

A cloud-native platform provided as a service or deployed as a self-hosted solution either on-premises or in any cloud environment.



Contributing to the SDGs

The United Nations' Sustainable Development Goals (SDGs) were agreed by 193 UN member states in 2015, including all of the countries in which Pexip operates. A key component of the SDGs is the principle of collaboration for their

achievement, including between Government, Civil Society and Business. Pexip has identified the following SDGs as ones the company can contribute to.



Goal 4: Quality Education

Video increases the reach of educational institutes, enabling students in remote locations to gain access to higher education.



Goal 5: Gender Equality

Video meetings allow for the ability to work at home for increased job flexibility that facilitates work-life balance.



Goal 9: Industry Innovation and Infrastructure

High-quality video conferencing solutions allow for less travel as meetings can take place virtually.



Goal 11: Sustainable Cities and Communities

Video conferencing enables high quality meetings without the need for physical presence, reducing travel related to business and customer meetings.



Goal 12: Responsible Consumption and Production

Pexip's unique architecture enables efficient and responsible energy consumption and the flexibility to choose host servers powered by renewable energy. Corporations can increase the lifespan of aging technologies by enabling integration with new ones to reduce e-waste.

Material topics

The Global Report Initiative (GRI) Standards were used to identify material topics

In 2020 Pexip identified the sustainability topics that are material to its business. Material topics for reporting were identified in alignment with GRI's materiality principle. Topics which have a significant environmental, social or economic impact or, are considered important by stakeholders, are considered material.

Sustainability Accounting Standards Board (SASB) disclosure requirements have been met

Pexip considers SASB's Software and IT Services Standard and the disclosures contained within it to represent financially material ESG topics for the company. All disclosures from the Standard have been included in this report – see SASB disclosure table in the appendix on page 21.

Pexip stakeholders were engaged in the reporting process

Pexip's stakeholders include staff, investors, customers, partners and regulators. The company has ongoing and continuous dialogue with its stakeholders, both formally and informally.

Pexip sought an independent view of its material ESG topics

In 2020, Pexip engaged an independent ESG consultant to carry out a select number of specific stakeholder interviews, a staff survey and an assessment of material ESG topics. Responses from the interviews, survey and an analysis of the topics raised were presented to management with recommendations of which material topics to report. The Executive Management Team, led by the CEO, made the final decision on the topics for inclusion in this report.

EU Taxonomy

Pexip is closely monitoring the EU's work on Sustainable Finance and the EU Taxonomy regulation. The new legislative and non-legislative actions introduced in the European Green Deal and the EU Sustainable Finance Action Plan will require financial market participants and companies to consider and

disclose how they are working with sustainability in a new and standardized manner. Given the interconnectedness of financial markets, the influence of the Taxonomy on ESG investing and investment decision-making in general, is likely to extend well beyond Europe.

The EU Taxonomy establishes a classification system with criteria for which economic activities can be considered environmentally sustainable. Publicly listed companies like Pexip will be required to disclose to what extent their turnover, investments and operational costs align with the EU Taxonomy criteria. In 2021 the company plans to further investigate and analyze how its operations might align with the final EU Taxonomy criteria. Pexip will also assess how the taxonomy framework may be used for internal risk management, financial planning and strategy processes.

Material topics

The following topics have been determined to be material for the 2020 sustainability report:

- Data security and privacy
- Talent attraction and retention
- Greenhouse gas emissions and energy use
- Ethical business practices
- Diversity and equal opportunity
- Digital inclusion and positive industry impacts
- Health, safety and wellbeing
- Supply chain management
- Intellectual property rights

A more detailed description of the materiality assessment process, including stakeholders engaged and topics raised, is included in the appendix.

Data security and privacy

Modern security threats are constantly evolving. Whether a software vulnerability that exposes customer data or a malicious phishing email that gives unwanted access to a corporate network, each threat can have a significant impact on a company's business operations. Pexip has identified, analyzed, and addressed information risks to keep pace with these changes and mitigates potential risks on an ongoing basis. Data security and privacy is a highly material topic for Pexip.

