

SUSTAINABILITY REPORT 2021



ALEKTUM GROUP

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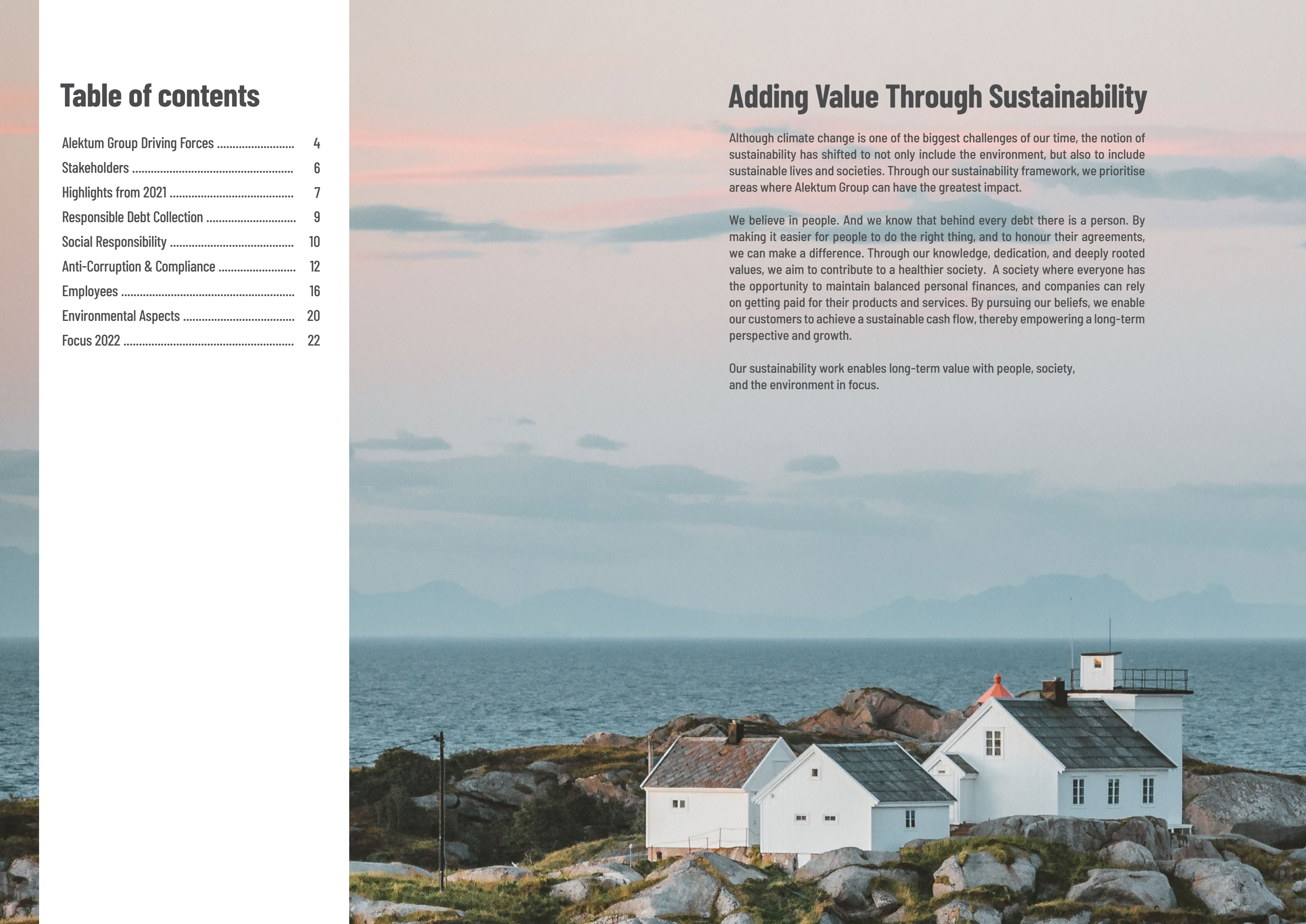
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Adding Value Through Sustainability

Although climate change is one of the biggest challenges of our time, the notion of sustainability has shifted to not only include the environment, but also to include sustainable lives and societies. Through our sustainability framework, we prioritise areas where Alektum Group can have the greatest impact.

We believe in people. And we know that behind every debt there is a person. By making it easier for people to do the right thing, and to honour their agreements, we can make a difference. Through our knowledge, dedication, and deeply rooted values, we aim to contribute to a healthier society. A society where everyone has the opportunity to maintain balanced personal finances, and companies can rely on getting paid for their products and services. By pursuing our beliefs, we enable our customers to achieve a sustainable cash flow, thereby empowering a long-term perspective and growth.

Our sustainability work enables long-term value with people, society, and the environment in focus.



