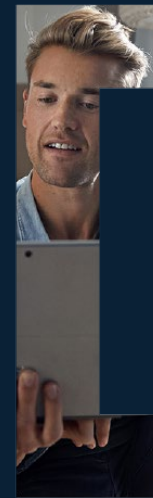
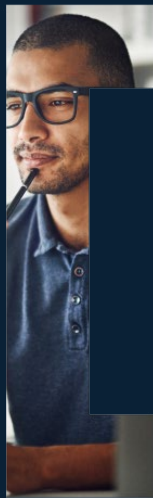
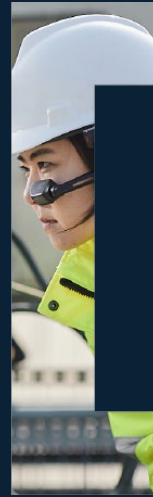
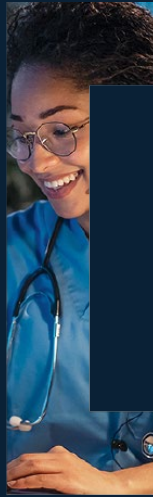
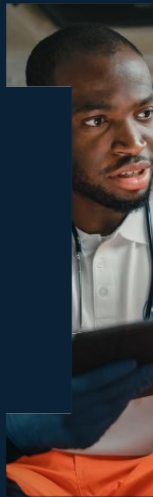


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2022

Sustainability Report



CEO Statement

In 2022 we saw increased awareness of security globally. The use of video technology in areas such as defense, government, and public institutions, is resulting in increased demand for communication tools that promote and facilitate privacy, trust, and data sovereignty. Organizations need to look carefully at who they are willing to share their data with and who controls the technology. With hybrid working becoming ingrained in companies' cultures, knowledge workers will continue to work from a variety of locations and are dependent on having a video communication platform that lets them do this in both a simple and secure way.

As a global technology company, Pexip is in a unique position to be in the forefront of innovation and truly contribute to making a difference. Our business model is fundamentally supportive of sustainable development.

Pexip's mission is to power video everywhere. Our role as a video software company contribute to providing a viable alternative to travel, whether that's for meetings or for other business processes, and the potential use cases of video stretch far beyond traditional videoconferencing. Video now plays a critical role in safely connecting patients with healthcare providers, making public services more accessible to citizens, providing better customer service, and facilitating business continuity by enabling both internal meetings and customer-facing interactions to securely happen from anywhere. Pexip is at the core of this, and we enable organizations to make the most of these possibilities.

As the world looks to video communication to eliminate unnecessary travel, they are also focusing on how to extend the lifetime of their video conferencing equipment and upgrade it in the most efficient and sustainable ways possible. We have long believed in the power of video conferencing to contribute to a sustainable future, from reducing carbon emissions from travel, reducing e-waste and network usage, to providing a better work life balance for our employees, partners and customers.

Trond K. Johannessen
CEO, Pexip



About this report

The information in this report is in reference to Global Reporting Guidelines (GRI) reporting standards, which is part of the World Economic Forum Report framework. Pexip report material ESG topics that were deemed significant based on the materiality assessment aligned with GRI.

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 29

Data in this report is reported for 1 January 2022 to 31 December 2022 and covers all of Pexip. For more information, please contact Christine Arnesen, IR@pexip.com.

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Powering video everywhere

The video technology platform that powers everything from ultra secure government meetings, to personalized banking, to efficient hands-free work.



Our business

Pexip is a global technology company that develops and delivers a business-grade video communication platform.

Digital transformation and the broader technology trends shape our roadmap and drive our industry forward. When video is how work is done, security and customization become essential. Pexip's unique and differentiated technology supports customers on their journey to advance safer, greener, and more connected organizations. A remote doctor-patient diagnosis in an ambulance. Crisis-ready infrastructure in the power grid. Protection of data in a critical meeting. An extended reality maintenance inspection. A true-to-life virtual court room.

Pexip's customers are mainly large private and public organizations. These are organizations for whom

security, privacy and data sovereignty are paramount. The need to connect different platforms and devices is also of utmost importance, as is the possibility to integrate video into existing workflows and platforms to create customized and branded solutions.

Pexip's platform is built on the core Pexip Infinity technology and is secure and scalable. It can be deployed as a self-hosted, hybrid or as-a-service option. The Company's technology is developed in-house. In the software, Pexip depends on third-party licenses 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 main external suppliers are data center providers, network providers and supporting software providers. The Pexip platform is sold through a global network of over 300 reseller partners located in 75 countries, serving users in 190 countries.

Our business areas

Pexip's offering can be divided into two main business areas covering different demands from the market.

