NORDLO

Get closer to sustainability

Sustainability Report 2022

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We develop society by strengthening the competitiveness and sustainability of Nordic organisations – both today and tomorrow.

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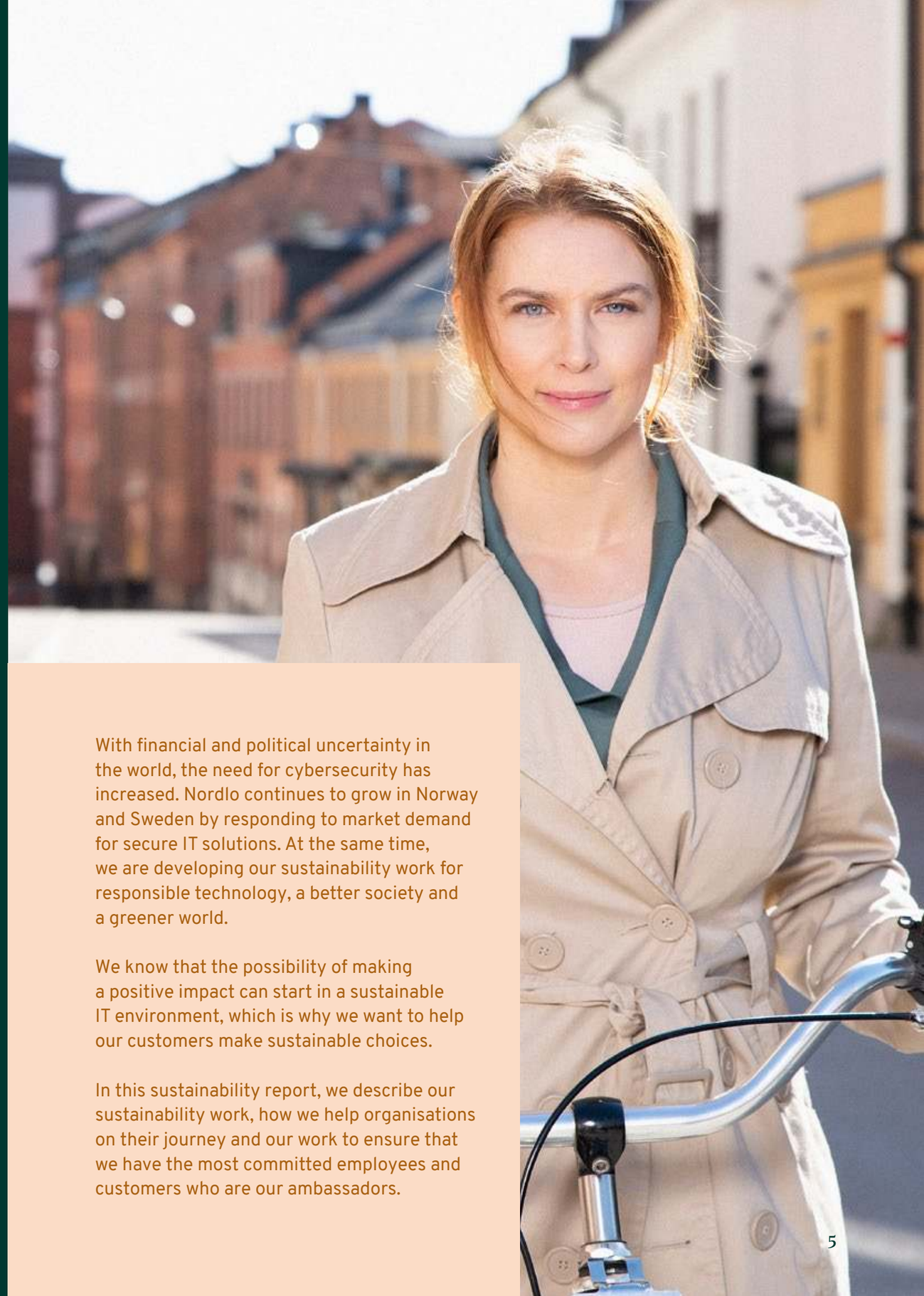


With financial and political uncertainty in the world, the need for cybersecurity has increased. Nordlo continues to grow in Norway and Sweden by responding to market demand for secure IT solutions. At the same time, we are developing our sustainability work for responsible technology, a better society and a greener world.

We know that the possibility of making a positive impact can start in a sustainable IT environment, which is why we want to help our customers make sustainable choices.

In this sustainability report, we describe our sustainability work, how we help organisations on their journey and our work to ensure that we have the most committed employees and customers who are our ambassadors.

Measurement for progress

Like so many others, we at Nordlo had high hopes for a more normal 2022. Just as we welcomed the restart of the Swedish IT industry after the pandemic years, the war in Ukraine came and redrew the global situation again. But despite challenges in the surrounding world, Nordlo continues in a positive direction, with expansion in the Nordic region and increased satisfaction among both customers and employees.

At Nordlo, we are constantly monitoring the development of the security situation and have seen that intrusion attempts have increased significantly during the year. Fortunately, thanks to proactive security work, we have been able to help our customers deal with the increased threat level. As with so much else, in the vast majority of cases, security flaws have to do with the human factor. We work intensively, with our employees and with our customers, to increase knowledge and awareness of IT security and thereby reduce security risks.

During the year, sustainability work at Nordlo has been characterised by honing our long-term goal of net zero, ensuring one hundred per cent green energy in our data centres and, last but not least, increasing pressure on our suppliers through follow-ups of the supplier code of conduct.

The direction of Nordlo's sustainability strategy remains the same, and we always strive to ensure that it is clear, thereby adopting the classic motto "what gets measured gets done". It is about how, in an increasing number of areas, we not only measure our activities, but also their results. Sustainability is about changing behaviour, and everything that is clear and measurable to us humans is also easy to adopt. One area where we have adjusted our measurements is diversity and inclusion. The IT industry has long faced challenges as male-dominated. Nordlo measures and monitors the proportion of women and non-binary people – partly in Nordlo as a whole, and partly in the category of managers and in specific areas of expertise where it is particularly difficult to increase the balance: technicians, salespeople and project managers. This means that we can now see the effect of the initiatives that we are taking to increase diversity.

Unlike the industry as a whole, we are moving in the right direction when it comes to customer satisfaction. Employee satisfaction at Nordlo has also been strengthened, and the two are closely linked. I am absolutely convinced that our operating model, where we work closely with customers, contributes to increasing our customer satisfaction. Even though Nordlo is growing as a group, customers still feel that they are important to us and get the attention they deserve due to our familiar and local way of working. This is exactly how I want Nordlo to continue to grow – as a responsible, local and sustainable company.

Fredrik Almén, CEO Nordlo

"We have adopted the classic motto 'what gets measured gets done'"

The year in brief

4.8/6
Customer satisfaction (CSI)

77/100
Employee satisfaction (ESI)

100%
green energy in our data centres in Norway and Sweden

Expansion in Norway and Norrland

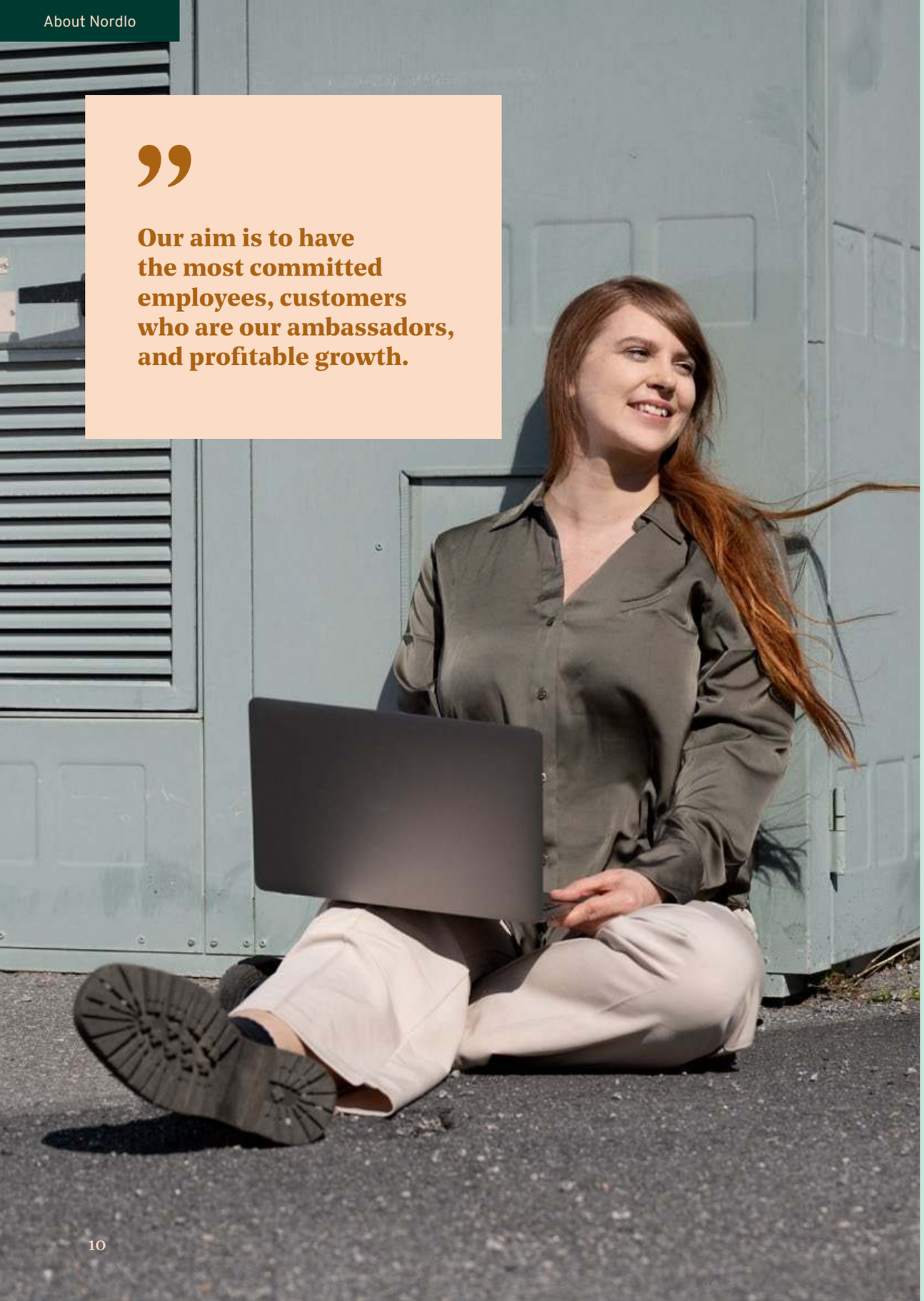
During the year, Nordlo's growth journey continued with the acquisition of Fana Data in Bergen, Norway. This deal means that Nordlo is now the leading IT and digitalisation provider for the SME market in the prioritised Bergen region in Norway. In Sweden, the IT company Interlan was acquired, with operations in Gävle, Bollnäs and Örnsköldsvik, among other places, which means that Nordlo strengthened its position in southern Norrland. After identifying an increased need for IT and digitalisation services in Umeå, Nordlo opened another office in the city in early 2022.