Alektum Group Driving Forces

Our mission is to help businesses across Europe to achieve long-term growth and sustainable cash flow by minimising credit loss, through high-quality solutions and fair and ethical debt collection practices. We generate financial value for our customers by helping them get paid for their products and services which enables further economic growth. We aim to build trust and confidence through transparency and with sustainability as an integral part of all our interactions. We commit to guiding individuals in debt to sustainable finances so that they can live a life they can afford, today and tomorrow.

We aim to contribute to sustainable societies in all of the markets we operate in. We encourage individuals to make sustainable choices and to be inspired to lead a sustainable life and thereby be able to contribute to a more durable development. We contribute to a sustainable society by supporting both customers and debtors in their efforts towards balanced finances.

Our Approach to Sustainability

This sustainability report has been prepared in accordance with the Swedish Annual Accounts Act, Chapter 6, Section 11, and is included, as part of the administration report, in our annual report for Alektum Group and its subsidiaries. The content of this report is based on our primary sustainability focus areas. We will prepare a sustainability report, covering one financial year, annually.

Sustainability, ethics, and corporate social responsibility are central in Alektum Group's operations in all of our markets and subsidiaries. Sustainability is an integral part of Alektum Group's culture, values, and business and the work is based on our brand promise *"To inspire people to live a life they can afford"*.

For us to realise our commitments, sustainability performance is driven by the Chief Executive Officer and the Management Team, through:

- Our core values: Simplicity, efficiency, innovation, and quality
- A culture characterised by personal accountability, customer focus, collaboration, and simplicity
- Fair, ethical and respectful treatment of everyone
- Shoppa Lagom (Shop Lagom), an initiative intended to help individuals find their financial balance, where our ambition is to positively affect society and actively work with financial sustainability

- Pengapeppen (Penny Pep), an initiative aimed at encouraging and inspiring parents to teach their children about the value of money, thereby giving them a basic economic understanding and a better foundation to step into adulthood with good, healthy, and sustainable financial habits that minimise the risk of over-indebtedness.
- A way of working that promotes social, environmental, and economic sustainability for our customers, debtors, and employees.
- Policies and guidelines, as outlined in this report.

To realise our sustainability objectives, we both recognise the need for and are committed to, communicating these objectives to our suppliers, employees, customers, and wider stakeholders. This is achieved via our procurement processes, and our existing communication channels to employees including the business plan, intranet, team briefings, and employee onboarding processes.

This report and the actions arising from it will be annually reviewed as part of the strategic planning processes which involve the management team and the board of directors, as well as our auditors.

Doing business with respect to human rights

Respect for human rights is fundamental to our business. Although our exposure to risks connected to human rights is considered to be relatively low, our commitment is deeply embedded throughout the organisation, both in terms of protecting the privacy and integrity of our customers and debtors, but also in terms of social engagement, and equality, dignity, and non-discrimination. Continuous assessments of our suppliers are performed to, as far as possible, ensure compliance with human rights on all levels of business.

Policies and Guiding Documents

Alektum Group has a set of policies and processes in place to mitigate risk and prevent negative impacts, as well as processes outlining how to respond appropriately should negative impacts occur. All employees are responsible for ensuring that our policies are adhered to. The purpose of the Group's policies is also to provide an effective framework for our corporate governance standards and for realising our commitment to actively working with our social, environmental, and economic impact.

Our policies apply to employees, associates, and third parties who undertake activities for, and on behalf of, Alektum Group. The policies apply to the products and services we procure, our operations, and the services we provide to our customers and debtors, including policies such as our Code of conduct, Anti-corruption and money laundering, incident reporting, whistleblowing, customer policy, and more. Sustainability considerations are woven throughout a suite of these interdependent policies and procedures, which are implemented collectively to support the objectives of our sustainability work.

Focus Areas

2021 has been challenging in many ways and our focus has, to a large extent, been on reducing the effects of the pandemic for our employees, customers, debtors, and partners.

With over 700 employees across 15 countries, we recognise that our activities have a wide-ranging and interconnected impact on the economy and society. We work in partnership with customers and others to enable growth, create jobs and improve the lives of residents and local communities. In recognising this, Alektum Group is committed to contributing to a more sustainable society and to continually improving the positive impact we make.

Our goal is to embed sustainable thinking and processes across operations and all our markets, to ensure compliance with all relevant legislation and standards, and to continue to develop services that meet the needs of indebted individuals. In 2021, we further developed our sustainability strategy, although the pandemic slowed our pace. The strategy comprises the following focus areas: Responsible debt collection, social responsibility, anti-corruption and compliance, employees, and environmental aspects.

Stakeholders

Everyone in the Alektum Group organisation is accountable for conducting business in an ethical, compliant, sustainable, and socially responsible manner due to the impact our actions have on people and society. We have a zero-tolerance for corruption, fraud, money laundering, and other financial crimes. Our corporate culture is a key and guiding light in this work. The basis of the culture is the core values that have guided us since Alektum Group started almost 30 years ago, and which are firmly rooted in our business model.