Connected Spaces

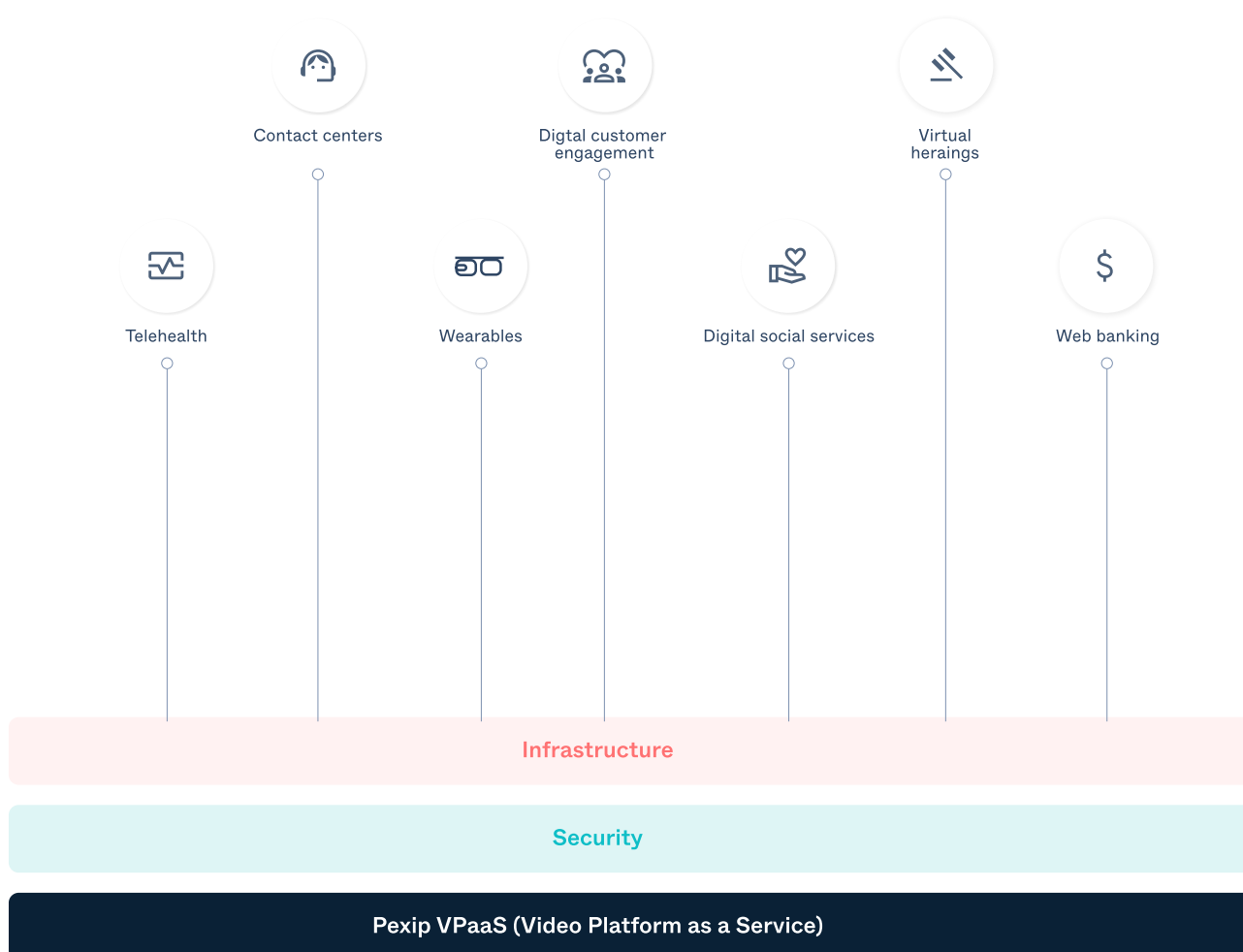
Pexip offers a solution built on the concept of interoperability. Today there is a wide range of different video solution providers, as well as a great deal of different hardware used in meeting rooms. Pexip's technology enables the bridge between the different video meeting platforms and the meeting room devices, allowing the users flexibility and the optimal experience.

Secure, customized solutions

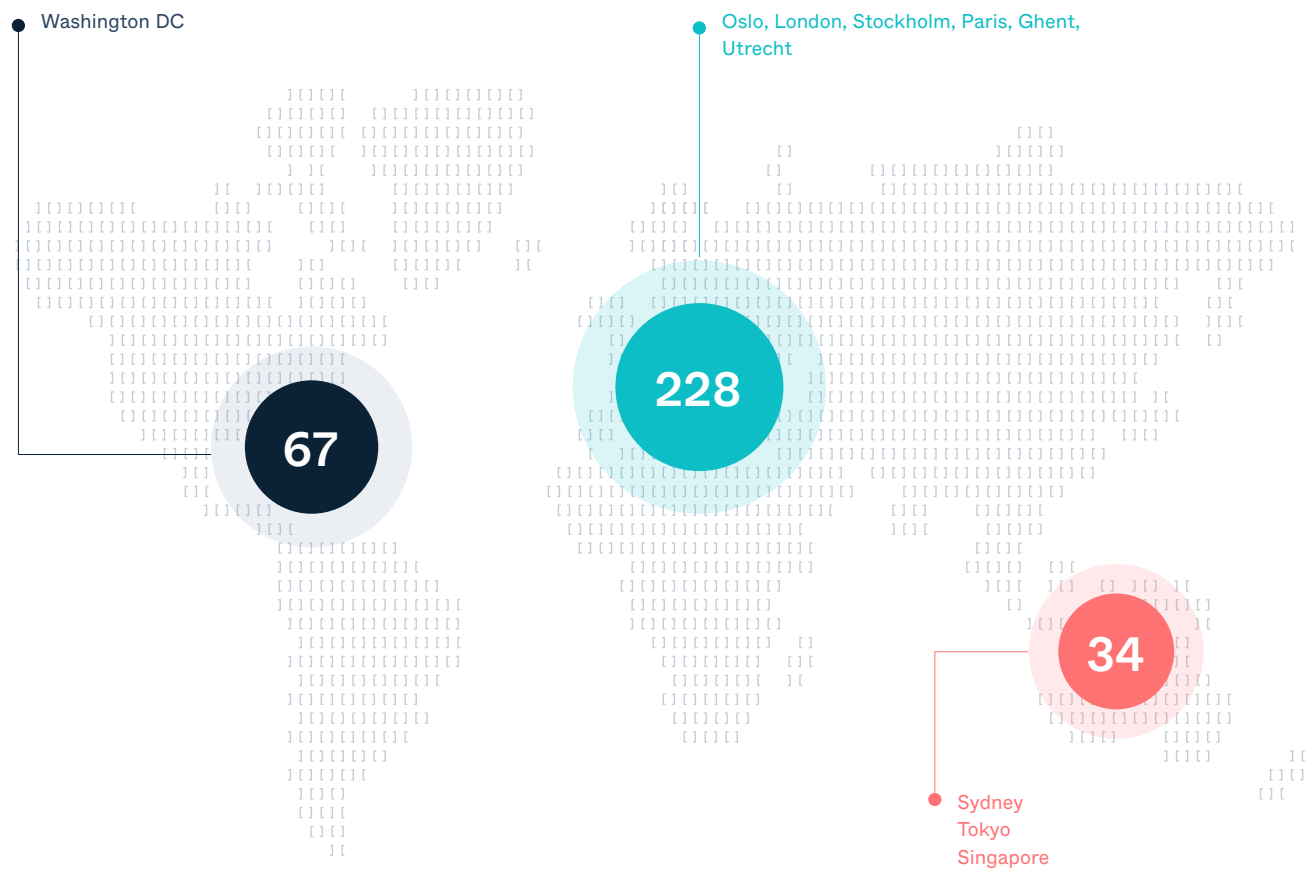
Secure Spaces and Video Innovation make up Pexip's solutions for enabling secure and custom

solutions. We offer several solutions to enable privacy, data sovereignty and business continuity. The solution is modern, on-premises collaboration solutions that put your organization back in control of all your data, including its location. And we offer meeting options that work no matter if other solutions are down, ensuring business continuity. Use the cloud of your choice or deploy on self-hosted solutions to ensure complete data sovereignty.