Focus on IT security

As cyber attacks against companies and authorities have increased, the demand for IT security solutions has increased. During the year, Nordlo has helped its customers with IT security services. In summary, the work is about strategy and security services in combination with training that makes employees aware of risk factors.

Extended climate measurement

Work on climate monitoring was intensified in accordance with the Greenhouse Gas Protocol during the year. In addition to measuring scopes 1 and 2 in full, scope 3 has been expanded with more areas. The updated criteria for the Science Based Targets initiative (SBTi) and net zero have been included in the work, and Nordlo has signed commitment letters to set targets based on these.



> **Our aim is to have the most committed employees, customers who are our ambassadors, and profitable growth.**

Digitalisation as human craftsmanship

Nordlo is a growing Nordic IT and digitalisation partner whose purpose is to develop society by strengthening the competitiveness and sustainability of Nordic organisations – both today and tomorrow.

We help our customers improve their IT environment through a wide range of IT and digitalisation services. With strategic advice and responsible choices of innovative technology, Nordlo is helping customers drive digitalisation forward.

We want to build close relationships and gain a deep understanding of customer operations. It is through this understanding that we can take responsibility for the whole, support our customers and meet both our purpose and the customer's goals. We are close at hand, whether the customer is in Sweden, Norway or international. We work constantly to put our solutions in a human context, to reduce the distance between technology and users. Our ambition and will is to never be satisfied, to constantly improve, challenge and change.

850

employees

Our human craftsmanship is driven by a daily commitment from our 850 employees around Sweden and Norway.

1.9

billion

Today, Nordlo has a revenue of SEK 1.9 billion (full year 2022), and the goal is to become the leading IT services provider in the Nordic region.

46

offices

It is thanks to our many offices and committed employees that we are able to be close to customer operations.

Our services

Nordlo offers complete solutions within IT and digitalisation. To ensure that we are the right IT partner for each customer, we have a decentralised organisation close to our customers. The services in the offering are adapted to our different types of deliveries, from outsourcing to large companies and the public sector to IT solutions adapted for smaller businesses.

Digital Business Development

In the area of Digital Business Development, services are offered that help Nordlo's customers to streamline, automate and digitalise their working methods, which both reduces manual work and increases quality. Digital tools and visualisation of data enable decision support that simplifies business processes and working methods, which frees up valuable time for developing the business.

Cloud & Infrastructure

Nordlo offers complete solutions for infrastructure, cloud services and operations, ranging from public cloud services to hybrid solutions and traditional server operations in Swedish data centres with high security. Nordlo offers, for example, virtualisation, hosting, storage, backup and operational solutions that provide customers with a scalable, secure and worry-free complete solution for their infrastructure. The flexible solutions also increase the customer's opportunities for innovation.

Security

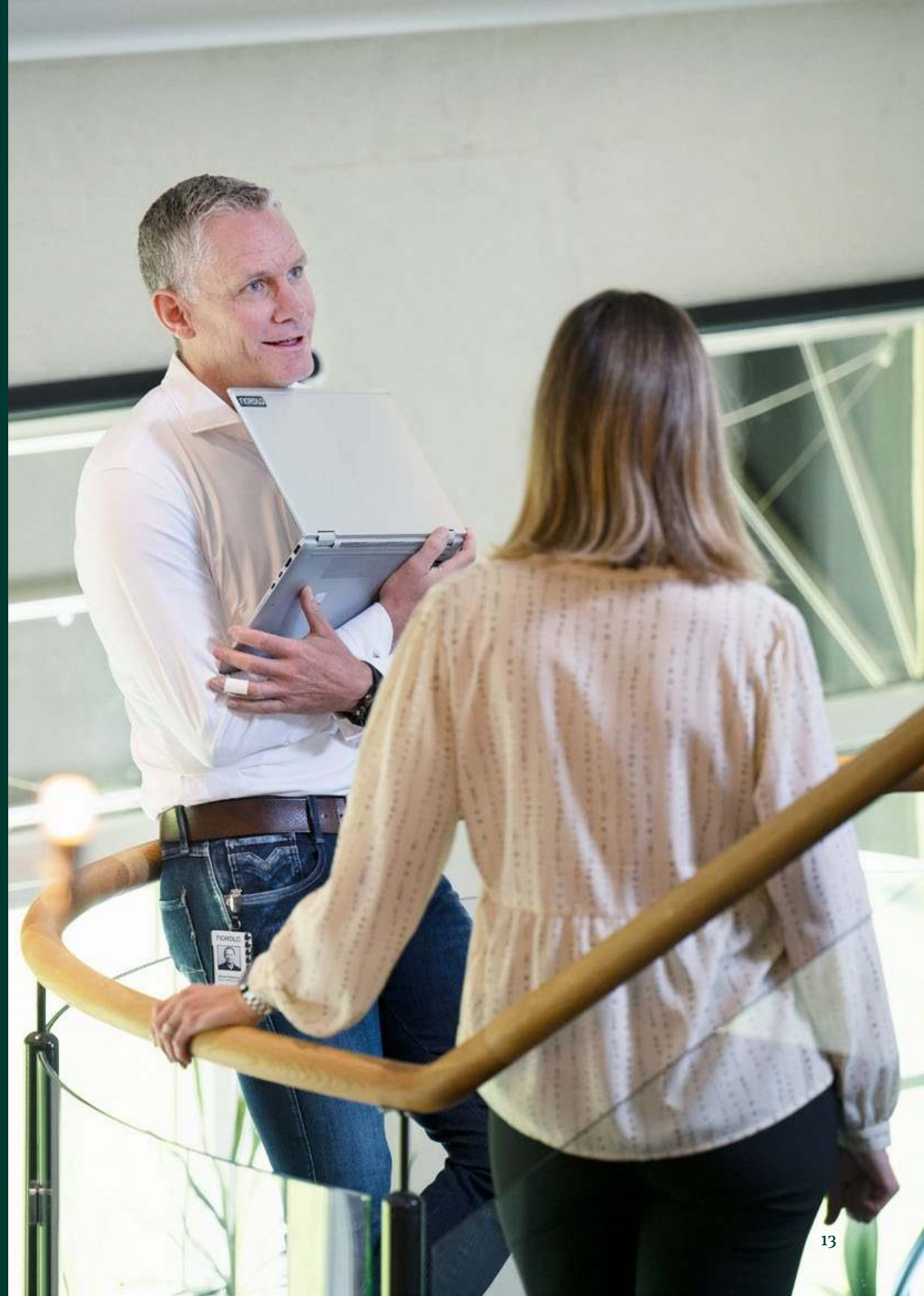
Nordlo supports its customers with both operational and technical security work. The area includes a wide range of services such as penetration testing, monitoring and incident management as well as technical security services. This service area also includes guidance and training to ensure that security awareness is high in the organisation. All to protect what is important for the customer's business.

Modern Workplace

Modern Workplace includes workplace services such as client management, service desk and IT solutions for the modern workplace. Nordlo supports customers with complete management of the workplace service, including adapting the workplace so that it supports the needs of the business, has high security and hardware is lifecycle managed. In this way, the customer can focus on their business. Nordlo's service desk services are provided by proactive employees with good technical skills and an understanding of the customer's operations and IT environment.