The strategic direction for our work with sustainability issues is determined by the CEO, who is also ultimately responsible for these issues. The primary target group

for the sustainability report is our owners, investors, and our financial partners as well as customers, employees, and, of course, society at large. We conduct an ongoing dialogue with various stakeholder groups, to give us knowledge and insights in areas concerning responsible debt collection, employees, social responsibility, diversity and gender equality, customer integrity, risk mitigation, anti-corruption, and environmental aspect. Not least regarding future expectations that stakeholders and society have.

Through solid routines and processes, proactive work, regulatory compliance, and high business ethics, we ensure that risks are reduced and that deliver value to our customers, debtors, employees, and owners.



"As a collection company, we have an important role to fill in society. We can make a difference. To inform and educate people on how to achieve financial balance is one part. Offering the right payment options based on payment ability is another. This way, we can help both individuals and companies to a more sound economy."

Mats Augurell, CEO Alektum Group

Highlights from 2021

Healthy Workplace

In 2021, care for our employees' work and health was prioritised further with several measures to help reduce the risk of spreading Covid-19. The majority of our employees have worked from home since the pandemic broke out in early 2020, which places great demands on both physical and mental health and ergonomics. We have offered health-promoting activities, such as training challenges and coaching through a digital platform. We have also increased the level of cleanliness in our offices, along with additional measures to keep our employees who have been in the office as safe as possible.



Data Protection

Due to the pandemic, the major focus during 2020 and 2021 regarding Alektum Group's work within compliance has been placed on maintaining and further developing data protection processes, as well as ensuring data security when many of our employees have been working remotely from home. Additional highlights include:

- The development of our intra-group work with privacy protection and information security through the establishment of an IT Risk & Compliance Committee to ensure a high level of security and compliance.
- Surveillance and implementation of the latest changes regarding the GDPR, through updating internal routines and way of working, as well as the provision of training and courses for all employees in order to constantly raise the level of competence regarding data privacy matters.

Counteracting Overindebtedness

With the goal of counteracting the rapidly increasing indebtedness of young adults, and to help parents give their children basic financial knowledge, Alektum Group launched Pengapeppen (Penny Pep) in June 2021.

"We know that parents play a very important role in future generations' understanding of the value of money. Through Pengapeppen, we want to give parents guidance and tools to encourage fun and educational conversations to affect children's attitudes and habits about money at an early age."

Moa Tyborn, SVP Corporate Communications and Marketing, Alektum Group





Responsible Debt Collection

We live in a time where unpaid debts are on the rise all across Europe. At the same time, it is easier than ever before to “buy now and pay later”. An increasing number of people consume above their means and risk ending up in unsustainable situations. Situations that are challenging not only for the over-indebted but also for businesses and society at large. Our ambition is to give people the opportunity to live the life they want and can afford – today and tomorrow. Our mission is to help our customers get paid by guiding their defaulting payers, while continuously adhering to social and economic sustainability in all decisions.

Fair and ethical treatment of defaulting payers has been the standard operating procedure for the past 30 years in Alektum Group. This is enabled through communication channels and payment options tailored specifically towards the debtor. Through AI and machine learning, we can determine the right action at the right time. Using this type of data-driven collection allows for a more successful outcome for all parties involved. It allows us to see the person and the circumstances behind each debt, and thereby find sustainable solutions even for those who are not immediately able to settle their outstanding debts. By using machine learning and flexible processes, our debt advisors can focus on more complex cases. We work continuously to further develop and refine our communication with debtors to ensure a personalised

experience and handling concerning technical solutions, payment solutions, and communication channels. Being able to carefully evaluate the different aspects of the debtor’s situation is key to Alektum Group’s collection process and something that provides added value to our customers.

As part of our work concerning responsible debt collection, we closely and carefully evaluate and select customers and debt portfolios, as outlined in our Customer Policy. We work diligently together with our customers to ensure a sustainable debt collection process that benefits both our customers and their debtors.

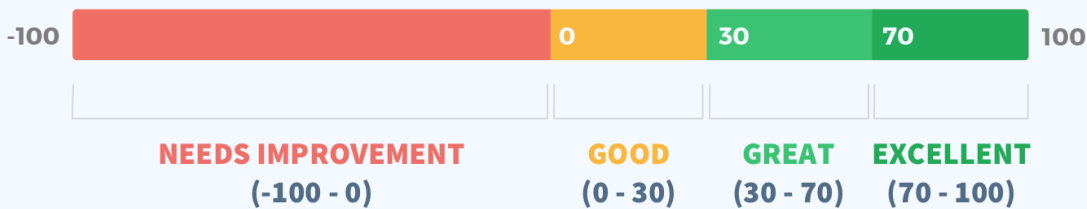
Risk Analysis

The risk of not treating our debtors in a fair and ethical way is mitigated through policies and guidelines to ensure compliance and quality. Extensive training is provided to debt advisors to prevent unreasonable consequences or unnecessary inconvenience to the debtor. The debtor’s right to privacy must always be respected and we always aim to find sustainable solutions for our customers and debtors. The “Know Your Customer” process is also an important part of reducing risk, as is the follow-up process regarding reported complaints.

