

2023

CEO Statement

In 2023, there was a rise in geopolitical tension, leading to an increased demand for privacy and data control. Governments worldwide are becoming more aware of the need for sovereignty and privacy of their data, and they are issuing specific regulations and recommendations that organizations must follow. Our secure solutions have become more important in this scenario.



As a leading video technology company, Pexip continues to be at the forefront of innovation and truly contributes to making a difference. Our business model is fundamentally supportive of sustainable development.

Pexip's mission is to make seamless communications available to all organizations regardless of technology platform and security requirements. Our role as a video technology company provides a viable alternative to travel, whether that's for meetings or other business processes, but the potential of video stretches far beyond virtual meetings. Connecting patients with medical personnel, citizens with government officials, and clients with legal or financial advisors, the versatility of video is critical to advancing a safer, greener, more connected world. Pexip is at the core of this, and we enable organizations to make the most of these possibilities.

As the world increasingly relies on video to connect people in the most effective way possible, Pexip provides technology that simplifies connection and improves user experience. This not only prolongs the life of legacy technology but also eliminates the need to replace hardware, making it easier for organizations to run sustainable operations.

We believe that video has the power to contribute to a sustainable future by reducing carbon emissions from travel, minimizing e-waste and network usage, and promoting a better work-life balance for our employees, business partners, and customers.

Trond K. Johannessen
CEO, Pexip

About this report

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

Pexip considers the Sustainability Accounting Standards Board (SASB)'s Software and IT Services Standard and the disclosures contained within it representative of the company's financially material ESG topics. All disclosures from the Standard have been included in this report – see SASB disclosure table in the appendix on page 28.

The data enclosed in the document has been collected over the period of 1 January 2023 to 31 December 2023 and covers the Pexip Group. For more information, please contact IR@pexip.com.

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OUR MISSION

Providing ***seamless*** video communication available to all organizations ***regardless*** of technology platform and security requirements.

Our business

Pexip is a global video technology company on a mission to provide seamless communication to all organizations regardless of technology platform and security requirements.

The potential of video

Rapid digitalization and evolving technology trends shape our roadmap and drive our industry forward. Pexip’s unique technology is designed to help advance safer, greener, and more connected organizations. The power of video technology means that doctors can treat patients on the other side of the country. Court hearings can be conducted solely on video. Extended reality maintenance can be done at a distance.

The possibilities that video presents are endless. And we are only at the beginning.

Our customers

As more work is done over video, we see that security and customization are increasingly essential for organizations today. Today, Pexip’s

customers are primarily large private and public organizations. For these organizations, security, privacy, data sovereignty and compliance are top priorities. These organizations also have a need to connect various platforms and devices, and they often want to integrate video into existing workflows and platforms to create customized and branded solutions.

Our technology

Pexip’s platform is built on the core Pexip Infinity technology, developed in-house. It is secure and scalable by design. It can be deployed as a self-hosted, hybrid, or as-a-service solution. For our software, Pexip depends on third-party licenses for certain components for which the company pays royalties, in addition to open-source software components. Pexip also contributes to open-source libraries. Pexip’s main external suppliers are data center providers, network providers, and supporting software providers. The Pexip platform is sold through a global network of over 300 reseller partners located in 75 countries, serving 3300 customers in the enterprise and public sector.

300
partners

3,300
customers enterprise
& public sector

304
employees in 25 countries:
63 in the US, 218 in Europe,
23 in APAC

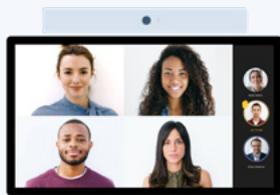


Our business areas

Pexip’s offering can be divided into two broad business areas which cover the different requirements of the market.

Pexip Connected Spaces

Video meeting-room interoperability



When several video technologies need to work seamlessly together



Pexip Secure & Custom Spaces

Video meetings for self-hosting or private clouds



When complete privacy and control over data is required.



Connected Spaces

Pexip offers the Pexip Connect line of products to help organizations modernize their video conferencing infrastructure and deliver simpler meeting experiences for all. Our interoperability technology serves as a bridge between a wide range of meeting solutions. We take an “any room, any meeting” approach, ensuring that modern video meeting platforms can connect to existing meeting room devices, seamlessly and easily for users.

Secure & Custom solutions

Pexip offers Secure & Custom video solutions to meet the growing demand for greater data privacy and protection. We help organizations achieve regulatory compliance through our robust protection standards for every industry, and we ensure that

organizations maintain complete control of their video meeting data.

Our business continuity offering is designed to work even when other solutions are down, giving organizations a communication alternative during times of crisis. Pexip also provides options in terms of how it is hosted – from on-premises to private cloud or even air-gapped for ultra-secure environments.

Pexip offers a video platform-as-a-service, designed to help organizations embed video directly into their apps and workflows to create seamless, frictionless video experiences - no downloads or plugins required. Customers can also opt to build their own video platform with Pexip and connect it to existing equipment, protocols, and integrations.