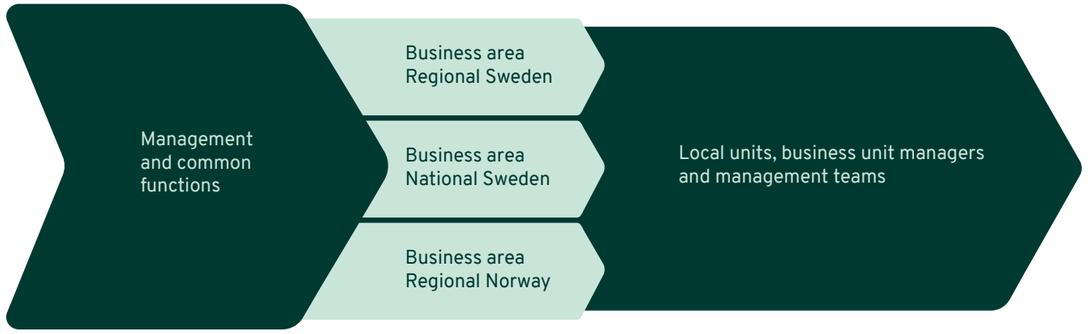
Application & Development

Nordlo ensures that data and information are provided securely, at the right time and that the systems communicate with each other. Application management, system development and setup of system integrations are offered to support customers with the development of business-critical applications. Nordlo also supports its customers when a choice of applications and operating model needs to be made.



Our governance model

Nordlo is a decentralised organisation that is more comparable to an entrepreneurial network. Instead of a classic organisational chart, we usually compare Nordlo's governance model to an arrow that illustrates the role of the business units and the Group in the organisation.



The quills of the arrow govern the long-term direction, with the help of a smaller group staff that is responsible for Group-wide strategy and selected key processes.

The business is run by our business areas, which are divided by customer segment, with each business area's customer group having similar needs and challenges. Each business unit belongs to a business area, and each unit manager reports to the business area manager.

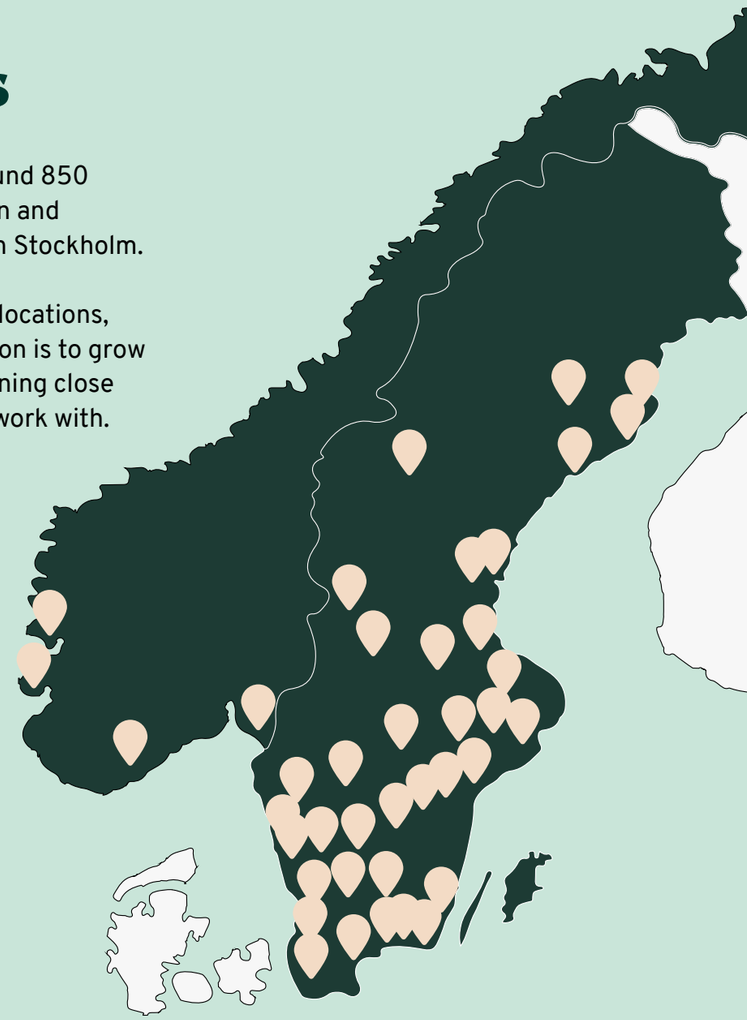
At the tip of the arrow are the operational units, which run the businesses and make decisions close to customers and employees.

Our governance model should promote a high degree of entrepreneurship to ensure that we capture the customer's needs in the local market. It also contributes to increased participation where our employees are more involved in our joint work and able to voice their opinions in areas they are passionate about. In line with our values, we work together, we do things from the heart and we create business value for our customers.

Our locations

Nordlo is a Nordic IT group with around 850 employees and operations in Sweden and Norway. The Group's head office is in Stockholm.

At the start of 2023, Nordlo had 46 locations, including four in Norway. Our ambition is to grow in the Nordic market, all while remaining close to the people and organisations we work with.



Our management systems

For Nordlo, the continuous improvement work is fundamental, both in our deliveries to customers and internally. One way to support this work is by working on the basis of international standards. This facilitates the prioritisation of improvement measures and at the same time provides a basis for legal compliance.

Nordlo's business units have management systems and work on the basis of ISO 9001:2015 for quality, 14001:2015 for the environment and ISO 45001:2018 for work environment, where over 70 per cent of all employees work in business units that are externally certified in these respects. Several operations are externally certified according to IEC/ISO 27001:2013 (SE 2017). All operations in Norway are certified within the Eco-Lighthouse scheme.

The strategy shows the way

Sustainability work at Nordlo started on the same day the Group was formed. After completing a materiality analysis, sustainability issues were integrated into the company's joint strategy and adapted based on applicable laws and EU directives. Stakeholder dialogues and identification of sustainability aspects in the value chain are conducted annually.

During 2022, the focus of the strategy work has been on clarifying the goals by reviewing the wording of the goals and follow-up. This work is intended to enable us to more clearly measure and report the effects of what we do, in addition to measuring the efforts themselves. Nordlo's aim is to define lasting goals that are clear both internally and to external stakeholders.

The results of the strategy work can be seen in Nordlo's three sustainability areas and their short and long-term goals, which are presented in more detail on pages 24–25.

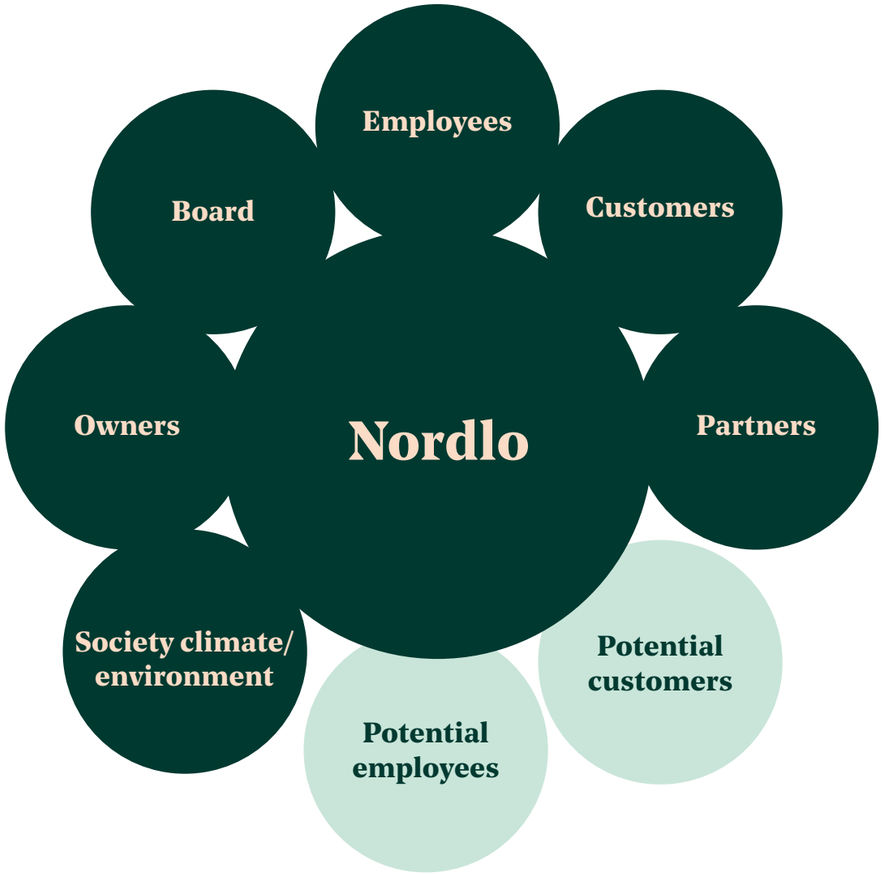
"During the year, sustainability work at Nordlo has been characterised by clarification."

- Internal and external conditions
- Identification of sustainability aspects through the value chain
- Stakeholder dialogue and materiality analysis
- Preparing goals from a sustainability perspective

Stakeholders

Nordlo's most important stakeholders are those who influence or are influenced by our operations. By identifying our most important stakeholders, the work with different types of dialogues is facilitated, which gives us the opportunity to collect information about which sustainability areas the stakeholders consider the most important.

Stakeholder dialogues are conducted continuously with customers, suppliers, employees and the Board of Directors. The dialogue can take different forms such as customer and employee surveys, dialogues in fora, requirements in procurements and business intelligence.