There were no data security incidents in 2020

In 2020, there were no complaints of a substantiated incident of customer data or of data security. This is of course material for our business and data security and privacy are constantly monitored and remain top of mind as there is no room for complacency.

Maintaining high standards

When using video conferencing, the security and data privacy of the call are of utmost importance to the large organizations that Pexip has as customers, both in terms of fulfilling regulatory requirements and in order to meet the demands of their own corporate policies. Pexip is committed to upholding high standards of information security, privacy and transparency for its customers, partners and employees. The company offers security-first, enterprise-grade video conferencing solutions using industry-standard encryption and security protocols to maintain privacy and security. In addition, all Pexip employees must comply with the ISMS security standards and take the security assessment as part of their onboarding, as well as renewing their certification annually.

Pexip holds multiple data security and privacy certifications

Pexip is independently ISO 27001 certified, the international standard for Information Security Management. Meeting the requirements of the standard demonstrates how Pexip maintains the highest levels of information security and takes ongoing steps to protect the data of its customers, partners, and employees. In combination with its

ISO certification, Pexip also meets and enables a comprehensive range of additional data security and privacy standards, including:

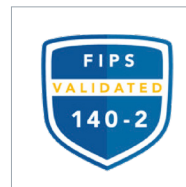
- GDPR (EU Regulation 2016/679) compliance
- U.S. Department of Defense (DoD) Joint Interoperability Test Command (JITC) certification
- Federal Information Processing Standard (FIPS) Publication 140-2 compliance
- Health Insurance Portability and Accountability Act (HIPAA) compliance
- SOC2/SSAE16 compliant data centers

Compliance with these standards demonstrates that Pexip has developed a robust Information Security Management Policy to protect data using a set of technological, physical, and organizational measures. Furthermore, it has processes in place to adhere to those standards every day. For more detailed information on Pexip's approach and commitment to data security and privacy, see:

<https://www.pexip.com/security>.



JITC Certified



FIPS 140 Level 2 Validated



Enables HIPAA Compliance



ISO Certified Company

Talent attraction and retention

Attracting and retaining a global, diverse and skilled workforce is crucial to Pexip's continued success.

A People focused organization

Pexip is growing its People team to place additional resources and focus on recruitment and retention. The Pexip Way sits at the core of how people experience Pexip, and is extended into how the company recruits, develops and leads. The goal of the company is to be the leading people-focused organization in the industry. By focusing on employee development, culture, leadership, wellness, diversity and equality, Pexip is investing in the future. The company will continue its focus on shaping a future-ready organization across these areas.

Pexip Academy

Pexip believes in learning & development as a critical success factor for both employee engagement and business success. Pexip Academy is the company's training department and delivers a series of training programs to help develop employees, customers and channel partners, as well as comply with ISO regulated training.

To comply with ISO requirements, all employees complete a mandatory Information Security Management System (ISMS) training delivered through Pexip Academy. The training requires annual recertification. In 2020, 298 employees completed the certification.

In 2020, Pexip launched the Pexip Way of Selling, Pexip Way of Coaching and Pexip Way of Leadership programs, all delivered remotely to help boost employee engagement and growth in sales and leadership. The Pexip Way of Leadership program focuses on actively mentoring, coaching and guiding employees.

The company has a three-day virtual orientation program for new hires to secure successful onboarding, ensuring employees settle in quickly and feel they are truly part of Pexip from day one.

Finally, Pexip has launched PexTalks, a systematic approach to personal development and growth. Employees have PexTalks every year, and map out their personal learning agenda accordingly.

Approximately 1200 people were trained by the Pexip Academy in 2020.

Communication and collaboration

Communication is always important, but most especially in times of growth and change. The company uses tools for real time collaboration, chat and communication. In addition, the company has established cross-functional and cross-geographical groups to foster well-being and culture. Video conferencing is of course used actively for all interactions.