The Pexip Way

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



Professional & Fun

We are committed to our partners and customers; we are passionate and fun to work with and we strive for excellence. We believe in what we do, which affects our interactions with colleagues, partners, and customers.



No Bullshit

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



One Team

We make each other better by respecting, supporting, and caring for each other. We appreciate diversity and with over 300 employees in 25 countries, diversity is in our DNA.



Freedom & Responsibility

We encourage initiative and innovation; we are all leaders; we act like owners, making decisions that are best for Pexip. In other words, we hire great people and empower them with the trust and autonomy to do what they do best.

CASE STUDY

Team Aker Dæhlie

The pursuit of big dreams and ambitious goals should be possible for everyone, regardless of age, gender, disability, or nationality. We believe that just about anything is possible if people are given an equal opportunity to succeed. It's this sentiment that made Team Aker Dæhlie a natural partner for Pexip, a collaboration that we entered in 2022, to support their BEYOND program. This collaboration will continue in 2024.

Team Aker Dæhlie is the first cross-country team to include athletes from long-distance running, FIS/all-round, talents and para-crossing. The BEYOND

program is all about performing beyond going fast on the cross-country track. BEYOND is a way of thinking and achieving. Through its values and actions, the team will lead the way and inspire others. Fear of failure will not prevent the team from challenging the status quo.

Pexip is proud to be part of this collaboration, and shares an ambition to promote equality, equal pay, and equal opportunities. Pexip is learning from BEYOND, as we are challenging ourselves and doing things we have never done before – taking on the challenge to think like world champions as they do in Team Aker Dæhlie.



Our success formula

The Pexip Way describes the underlying values for the Company. Further in 2023, we created our own “success formula” in Pexip – designed to guide our specific mindset and behaviour toward a successful future.

The first element in our success formula is to “think like world champions”. For this we draw inspiration from our partnership with Team Aker Dæhlie, promoting high performance and equal opportunities so that everyone at Pexip can succeed.

The second element of our success formula is to have “all eyes on the customer”. We aim to put the

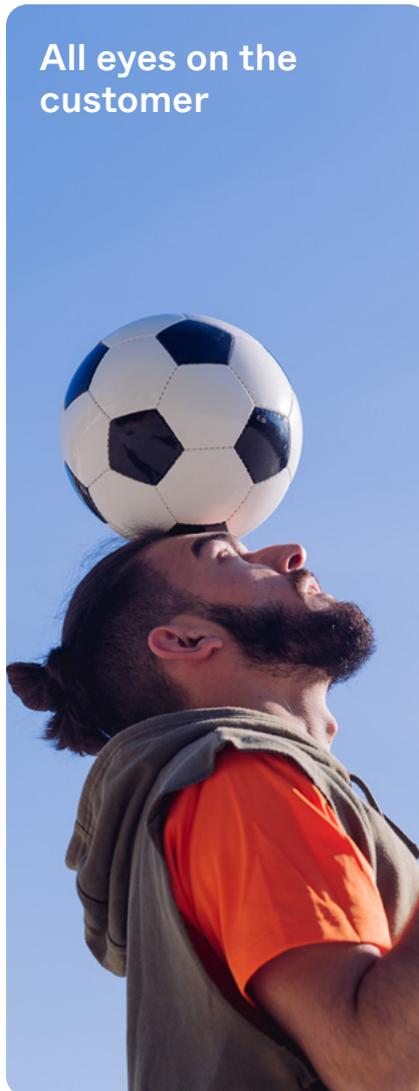
customer first in all that we do, putting ourselves in their shoes to identify the challenges they face. This requires us to connect and engage with customers and develop solutions that meet their real needs.

The third element of our success formula is to “stay healthy”. This is about both the health of our business as well as the health of our culture and team. We must stay on top of our financial and organizational health metrics to ensure that we are progressing and advancing on target. This is also about ensuring the well-being of our people, helping them maintain a positive work-life balance and by creating a safe working environment for everyone.