Pexip offers solutions that are created for your workflow, built as a platform to fit your need, with the ability to embed video directly into your apps to create a seamless, frictionless experience, and with no downloads or plugins needed. Alternatively, customers can build their own video platform, and connect with existing incompatible equipment, protocols, and integrations.



Global presence



329
employees across 26 countries

300
partners

4,000
customers enterprise and public sector

The Pexip Way

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



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.



No Bullshit

We say it as it is, with no hidden agenda. We always speak our minds in a considerate and constructive manner. We do what needs to be done to help our colleagues, partners, and customers. We stand for honesty and integrity.

1

One Team

We make each other better by respecting, supporting and caring for each other. We appreciate diversity and with over 300 employees in 26 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.



Sustainability in Pexip

We believe in the power of video conferencing to contribute to a sustainable future, from reducing carbon emissions from travel, reducing e-waste and network usage, to providing a better work life balance for our employees, partners and customers. We offer solutions for a more interconnected and inclusive world, that emphasizes cooperation. In Pexip, we are committed to ensure that our ESG responsibilities convert into positive outcomes.



Pexip is committed to conducting all business transactions in a proper, fair, impartial, and ethical manner. Pexip has put in place a set of eleven policy documents, including a code of conduct, corporate governance, and anti-corruption policy that set out Pexip's ethical business standards. Pexip's corporate governance policy details guidelines for personal conduct and the role of executive management in promoting openness, loyalty, and respect. The guidelines cover issues such as conflict of interests, confidential information, influence, competition, and the consequence of breaches. All policies are publicly available on the Company's website and employees are expected to adhere to the policies.

Contributing to the Sustainable Development Goals

The Sustainable Development Goals (SDGs) are a collection of 17 interlinked objectives designed to serve as a "shared blueprint for peace and prosperity for people and the planet now and into the future". The SDGs were adopted by all UN member states in 2015 and represent an urgent call for action by all countries in a global partnership to make the world a better place by 2030. A key component of the SDGs is the principle of collaboration for their achievement, including between Government, Civil Society and Business.

Pexip strives to make an impact and contribute to these goals and has identified the following SDGs as ones the primary areas the company aspire to contribute to.



Equal opportunities for all

SDG 4: Quality Education - Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Video increases the reach of educational institutes beyond physical proximity, reducing the level of travel necessary for educators, learners and professionals globally and enabling students in remote locations to gain access to higher education.

SDG 5: Gender Equality – achieve gender equality and empower all women and girls.

SDG 5 aligns closely with Pexip's value of inclusivity. We believe that increased use of video meeting has the potential to reduce discrimination and gender bias in the workplace. Video meetings allow for the ability to work from home for increased job flexibility that further facilitates a good work-life balance. As a technology company, we are in an industry with a lower share of women and in Pexip we have gender equality high on the agenda in all aspects of our culture and hiring processes. We are committed to working actively to promote and improve topics within equality, diversity, and inclusion within Pexip, and create an open and inclusive workplace.

Developing infrastructure for the future

SDG 9: Industry, Innovation, and Infrastructure - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

Pexip contributes to a positive change in a range of industries, by providing alternative ways of working that has a positive impact on flexibility, convenience, and safety. Knowledge workers will be able to work

from a variety of locations and having a video communication platform lets them do this in both a simple and secure way. Pexip facilitate in safely connecting patients with healthcare providers, making public services more accessible to citizens, providing better customer service, and facilitating business continuity by enabling both internal meetings and customer-facing interactions to securely happen from anywhere.

Positive climate impact

SDG 11: Sustainable Cities and Communities - Make cities and human settlements inclusive, safe, resilient and sustainable.

Video conferencing enables high quality meetings without the need for physical presence. Pexip contribute to providing a viable alternative to travel, whether that's for meetings or for other business processes, enabling our customers to reduce their GHG footprint by travelling less both inter-city and longer distances.

Goal 12: Responsible Consumption and Production - Ensure sustainable consumption and production patterns.

Goal 12 is one of the key elements of Pexip's offering. Pexip's technology enables corporations to increase the lifespan of existing hardware by providing integration with newer technology. This does not only improve the experience for users but also reduce e-waste for the companies. Additionally, Pexip's architecture enables efficient and responsible energy consumption and the flexibility to choose host servers powered by renewable energy.

Materiality and stakeholder engagement

In 2020, Pexip engaged an independent consultant specialized in environmental, social and governance (ESG) issues to carry out a detailed materiality analysis. The analysis sets out to inform strategy, and help Pexip prioritize its sustainability efforts according to significance of impact.

The 2016 GRI Standards were applied and involved input from both internal and external stakeholders. Pexip's stakeholders include staff, investors, customers, partners and regulators. We have ongoing and continuous dialogue with our stakeholders, both formally and informally.