STAKEHOLDERS	AREAS	METHOD
Customers and market	– Production and resource efficiency – Social conditions in the value chain – Renewable electricity in data centre operations – Circular initiatives – Secure information management and privacy protection – Countering corruption	– Customer dialogues and strategic, operational and tactical meetings with customers in the private and public sectors – Customer survey (CSI) – Business intelligence regarding sustainability requirements for public procurement – Industry monitoring
Employees	– Inclusion and transparency – Skills development and networking – Healthy workplace and good working conditions – Workplace that cares about sustainability at all levels	– Employee dialogues – Employee survey
Board of Directors and owners	– Sustainable growth – Reduced environmental impact from both Nordlo's operations and customers' – Positively contribute to the community in which Nordlo operates – both as an employer and as a member of that community – Inclusion, diversity and equality – Countering all forms of harassment – Countering fraud and corruption	– Ownership framework – Dialogue in strategy fora – Board meetings

Sustainability aspects in the value chain

Environmental Social Governance

Nordlo's potential sustainability impact (ESG) based on industry, operations and legal jurisdictions. **Areas with a greater impact in bold.**

Provision of facilities and equipment

Greenhouse gas emissions (GHG) from hardware production.

Local emissions from mineral extraction in hardware production.

Electronic and hazardous waste.

Impact on biodiversity in the hardware supply chain and at data centre locations.

Greenhouse gas emissions (GHG) and energy consumption from leased data centreservices (DC).

Water and cooling in data centres.

Working conditions and human rights in hardware production.

Employee health and safety.

Socio-economic impacts of conflict minerals.

Corruption and bribery.

Own operations

E-recycling and lifecycle management of IT equipment and data centres.

Employee business trips and commutes.

Greenhouse gas emissions (GHG) and energy consumption from own data centre services.

Water and cooling in own data centres.

Impact on biodiversity and sound pollution at data centre sites.

Skills and development of employees.

Inclusion and diversity.

Work–life balance.

Information security and personal data privacy.

Professional integrity and honest advice.

Marketing and management

Greenhouse gas (GHG) emissions from business travel and employee commuting.

Office recycling/waste.

Energy consumption in own offices.

Employee training and development.

Inclusion and diversity.

Work–life balance.

Employee pensions.

Anti-corruption and bribery.

Anti-competitive behaviour.

Data security and personal data privacy.

Customers and end users

Energy consumption of products and services.

Impact on the customer's production and resource efficiency.

Digital literacy.

Contribute to more efficient work management.

Customer work–life balance (home office).

System reliability (e.g. lag, downtime).

Contract terms (B2B customers).

External factors affecting Nordlo based on industry, operations and legal jurisdictions.

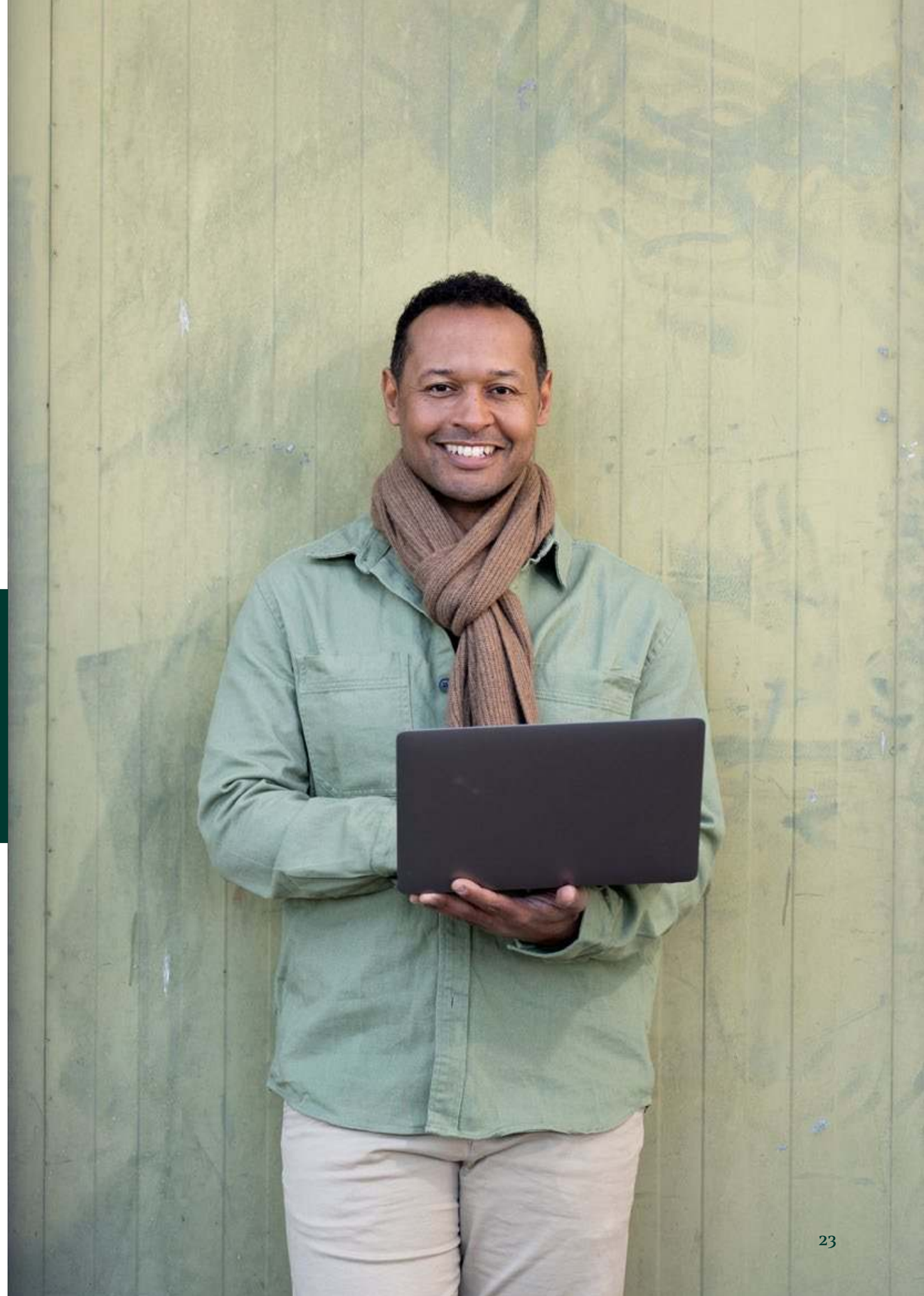
+ Demand for digital transformation services that enable the transition to a low-carbon economy.
+ Demand for low-impact and circular products and services.
- Increased risks of cyberattacks globally, putting pressure on data privacy and security measures.
- Review of emissions from data centres and e-waste.
- Industry characterised by a lack of diversity in technical jobs.

Nordlo's three sustainability areas

Nordlo's sustainability work rests on three pillars. Each of our three prioritised sustainability areas is based on the company's desire to contribute to a sustainable society and sustainable climate development, which is also expressed in the overall purpose of the company: "We develop society by strengthening the competitiveness and sustainability of Nordic organisations – both today and tomorrow."

Based on our three sustainability areas, we have defined a number of specific goals and areas for improvement in the short and long term. We have also identified how the areas and goals in turn contribute to the UN's Sustainable Development Goals. On the next page, we describe the goals in more detail.

- Sustainable offering
- Sustainable organisation
- Sustainable supply chain



	Long-term targets	KPIs	Goals 2023
Sustainable offering	– Services that support our customers' sustainability goals	– GHG footprint of Nordlo's services	– Evaluate and document sustainability perspectives, incl. greenhouse gas footprint, for our 5 largest services – Define method for measuring greenhouse gas footprint associated with these services
	– Circular services are offered to all customers	– Average lifespan of utilised hardware	– Evaluate and document circular management of the services with the largest hardware volume – Define method for measuring average lifespan of utilised hardware
Sustainable organisation	– Net-zero carbon footprint	– GHG emissions	– Prepare internal emission reduction plan – Evaluate plan and goals in line with SBTi (-4.2%/year) – Climate compensation 100% of measured values
	– Attractive employer with industry-leading employee satisfaction	– eNPS	– Increase eNPS to 31 (2-point increase from 2022)
	– Inclusive employer with diversity and representation above the industry average	– % of female and non-binary managers and operational staff	– Increase the proportion of female and non-binary managers and operational staff – Continue Nordlo More for inclusion and diversity internally – Implement equal sponsorship – A female or non-binary final candidate for all management roles in recruitment
	– Reliable partner with secure IT solutions	– % of employees participating in IT security and privacy education/training	– Monthly interactive micro-training sessions on IT security and GDPR for all employees
Sustainable supply chain	– Effective supply chain management/ monitoring	– % of purchase volume from suppliers for whom we have conducted risk analysis and/ or due diligence	– Expand risk analysis and implement due diligence and external communication in line with new legal requirements

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READ MORE ON PAGE 46

Sustainable offering

Nordlo's offering is continuously evolving. In order to meet market demand, a major focus in 2022 has been on services in the security area. Customer satisfaction increased, which is a great acknowledgement of our work.

Progress in 2022

- ✓ Nordlo comes out on top for the tenth year in a row when customers can choose their supplier.
- ✓ 100 per cent renewable electricity in our data centres in Sweden and Norway.

Sustainable services

For Nordlo, contributing to sustainable solutions for our customers is a matter of course. Our offering is scalable while also safeguarding long-term sustainability and quality. We create IT environments that will last over time based on our customers' business needs.