KPIs

Fair and ethical debt collection through respectful treatment of defaulting payers.

- Reported complaints submitted directly to Alektum Group in 2021: **28**
- We send out an annual customer survey where the Net Promoter Score (NPS) is derived from the question: “On a scale of 0 to 10, how likely is it that you would recommend Alektum Group?”
The NPS is then calculated as the difference between the percentage of Promoters (9-10) and Detractors (0-6). For 2021, the average NPS was **21**.



Social Responsibility

Inspiring and helping people to live a life they can afford

We believe in making a difference in society, for our customers and our customer's customers. We live in a time where more people consume above their means and end up in unsustainable situations, which is not good for anyone – not for the over-indebted, not for the debt collection companies, not for businesses nor society as a whole. We strive to give people the opportunity to live the life they want – and can afford – today and tomorrow, by offering preventative measures through our various initiatives. These initiatives aim to support financial sustainability and balanced personal finances.

Basic understanding of personal finances (financial literacy) is crucial to prevent over-indebtedness in society. Through initiatives such as Shop Lagom and Penny Pep, we aim to increase personal finance knowledge and to instil confidence and healthy financial habits to counteract the increasing trend of excessive personal debt.

Shop Lagom & Penny Pep

Lack of basic financial knowledge is one of the main reasons for excessive personal debts among younger people. Through our initiatives Shop Lagom (Shoppa Lagom/Shoppe Lagom) and Penny Pep (Pengapeppen), we want to inspire and help people to make informed decisions and find a balance in their personal finances. Shop Lagom is not about getting people to stop shopping, but guiding them to find their own "lagom"; to consume within their means. Through Shop Lagom we want to highlight the connection between over-consumption and over-indebtedness and in doing so, exercise our social responsibility and actively contribute to social and economic sustainability.

Research shows that money habits are formed early in life, which is why it is crucial to have a good financial foundation and understanding before stepping into adulthood. In our near cashless society, the value of money has become more or less an abstract concept, and all the more difficult for parents to explain and for children to understand.

Through Penny Pep, we aim to inspire parents through educational content by experts in the field and to give parents the tools for a constructive dialogue with their children about money.

Our ambition is to build knowledge and financial literacy while inspiring as many people as possible to find their financial balance. We know that other companies share these ambitions and have therefore initiated a partner program. The first company to join, and officially partner up with us is Resurs Bank. Together, our ambition is to make an impact and to further develop tools and information that promotes financial self-confidence and good money managing habits. By raising the issue of over-consumption and working actively to counteract it, we thereby also minimise the risk of over-indebtedness.

Sustainability Partner

We are a proud Sustainability Partner for Save the Children's efforts to ensure that all children have the conditions to learn, develop and have a better and more secure future. With joint efforts, we can ensure that more children receive the schooling they are entitled to, despite the consequences of the pandemic. Thus, we work together to contribute to the fulfilment of the global goals in Agenda 2030. Save the Children's work for children corresponds to the global goals 4, 5, 11, 13, 16, and 17 in the UN Agenda 2030.

Risk Analysis

A prevalent risk in this area is for us as a debt collection company to be perceived to be causing increased indebtedness, which would have negative consequences for our customers as well as for the Alektum Group brand. We manage this risk through extensive training for the case handlers, through initiatives as listed above, as well as careful selection of customers and debt portfolios.



KPIs

Penny Pep is currently only launched in Sweden, whereas the Shop Lagom initiative is running in the Nordic countries. Reach, recognition, and awareness of the initiatives are key to measuring our success in this focus area.

- For Penny Pep, launched in June 2021, the level of brand awareness was at **22%** for the general public (ages 20–50 years). Reach in our social media channels alone has been **1 578 000 people** on Facebook and **882 000** on Instagram. We have had close to **90 000** unique visitors to the Penny Pep website, which clearly shows the interest and need for these types of initiatives.
- The level of brand awareness was at **20%** for Shop Lagom in Sweden, up from 15% in 2020.
- **92%** of respondents of the brand tracking survey considers it to be relevant for a debt collection company to run initiatives such as Penny Pep and Shop Lagom.

Compliance, Anti-Corruption & Respect for Human Rights through Privacy Protection

Integrity, privacy protection and information security

The debtor's right to privacy and integrity is crucial as it is an important human right and an obvious part of good customer and debtor relations. It is based on high standards and compliance with laws and internal regulations that specify how data is to be protected or used. We have a strong focus on activities related to data privacy and information security and policies and procedures have been adjusted to reflect the risk situation. Data protection impact assessments have been established, privacy declarations and use of cookies on all Alektum Groups' websites have been thoroughly reviewed, cookie and privacy protection policies updated, and vendor agreements regulated by safe harbour framework updated due to the Schrems II verdict.