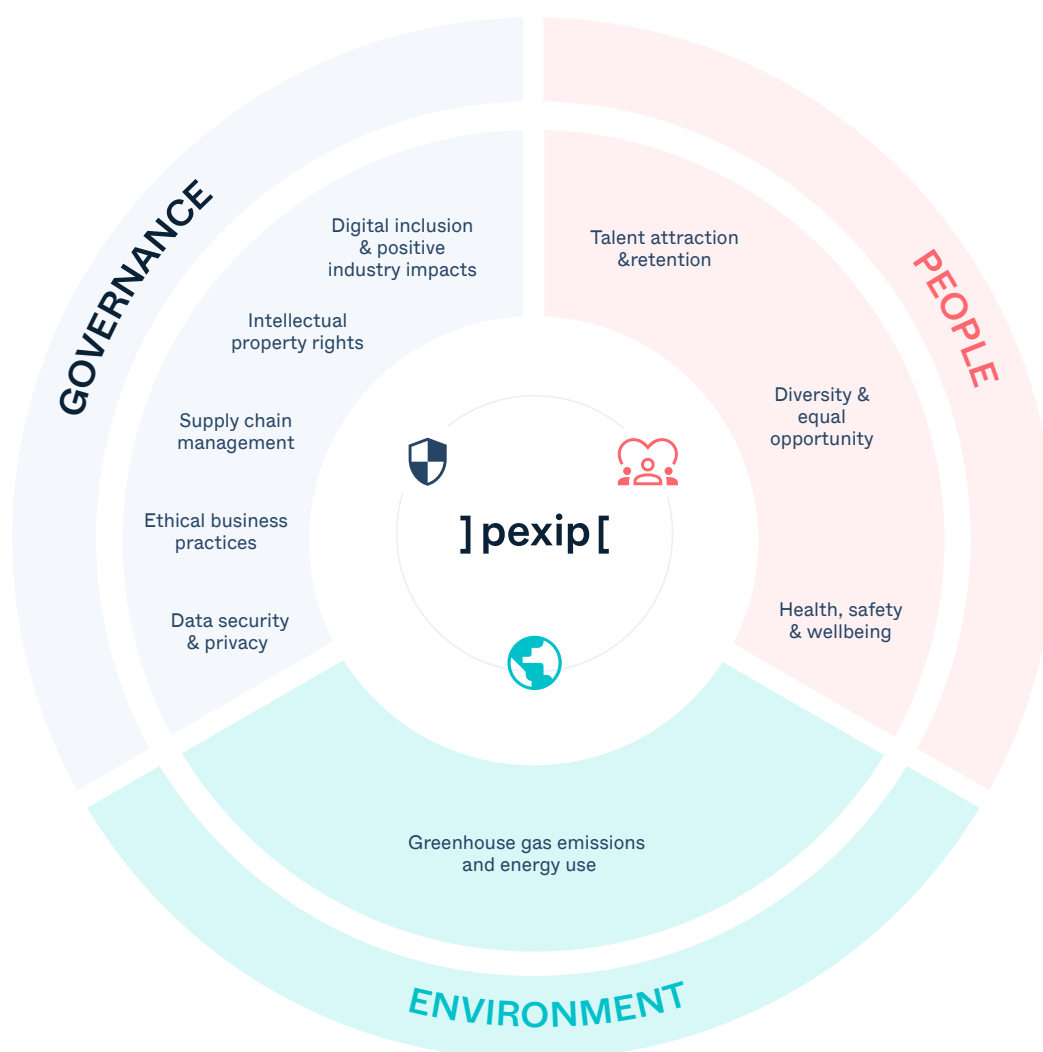
A more detailed description of the assessment process, including stakeholders engaged and topics raised, is included in the appendix. Pexip will continue to stay updated on all relevant changes in standards and update or extend our assessments when needed.

An internal review of the analysis was carried out by the Executive Leadership Team in preparation for this report and concluded that the identified topics were still relevant.

When presenting the material aspects in this report, we have sorted them by people, governance, and environmental impact.

Material topics

The following topics have been determined to be material for Pexip:



Human rights salience mapping

In 2021 Pexip conducted a human rights salience mapping, with the help of an independent third-party organization. Salient issues are defined by the UN Guiding Principles on Business and Human Rights as those issues in which a company is most likely to impact people severely negatively. As such, companies should prioritize managing these issues. Several issues were identified as being potentially salient for Pexip:

1. Data security and privacy
2. Supply chain management
3. Diversity and inclusion
4. Digital Exclusion
5. AI/Machine learning
6. Right to fair trial/Access to justice
7. Selling to high-risk countries.

Pexip will use this salience mapping to further develop its human rights due diligence processes, in line with the Norwegian Transparency Act, which came into force in July 2022, and in accordance with the appropriate GRI standards. Pexip will regularly review its salient human rights issues.

EU Taxonomy

We are closely monitoring the EU's work on Sustainable Finance and the EU Taxonomy regulation. The EU taxonomy is a classification system defining what is considered sustainable economic activity. The purpose is to channel capital into sustainable investments and stop greenwashing, and it is considered an important tool in the implementation of the European Green Deal. It is also closely linked to the Corporate Sustainability Reporting Directive (CSRD).

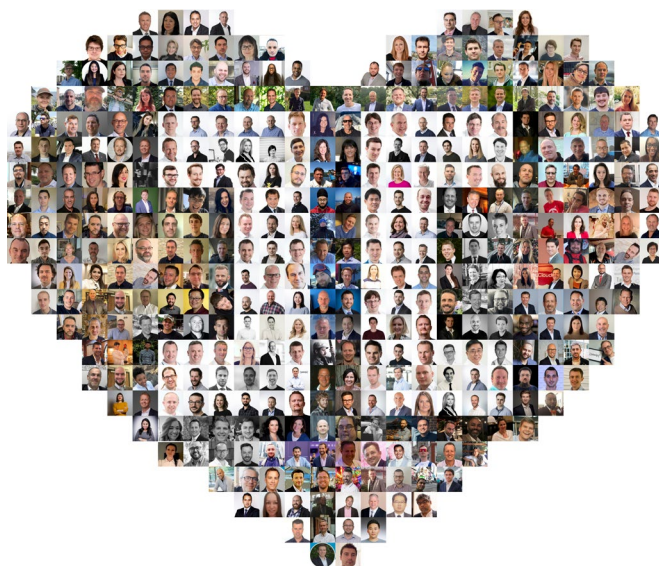
With the reduction in the number of employees during 2022, Pexip is not directly subject by law to the requirements of the EU Taxonomy when the law comes into force. However, as we still remain a company in growth, we do continue to monitor our obligations and are prepared to report according to this if the circumstances change. We have therefore performed a high-level assessment of eligibility to begin our preparation for future commitments.

We have started the Taxonomy eligibility assessment with a top-down approach, based on the NACE codes. Pexip operations fits within the category of "Information and communication - computer programming, consultancy and related services". Pexip's activities can also be seen to be included in the EU Taxonomy activities 8.2: Data-driven solutions for GHG emissions reductions. Based on this, we believe that all of Pexip's turnover, capex and opex are associated with taxonomy-eligible economic activities. As we will do further Taxonomy assessments this judgement of our positioning may change.



Our People

Our employees are our greatest strength, and attracting and retaining a global, diverse and skilled workforce is crucial to Pexip's success.