It is now well known that IT accounts for a large part of the world's raw materials, energy consumption and hazardous waste, as well as deficiencies in social conditions in the production chain. Nordlo strives to be a responsible operator that takes advantage of every opportunity to make a positive impression in its own operations, with our customers and with our suppliers.

Digitalisation and automation lead to higher productivity and resource efficiency. At Nordlo, we also see that we have a responsibility to guide our customers to make sustainable choices, large and small.

In the development of Nordlo's services, we have worked during the year to increase the innovative opportunities provided in IT while at the same time reducing the negative climate footprint that IT represents.

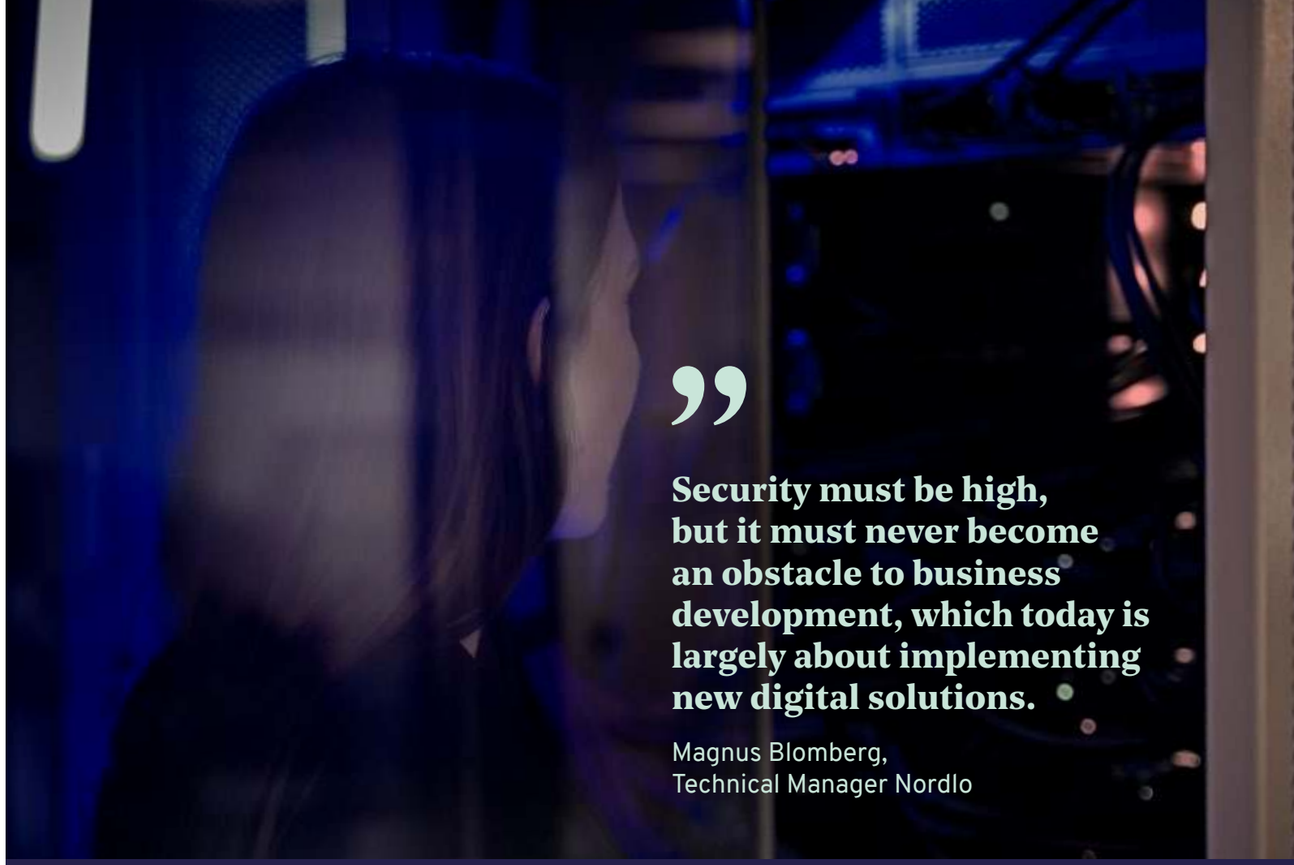
In the service area **Digital Business Development**, we help our customers with reduced climate impact and resource use through streamlined processes and reduced paper consumption. By automating manual processes, we can also create a better working environment.

Within **Cloud & Infrastructure**, we work with environmental aspects when storing data. For example, we reduce the negative footprint through 100 per cent renewable electricity in our Swedish and Norwegian data centres, energy-efficient equipment, virtualisation and circular lifecycle management.

Security and risk management promote sustainability and are crucial for companies' sustainable development. Social factors such as privacy issues are very important to consider in security work.

The **Modern Workplace** service area offers secure and efficient solutions for remote work and digital meetings, which reduces travel and thus climate impact. Workplace services include hardware and thus give rise to a relatively large part of the climate impact. Circular solutions help reduce climate impact.

The service area **Application & Development** makes a positive impact in the form of increased efficiency. In addition, the amount of data may decrease depending on how you program, which in turn leads to a reduced need for data storage.



Security must be high, but it must never become an obstacle to business development, which today is largely about implementing new digital solutions.

Magnus Blomberg,
Technical Manager Nordlo

A changing threat landscape requires secure IT services

Digitalisation enables rapid business development and streamlining, but also entails risks. Nordlo helps its customers find the important balance between security and innovation, work that has been in particular demand in 2022.

When it comes to cyber security, Nordlo helps several customers by, among other things, working on the basis of these pillars:

– **Classification work and continuity plan**: In order to be able to work preventively and be well prepared, the classification work is done at an early stage. Risks need to be assessed when new business solutions are implemented, but also for existing IT solutions. The continuity plan answers questions about what to do if a part of the company is shut down, as well as which parts of the business and which information are most important to protect.

– **Security services**: Based on each customer's specific needs, a combination of security services is tailored. This can be services such as penetration testing, monitoring, incident management and other technical security services suitably adapted to the business.

– **Increased awareness**: In addition to having a feasible strategy for cyber security, a common thread in Nordlo's security work is strengthening the awareness of the people who work in the organisation. Appropriate security solutions in combination with security-conscious employees who act on emerging threats provide the best possible protection.

Top in customer satisfaction

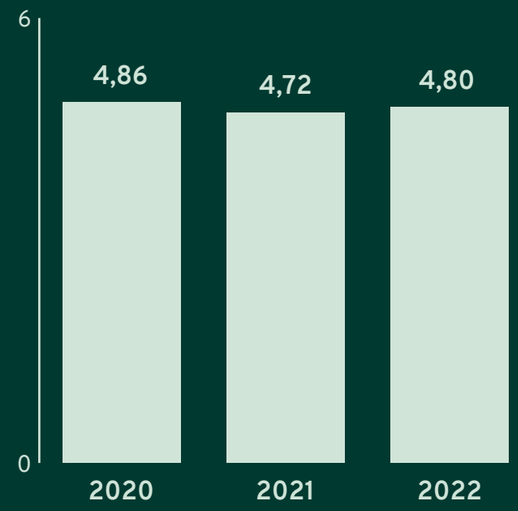
Nordlo strives for the highest customer satisfaction, and we work to constantly improve our services, our implementation and our internal work, which is a prerequisite for everything we do. To be able to constantly develop and achieve our goals, Nordlo conducts customer surveys, where customer satisfaction and willingness to recommend are followed up.

Each business area and business unit follows up on its customer survey results and reconnects with customers about areas for improvement. Account managers maintain a continuous dialogue with customers about customer satisfaction. For customers who use the service desk, surveys are conducted with end users. These are followed up together with delivery and support teams for continuous improvement.

According to Swedish customers 2022
LEADER IN CREATING CUSTOMER VALUE
Research by radar ECOSYSTEM SPECIALISTS

Nordlo comes out on top for the tenth year in a row when customers can choose their supplier. This was shown in the 2022 edition of Radar's major supplier quality review, where Nordlo placed in the top 5 in three out of four categories.

4.80 in customer satisfaction



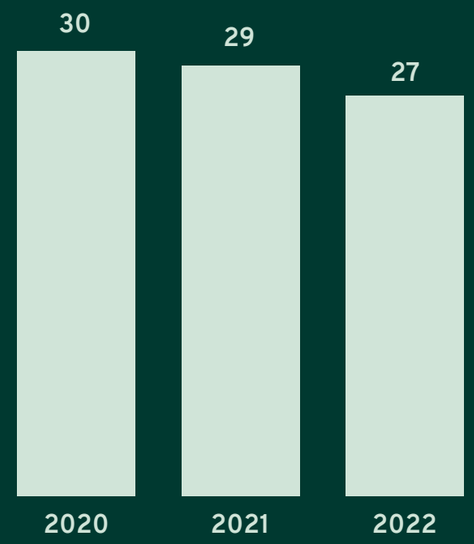
379

responses were received to the 2022 survey, with an average value for all areas of 4.8.

Customer satisfaction is measured by a survey that tracks satisfaction on a six-point scale from **1, "completely disagree"**, to **6, "completely agree"**, for a number of areas and issues.

The target group is Nordlo's customer contacts: CEOs, CIO/IT managers or managers in IT areas.

27 in NPS – Net Promoter Score



NPS measures customer willingness to recommend via the question:

"How likely are you to recommend Nordlo to a friend or colleague?"