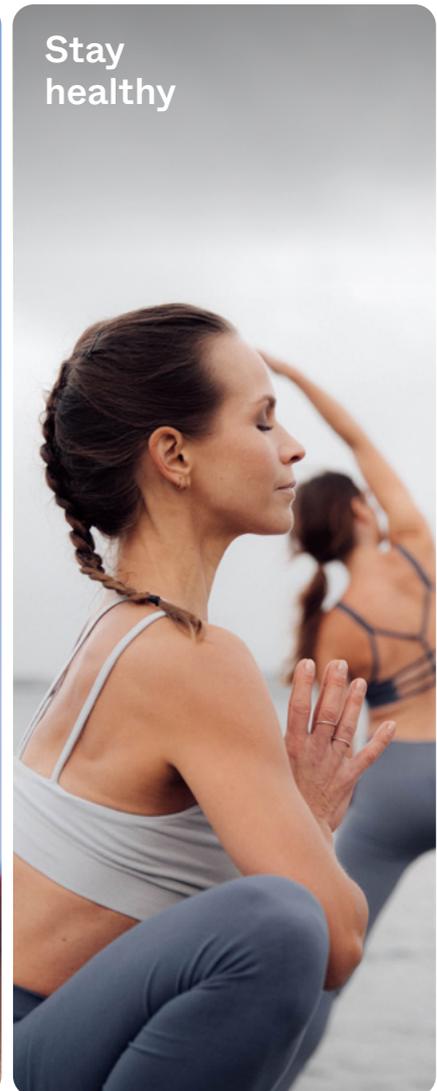
Think like world
champions



All eyes on the
customer



Stay
healthy



Sustainability in Pexip

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



Pexip is committed to conducting all business transactions in a proper, fair, impartial, and ethical manner. Pexip has put in place a set of 11 policy documents, including a code of conduct, corporate governance, and anti-corruption policy that set out Pexip's ethical business standards. Pexip's corporate governance policy details guidelines for personal conduct and the role of executive management in promoting openness,

loyalty, and respect. The guidelines cover issues such as conflict of interests, confidential information, influence, competition, and the consequence of breaches. The CFO is responsible for sustainability in Pexip and followed up on this by the audit committee in the Board. All policies are publicly available on the Company's website and employees are expected to adhere to the policies.

Materiality and stakeholder engagement

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

The 2016 GRI Standards were applied and involved input from both internal and external stakeholders. Pexip’s stakeholders include employees, investors, customers, partners, vendors and regulators. The Company has ongoing and continuous dialogue with its stakeholders, both formally and informally.

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

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

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

Material topics

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

People:

- Talent attraction and retention
- Diversity and equal opportunity
- Health, safety and wellbeing



Governance

- Digital inclusion and positive industry impacts
- Data security and privacy
- Ethical business practices
- Supply chain management
- Intellectual property rights



Environment

- Greenhouse gas (GHG) emissions and energy use



Human rights salience mapping

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

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

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

EU Taxonomy

Pexip closely monitors the EU's Sustainable Finance and Taxonomy regulation, a classification system for sustainable economic activity. It aims to guide capital towards sustainable investments, combat greenwashing, and align with the European Green Deal. Though not directly affected in 2023, Pexip plans to adhere to reporting requirements starting in the 2025 financial year. We've conducted a preliminary eligibility assessment, preparing for future commitments.

We have started the assessment with a top-down approach, based on the NACE codes. Pexip operations fit within the category of "Information and communication - computer programming, consultancy and related services". Pexip's activities can also be seen to be included in the EU Taxonomy activities 8.2: Data-driven solutions for GHG emissions. Based on this, we have concluded that Pexip's revenues, capitalized expenses and operating expenses are associated with taxonomy-eligible economic activities. This judgement of our positioning may change based on further Taxonomy assessments.





Contributing to the Sustainable Development Goals

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

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

Equal opportunities for all

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

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

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

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

Developing infrastructure for the future

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

Pexip contributes to a positive change in a range of industries, by providing alternative ways of working that have a positive impact on flexibility, convenience, and safety. Knowledge workers will be able to work from a variety of locations and having a video communication platform lets them do this in both a simple and secure way. Pexip facilitates safely connecting patients with healthcare providers, making public services more accessible to citizens, providing better customer service, and supporting business continuity by enabling both internal meetings and customer-facing interactions to securely happen from anywhere.

Positive climate impact

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

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

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

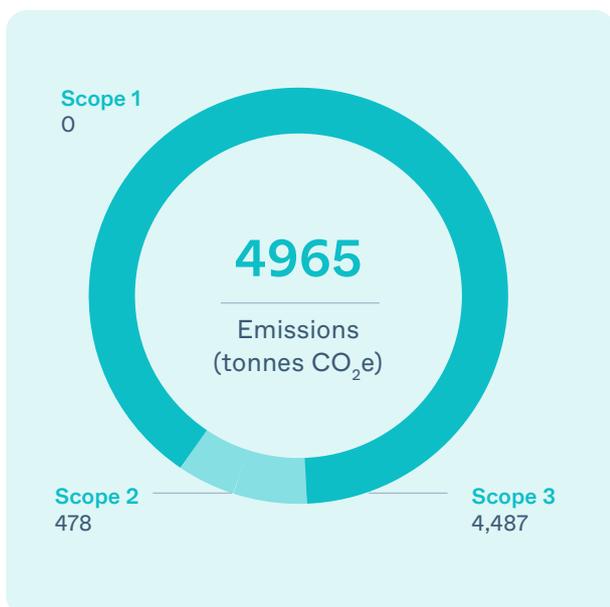
Goal 12 is one of the key elements of Pexip’s offering. Pexip’s technology enables corporations to increase the lifespan of existing hardware by providing integration with newer technology. This does not only improve the experience for users but also reduces e-waste for the companies. Additionally, Pexip’s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