Pexip hosts annual kick offs, quarterly mini-kick offs and regular all-hands meetings. This year, due to Covid19, these events were streamed live from the PexTV studio, enhanced by real-time communication channels to support two-way dialogue during the events. Pexip also communicates regularly with its partner and customer community. The goal is regular, engaging, authentic, enlightening and inspiring communication.



Green House Gas (GHG) emissions and energy use

The computing energy used by the information and communications technology (ICT) sector is significant. Estimates of the associated greenhouse gas (GHG) emissions from the sector range from 1-2% of global emissions and is growing rapidly. Data storage and transfer services (servers) in particular are major contributors to this growth. At the same time, Pexip's video conferencing solution is a critical enabler of connectivity, without incurring travel-related emissions. This makes GHG emissions and energy management a material topic for Pexip.

Pexip's technology is highly energy-efficient

A core focus at Pexip is delivering video conferencing solutions that require less network resource and more efficient CPU (central processing unit) usage and, as a result, use less energy than comparable solutions. Pexip's patented video platform has the most efficient implementation of any Intel-based transcoding technology. Pexip utilizes smart scaling and data routing for efficient data processing and allows for bursting with virtual servers. Pexip is elastic and can create and remove additional virtual servers

in response to demand in its customers' cloud of choice. The distributed deployment model is also bandwidth-efficient. These aspects provide three to four times more effective usage of network, CPU and energy than alternative solutions.

Pexip uses low-carbon and carbon neutral cloud providers

The flexibility of the Pexip platform allows customers to choose the cloud provider that best fits their environmental strategy. Hosted solutions provided by Pexip use low-carbon and carbon neutral cloud providers such as: Amazon Web Services (AWS), that is committed to running their business in the most environmentally friendly way possible and achieving 100% renewable energy usage for our global infrastructure¹; Microsoft Azure, that has committed to be running on 100% renewable energy by 2025²; and Google Cloud Platform, that has neutralized all carbon emissions since their founding in 1998 and aims to operate on clean energy, every hour and in every region by 2030³.

¹<https://sustainability.aboutamazon.com/environment/the-cloud?energyType=true>

²<https://azure.microsoft.com/en-us/global-infrastructure/sustainability/#environmental-impact>

³<https://cloud.google.com/sustainability>



Enabling productivity from anywhere

Pexip's video conferencing solutions provide flexibility and can help reduce travel and commuting. Remote workers and customers can connect to a video meeting using their computer or mobile phone. Avoided emissions from the use of video conferencing are difficult to quantify, but represent a significant opportunity.

One example of this is Pexip customer, **the Gestational Diabetes Pathway**, located at Altnagelvin Area Hospital in Northern Ireland. The Western Trust is one of five Health and Social Care (HSC) Trusts which provide health and social services across Northern Ireland. Using a Pexip-powered telehealth solution, the Gestational Diabetes Pathway provides easy and accessible virtual visits for pregnant women. The clinic specializes in gestational diabetes, a condition that increases the risk of complications for both mother and baby and requires expectant mothers to attend up to 13 additional appointments during their pregnancy, requiring extra time and travel. The organization chose Pexip as it was looking for a solution that is easy to use for patients, and which can provide access to consultations on any device, without extra downloads. In addition to helping patients and staff, the program has also proven the positive environmental effects of remote care.

- As the trust covers a rural area, some women were traveling more than 120 miles for each clinic visit and the need for this has been reduced significantly through virtual consultations.
- By using videoconferencing from Pexip, virtual consultations reduced face-to-face diabetes specialist appointments by 32%.
- An estimated 15,811 miles of travel has been saved for 654 appointments, equating to 4.37 tons of CO₂.



Altnagelvin Area Hospital, Northern Ireland

Pexip has seen a significant increase in innovative uses of videoconferencing such as this over the last year, benefiting both the users and the climate. Pexip will continue to monitor usage and will in the coming year explore new methods of estimating carbon savings.