In the 2022 survey, 400 respondents answered with an NPS of 27.

- 45 per cent answered 9–10
- 37 per cent answered 7–8
- 18 per cent answered 0–6

About NPS: NPS can assume a value between -100 and 100; you count the proportion of answers given that scored 9–10 and subtract the proportion that scored 0–6. All responses between 7 and 8 are excluded.

Nordlo sees a slightly increased CSI, while overall NPS has decreased. The result and connection are followed up in contact with customers.

> **Product lifespan is an important sustainability factor. Increased duration of use occurs at several stages of the lifecycle.**

Increased circularity

The global transition from linear production and economy to circularity is in full swing, with resources remaining in the economic cycle through reuse, repair or recycling.

Lifecycle management is a pervasive concept in Nordlo's value chain. Based on Nordlo's service areas, we have chosen to prioritise the work on increased circularity where we have the greatest opportunity to make an impact. This is in the service areas that handle the most hardware, which are Cloud & Infrastructure and Modern Workplace.

Product lifespan is one of several important sustainability factors. Increased duration of use occurs at several stages of the lifecycle. Depending on the customer's situation and needs, reuse can take place within customer operations or in other operations. Through recycling, products can be purchased that have either been reconditioned and/or contain recycled materials. Transport is also a sustainability factor that is affected by our planning around circularity. Information security, i.e. the secure processing and deletion of data, are also important steps before reuse and recycling.

Sustainable organisation

Investments in the work climate and sustainable leadership are evident from this year's increased employee satisfaction. In order to be able to better monitor the impact of our efforts, we also expanded our measurements for gender equality work and Nordlo's climate footprint during the year.

Progress in 2022

- ✓ Climate footprint measurement has been expanded. Full scope 1 and 2 are measured, and more areas are included in scope 3.
- ✓ Climate compensation for 2021 measured scope 1, 2 and 3 through the project Thor Heyerdahl Climate Park – Restoring Mangrove Forests.
- ✓ Monthly micro-courses in security for all employees.
- ✓ Updated code of conduct, whistleblower policy and digital whistleblower channel.
- ✓ The pilot project for employee health with health tests, questionnaires and personal coaching that was carried out in 2021 went well and was rolled out to more units in 2022.

Climate footprint

In 2022, Nordlo has continued its work on climate monitoring in accordance with the Greenhouse Gas Protocol (GHG Protocol). Scope 1 and 2 are measured in full (over 95 per cent), and scope 3 has been expanded with more areas. The updated criteria for the Science Based Targets initiative (SBTi) and net zero have been included in the work, and Nordlo has signed commitment letters to set targets based on these.

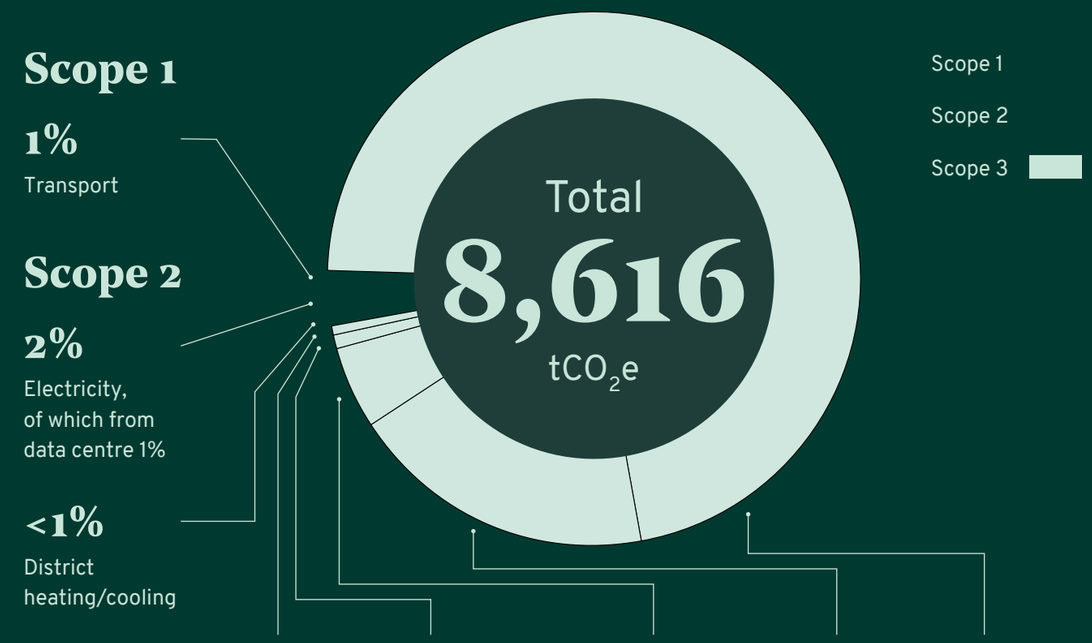
Areas expanded in scope 3:
- Employee commuting (standard)
- Waste, office-related (standard) (e-waste is already measured)
- Fuel and energy-related activities (not included in Scope 1 and Scope 2)
- Purchased goods and services (standard)

We see that purchased goods and services account for the largest proportion of the measured footprint, and in the continued development of our measurement, this proportion is expected to increase further. For 2022, we have focused on the area that is largest in terms of hardware related to the whole of Nordlo, which means products for workplace-related services. Of that, more than 95 per cent of products purchased are for customers and less than 5 per cent are for internal use. The GHG-based measurement does not take into account whether the products are leased/sold or the lifespan; the calculation focuses on the impact during production. However, increased lifespan and recycling of end-of-life products are something Nordlo sees as very important sustainability factors regardless of this.

In 2023, work will continue to set and obtain validated emission reduction targets in line with SBTi's 1.5 degree target (-4.2%/year) and the long-term goal of net zero. Along the way, Nordlo will climate compensate for scope 1, 2 and areas closest to activities in scope 3; business travel, waste and fuel and energy-related activities.

For a more detailed description of Nordlo's measuring, see the table on pages 58–59.

Climate footprint is a calculation of greenhouse gas emissions for which a person or company is responsible. Measurement is made in carbon dioxide equivalents (CO2e), which is a measure of how the amount of emissions contributes to the greenhouse effect and global warming. According to the Greenhouse Gas Protocol, areas are divided into so-called scopes.



Scope 3

<1%	1%	5%	19%	73%
Office waste, electronics	Fuel and energy-related activities	Business trips	Commuting	Purchased goods and services

tCO_2e	2022[1]	2021	2020
Scope 1	73.6	59.0	69.1
Scope 2[2]	155.6 (1,416.3)	177.6 (1,150.5)	185.7 (928.7)
Scope 3	8,386.5	303.1	234.7

[1] New companies are added to the monitoring annually as Nordlo expands.
[2] Location-based calculation (Market-based in parentheses).

A location-based method reflects the average emission intensity of grids where energy consumption takes place. A market-based method reflects emissions from electricity that companies have purposefully chosen and that can be verified with certificates.

Satisfied employees

High employee satisfaction in the statistics is important, but above all we strive for a tangible commitment that can be seen in everyday life, where you thrive at Nordlo, are passionate about helping the customer and in this way develop both yourself and the company.

This year's employee satisfaction has increased slightly. We invested heavily in sustainable leadership during the year and have also focused on efforts for a good work climate, which we are now seeing the results of in our measurements. The new way of working during the pandemic affected employee satisfaction, but by supporting our managers in building solidarity remotely, we are reversing the trend upwards again, and confidence in our managers remains strong.

Staff turnover, which during the pandemic was low, is now slightly higher than normal, but according to our assessments, it would be even higher if we had not made the efforts that we did in 2022. Our industry is constantly changing, with an increasing rate of development that presents new challenges. Finding, attracting, developing and also retaining the right skills is therefore continuous work.

> **We invested heavily in sustainable leadership and efforts for a good work climate during the year and are now seeing the results of this in our measurements.**

77/100

in **Employee Satisfaction Index** (ESI) 2022.

2022: 77 2021: 75 2020: 77

88%
of Nordlo's employees participated in the employee survey for 2022.

ESI PER CATEGORY:	2020	2021	2022
Work climate	75	73	75
Leadership	80	80	81
Organisation	73	70	71
Visions and goals	79	76	76

In the survey, this is expressed:

70–100	On the right track
60–69	Potential for improvement
0–59	Take action

- Anonymous employee survey conducted at least once a year.
- The survey includes questions about the work climate, leadership, organisation, and visions and goals. In connection with the survey, employee willingness to recommend eNPS, employer Net Promoter Score, is also mapped.
- The results of the survey are followed up per business unit and business area. For this, there are workshop materials and guides for generating feedback and prioritising improvement measures.
- HR and sustainability managers follow up on the areas relating to security and any perceived harassment.

29% in eNPS

The overall eNPS for Nordlo was 29% of -100 to 100.

2022: 29%
2021: 29%
2020: 37%

eNPS measures employee willingness to recommend via the question:

"How likely are you to recommend Nordlo as a workplace to a friend or acquaintance?"

We are proud that we differ from other industries in our recruitment. Instead of starting from CV and track record, we look primarily at personality, overall experience and attitude. We consider it a strength to hire new employees who contribute new approaches and perspectives.