Environment

Pexip’s own emissions are low

The direct climate footprint of Pexip is very limited. In 2023, 90% of the emissions came from indirect emissions related to our value chain (scope 3), mainly related to travel, IT and hosting service providers. These were calculated on a spend-basis as 4,487 tons carbon dioxide equivalents (CO₂e). This result was lower than for 2022 (14,483) due to total OPEX decreasing by 17% from 2022 to 2023. Secondly, the emission factors used for GHG calculations in this year’s report were updated to reflect global averages, rather than Norwegian averages, as Pexip operates in Europe, Asia, America and Australia. Third, emission factors have been obtained from a more updated source called Exiobase, which provides a more up-to-date estimation of environmental impacts. In Pexip’s last year’s report, the emission factors were obtained from a different data base which included averages from the 2000s. Therefore, emission factors used for this year’s report have significantly decreased (34% on average), resulting in lower emissions.

We had no direct emissions (scope 1) and our indirect emissions (scope 2) were primarily related to building energy use in our offices. The indirect energy emissions (scope 2) were calculated on a location basis, as 478 tons CO₂e (431).



Greenhouse Gas (GHG) Emissions and Energy

The computing energy used by the information and communications technology sector is significant. Estimates of the associated GHG emissions from the sector range from 2-3% of global emissions. Data storage and transfer services (servers) are major contributors to this growth.

Pexip is committed to delivering video solutions that require less network resources and more efficient Central Processing Unit (CPU) usage and, as a result, uses less energy than comparable solutions. Pexip’s patented video platform has the most efficient implementation of any Intel-based transcoding technology. Pexip utilizes smart scaling and data routing for efficient data processing and allows for bursting with virtual servers. Pexip is elastic and can create and remove additional virtual servers in response to demand in your cloud of choice. The distributed deployment model is also bandwidth efficient. These aspects provide three to four times more effective usage of network, CPU and power over alternative solutions. This equates to cost savings for organizations as well as a reduction in the resources needed to power your video solutions.

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

Pexip uses low-carbon and carbon-neutral cloud providers

The flexibility of the Pexip platform allows Pexip customers to choose the cloud provider that best fits their environmental strategy. Hosted solutions provided by Pexip use low-carbon and carbon-neutral cloud providers such as:

- Microsoft Azure, that has committed to run on 100% renewable energy by 2025¹;
- Google Cloud Platform, that has been carbon neutral since its founding in 1998 and aims to operate on clean energy, every hour and in every region by 2030².

¹ [Azure Sustainability—Sustainable Technologies | Microsoft Azure](https://azure.microsoft.com/sustainability)

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

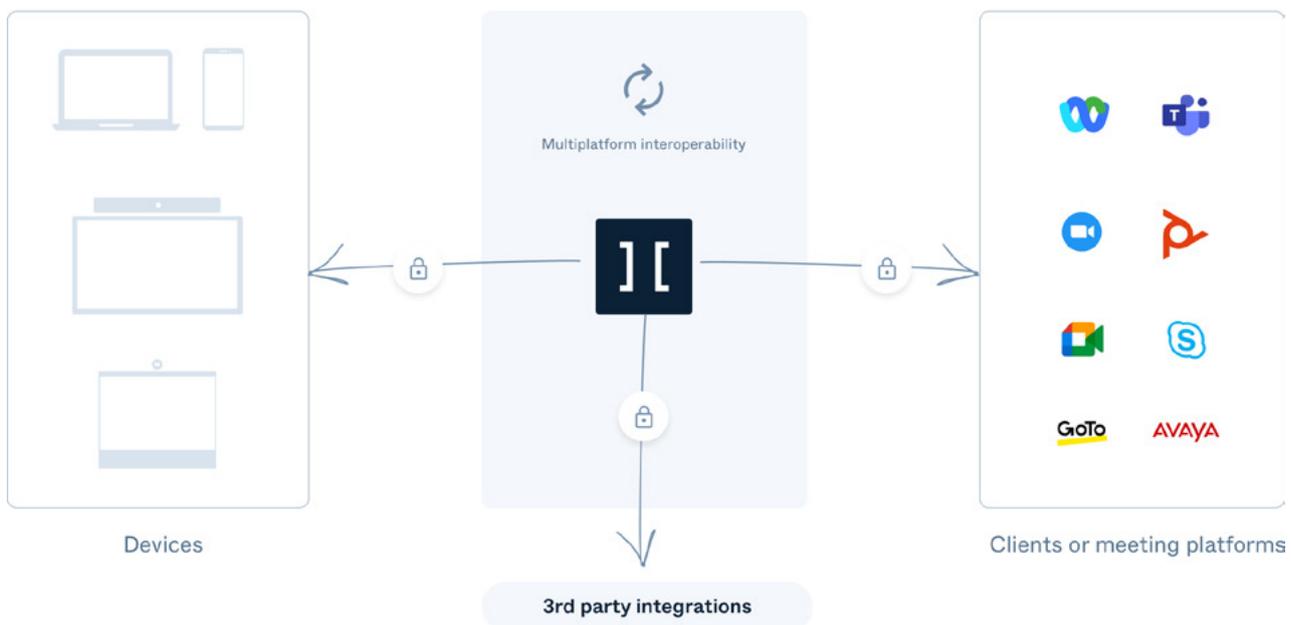


Sustainable innovation

Pexip’s video conferencing solutions provide flexibility and can help reduce travel and commuting and carbon emissions from these. Remote workers and customers can connect to a video meeting using their computer or mobile phone. Avoided emissions from the use of video conferencing are difficult to quantify but are connected to significant energy savings.