Pexip's own emissions are low

Pexip's own GHG emissions are relatively low and are primarily related to building energy use in its offices, travel related emissions, and the emissions in its supply chain, such as from hosting service providers. Pexip's total GHG emissions for 2020 were calculated on a market basis as 466 tonnes carbon dioxide equivalents (CO₂e). Emissions from host service providers (scope 3 emissions) were not able to be calculated for 2020. Difficulties arise in allocating a proportion of the hosting company's total emissions to Pexip as an individual customer. Verifying the service providers' own claims of carbon intensity or neutrality is also difficult. This will be looked at again in 2021 and if possible an intensity figure for different providers will be used to estimate Pexip's server-related emissions. Pexip will through a review of existing suppliers and purchased carbon credits seek to be carbon neutral in Scope 1 and Scope 2 from mid-2021 and onwards. Pexip will further set a GHG emission reduction target covering all direct and indirect emissions in 2021 in line with the Paris agreement and ICT industry commitments.

	Emissions (tonnes CO ₂ e)
Direct (Scope 1)	0
Energy indirect (Scope 2)	466
Other indirect (Scope 3)	Not reported

Ethical business practice

Pexip is committed to conducting all business transactions in a proper, fair, impartial, and ethical manner. The code of conduct, corporate governance policy and anti-corruption and anti-money laundering policies are core documents which set out Pexip's ethical business standards and which all employees commit to following. A [whistleblower mechanism](#) exists to report instances where these standards have not been met. The process is operated by a third-party international audit firm in order to maintain the privacy and integrity of the whistleblower process. All complaints are received by the Whistleblower committee consisting of the Chief People Officer and the Chief Financial Officer. There were no reported ethics breaches in 2020.

Clear ethical guidelines

Pexip's corporate governance policy sets out clear ethical guidelines. These include expectations for personal conduct and the role of executive management to promote openness, loyalty and respect. The guidelines cover conflict of interests, confidential information, influence, competition and the consequence of breaches. The corporate governance policy and ethical guidelines are publicly available on [Pexip's website](#).



Diversity and equal opportunity

Diversity and inclusion are important at Pexip and the company offers equal opportunities regardless of age, gender, culture, religion, sexual orientation, ethnicity, disability, political opinions, social background or language.

Diversity and inclusion create value

The belief held at Pexip is that diversity and inclusion create value. Being able to listen to and acknowledge different opinions, with different backgrounds, experiences and perspectives, makes for more effective corporate decision-making. An inclusive workforce leads to diversity in thinking - a key driver for innovation and growth. The company's goal is to offer equal opportunity, safety and a risk-free working environment fostering individual growth and joy at work.

Our diversity, by gender and age

At the end of 2020, Pexip had 303 males and 58 females as permanent employees. The rate of gender diversity stands at 40% for the board, 11% for the executive team and at 16% for all employees. The majority of our employees are aged from 30-50 years (65%), with 33% of the executive team being aged over 50 years. The board is split 60/40 for age 30-50 and over 50. We are working hard to ensure that equal opportunities exist across all aspects of our business operations and to utilize the value that diversity brings.

	Gender (% female)	Age (-30 30-50 +50)
Board	40%	0% 60% 40%
Executive	11%	0% 67% 33%
All employees	16%	18% 65% 17%



Our approach to diversity

We have established an employee group, Pexip Diversity, to assess, plan and secure initiatives and practices for establishing diversity and inclusion in recruitment, succession planning and leadership. The Pexip Diversity Team also discusses and influences key initiatives like anti gender bias training, recruitment advertising and improved employer branding, in collaboration with HR and the Executive Leadership team.

The company recently made a commitment to Diversity and Inclusion in Norway through “The CEO Commitment” an initiative driven by Oda, Norway’s leading Women in Tech Network and MAK, a leading Norwegian organization working on systemic change around diversity, equity and inclusion.

Pexip has further committed to making diversity and inclusion a strategic priority and leading by example.