The large amount of personal data we handle means that integrity and secure data management are crucial. We have both a legal and ethical responsibility to handle sensitive information in a way that guarantees respect for personal integrity,

and which complies with the human right to freedom from unauthorized/arbitrary interference in privacy. The basic principle for our data management is that we only process personal data that is necessary and for which we have a legal basis.

Appointed data protection officers in the Group are responsible for monitoring and follow-up of compliance with the General Data Protection Regulation (GDPR). To ensure the correct handling of personal data, Alektum Group has developed guidelines and routines in the area and an organisation that works daily to handle these issues and ensures compliance with regulations and internal governing documents.

Risk analysis - Privacy Protection

With regard to human rights, integrity, and the large amount of data we handle from our customers, information security and data management are part of our most important focus areas. In 2021, we established an IT Risk & Compliance Committee to ensure security and compliance regarding issues

such as personal data that is processed within Alektum Group, among other topics. To achieve a high level of security, the information security work has been focused on information classification, identification of information assets, and work with control functions and technical solutions.

Improper use of sensitive data, or loss of data, could cause great harm to affected individuals, as well as to our customers and our business. Alektum Group works proactively with risk owners and incident reporting to identify and prevent sensitive data from being handled incorrectly. The rapid development that is currently taking place within the GDPR, among other things, concerning the legal requirements, and thus the possibilities for processing of personal data, clarifies the need for security measures and system support. Alektum Group's employees are continuously updated on new legislation and case-law to ensure lawful and correct handling of personal data within our processes.

This year, special focus has been put on ensuring a maintained information security level and data integrity while many of our employees have been working remotely from home. One of those measures includes a multi-factor authentication system.

Code of conduct

Our Code of Conduct, which applies to all employees, consultants, and third parties working on behalf of Alektum Group, outlines Alektum Group's corporate policies, covering topics such as Anti-Corruption, Data Protection, and People. New employees receive training in the Code of Conduct and anti-corruption policy as part of the onboarding program. We expect our business partners to follow the same or similar principles as Alektum Group.

Zero tolerance against all forms of corruption and financial crime

We must act ethically correct in all parts of our business. We never accept corruption in any form. Our work against corruption is proactive for early detection and prevention.

We are strongly committed to complying with all applicable rules and regulations, as well as the applicable permits and authorisations in each of the countries in which we operate. To stay on top

of legislation and regulations an internal regulatory framework has been developed, namely Alektum Group's AML (Anti Money Laundering) Policy which is governing document for our work against corruption. In addition to this, Alektum Group has several functions and processes with the aim of, among other things, preventing corruption and other financial crime.

As we conduct business on several markets in Europe and process millions of transactions each year, we are exposed to risks of financial crime and corruption. We have zero-tolerance for corruption in any form. Our Code of Conduct guides our employees and all third-party representatives of the company, on how we should act to manage and mitigate this risk. We have implemented "Know Your Client" (KYC) processes, which means that our customers are audited both before and during our collaboration. By ensuring that each employee undergoes a suitability test when recruiting, we ensure quality and minimise risk. Our internal instructions for counteracting e.g., corruption and money laundering are continuously reviewed and presented to all employees to shed light on how we work to prevent our operations from being used illegally.

No transactions or collaborations are entered into that do not measure up to the requirements and expectations as outlined in our Code of Conduct.

Risk analysis - Corruption

Within the risk classification framework, we perform an annual evaluation of corruption risks throughout our organisation as well as activities in the following categories:

- Risks linked to clients in each industry
- Geographical risks
- Internal risks
- Implementation risks

As a pan-European company, we are, like many other companies, exposed to corruption risks. Attempts at corruption, bribery, or money laundering can be directed at us/our employees in various contexts and in contacts/relationships with various stakeholders. There is therefore a risk that employees can be influenced by external parties that benefit interests other than Alektum Group's. Notwithstanding, the debt collection business is not subject to money laundering regulations,

KPIs

- Frequency and number of completed GDPR employee training sessions:
Five sessions per year as well as ongoing sessions for new employees
- Number of incidents involving loss of customer data:
2021: 0
2020: 0
- Percentage of incidents/complaints submitted to authorities regarding breaches of privacy protection in relation to total number of cases handled by Alektum Group:
2021: 0,0000023%
2020: 0,0000048%

Alektum Group has chosen to obtain corresponding information from customers on a voluntary basis, to obtain knowledge about our customers and the customer’s ownership, or through the payment transactions that are made.

Whistleblowing

On October 23, 2019, the European Union adopted the Directive on the protection of persons who report breaches of Union law. The deadline for the implementation of the Directive by the EU Member States into their national law is December 17, 2021. According to the new requirements, all private employers who have 50-249 employees will be obliged to have a whistleblower function in place by 2023.