During the year, we have worked strategically to find career paths into our industry specifically for women, immigrants and those changing industries. From a gender equality perspective, we have worked during the year to achieve a more even balance between our areas of expertise. For example, we have significantly fewer female engineers than female administrators, which we want to change through various initiatives. The goal is to be above the industry average. Relevant comparative figures are missing, but analysis work is underway that is intended to highlight these issues for the entire industry. Nordlo's salary audits comply with laws and applicable collective agreements. Salary mapping is done in order to prevent, detect and remedy unreasonable salary differences; at present, each business unit does this itself.

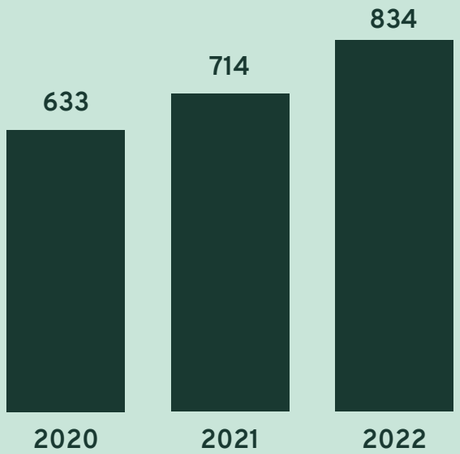
Internal knowledge sharing is the basis of Nordlo's skills development, while external lecturers can supplement this with new perspectives. Training and technical certifications take place continuously in various technical areas. In 2022, we have continued our important long-term inventory and vision of the skills we need for tomorrow. We have also started to map existing employees' skills development plans to ensure that we are moving in the right direction. Competence networks, where specialists from different parts of Nordlo gather and share knowledge and experience in their areas of expertise, contribute to increased excellence and to skills transfer.

Total women and non-binary
2022: 15.5%
2021: 15%
2020: 14.5%

WOMEN AND NON-BINARY*

Managers	Operational staff
2022: 23%	2022: 8%
2021: 19%	2021: 4%
2020: 23%	2020: 3%

* Calculated on the number of employees. 2022 included technical, project management and sales staff. The previous year only included technical staff. New companies have been added annually.



Average number of employees

More diverse with More

At Nordlo, we know that diversity strengthens our entire organisation. Nordlo More is our Group-wide initiative to constantly improve our entire organisation.

More perspectives contribute to better decisions and strengthen our innovative power. Nordlo More is like an extra value base where we ensure that issues related to equality, diversity and inclusion are present at all levels of the business. Nordlo More must permeate everything we do and is included in the mandatory introduction for new employees. Using Nordlo More, we constantly remind ourselves and each other that we strive for dynamism and differences in all our teams and business units.

Equality and non-discrimination
Nordlo offers equal rights and opportunities for men and women, but also equality in a broader sense. All employees should have the same rights and opportunities regardless of age, ethnicity, gender, sexuality, disability or religion.

Diversity
Variation in terms of age, ethnicity, gender, sexuality and religion contributes additional points of view within the business units. By embracing our differences, we strengthen our position in the market, gain new perspectives and find additional alternative ways forward.

Inclusion and integration
Nordlo takes responsibility for including individuals from all social groups: young, old and those with migrant backgrounds. We will contribute to the integration opportunities of young people and new arrivals. We do this in various ways, such as thinking outside the box in our recruitment.

Everything we do at Nordlo is based on our values

We work together

We do things from the heart

We create business value

Secure IT partner

For Nordlo, IT and information security in our operations is of course of the utmost importance. External monitoring of threats, security testing and continuous improvement of protection are among other parts of the work.

The human factor is also crucial and can easily become the weak link. Through activities and training in IT security, information security and personal privacy, awareness and skills are improved. Examples are the podcast IT-säkerhets-podden, GDPR update training and ongoing micro-courses in IT and information security that were conducted during the year for all staff.

Nordlo's code of conduct is a cornerstone of our sustainability work and an integral part of our business. The code of conduct applies to everyone at Nordlo – employees, management and the Board – and is reviewed and signed upon employment.

The code of conduct, which includes human rights, working conditions, gender equality, diversity, anti-corruption and environmental responsibility, sets the overall framework for how we behave and work. Nordlo advocates an open culture and being able to talk openly and directly with managers about any problems. In the event of actual or suspected serious misconduct or a breach of the law, there is a whistleblower channel that allows anonymous reporting as well as procedures for this.

During the year, Nordlo's code of conduct and whistleblower policy were updated in line with the EU Whistleblower Directive, and the digital whistleblower service was implemented for internal and external purposes.

Policies and guidelines

- Nordlo's values
- Code of conduct
- Supplier code of conduct
- Whistleblowing policy
- Compliance and authorisation guidelines
- Internal control with heatmap
- Finance handbook
- HR guidelines and guides
- IT and information security policy

Sustainable supply chain

Nordlo's suppliers and partners play an important role in the whole that makes up Nordlo's business. Sustainability permeates the entire value chain and monitoring of the supply chain is ongoing.

Progress in 2022

- ✓ Digital whistleblowing that allows anonymous reporting, available internally and externally.
- ✓ Implementation of updated supplier policy.
- ✓ Supplier follow-up where suppliers have been given the opportunity to confirm compliance with Nordlo's supplier policy or presented their own equivalent code of conduct.

Nordlo's supplier policy aims to ensure that suppliers comply with applicable laws and regulations and respect international conventions and guidelines, including the UN Global Compact, the ILO's core conventions and the Organisation for Economic Co-operation and Development (OECD).

In 2022, Nordlo's supplier policy was updated, including in relation to the EU Whistleblower Directive and the Transparency Act. Another development is that anonymous reporting is now better ensured through digital whistleblowing, available internally and externally.

Nordlo has cooperation agreements with a number of the major suppliers in IT with Group-wide agreements. These suppliers work actively with sustainability issues and for transparency in the area. Through dialogue and collaboration, an important exchange with suppliers takes place. Nordlo has the opportunity to highlight its most prioritised areas while learning from the work of other organisations, such as their climate footprint initiatives.

Nordlo conducts follow-ups of both Group-wide and local suppliers with whom we have agreements and/or where purchases are made in large volumes, and in cases where we see an increased risk of deficiencies in the sustainability aspects. The follow-up involves questions about the supplier's systematic work on quality, environment, work environment/social sustainability and information security. The follow-up has been developed as a Group.

In 2022, follow-up started for suppliers used by Nordlo's Swedish operations; implementation will continue in 2023. In 2023, implementation of due diligence and external communication is also planned according to new legal requirements such as the Transparency Act. We will also calculate the proportion of suppliers for whom we have conducted risk analysis out of our total purchasing volume. This is done as part of monitoring Nordlo's progress towards the goal of effective supplier follow-up.

Social responsibility

Nordlo's local presence is a strength that we cherish. This presence means that we can give back to the local communities where our operations are located. We do this by running non-profit projects that contribute to a positive development in line with the company's sustainability goals. Some projects are long-term, while others are one-off.

Stop the Hacker

How do you actually prevent intrusions? High school students have learned this in a partnership between Nordlo and Region Kronoberg in the project Stop the Hacker, which is about offering students knowledge of network technology in a playful way. The students in the region solve puzzles and absorb knowledge that they then use to stop a hacker who is about to shut down the internet. The challenge is part of the region's initiative Mot nya höjder (To New Heights), which is based on getting students, both girls and boys, interested in technology subjects from an early age.

"We look forward to continuing to support the region in the work and to meeting and inspiring all the students who are our future," says Åse Thuveson, Sales Manager at Nordlo in Växjö and Ljungby.

> **The gamification concept makes the content easy to absorb, and students who normally feel uncertain about the subject of technology have now shown courage in taking on the challenge.**
>
> Caroline Schough,
> Coordinator for Mot nya höjder

Jobs for new arrivals

During Microsoft's partner event in June 2022, Nordlo participated to talk about the training initiative for new arrivals that was launched in 2017 together with the Swedish Public Employment Service and the County Administrative Board of Gävleborg. The initiative resulted in seven new arrivals undergoing training and internships in programming and development, three of whom are currently permanently employed at Nordlo. During the year, this arrangement has once again become relevant in view of the war in Ukraine.

> **One lesson is the importance of getting into employment first, as then language learning comes automatically. Code and programming languages are universal. If our participants had needed to learn Swedish first, their path into the labour market would have been much longer.**
>
> Erik Boson, CEO of Interlan, now part of Nordlo

Hjältarnas hus

Nordlo was involved in building the IT environment from the start when Hjältarnas hus, a temporary home for sick children and their families, was to be established next to the University Hospital of Umeå in 2016. To this day, Nordlo's employees help the employees and residents at Hjältarnas hus with IT operations and IT equipment. The collaboration also includes licensing costs and sponsored hardware.

"It always feels extra good when we are able to help other people, and of course our employees are extremely proud that we are able to support such an admirable and important endeavour," says Kristofer Lindström, Key Account Manager.

> **"We have a huge amount of confidence in Nordlo. They've basically told us to call as often as we like for technical support.**
>
> Carola Espinoza Lestander,
> Operations Manager, Hjältarnas hus

> **Nordlo has become a key player for us. Without a functioning IT infrastructure, we cannot get the magazine out, which would mean that the more than 230 people who sell the magazine on the street would be out of a job.**
>
> Pia Stolt, CEO Situation Stockholm

Situation Stockholm

For over ten years, Nordlo has supported Situation Stockholm, the magazine sold by unhoused people on the streets of Stockholm. The assignment includes all forms of IT operations. Nordlo primarily ensures the functionality of the computers, which are used by magazine sellers for both private use and work-related tasks such as writing texts for the magazine. The collaboration also includes other technical support such as ensuring that networks and servers work properly. Nordlo has also donated used computers to Situation Stockholm.