Initiatives include:

- Establishing diversity and inclusion as an integrated strategic priority
- Mapping quantitative data and preparing concrete action plans and measures
- Increasing awareness and creating fora for sharing knowledge, internally and externally

During the summer of 2020, several members of the Americas team formed a group to advance conversations around racial injustice. As a result of this, regular sessions are held to provide a safe space for sharing and learning. The company also has a Minorities in Pexip group to provide support and encouragement and to advance conversations around diversity.

These are all initiatives that we see as being very valuable and which we hope will continue to demonstrate positive results in the coming year. Any form of discrimination, harassment, bullying or victimization is unacceptable in Pexip. The company works actively to promote a healthy, diverse, inclusive, and discrimination-free working environment as underlined in the Pexip Way (the company values on which the leadership program is also built). The Pexip Way

is embedded in recruitment, onboarding, learning and development at Pexip to ensure that the foundational beliefs are practiced in all aspects of business operation and people leadership.

The company regularly conduct employee net promoter score (NPS) surveys to monitor employee satisfaction and guide management actions, providing employees with an anonymous feedback channel. The response rate in 2020 was 83%, with a net promoter score of 77. The highest promoter score is attributed to the People and Culture category.

Intellectual property

Intellectual property (IP) is an essential asset for software companies. New knowledge is often at the core of sustainable technologies and related business models. The use of IP is imperative for unlocking innovation and accelerating diffusion processes, with the potential to facilitate sustainability transitions on a global scale. Pexip’s own use of IP is undertaken once we have established the appropriate rights, respecting relevant laws and conventions. When we develop new IP we identify what is valuable and adequately protect it. We follow our code of conduct and ethics policies in all IP matters. There were no substantiated IP-related issues in 2020.

Digital inclusion and positive industry impacts

At Pexip we want to ensure that all individuals and communities, including the most disadvantaged, have access to and use of Information and Communication Technologies. We are formalizing our approach to digital inclusion, including how we can collaborate at an industry level to deliver positive outcomes. There will be more to come on this topic in 2021.

Health, safety and wellbeing

We work systematically to take care of employees' health, safety and wellbeing. We are continuously monitoring the effect working at home as a result of Covid-19 is having on employees. As a video conferencing company, we are used to virtual meetings but these are normally combined with in-person meetings and gatherings, something that was almost impossible in 2020. As a result, we have taken several initiatives to ensure employee well-being, connectivity and inclusion.

Our health and safety performance

No work-related illnesses or accidents have been reported. Pexip encourages people to ensure that they have the right equipment to be able to

perform their duties in a safe manner. As many employees are prevented from working from the office, this is also encouraged in the home offices.

Wellness initiative

Pexip has established a Wellness initiative to build community and strengthen wellbeing.

The initiative is employee-led and engagement is high, with daily suggestions for workouts, healthy eating and hobbies. The company also focuses on emotional wellbeing. Leaders are encouraged to discuss emotional wellbeing with their teams through the PexTalks program, a facilitated discussion around employee wellbeing, growth and development.



Supply chain management

All suppliers and partners that have a direct contractual relationship with Pexip must comply with our supplier code of conduct terms and conditions, including any environmental, social and governance requirements. When selecting suppliers we consider their ESG performance, particularly in relation to our own material ESG issues. Ethical business and employment practices, diversity and the environmental impacts of their operations, including the use of renewable energy and GHG emissions, are key considerations. In 2020 we engaged in formal or contractual business activities with approximately 487 suppliers. There were no confirmed breaches of our supplier code of conduct ESG requirements.