Alektum Group highly values compliance with laws and regulations and strives to be at the forefront of best practices. To achieve that, we introduced a new whistleblowing system and an anonymous whistleblower channel this year. This is to simplify incident reporting and suspected irregularities, which

is an important part of our work against corruption. The whistleblowing system that Alektum Group uses is provided by an external supplier – to ensure objectivity and anonymity – who has many years of experience regarding whistleblower cases. We carefully investigate suspected cases of violations of our policies and take the necessary steps to ensure that neither bribery nor corruption occurs within our business. If anyone, employee or customer, notices irregularities, they are obligated to report the information further through the whistleblower channel. In the event of such observations and/ or incidents, an investigation is started according to specified routines, and measures are taken.

Risk analysis – Whistleblowing

Despite active sustainability work, there is a risk that incidents and violations of our internal instructions and code of conduct may occur. We strive for all employees and other parties to feel safe in reporting incidents that violate our ethical guidelines and urge them to always report suspected violations.

KPIs

- The number of completed KYCs according to legal requirements:
2021: 55
2020: 57
The reduced number of completed KYCs is, among other things, a result of recurring collaborations with many of Alektum Group’s customers, which are covered by the previous year’s KYC reviews.
- Frequency and number of completed AML / KYC training sessions for employees
Three training sessions per year
- The number of reported incidents within the framework of our whistleblowing system:
2021: 0
2020: 0



Employees - Our Most Valued Assets

An understanding of people's equal value and human rights is the basis for a successful company and a positive work environment. To ensure this we support collective agreements with trade unions, as well as actively work to create an engaging workplace, where health, gender equality, inclusion, diversity, and respect are priority areas. We aim to create a work environment completely free from discrimination, abusive behaviour, and harassment. The preventive work in this area is governed by our HR policy and code of conduct, which together creates a basis for all employees to be able to enjoy their human rights.

The employees' well-being is a key factor in Alektum Group's ability to recruit, develop and retain our staff as our employees are key to our success. Our ambition as an employer is to attract and develop our staff who, with a holistic perspective, understand our business, our purpose, and our social commitment and responsibility. We want to contribute to a learning environment where everyone has an equal opportunity to develop their skills and grow during their employment. We want proud and dedicated employees and an inclusive corporate culture that welcomes diversity. We are committed to a workplace where everyone is treated with dignity and respect.

Being an employer of choice that attracts both new employees and offers challenging and fun personal development opportunities for current employees, is very important.

Relating and adapting to the pandemic

In 2021, care for our employees' work and health was prioritised further with several measures to help reduce the risk of spreading Covid-19. The majority of our employees have worked from home since the pandemic broke out in early 2020, which places great demands on both physical and mental health and ergonomics. The pandemic put us all at risk and forced us to adjust, develop, and learn to act more flexibly while adapting to new ways of working. To further promote the well-being of our employees, Alektum Group has offered activities such as online group training. Through this year, we have managed to maintain a successful, productive, and healthy staff, while also maintaining our strong culture.

To lead the company through the effects of the Covid-19 pandemic, Alektum Group set up a Covid-19 crisis management team comprising of representatives from various functions within the company. Their objective has been to discuss issues such as the closures and re-openings of facilities across Europe, health and safety measures for our employees, and the development of guidelines for how we best navigate through this pandemic.

We have continuously measured our employees' experiences of how Alektum Group has handled this difficult situation with the pandemic. This has shown that our employees generally feel a sense of security, that management has been available and present, and that the situation has been handled responsibly with a transparent flow of information.

Competence

Alektum Group safeguards a workplace that is permeated by employees who take responsibility, who are dedicated, and who in all communications, treat fellow human beings with respect and dignity regardless of role, background, or situation.

Having employees with the right skill sets, expertise, and attitude is what sets us apart. Thus, we work strategically to attract and retain employees needed for the long-term development and success of the company, using processes conscious of competence orientation, gender equality, and diversity.

All our approximately 700 employees are encouraged to participate in developing the company by acting according to our Key Behaviours by offering help to the team and colleagues, improving performance, and reflecting on how we can make a difference for the company and our clients.

Competence, experience, evaluation, and training are vital aspects for the correct and humane treatment of the debtor. In addition, our routines and processes are developed with different levels of decision-making authority. Together, it provides the right conditions for a respectful and compassionate assessment of each debtor's situation. Our employees also have access to an e-learning platform where skills and knowledge relating to our business can be further developed.

Leadership

By continuously training and evaluating our leadership team, we accelerate and optimise our performance and the values we bring to our employees, customers, debtors, and owners. Our leaders commit to leading, coaching, and guiding their teams in accordance with our strategy, values, and key behaviours.