Pexip aims to be a leading people focused organization in the industry and focuses heavily on people and culture, inclusion, and diversity. We rely on a diverse workforce to succeed, and our goal is to offer equal opportunities, safe and risk-free working environment that fosters individual growth and enjoyment at work.

The Pexip Way sits at the core of how people shall experience Pexip, and our values guides how the company recruits, develops and leads. 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.

Talent Attraction and Retention

Downsizing affected large parts of 2022

In Q2'2022 Pexip implemented a cost reduction program, of which a downsizing of the employees was a necessary step in order to be able to achieve profitability going forward. Retaining key and skilled

employees has been very important when going through the significant reduction in the workforce. Pexip started the year with 535 employees, and was at the most in Q2 571 employees, before ending the year with 329 employees. To ensure that the downsizing process has been experienced as a fair process for both leaving employees and remaining ones has been a top priority for us during the year. We have had to say goodbye to a lot of great colleagues and friends, which have affected us all. We have had great focus on going through these processes in the best way possible and we do believe the situation have been handled in the best way possible, and we are ready to continue to develop and flourish as a company.

The Pexip Way sits at the core of how people experience Pexip, and is extended into how the company recruits, develops and leads. 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.



Communication and collaboration

Communication is always important, but especially in times of change. We use tools for real time collaboration, chat and communication. Pexip hosts annual kick offs, semi-annual smaller kick offs and regular all-hands meetings. These events are held as a mix of live streaming, recordings and in-person interactions. This mix is done to both ensure consistency and a sense of community across all our locations, as well as in-person interactions contributes to increased culture building in each location or all together as a company.

Culture

Building a strong and healthy culture that enhances innovation, excellence, collaboration and ownership has been important since the very beginning for Pexip – and proven to be critical to the Company's success. When asking our employees, the Pexip culture is one of the primary reasons why people join Pexip. The Pexip Way, as described earlier in this report, is used as a guide to ensure that our decisions and actions enhance the culture and it helps ensure that productivity per individual doesn't decrease while the number of employees increases.

Training

We believe in learning and development as a critical success factor for both employee engagement and business success. Pexip encourages its employees to keep their skill set up to date by completing relevant training courses. We have a comprehensive learning platform, which delivers a series of training programs to help develop employees, customers and channel partners, as well as comply with ISO regulated training. In 2022, all of our employees completed the Security Awareness Training. 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.

100%

of employees completed the Security Awareness Training in 2022.

Diversity

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. More details about our Equal Employment Opportunity Policy can be found in our Code of Conduct at <https://investor.pexip.com/corporate-governance-policy-documents>.

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. Pexip's goal is to offer equal opportunity, safety and a risk-free working environment fostering individual growth and joy at work.

Pexip is an equal opportunity employer who evaluates applicants regardless of an individual's age, race, color, gender, religion, national origin, sexual orientation, disability or veteran status. We are committed to creating a diverse and inclusive environment at work and are proud to be an equal-opportunity employer. All qualified applicants will receive the same level of consideration for employment; everyone we hire will receive the same ability for training, compensation, and promotion.

Our diversity, equality and inclusion by numbers

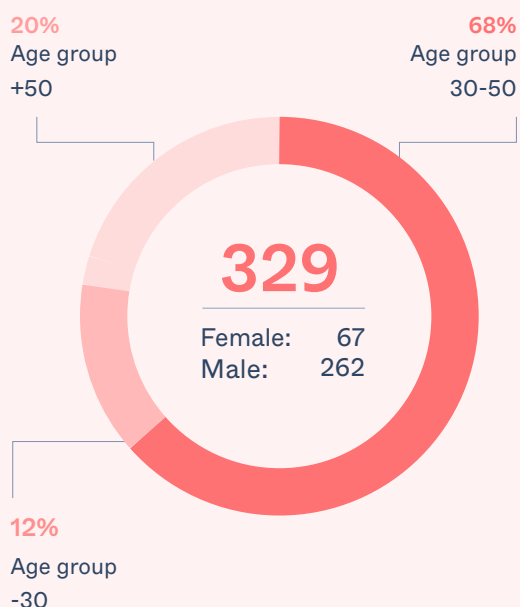
At the end of 2022, 20% of Pexip's employees were women. 43% of our board members are women, and 29% of our senior leadership team were female.

The majority of our employees are aged from 30-50 years (68%), with 57% of the executive team aged between 30-50 years. The board comprise of 71% aged 30-50 and 29% 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.

End of 2022	Gender	Age		
	(% female)	<30	30-50	50+
Board	43%	0%	71%	29%
Executive	29%	0%	57%	43%
All employees	20%	12%	68%	20%

End of 2022	Gender (% female)	Total employees
Europe	21%	228
Americas	19%	67
APAC	18%	34

Total number of employees



For further details on Pexip's employees, see the Annual Report 2022.

In practice: Collaboration with Team Aker Dæhlie

To follow dreams and to chase goals should be possible for everyone regardless of age, gender, disability or nationality. We believe that anything is possible if we give people equal opportunity to succeed.

In the end of 2022, Pexip entered a collaboration with Team Aker Dæhlie to support BEYOND. Team Aker Dæhlie is the first cross country team to include athletes from long-distance running, FIS/allround, talents and para-crossing. The venture is called BEYOND and is also about performing beyond going fast on the cross-country track. BEYOND is a way of thinking and achieving. Through its values and actions, the team will lead the way and inspire others. Fear of failure will not prevent the team from challenging the status quo.

Pexip is proud to have joined this collaboration, and the joint ambition and action for equality, equality, equal pay and equal opportunities. At Pexip we will learn from BEYOND, share, challenge ourselves and do things we have never done before, learn, grow, outperform and we will do it all together as #oneteam.

Health, Safety and Wellbeing

Pexip works systematically to take care of employees' health, safety and wellbeing.

Employee support

We strive to do all we can to provide a positive environment for our people. Leaders are encouraged to discuss emotional wellbeing with their teams through the PexTalk program, a facilitated discussion around employee wellbeing, growth and development.

Wellness initiative

Pexip has established a wellness initiative through a shared online chat to build community and strengthen wellbeing. The initiative is employee-led and engagement is high, with frequent sharing and suggestions for workouts, healthy eating and hobbies. We also arrange joint workout sessions, running groups with management and walks with representatives from HR to encourage employees to prioritize being active during their workdays as well.