GRI Index

GRI Disclosure		Reference
102-1	Name of the organization	Pexip Holding ASA
102-2	Activities, brands, products, and services	www.pexip.com/about
102-3	Location of headquarters	www.pexip.com/contact
102-4	Location of operations	www.pexip.com/contact
102-5	Ownership and legal form	Listed company Oslo Børs
102-6	Markets served	www.pexip.com/about
102-7	Scale of organization	www.pexip.com/about
102-8	Information on employees and other workers	Page 2
102-9	Supply chain	www.pexip.com/about
102-10	Significant changes to the organization and its supply chain	None
102-11	Precautionary Principle or approach	Pexip applies the precautionary principle in its day-to-day decision-making
102-12	External initiatives	1) CEO Commitment - The Diversity, Equity and Inclusion Pledge aims to bring together key leaders, decision-makers and personalities from businesses and organizations who believe in the value of diversity in the workplace. Increasing diversity and inclusion in business requires solutions both within and across organizations. The CEO Commitment is the first network for leaders that have taken a stand to prioritize diversity and inclusion on a strategic level. This initiative aims to bring these leaders together to share the experiences and knowledge that will allow them to create more diverse organizations. For more information: https://www.ceocommitment.com/ 2) Sponsorship of Oda Network - Norway's leading network for women in tech For more information: https://odanettverk.no/
102-13	Membership of associations	IMCCA, AVIXIA, Oda Network
102-14	Statement from senior decision maker	Page 3
102-15	Key impacts, risks, and opportunities	Page 3
102-16	Values, standards, principles and norms	Page 6
102-17	Mechanisms for advice and concerns about ethics	Page 14
102-18	Governance structure	See Annual Report investor.pexip.com/reports-and-presentations
102-40	List of stakeholder groups	Page 23
102-41	Collective bargaining agreements	None active
102-42	Identifying and selecting stakeholders	Page 23
102-43	Approach to stakeholder engagement	Page 23
102-44	Key topics and concerns raised	Page 9
102-45	Entities included in the consolidated financial statements	See Annual Report investor.pexip.com/reports-and-presentations
102-46	Defining report content and topic Boundaries	Page 5
102-47	List of material topics	Page 9
102-48	Restatements of information	None
102-49	Changes in reporting	None
102-50	Reporting period	Calendar year
102-51	Date of previous report	None – inaugural report
102-51	Reporting cycle	Annual
102-52	Contact point	For questions or feedback on this report contact Gillian Dalslaaen, gillian@pexip.com
102-53	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards (core option)
102-55	GRI content index	Page 19
102-56	External assurance	None

Topic specific disclosures

GRI Disclosure		Reference
Health and safety		
103	Management approach	Page 17
403-9	Work-related injuries	Page 17
Emissions		
103	Management approach	Page 12
305-1	Scope 1 GHG emissions	Page 13
305-2	Scope 2 GHG emissions	Page 13
Diversity and equal opportunity		
103	Management approach	Page 15
418-1	Customer data privacy breach and data loss	Page 16

SASB Disclosures

Sasb software and it services standard (2018)
Sustainability disclosure topics & accounting metrics

Table 1. Sustainability disclosure topics & accounting metrics

Topic	Accounting Metric	Measure	Unit of Measure	Code
Environmental Footprint of Hardware Infrastructure	1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	1) 4000 2) 100 3) 45	Gigajoules (GJ), Percentage (%)	TC-SI-130a.1
	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	0	Thousand cubic meters (m3) Percentage (%)	TC-SI-130a.2
	Discussion of the integration of environmental considerations into strategic planning for data center needs	See report section Supply chain management	n/a	TC-SI-130a.3
Data Privacy & Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy	See report section Data Security and Privacy	n/a	TC-SI-220a.1
	Number of users whose information is used for secondary purposes	0	Number	TC-SI-220a.2
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	0	Reporting currency	TC-SI-220a.3
	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	1) 0 2) 0 3) 0	Number, Percentage (%)	TC-SI-220a.4
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	None	n/a	TC-SI-220a.5
Data Security	1) Number of data security incidents, (2) percentage involving personally identifiable information (PII), (3) number of users affected	1) 0 2) 0 3) 0	Number, Percentage (%)	TC-SI-230a.1
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	See report section Data Security and Privacy	n/a	TC-SI-230a.2