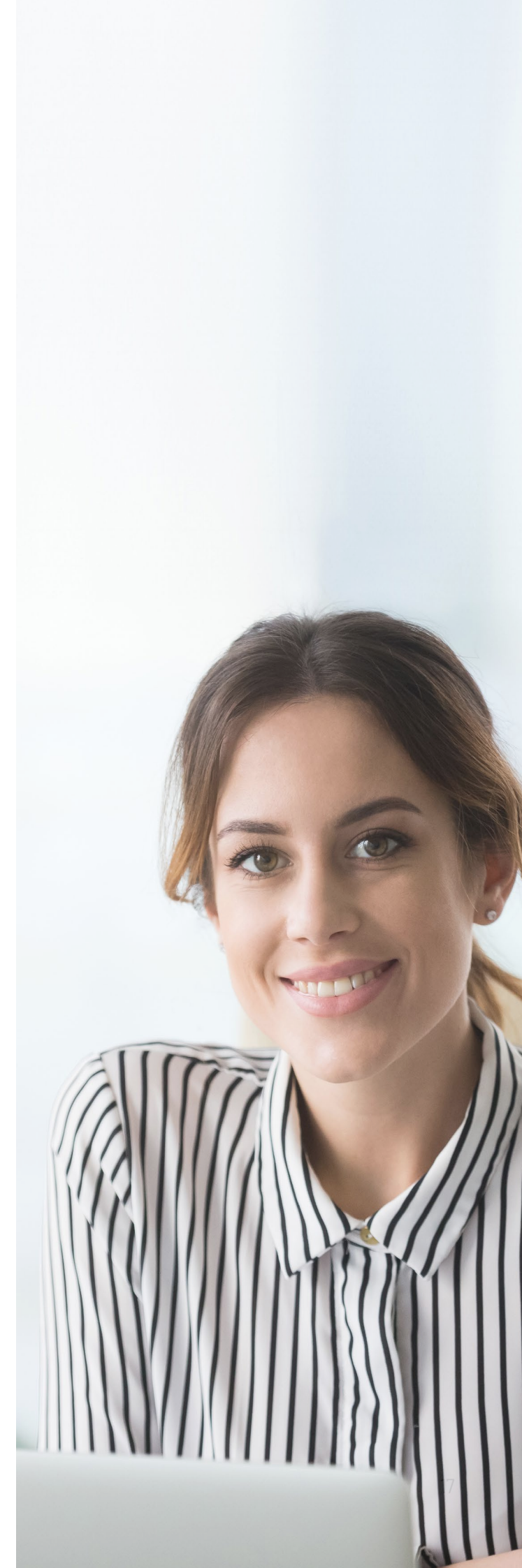
Measuring the "employee temperature" weekly and the Employee Net Promoter Score (eNPS) monthly gives us an additional channel for employee participation and input. It enables us to work with continuous improvements concerning employee commitment and leadership performance and to guide our ambition to be an employer of choice. Through the eNPS we learn about our employee's loyalty and sentiment towards the company which is a crucial factor to building a strong employer brand. From that knowledge, we implement initiatives needed to support our Employee Value Proposition.

Our solid performance management program is a breakdown of the overall company goals on a team, as well as, individual level. This ensures transparency, commitment, and performance on all levels within the company.

Risk analysis

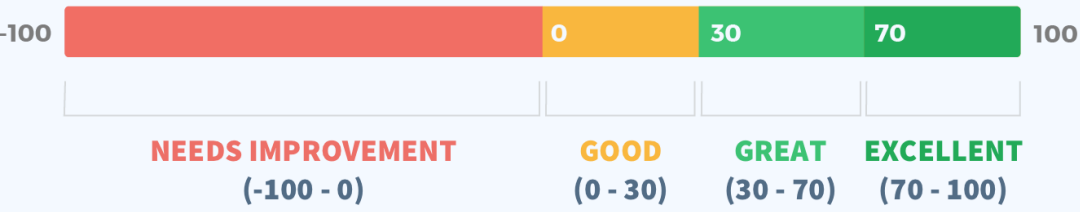
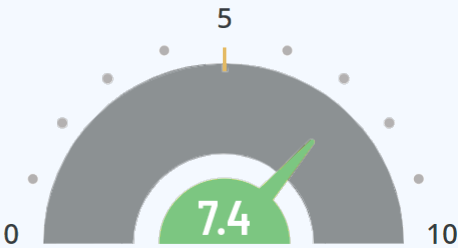
Our employees are our most valued asset and a vital resource to deliver results and value to our customers. Without the right person on the right job and the processes and tools to support that, we risk negative staff contentment, low customer satisfaction scores, poor company performance, and potentially damaging the brand.

Significant risks associated with our personnel include deficiencies in diversity, gender equality, and inclusion, as well as unfair treatment relating to salaries and benefits. These risks could all potentially negatively impact Alektum Group's culture and work environment, our employees' engagement, as well as cause damage to the brand and the trustworthiness of the company. Risk mitigation is handled by HR policies and guidelines, the code of conduct, our Compensation and Benefits manager, ongoing employee- and leadership training, collective agreements, as well as continuous surveys through Winningtemp.