Pexip believes in sustainable innovation that provides an alternative to the “rip and replace”

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



Social

The Pexip Way outlines how people shall experience Pexip, and our values guide how the company recruits, develops, and leads. By focusing on employee development, culture, leadership, wellness, diversity, and equality, Pexip is investing in the future. The company will continue to focus on shaping a future-ready organization across these areas. Our employees are our greatest strength, and attracting and retaining a global, diversified, and skilled workforce is crucial to Pexip's success.



Pexip focuses heavily on people and culture, inclusion, and diversity. We rely on a competent workforce to succeed, and our goal is to offer equal opportunities and a safe and risk-free working environment that fosters individual growth and satisfaction at work.

Talent Attraction and Retention

Consolidation and return to profitable growth

2023 for Pexip has been a year for consolidation and return to profitable growth. Through the year the number of employees has been reduced from 329 to 304. This is a consequence of efficiency improvements, as well as a reorganization in Pexip Belgium to achieve profitability for this

business. Pexip's ambition is to retain key and skilled employees. This is paramount to compete in this industry and to achieve future profitability and growth.

Communication and collaboration

Good communication is important. Pexip hosts annual kick-offs, smaller team gatherings and weekly all-hands meetings. The all-hands meetings have diverse agendas; deep diving into different aspects of the Pexip way, as well as providing information from sales, engineering, and other teams. These events are held as a mix of live streaming, recordings and in-person interactions. This mix is done to both ensure consistency and a sense of community across all our locations, as well as to induce increased culture building for the Company.

Culture

Building a strong and healthy culture that enhances innovation, excellence, collaboration, and ownership has been important since the very beginning for Pexip – and proven to be critical to the Company’s success. When asking our employees, the Pexip culture is one of the primary reasons why people join Pexip. The Pexip Way, as described earlier, is used as a guide to ensure that our decisions and actions enhance the Pexip culture, and it helps ensure that productivity per individual remains high.

Training

We believe in learning and development as a critical success factor for both employee engagement and business success. Pexip encourages its employees to keep their skill set up to date by completing relevant training courses. We have a comprehensive

learning platform, which delivers a series of training programs to help develop employees, customers, and channel partners, as well as comply with ISO 27001 regulated training. Cyber security is of paramount importance in Pexip and in 2023, all employees completed the Security Awareness Training. The company has a three-day virtual orientation program for new hires to secure successful onboarding, ensuring employees settle in quickly and feel they are truly part of Pexip from day one.

100%

of employees completed the Security Awareness Training in 2023.



Diversity

Diversity and inclusion are important at Pexip, and the company offers equal opportunities regardless of age, gender, culture, religion, sexual orientation, ethnicity, disability, political opinions, social background, or language. More details about our Equal Employment Opportunity Policy can be found in our Code of Conduct at <https://investor.pexip.com/corporate-governance/corporate-governance-policy>.

Women’s Forum

At Pexip we believe that a diverse and inclusive organization is a more successful one. As part of this belief, we are targeting a better gender balance across our workforce. This requires us to create and maintain a safe and inclusive environment and to ensure solid retention rates among women at Pexip, in addition to actively recruiting more women. One of the initiatives we launched in 2023 is the Women’s Forum. This is a community of women at Pexip who gather on a regular basis to learn from each other, inspire each other, and grow together. This initiative was warmly received by our employees, and we plan to continue it in 2024.

Diversity and inclusion create value

Pexip is an equal opportunity employer who evaluates applicants regardless of an individual’s age, race, color, gender, religion, national origin,

sexual orientation, disability, or veteran status. All qualified applicants will receive the same level of consideration for employment; everyone we hire will receive the same ability for training, compensation and promotion. Pexip believes that diversity and inclusion create value. An inclusive workforce leads to diversity in thinking - a key driver for innovation and growth. Pexip’s goal is to offer equal opportunity, safety and a risk-free working environment fostering individual growth and joy at work.

Our diversity, equality and inclusion by numbers

At the end of 2023, 21% (20%) of Pexip’s employees were women. 40% (43%) of our board members are women, and 29% (29%) of our senior leadership team were female. Most of our employees are aged from 30-50 years (62%), with 57% of the executive team aged over 50 years. The board is comprised of 60% aged 30-50 and 40% over 50 years old.