Health and safety performance

No work-related illnesses or accidents were reported in 2022.





Governance

Digital Space

Digital Inclusion and Positive Industry Impacts

From a product perspective, digital inclusion can be ensured by designing features that promote meeting equality, a consistent user experience and help to maintain a safe office environment, levelling the playing field for all meeting participants.

Pexip makes sure every participant is seen, heard, and included in meetings with its AI-powered, Adaptive Composition experience. Pexip automatically detects faces, frames them by cropping/zooming/tilting/panning, and arranges the layout to give large groups and active speakers more screen real estate. Adaptive Composition results in better eye contact and more natural face-to-face conversation. Pexip solves this with its core technology at the platform level, providing a device-agnostic solution that works with any technology.

Advantages of Pexip's device-agnostic solution:

- AI can be applied to any video image regardless of which endpoint originated the image, including legacy hardware endpoints and video sent from soft clients and mobile devices. This removes the need for new hardware and enables reuse of existing video infrastructure, which is more sustainable.
- Graphics Processing Units (GPUs) in the cloud, as opposed to having a GPU built into every endpoint, can reduce the cost of the endpoints.



The use of AI and machine learning carries with it risks of discrimination, including the risk that darker skin tones may not be recognized. Pexip is aware of and has tested for that risk, including training our models on diverse data sets in order to reduce possible bias. Adaptive Composition has been tested and actively used by customers since March 2020, without any negative feedback in this regard.

Pexip also furthers digital inclusion by creating more accessible meetings. It complies with accessibility standards AAA WCAG 2.0, Section 508, Americans with Disabilities Act, and Accessible Rich Internet Applications (ARIA), and includes features like high-contrast mode, screen reader support, and customizable UI elements such as colors and text. Performing searches in the UI is another area where design plays an important role. Accessible design can help empower users find what they are looking for as quickly as possible while also giving those with impairments or disabilities an easier way to navigate the system. Pexip ensures the color scheme used for displaying search results is

colorblind-friendly and easily accessible. Customers can also integrate Pexip with other solutions including closed captioning and transcriptions to improve accessibility. Each of these capabilities improves usability for people with disabilities so they have an equal seat at the table.

Pexip provides access to multiple meeting solutions while minimizing contact with surfaces to create a safer workplace through One-Touch Join and MeetingConnect. Individuals and organizations have their own preferences for meeting solutions, creating a mixed collaboration landscape that can make it difficult or impossible to join others' meetings. In addition, organizations need solutions that minimize contact with surfaces to promote a safer workplace. Pexip solves these challenges with One-Touch Join and MeetingConnect. One-Touch Join enables users to dial into any video meeting by pushing one button. MeetingConnect on a smartphone allows a user to walk into a room, scan a QR code, and join any scheduled or unscheduled/ad-hoc meeting.



Data Security and Privacy

Security and customization are paramount when video communication is becoming mission critical for customers. For many organizations, especially those in the government, healthcare, and financial sectors, video meetings are a space where sensitive or even classified information is shared, and where reliability and continuity are absolute requirements. Government organizations and large enterprises are looking to build resilient operations that can withstand cyber threats and that can handle situations when failure of infrastructure isn't an option. With increasing number of cyber-attacks over the last few years, confidential business information, critical services, and infrastructure are all at risk.

In addition, with increased geopolitical complexity and tension, governments are looking for communication tools that promote and facilitate privacy, trust, and data sovereignty.

Pexip is committed to upholding high standards of information security, privacy and transparency for its customers, partners and employees. Modern security threats are constantly evolving and each threat can have a significant impact on a company's business operations. Pexip continues to identify, analyze, and address information risks to keep pace with these changes and mitigates potential risks on an ongoing basis.

In 2022, there were no breaches of customer privacy.

Providing security-first video communication for partners and customers

Pexip offers security-first, enterprise-grade video conferencing solutions using industry-standard encryption and security protocols to maintain privacy and security.

Pexip's solutions can be configured to meet the internal security requirements of each customer and the Pexip platform helps organizations ensure business continuity, maintain full transparency and control of meeting data and rely on superior audio and video. Organizations have full data sovereignty, and meeting details and patterns are never exposed to third parties, making it easy to comply with any regional data storage and transit requirements. In addition, the solution can be hosted on-premise and be configured to operate without an internet connection. Hosting on-premise ensures that organizations are able to communicate if a primary solution fails or if communication is lost due to network outages, natural disasters, or digital attacks.

Pexip holds multiple data security and privacy certifications

Pexip is independently ISO 27001 and ISO 27701 certified, the international standard for Information Security Management. Pexip obtained the ISO 27001 certification three years ago, awarded to companies who meet rigorous standards around information security and data protection. The newer ISO 27701 certification requires companies to implement, maintain, and continually improve a Privacy Information Management System.



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. 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's Information Security Management Policy outlines the Company's robust approach and its expectations for information security, which ensures compliance with the above standards. The Policy outlines a set of technological, physical, and organizational measures to protect data.

“The renewal and extension of this certification is the result of our meticulous focus on privacy and security. We are proud to be one of the best-in-class when it comes to meeting high data protection standards, as this accountability is essential for our customers. Protecting their confidential and sensitive information is our top priority.”



Geir Aasen,
Chief Information Security Officer, Pexip

Pexip's ISO privacy certifications:

- ISO/IEC 27001:2013 - Information Security Management System (ISMS)
- ISO/IEC 27017:2015 - Additional security controls for Cloud Service Providers
- ISO/IEC 27018:2019 - Additional privacy controls for Cloud Service Providers
- ISO/IEC 27701:2019 - Privacy Information Management System (PIMS)



Pexip also meets or enables a comprehensive range of additional information security standards and privacy regulations, including:

- DISA Defense Information Systems Agency for DOD Information Network (DoDIN) Approved Products List (APL)
- FIPS Federal Information Processing Standard Publication 140-2
- Enabling HIPAA Health Insurance Portability and Accountability Act compliance
- SOC2/SSAE16 compliant data centers
- CSA STAR Level One
- French CSPN Certification de Sécurité de Premier Niveau, by ANSSI
- Spanish CCN-STIC 105 CPSTIC approved product, by CCN Centro Criptológico Nacional
- GDPR (EU) Regulation 2016/679
- UK GDPR and United Kingdom's Data Protection Act 2018
- Swiss FADP Federal Act on Data Protection
- CCPA California Consumer Privacy Act of 2018

Business Continuity and Crisis Management

Pexip has implemented a business continuity management system that inherently interconnects with the Company's crisis management process.