"We have very personal contact with the employees at Situation Stockholm, who get in touch with various questions, both big and small, that they cannot solve themselves," says Joakim Bachelard, Systems Specialist at Nordlo.

Ågrenska Foundation

Ågrenska, located on the island of Lilla Amundön south of Gothenburg, is a non-profit organisation that offers a meeting place and centre of excellence for children, young people and adults with disabilities and rare diseases. When the foundation outgrew its IT operations just over ten years ago, they got in touch with Zetup, now part of Nordlo, who offered to help as an IT partner free of charge.

> **Our hope was to get a grant along the way and then look for sponsors for the rest. Going from thought to action in the way that Nordlo did is something we are incredibly grateful for.**
>
> Robert Hejdenberg, CEO Ågrenska

Initiative for Ukraine

During the year, Nordlo has contributed with supportive efforts in the local community for the benefit of the people of Ukraine.

- Contributions for buses bringing families to a Swedish municipality where accommodation is to be provided.
- Contributions for cars driving supplies to Ukraine (initiative together with customer).
- UNHCR support to Ukraine and other parts of the world, so-called key companies, in 2023.

Risk management

Nordlo reviews and assesses risks and opportunities in its strategic sustainability work. Below are some of the most significant sustainability risks and how they are managed.

RISK:	DESCRIPTION:	MANAGEMENT:
Emissions to air	Greenhouse gas emissions from areas such as energy consumption, district heating, district cooling, transport, business travel, IT products.	Nordlo strives to minimise the company's impact on the environment by, for example, reducing the amount of waste and promoting the efficient use of energy. Follow-up of greenhouse gas emissions, target of 100 per cent renewable electricity, development and implementation of data centre strategy, including improvements for energy efficiency. Meeting and travel guidelines and a culture that advocates digital meetings when travelling is not crucial for the purpose.
Use of chemicals	The use and discharge of chemicals can be harmful to human health and the environment.	Nordlo's code of conduct stipulates that local environmental rules or international standards, if these are stricter, should be followed. Cooperation and requirements for suppliers regarding substitution work. Supplier code of conduct.
Work-related ill health, injuries and accidents	Employees may be exposed to the risk of work-related social ill-health, workplace accidents and threatening situations.	Nordlo must be a professional and safe workplace in accordance with applicable legislation. Health and safety instructions must be kept up-to-date and accurate. The code of conduct expresses the responsibility of each employee to carefully follow instructions and regulations relating to health, safety and the environment at the workplace. Systematic health and safety work, HR guidelines and leadership guidelines, employee surveys and employee interviews for the purpose of taking preventive measures and managing situations that arise.

RISK:	DESCRIPTION:	MANAGEMENT:
Discrimination or other abusive treatment	Employees risk being subjected to discriminatory or abusive treatment.	The code of conduct states that Nordlo shall be considerate of all individuals and take active measures to ensure a good and inclusive working environment characterised by gender equality and diversity. HR guidelines and leadership guidelines, employee surveys and employee interviews are in place for the purpose of taking preventive measures and managing situations that arise. Group-wide initiative in the area, so-called Nordlo More.
Human rights violations	Risk of individuals being subjected to violations in connection with the activities of suppliers and subcontractors.	Nordlo's suppliers must agree to follow Nordlo's supplier code of conduct or present their own equivalent code of conduct. The code requires them to pass on Nordlo's requirements regarding labour law conditions and decent working conditions to third-party suppliers as well. Annual follow-up with self-assessment and a supplier risk assessment, with extra focus on social conditions and working conditions.
Information security incidents	Our customers and we ourselves trust us to handle information security with the utmost professionalism. Risk of information being leaked, tampered with or destroyed. Risk of information not being available when needed. Negative impact on customers, employees and society.	Nordlo's code of conduct includes maintaining the confidentiality of confidential or protected information. Policies and guidelines for the business units involved in IT and information security. Skills development and dissemination in the area. Continuous improvement work based on ISO 27001, among other things.
Financial irregularities, bribery and corruption	Risk of individuals being exposed to undue influence and risk of negative impact on society.	Nordlo's code of conduct for employees and business partners serves as a guide to business ethics issues. Group-wide decision-making and certification procedure and internal control with heatmap.
Climate-related risks	Climate-related risks in the long and short term: physical, regulatory, technical and market-related.	Climate risks and opportunities are integrated into the company's overall business risk and opportunity management, and Nordlo's overall strategy planning. Risk and opportunity evaluation linked to climate-related factors is carried out based on a working model influenced by the Task Force for Climate-related Financial Disclosures (TCFD).

Sustainable division of responsibility

Nordlo's **CEO** has overall responsibility for sustainability and ensuring that the work follows the majority shareholder's defined framework as well as applicable laws and regulations. Nordlo's **management team** makes decisions on Group-wide policies and guidelines.

The **ESG steering group** is responsible for further increasing the integration of sustainability into the business strategy and operations, and ensuring progress in prioritised ESG initiatives overall and within each business area.

The **sustainability manager/ESG manager** (Environmental, Social, Governance) is responsible for coordinating the strategic sustainability work, supporting Nordlo Group functions and business areas with regards to sustainability, and reporting on sustainability to the Board of Directors, owners and externally.

The **CFO** is responsible for financial strategies and the proactive work on business ethics and anti-corruption.

The **HR manager** is responsible for the company's work environment and labour law work, in consultation with the **CFO/ finance function** and the **sustainability manager**. The HR manager coordinates the Group-wide initiative Nordlo More to pursue issues relating to equality, gender equality, diversity and integration within the Nordlo Group.

Quality officers, **information security officers** and **data protection officers** can be found within the business units.

The **CIO** is responsible for information security within joint internal IT as well as overall for information security issues and any reporting to the Swedish Authority for Privacy Protection.

The development of the service offering is driven within the business areas based on overall strategy with the support of the **business developer** and **sustainability manager**.

Partner cooperation, requirements and follow-up of suppliers are the responsibility of the **partner function manager** with the support from the **sustainability manager**. **Purchasers** in the business units are responsible for and manage suppliers and partnerships that are business unit-specific, where joint agreements/partnerships are not relevant.

Each **business unit's CEO** is responsible for running and developing the local business unit as well as ensuring that the business unit follows Group-wide policies/guidelines and works towards common goals.

Background to the report

This is Nordlo Group AB's sustainability report for the financial year 2022. In this report, Nordlo Group AB with subsidiaries is referred to as Nordlo or the Nordlo Group. For a summary of Nordlo's sustainability work in 2021 as part of FSN Capital's ESG report, see: fsncapital.com/en/responsibility.

The Group was formed in 2018 through a merger of Swedish Zetup, Office IT-Partner and Dicom. Since then, additional companies have been added through acquisitions: Norwegian IT total, Swedish Netcomp, Swedish Insignis IT, Norwegian Lerøen Datapartner, Appex Operations and Nisec, and establishment of new offices in Helsingborg in Sweden. In 2019, the group name Nordlo Group AB was adopted and Nordlo as a brand was launched. In January 2021, Swedish Acon AB was acquired. In 2022, Interlan AB and Fana Data AS were acquired. Interlan is included in the 2022 climate monitoring, while Fana Data will be integrated into the monitoring for 2023.

2020 is the base year for the report. All reported tasks and activities took place between 1 January and 31 December 2022, unless otherwise stated. Data about our staff and organisation is mainly collected through our financial and payroll systems. Environmental data is calculated based on data from the GHG Protocol with the support of the system tool CEMAsys.

If you have any questions about the accounting, feel free to contact us at info@nordlo.com.

The company's climate calculations were made using the system tool CEMAsys, which has a database including global emission factors and based on the Greenhouse Gas Protocol (GHG Protocol).

Follow-up areas and data collection are described to the right.

GHG SCOPE	ACTIVITY	DATA COLLECTION	SOURCES
Scope 1	Nordlo's own pool and transport vehicles	Filled volume of fuel or km driven	Receipt, meter reading
Scope 2	Purchased electricity, district heating, district cooling	Consumption in kWh	Electricity meters, invoices, some smaller offices calculated with standard
Scope 3	Purchasing, products and services; hardware	Purchase quantity (laptops, desktops, monitors, printers)	Purchasing data, largest suppliers
Scope 3	Fuel and energy-related activities	Reported fuel, electricity, district heating	Corresponds to the quantity of reported fuel, electricity, district heating
Scope 3	Electronics recycling for Nordlo and equipment repossessed from customers that could not be reused	Recycled electronics in kg or m^3	Documentation from recycling supplier
Scope 3	Waste/recycling, office-related	Kilograms of paper, cardboard, plastic, combustibles	Standard per employee, data from some offices
Scope 3	Business trips by car	Km driven in service by type of fuel	Mileage allowance from payroll system/ time tracking system
Scope 3	Business trips by air	Number of flights domestic/continental/ intercontinental	Financial system from invoices and expenses
Scope 3	Business trips, hotel stays	Number of hotel stays inside/outside Europe	Financial system from invoices and expenses
Scope 3	Employee commuting	Bus and car (return journey), calculated on travel 3 days/week and 48 weeks/year	Standard based on office estimates and number of employees

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