Pexip has a long-term ambition to increase the share of women, aligned to the gender balance in the industry. In Norway, women working in the private sector represent around 37%** of the workforce, while around 29%*** of employees and 33% of leaders in IT companies are women.

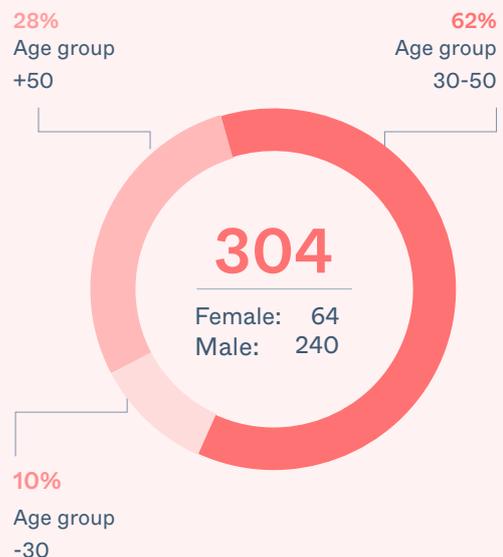
** Statistics Norway, Last updated 2023

*** KANTAR / ODA-Nettverk 2019

End of 2023	Gender (% female)	Age		
		<30	30-50	50+
Board	40%	0%	60%	40%
Executive	29%	0%	43%	57%
All employees	21%	10%	62%	28%

End of 203	Gender (% female)	Total employees
Europe	22%	218
Americas	21%	63
APAC	17%	23

Total number of employees



For further details on Pexip’s employees, see the Annual Report 2023.

Health, Safety and Wellbeing

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

Employee support

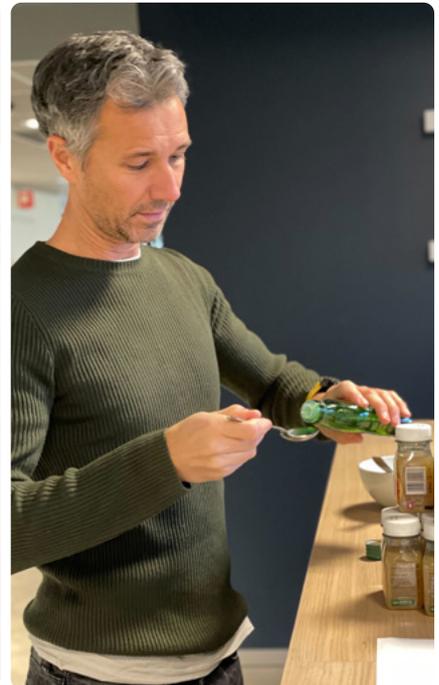
We strive to provide a positive environment for our people. Leaders are encouraged to discuss emotional wellbeing with their teams through the PexTalk program, a facilitated discussion around employee wellbeing, growth and development. We also monitor the health of the organization through quarterly Wellness surveys, allowing employees to give direct feedback in an anonymous way.

Wellness initiative

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

Health and safety performance

No work-related illnesses or accidents were reported in 2023.



Our Impact on society

Digital Inclusion and Positive Industry Impacts

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

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

This has several advantages including:

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



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

Pexip also furthers digital inclusion by creating more accessible meetings. It complies with accessibility standards AAA WCAG 2.0, Section 508, Americans with Disabilities Act, and Accessible Rich Internet Applications (ARIA), and includes features like high-contrast mode, screen reader support, and customizable UI elements such as colors and text. Performing searches in the UI is another area where design plays an important role. Accessible design can help empower users to find what they are looking for as quickly as possible while also giving those with impairments or disabilities an easier way to navigate the system. Pexip ensures the color scheme used for displaying search results is colorblind-friendly and easily accessible. Customers can also integrate Pexip with other solutions including closed captioning and transcriptions to improve accessibility. Each of these capabilities improves usability for people with disabilities so they have an equal seat at the table.

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

The Norwegian Transparency Act

In compliance with the Norwegian Transparency Act, Pexip have conducted a human rights due

diligence assessment of our own operations.

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

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

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

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

Pexip performed a comprehensive due diligence of our suppliers as of 30.06.2023 and as of 31.12.2023. The due diligence was performed on all suppliers above a set threshold of NOK 1 million in annualized cost, covering 79 suppliers during 2023. The threshold was set based on a materiality assessment, and a decision to include the main suppliers which stands for 82% of Pexip’s purchases in 2023. Of the suppliers reviewed, 9 suppliers came out with a medium risk and 2 came out with high risk related to the country of the supplier. The suppliers that were classified as medium country risk were large, global suppliers that Pexip have had a business relationship with for a long time. The 2 suppliers with high country risk were freelancers working for Pexip in R&D and sales, and well known for Pexip. Based on the above we therefore concluded that the risk related to these suppliers was limited, and no further investigation was deemed necessary.