Pexip's crisis management process focuses on addressing threats on people and public safety that could escalate or intensify risks of financial losses and reputational damage. Potential crises identified include:

- Natural disasters such as hurricanes, earthquakes, tsunamis and volcanic eruptions;
- Events caused by humans, such as fires, high level carbon footprint and hazardous material disposal all of which could have significant environmental impact overtime;
- Other serious climatic events such as floods, snowstorms and droughts;

- Biological risks, including disease outbreak and pandemics;
- Intentional human-caused events such as violent acts, unrest and political tension leading to war; and
- Technological events such as disruptions and cyber attacks.

In times of crisis, Pexip's executive leadership team, or crisis management committee, is engaged to determine and make appropriate decisions on the approach to mitigate the situation based on the devised strategy. This ensures overall coordination during a crisis, in a timely manner, with the goal of avoiding or minimizing damage to Pexip's profitability, reputation, and ability to operate.

For more detailed information on our approach and commitment to data security and privacy, see: <https://www.pexip.com/security>.



Ethical business conduct

Ethical Business

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.

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 ensure anonymity and the 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 complaints submitted via the whistleblower channel in 2022.

Supply Chain Management

Pexip expects that all suppliers which we have a direct contractual relationship with to comply with our supplier code of conduct terms and conditions, including any environmental, social and governance requirements. Pexip's Supplier Code of Conduct and approach to working with suppliers reflect our expectation that our suppliers and business partners will match our own commitment to sustainability, including environmental protection, internationally recognized human rights, and ethical business practice.

In developing our Supplier Code of Conduct, we have been guided by internationally recognized standards, including the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the ILO Fundamental Conventions, and the Sustainable Development Goals. When selecting suppliers, we consider their ESG performance, particularly in relation to our own material ESG issues. To achieve our goal of a sustainable supply chain, we will favor suppliers that operate consistently with our ESG policies. 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 2022 we engaged in formal or contractual business activities with approximately 1000 suppliers. There were no confirmed breaches of our supplier code of conduct ESG requirements.

The Norwegian Transparency Act

In compliance with the Norwegian Transparency Act, Pexip have conducted a human rights due diligence assessment for its suppliers.

The process is based upon the OECD Guidelines for Multinational Enterprises, and comprise of six main stages:

1. embed responsible business conduct into Pexip's policies and management
2. identify and assess actual and potential adverse impacts on fundamental human rights and decent working conditions that the enterprise has either caused or contributed toward, or that are directly linked with the enterprise's operations, products or services via the supply chain or business partners
3. implement suitable measures to cease, prevent or mitigate adverse impacts based on the enterprise's prioritizations and assessments pursuant to (2)
4. track the implementation and results of measures pursuant to (3)
5. communicate with affected stakeholders and rights-holders regarding how adverse impacts are addressed pursuant to (3) and (4)
6. provide for or co-operate in remediation and compensation where this is required.

Pexip has defined a clear, formalized process to ensure that we as a company, along with our suppliers, are compliant with the Transparency Act. During the second half of 2022, the executive management and the board was informed on the topic and the proposed business conduct. Both the Board and management is strongly supportive of the initiatives put in place, and our aim of supporting human rights throughout our value chain.

A roadmap has been set up for the formal process of assessing the suppliers and risk level, with a

defined risk assessment and outcomes. Suppliers go through an initial, high-level risk assessment defined based upon the supplier's country, industry, product, and other company specific information. These are defined based on an external set of risk categories, indicating the need for further risk assessment. If risks are uncovered, measures will be taken in line with our internal policy and formalized system. We have several important policies in place, such as the Human Rights Policy and our Supplier Code of Conduct covering our commitment in these areas. We aim to have all our suppliers agree and commit to these as well.

We performed a comprehensive due diligence of our suppliers as of 30.06.2022, and as of 31.12.2022. The due diligence was performed on all suppliers above a set threshold of NOK 1 million in annualized cost, covering 94 suppliers during 2022. The threshold was set based on a materiality assessment, and a decision to include the main suppliers in the initial due diligence. Of the suppliers reviewed, 1 came out with a medium risk related to country of the supplier. However, as the supplier comprised one freelancer working for Pexip in R&D, it was concluded as limited risk and no further investigation was deemed necessary.

We have adjusted our internal processes for onboarding of suppliers, to capture high risk suppliers before they are onboarded. This will result in a review of all suppliers, and not only limited by size as the initial due diligence was.

Pexip will continue to prepare semi-annual reviews of our suppliers, in addition to the continuous assessment of new suppliers through the onboarding process. A statement on this and related outcomes will be included as a part of the sustainability report each year, providing an overview of how adverse impacts are addressed.

Intellectual property

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 for facilitating sustainability transitions on a global scale.

The value of IP has a high importance for technology companies, particularly those operating in a competitive commercial environment. In many cases the strength of the IP can be an important feature that distinguishes a company from its competitors. Good internal IP management ensures that the value of the Company's IP is secured for commercial use.

Active IP management also supports the reputation of the Company as a technology innovator, which helps attract customers, and partners and may assist in attracting and retaining the best employees; a rich and developing IP portfolio indicates an innovative company culture.

We have established an IP management function that captures, maintains and protects all possible IP. Pexip also respects third-party IP and is willing to share IP when appropriate.

Pexip was not involved in any patent litigations in 2022.

We follow our code of conduct and ethics policies in all IP matters.



Environmental



GHD Emissions and Energy

The energy crisis in Europe, sparked by Russia's war in Ukraine is affecting economies, businesses and consumers. Higher costs create an increased burden for customers and companies and underpins why this is an important topic. The computing energy used by the information and communications technology sector is significant. Estimates of the associated GHG emissions from the sector range from 2-3% of global emissions. Data storage and transfer services (servers) in particular are major contributors to this growth.