KPIs

- **Healthy workplace** – Our goal is to minimise sick leave and to keep that percentage at a maximum of 3.5% for the entire Group. This will be measured from 2022.
- To continuously measure the temperature and engagement in the organisation, we use a platform called Winningtemp. The goal is for our employees' overall impression of the work environment to equal or exceed Winningtemp's index. For 2021, the index was measured at 7.4 on a ten-point scale and the Group measured an average temperature of **7.4**, up from 7.2 the previous year.
- The Employee Net Promoter Score (eNPS) measures employee satisfaction and loyalty, and describes the extent to which employees are ambassadors for the organisation. The result is based on the question "On a scale from 0-10, how likely are you to recommend our organization to your family or friends?". For 2021, the score was **19**, up from 16 the previous year. Along with this score, a number of other parameters are also measured, such as engagement, personal development, stress, and leadership to ensure the wellbeing of our employees.





Minimising our Environmental Footprint

While Alektum Group's impact on the environment is minor, we strive to minimise that impact even further. The main environmental aspects for us as a Group relate to energy consumption, business travel, and waste in day-to-day operations, and the lifetime management of IT equipment. A balance of what is technically possible, economically reasonable, and ecologically justified must be made in each issue where the environmental impact may exist. All employees within the company are informed about and trained to follow the environmental policy. It is the responsibility of each manager to ensure that employees who are affected by specific goals, rules, routines, or other information grasp and adapt behaviour to them. We aim to measure our environmental impact in a more structured way.

An established goal is to always consider environmental aspects when purchasing products used in the business, everything from vehicles and energy (especially fuels) to copy paper and pens. This has led to a transition to more environmentally friendly products. Compliance with the requirements is a must and is regularly discussed at staff meetings. Purchasers are responsible for ensuring that environmental considerations are taken into account in all purchases and procurements. Conducting active environmental work and reducing the company's environmental impact is a continuous process.

All offices have recycling of paper and systems for waste sorting to secure proper handling. In 2012 we use printers and scanners in our offices that all give us a second chance to decide whether or not the document should be printed.

We continuously develop and adapt our processes to digital channels and technologies to reduce paper use and to disseminate information to staff, customers, debtors, and suppliers.

Energy usage

We always choose sustainable and energy-efficient solutions. We use low-energy lamps and all our premises have lighting controls and windows with double energy efficiency where possible. The largest energy consumption for Alektum Group is the data and server centre.

Company cars, hotel, and travel

Employees are encouraged to limit business travel and to use digital meetings when possible, or to use less carbon-intensive travels when they do travel. Per the environmental report from SJ, business travel by train has generated a carbon footprint of 0,2 kg CO₂.

We carefully consider the need to provide our employees with company cars or benefit cars. When such a need has been found to exist, we primarily choose to provide cars with low emissions and low fuel consumption. Goals are set for the business to greatly increase the use of environmentally friendly, non-fossil fuels, as well as requirements for measures to reduce our total fuel consumption. The employee/driver is obliged to drive their car in a manner that keeps the car's negative environmental impact at a minimum (so-called eco-driving). Alektum Group aims to only have cars with non-fossil fuel drivetrains, by the end of 2025.

We have successfully managed to decrease the number of printed invoices to clients from 49% in 2019 to 31% in 2020, and to 23% in 2021. 63% of the invoices are sent by email and 14% electronically.

Risk analysis

Businesses can play a very important role in reducing the environmental and climate impact, and we see it as our responsibility to minimise our impact wherever possible. Not being able to do so in all our markets is an identified risk. Important internal governing documents to mitigate this include our environmental policy, travel policy, our policy regarding company cars, and our code of conduct.

Focus 2022

In 2021, we had the ambition to implement the tools and KPIs for reporting sustainability data in a more structured way. Due to the pandemic, this proved difficult, and the work will thus continue into 2022. Our goal is to create more standardised and systematic handling of relevant data. We intend to increase the quality and traceability and create follow-up opportunities for our sustainability work overtime. We also intend to assess how we can further align our sustainability agenda with the 10 principles of the UN's Global Compact.

This work will include the following:

- The formation of a sustainability committee that leads and monitors the work with sustainability issues in Alektum Group, as well as clarifications on how the sustainability agenda is handled in the Management Team.
- Perform a materiality analysis for Alektum Group's sustainability work
- Review internal governance for sustainability and update relevant policies and guidelines. We aim to further develop our internal instructions and codes and also to further enhance our reviewing/auditing tools.
- Review processes and working methods and embed sustainable thinking and processes across operations and all our markets.
- Preparation of governing documents and overall guidelines for the entire Group regarding sustainability work.
- Develop additional initiatives to support our Employee Value Proposition.
- Further develop our partner program with the ambition to make a true impact, as well as developing channels for information that promotes financial sustainability and good money managing habits.
- We aim to go through our emissions - from hardware, furniture, and travel to electricity, food, and data servers - to get an overview of what we can reduce.





ALEKTUM GROUP