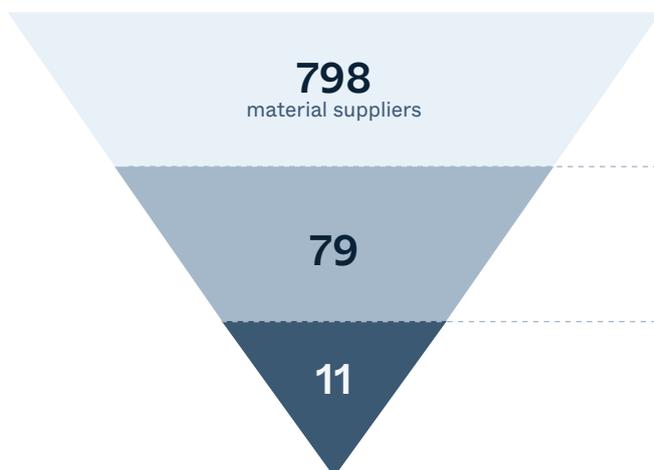
We have adjusted our internal processes for onboarding suppliers, to capture high risk suppliers before they are onboarded. This will result in a review of all suppliers, and not only limited by size as the initial due diligence was.

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

Supply Chain Management

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

In developing our Supplier Code of Conduct, we have been guided by internationally recognized standards, including the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the ILO Fundamental Conventions, and the Sustainable Development Goals. When selecting suppliers, we consider their ESG performance, particularly in relation to our own material ESG issues. To achieve our goal of a sustainable supply chain, we will favor suppliers that operate consistently with our ESG policies. Ethical business and employment practices, diversity and the environmental impacts of their operations, including the use of renewable energy and GHG emissions, are key considerations. In 2023 we engaged in formal or contractual business activities with approximately 800 suppliers. There were no confirmed breaches of our supplier code of conduct ESG requirements.



All active Pexip suppliers are included into assessment except internal sales between Pexip entities.

Suppliers with a yearly purchase of 1 million NOK reviewed. These account for 82% of purchases.

Suppliers with country risk identified.

Governance

Data Security and Privacy

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

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

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

In 2023, there were no breaches of customer privacy.

Providing security-first video communication for partners and customers

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

Pexip's solutions can be configured to meet the internal security requirements of each customer and the Pexip platform helps organizations ensure business continuity, maintain full transparency, and control of meeting data and rely on superior audio and video. Organizations have full data sovereignty,

and meeting details and patterns are never exposed to third parties, making it easy to comply with any regional data storage and transit requirements. In addition, the solution can be hosted on-premises and be configured to operate without an internet connection. Hosting on-premises ensures that organizations can communicate if a primary solution fails or if communication is lost due to network outages, natural disasters, or digital attacks.

Pexip holds multiple data security and privacy certifications.

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



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

Geir Aasen

Chief Information Security Officer, Pexip

Meeting the requirements of the standard demonstrates how Pexip maintains the highest levels of information security and takes ongoing steps to protect the data of its customers, partners and employees. All Pexip employees must comply with the ISMS security standards and take the security assessment as part of their onboarding, as well as renewing their certification annually.

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

In combination with Pexip's ISO certifications:

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

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

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

Business Continuity and Crisis Management

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

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

- Natural disasters such as hurricanes, earthquakes, tsunamis and volcanic eruptions;
- Events caused by humans, such as fires, high level carbon footprint and hazardous material disposal all of which could have significant environmental impact over time;
- Other serious climatic events such as floods, snowstorms and droughts;
- Biological risks, including disease outbreak and pandemics;
- Intentional human-caused events such as violent acts, unrest and political tension leading to war; and
- Technological events such as disruptions and cyber-attacks.

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

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

Ethical Business

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

A whistleblower mechanism exists to report instances where these standards have not been met. The employees are informed about this channel through the new hire training. The process is operated by a third-party international audit firm to ensure anonymity and the integrity of the whistleblower process. All complaints are received by the Whistleblower committee consisting of the Chief People Officer and the Chief Financial Officer. There were no complaints submitted via the whistleblower channel in 2023.

Intellectual property

New knowledge is often at the core of sustainable technologies and related business models. The use of Intellectual Property (IP) is imperative for unlocking innovation and accelerating diffusion processes, with the potential for facilitating sustainability transitions on a global scale.

The value of IP has a high importance for technology companies, particularly those operating in a competitive commercial environment. In many cases

the strength of the IP can be an important feature that distinguishes a company from its competitors. Good internal IP management ensures that the value of the Company’s IP is secured for commercial use.

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

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

Pexip was not involved in any patent litigations in 2023.

Pexip follows its code of conduct and ethics policies in all IP matters.