We are committed to deliver video solutions that require less network resources and more efficient Central Processing Unit (CPU) 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 your 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 power over alternative solutions. This equates to cost savings for organizations as well as a reduction in the resources needed to power your video solutions.

The Pexip Service runs in a shared cloud, eliminating the need for company-specific servers. The compute is leveraged on-demand on a global basis so fewer resources are wasted idly waiting for use.

Pexip uses low-carbon and carbon-neutral cloud providers

The flexibility of the Pexip platform allows our 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:

- Microsoft Azure, that has committed to be running on 100% renewable energy by 2025¹ ;
- Google Cloud Platform, that has been carbon neutral since its founding in 1998 and aims to operate on clean energy, every hour and in every region by 2030²;
- Amazon Web Services (AWS), which is committed to running its business in the most environmentally friendly way possible and achieving 100% renewable energy usage for its global infrastructure³;

Sustainable innovation

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.

We believe in sustainable innovation that provides an alternative to the “rip and replace” cycle that leads to resources ending up in landfills. By providing customers with the means to upgrade and reuse existing technology, Pexip helps reduce the negative impact on the environment. Pexip enables video conferencing systems, laptops, mobiles and webcams to be as “smart” as the latest cutting-edge AI meeting products. The savings accrued allows Pexip customers to scale the benefits of AI across their entire hybrid workforce, eliminating expensive training and technical support associated with the adoption of new systems.

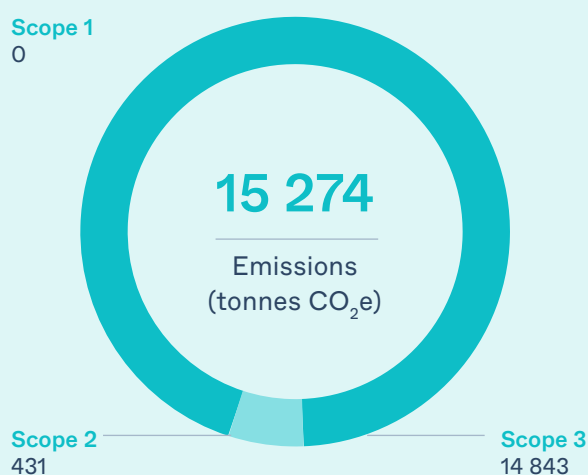
¹ <https://azure.microsoft.com/en-us/explore/global-infrastructure/sustainability/#carbon-benefits>

² <https://cloud.google.com/sustainability>

³ <https://sustainability.aboutamazon.com/environment/the-cloud?energyType=true>

Pexip's own emissions are low

The direct climate footprint of Pexip is very limited. In 2022, 97% of the emissions came from indirect emissions related to our activities (scope 3), mainly related to travel, IT and hosting service providers. These were calculated on a market basis as 14,843 tonnes carbon dioxide equivalents (CO₂e). We had no direct emissions (scope 1) and our indirect emissions (scope 2) were primarily related to building energy use in our offices. The indirect energy emissions (scope 2) were calculated on a location basis, as 431 tonnes CO₂e.



Appendix

GRI Index

GRI Disclosure		Reference
2-1	Organizational details	Legal name: Pexip Holding ASA Ownership: Listed company Oslo Børs HQ: Oslo, Norway Countries: Our business
2-2	Entities included in the organization's sustainability reporting	Our business Environmental data covers all of Pexip.
2-3	Reporting period, frequency and contact point	Data in this report is reported for 1 January 2022 to 31 December 2022. It is published annually. This report was published on 29 March 2023. For more information please contact: IR@pexip.com
2-6	Activities, value chain and other business relationships	Our business, Our business areas
2-7	Employees	People Annual Report 2022,
2-9	Governance structure and composition	https://investor.pexip.com/about/management-team https://investor.pexip.com/corporate-governance-board
2-15	Conflicts of interest	Ethical Business
2-16	Communication of critical concerns	Ethical Business
2-19	Remuneration policies	2022 Remuneration Report https://investor.pexip.com/corporate-governance-policy-documents
2-22	Statement on sustainable development strategy	Statement from the CEO
2-23	Policy commitments	https://investor.pexip.com/corporate-governance-policy-documents
2-26	Mechanisms for seeking advice and raising concerns	Ethical Business
2-27	Compliance with laws and regulations	Data Security and Privacy Material Topics Transparency Law
2-29	Approach to stakeholder engagement	Material Topics
2-30	Collective bargaining agreements	None active

Material Topics:

GRI Disclosure		Reference
3-1	Process to determine material topics	Material Topics
3-2	List of material topics	Material Topics
3-3	Management of material topics	Material Topics

Topic specific disclosures

GRI Disclosure		Reference
Health and safety		
403-9	Work-related injuries	Health, Safety and Wellbeing
Emissions		
305-1	Scope 1 GHG emissions	GHD Emissions and Energy
305-2	Scope 2 GHG emissions	GHD Emissions and Energy
305-3	Scope 3 GHG emissions	GHD Emissions and Energy
Diversity and equal opportunity		
405-1	Diversity of governance bodies and employees	Diversity
Data privacy and security		
418-1	Customer data breach and data loss	Data Security and Privacy

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) 6,450 2) 100% of energy 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) NA 2) 0	Percentage (%)	TC-SI-330a.1
	Employee engagement as a percentage	NA	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) 29% female 2) 7% 3) 20%	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	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	1) 0 2) 24 3) 8.0h	Number, Days	TC-SI-550a.1
Disruptions	Description of business continuity risks related to disruptions of operations	See Annual Report section Risk Management	n/a	TC-SI-550a.2

Table 2. Activity Metrics

Accounting Metric	Measure	Unit of Measure	Code
(1) Number of licenses or subscriptions, (2) percentage cloud-based	N/A	Number, Percentage (%)	TC-SI-000.A
(1) Data processing capacity, (2) percentage outsourced	N/A	See note	TC-SI-000.B
(1) Amount of data storage, (2) percentage outsourced	N/A	Petabytes, Percentage (%)	TC-SI-000.C

Stakeholder Engagement

We undertook a materiality assessment in 2020 and have continued to engage with our stakeholders in 2022 to ensure that the topics chosen in 2020 are still the ones that are the most relevant for the business.

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

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.

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.

Supply chain: labour rights

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

IT solutions for the environment

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

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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