Topic	Accounting Metric	Measure	Unit of Measure	Code
Recruiting & Managing a Global, Diverse & Skilled Workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore	1) 0 2) 0	Percentage (%)	TC-SI-330a.1
	Employee engagement as a percentage	77 (NPS)	Percentage (%)	TC-SI-330a.2
	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	1) 11 2) 16 3) 16	Percentage (%)	TC-SI-330a.3
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	0	Reporting currency	TC-SI-520a.1
Managing Systemic Risks from Technology Disruptions	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	1) 0 2) 71 3) N/A	Number, Days	TC-SI-550a.1
	Description of business continuity risks related to disruptions of operations	See Annual Report section Risk Management	n/a	TC-SI-550a.2

Stakeholder engagement

Pexip engaged an independent consultant to carry out stakeholder interviews and assess the materiality of topics based on GRIs materiality principle. Following analysis, the consultant presented results of the materiality assessment to management for discussion and finalization.

Stakeholders engaged

Stakeholders are engaged both formally and informally, in ongoing dialogue. Specific stakeholder interviews were undertaken with the following stakeholders for the purposes of this report:

- Investors
- Customers
- Executives
- Board members
- Finance providers
- Industry analysts
- Channel partners

Employees were surveyed to gauge their opinions on material topics for inclusion in this report.

Topics identified by stakeholders

The following topics were identified by stakeholders and assessed as part of the materiality assessment:

Environmental topics

Energy management

Manage the planning and operation of energy consumption within own operations.

Climate change – adaptation

Ensure proper management of climate risk related to i.e. physical changes (extreme weather events and ecosystem changes) and changes in climate related regulation, market preferences and technology.

Climate change – mitigation

Manage and reduce greenhouse gas emissions (CO₂ emissions) within own operations.

Supply chain: GHG emissions and energy management

Account for suppliers' management of energy consumption and GHG emissions in sourcing and procurement processes.

Supply chain: waste and water management

Account for suppliers' management of waste and water consumption in sourcing and procurement processes. Ensure that suppliers have effective procedures for collection, transport and disposal of waste, including correct handling of hazardous materials. Ensure that suppliers have effective procedures to manage water consumption, treatment and disposal of water discharges.

Environmental topics: opportunities/positive impacts

IT solutions for the environment

Enable customers to reduce emissions and improve their environmental footprint by using Pexip's services.

Social topics

Diversity and equal opportunity

Ensure equal pay, equal treatment and no discrimination based on age, gender, culture, religion, sexual orientation, ethnicity, disability, political opinions, social background or language.

Employee health, safety and wellbeing

Work systematically for employees' health, safety and wellbeing.

Employee development

Enhance skills and acquire new knowledge within the organization through on the job training, coaching and mentoring and training courses/education.

Talent attraction

Account for suppliers' management of energy consumption and GHG emissions in sourcing and procurement processes.

Supply chain: labour rights

Account for suppliers' management and handling of labour rights in sourcing and procurement processes.

Social topics: opportunities/positive impacts

Charity & sponsorships

Engage in charitable activities and contributions, i.e. sponsorships and donations.

Digital inclusion

Ensure that all individuals and communities, including the most disadvantaged, have access to and use of information and communication technologies.

Governance topics

Ethical business practices

Conduct all business transactions in a proper, fair, impartial, and ethical manner (e.g. Anti-Corruption and Anti-Money Laundering policy, Code of Conduct, Whistle-blower mechanism).

Corporate governance

Ensure transparency about decision-making processes and control mechanisms (e.g. compliance, risk management procedures and recruitment processes for the management team).

Data security and privacy

Ensure effective procedures for data protection, including risk management processes for accidental or intentional but unauthorized modification, destruction, or disclosure of data. Ensure proper handling and storage of data – including consent, notice, and regulatory obligations.

Intellectual property rights

Respect intellectual property rights through protecting the company's own rights and ensure that the company is not infringing on others' IP rights.

Governance topics: opportunities/positive impacts**Industry initiatives**

Engage in ESG industry initiatives to enhance knowledge sharing and innovation within sustainability (e.g. GeSI-Enabling Digital Sustainability).

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