Appendix

GRI Index

GRI Disclosure		Reference
2-1	Organizational details	Legal name: Pexip Holding ASA Ownership: Listed company Oslo Børs HQ: Oslo, Norway Countries: Our business
2-2	Entities included in the organization's sustainability reporting	Our business Environmental data covers all of Pexip.
2-3	Reporting period, frequency and contact point	Data in this report is reported for January 1, 2023 to December 31, 2023. It is published annually. This report was published on March 20, 2024. For more information please contact: IR@pexip.com
2-6	Activities, value chain and other business relationships	Our business, Our business areas
2-7	Employees	People Annual Report 2023
2-9	Governance structure and composition	https://investor.pexip.com/about/management-team https://investor.pexip.com/corporate-governance-board
2-15	Conflicts of interest	Ethical Business
2-16	Communication of critical concerns	Ethical Business
2-19	Remuneration policies	2023 Remuneration Report https://investor.pexip.com/corporate-governance-policy-documents
2-22	Statement on sustainable development strategy	Statement from the CEO
2-23	Policy commitments	https://investor.pexip.com/corporate-governance-policy-documents
2-26	Mechanisms for seeking advice and raising concerns	Ethical Business
2-27	Compliance with laws and regulations	Data Security and Privacy Material Topics Transparency Law
2-29	Approach to stakeholder engagement	Material Topics
2-30	Collective bargaining agreements	None active

Material Topics:

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

Topic specific disclosures

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

SASB Disclosures

Sasb software and it services standard (2018)

Sustainability disclosure topics & accounting metrics

Table 1. Sustainability disclosure topics & accounting metrics

Topic	Accounting Metric	Measure	Unit of Measure	Code
Environmental Footprint of Hardware Infrastructure	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	1) 6,870 2) 100% of energy is from the grid 3) 45%	Gigajoules (GJ), Percentage (%)	TC-SI-130a.1
	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	0	Thousand cubic meters (m ³) Percentage (%)	TC-SI-130a.2
	Discussion of the integration of environmental considerations into strategic planning for data center needs	See report section Supply chain management	n/a	TC-SI-130a.3
Data Privacy & Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy	See report section Data Security and Privacy	n/a	TC-SI-220a.1
	Number of users whose information is used for secondary purposes	0	Number	TC-SI-220a.2
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	0	Reporting currency	TC-SI-220a.3
	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	1) 0 2) 0 3) 0	Number, Percentage (%)	TC-SI-220a.4
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	None	n/a	TC-SI-220a.5
Data Security	1) Number of data security incidents, (2) percentage involving personally identifiable information (PII), (3) number of users affected	1) 0 2) 0 3) 0	Number, Percentage (%)	TC-SI-230a.1
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	See report section Data Security and Privacy	n/a	TC-SI-230a.2

Topic	Accounting Metric	Measure	Unit of Measure	Code
Recruiting & Managing a Global, Diverse & Skilled Workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore	1) NA 2) 0	Percentage (%)	TC-SI-330a.1
	Employee engagement as a percentage	NA	Percentage (%)	TC-SI-330a.2
	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	1) 29% female 2) 7% 3) 20%	Percentage (%)	TC-SI-330a.3
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	0	Reporting currency	TC-SI-520a.1
Managing Systemic Risks from Technology	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	1) 0 2) 22 3) 17.8h	Number, Days	TC-SI-550a.1
Disruptions	Description of business continuity risks related to disruptions of operations	See Annual Report section Risk Management	n/a	TC-SI-550a.2

Table 2. Activity Metrics

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

Stakeholder Engagement

Pexip undertook a materiality assessment in 2020 and has continued to engage with its stakeholders in 2023 to ensure that the topics chosen in 2020 are still the ones that are the most relevant for the business.

Stakeholders engaged

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

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

Topics identified by stakeholders

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

Environmental topics

<p>Energy management Manage the planning and operation of energy consumption within own operations.</p>
<p>Climate change – adaptation Ensure proper management of climate risk related to i.e. physical changes (extreme weather events and ecosystem changes) and changes in climate related regulation, market preferences and technology.</p>
<p>Climate change – mitigation Manage and reduce greenhouse gas emissions (CO2 emissions) within own operations.</p>
<p>Supply chain: GHG emissions and energy management Account for suppliers’ management of energy consumption and GHG emissions in sourcing and procurement processes.</p>
<p>Supply chain: waste and water management Account for suppliers’ management of waste and water consumption in sourcing and procurement processes. Ensure that suppliers have effective procedures for collection, transport and disposal of waste, including correct handling of hazardous materials. Ensure that suppliers have effective procedures to manage water consumption, treatment and disposal of water discharges.</p>

Environmental topics: opportunities/positive impacts

IT solutions for the environment

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

Social topics

Diversity and equal opportunity

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

Employee health, safety and wellbeing

Work systematically for the benefit of employees' health, safety and wellbeing.

Employee development

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

Talent attraction

Attract and recruit a global, diverse and skilled workforce.

Supply chain: labour rights

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

Social topics: opportunities/positive impacts

Charity & sponsorships

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

Digital inclusion

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

Governance topics

Ethical business practices

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

Corporate governance

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

Data security and privacy

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

Intellectual property rights

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

Governance topics: opportunities/positive impacts

Industry initiatives

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

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Lilleakerveien 2A, 0283 Oslo, Norway
www.pexip.com