

]pexip[

2021

Sustainability Report



ESG Performance Summary

Talent Attraction and Retention

535

Employees

34

Countries

56 eNPS

Employee engagement

Data Privacy and Security

0

Data security incidents

0

Fines for anti-competition or IP breaches

1

Code of conduct breaches

Emissions (Tonnes CO₂e)

0

Direct (Scope 1)

466

Energy indirect (Scope 2)

11 010

Other indirect (Scope 3)

Gender Diversity - Ratio of Females

40%

Board

20%

Executive

21%

Employees



CEO Statement

I am pleased to present Pexip's second Sustainability Report. The report provides an overview of our material topics within ESG (Environmental, Social, and Governance) and our performance metrics for 2021. We aim to create sustainable value through a business strategy that fully integrates ESG at its core. Our goal with the report is to be transparent and drive continuous improvement within Pexip's ESG program. We have established baseline measures for material topics and are actively addressing critical areas, such as diversity, where there is still more work to be done.

In 2020, the Covid-19 pandemic created a huge increase in video meetings as a result of curtailed travel and safety restrictions. In 2021, organizations started to realize the full potential of video communication, not just for business meetings, but to make business processes more efficient and public services more easily accessible. The potential use cases of video now stretch far beyond traditional videoconferencing and Pexip is at the core of this, enabling organizations to make the most of these possibilities. Video now plays a critical role in safely connecting patients with healthcare providers, making public services more accessible to citizens, providing better customer service, and facilitating business continuity by enabling both internal meetings and customer-facing interactions to securely happen from anywhere. This has consequences for all aspects of ESG.

For the environment, it means that organizations have seen that video communication provides a viable alternative to travel, whether that's for meetings or for other business processes or healthcare and government services. This shows that video communication can play a critical role in the reduction of CO2 emissions. A return flight from London to Paris for one meeting is no longer seen as necessary, or even acceptable; neither is traveling across town for a 30-minute consultation with a financial advisor or healthcare provider, when that meeting can be just as productive over video. Our mindset has shifted, and public and private organizations around the world are adapting. In addition to cutting emissions related to travel, leaders are also looking at ways to reduce e-waste. As the world looks to video communication to eliminate unnecessary travel, they are also

focusing on how to extend the lifetime of their video conferencing equipment and upgrade it in the most efficient and sustainable ways possible. Pexip has long believed in the power of video conferencing to contribute to a sustainable future, from reducing carbon emissions from travel, reducing e-waste and network usage, to providing a better work life balance for its employees, partners and customers.

From a social aspect, a recent study conducted by the World Economic Forum and Ipsos found that 86% of people want to see a more equitable and sustainable world after the Covid-19 pandemic. We believe that video can contribute to that by creating a fundamental change in how we communicate, helping close the digital divide and increasing accessibility to a variety of services. Whether it's providing better healthcare to remote communities or bringing the classroom to sick children, video has a role to play in promoting equity.

For governance, it means that the use of video technology in areas such as defense, government, and public institutions, is resulting in increased demands for communication tools that promote and facilitate privacy, trust, and data sovereignty. In addition, today's organizations are increasingly exposed to cyber-attacks, from data breaches to denial-of-service. Organizations need to look carefully at who they are willing to share their data with and who controls the technology. With hybrid working having become ingrained in companies' cultures, knowledge workers will continue to work from a variety of locations and are dependent on having a video communication platform that lets them do this in both a simple and secure way. Pexip's customers are dealing with these challenges every single day.

At the heart of Pexip is the Pexip Way, our corporate values that guide how we facilitate inclusion and diversity and build a robust corporate culture. With rapid growth over the last two years across the globe, talent acquisition and retention is a key material topic for us. We realise that, along with the IT sector as a whole, we still have considerable work to do to address gender diversity, inclusion and equal opportunity. We have, however, seen

improvements. In 2021, 30% of new hires were female, substantially above the share of female employees overall. Our Pexip Diversity taskforce continues to assess, plan and implement initiatives to ensure diversity in recruitment, succession planning and leadership.

We are carefully monitoring the new ESG regulations that are coming into play such as the EU Taxonomy. In 2021, we spent time investigating and analyzing how our operations might align with the final EU Taxonomy criteria, as well as assessing how the taxonomy framework may be used for internal risk management, financial planning and strategy processes. We will report accordingly for the financial year 2022.

As a company, Pexip is strongly committed to sustainability. We see ESG measurement, management and reporting as a long-term value creation strategy that will help us to build resilience in all aspects of our business.



Øystein Hem

Øystein Hem,
Interim CEO and CFO

Table of Contents

CEO Statement	3
About Pexip	6
SDG Contribution	9
Material Topics	10
GHG Emissions and Energy	12
Talent Attraction and Retention	14
Diversity	16
Health Safety and Wellbeing	18
Ethical Business	19
Digital Inclusion and Positive Industry Impacts	20
Supply Chain Management	22
Data Security and Privacy	23
GRI Index	26
SASB Disclosures	29
Stakeholder Engagement	32

About this report

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards (core option). The GRI Standards are the world's most widely used sustainability reporting standard. The report meets the disclosure requirements of the Sustainability Accounting Standards Board (SASB) Software and IT Services standards. The report presents the environmental, social and governance (ESG) performance of Pexip, alongside its management approach for material sustainability topics, for the 2021 calendar year.

For feedback, questions or comments on this report contact:

Gillian Dalslaen
VP Corporate Communications
gillian@pexip.com.



About Pexip

The Pexip Way - company values

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



No Bullshit

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

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

We stand for honesty and integrity.



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.



One Team

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

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



Professional & Fun

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

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



Powering the Video Economy

Pexip is a global technology company that develops and delivers a business-grade video communication platform. The potential use cases of video now stretch far beyond traditional video conferencing and Pexip is at the core of this, enabling organizations to make the most of these possibilities. Video now plays a critical role in safely connecting patients with healthcare providers, making public services more accessible to citizens, providing better customer service and facilitating business continuity by enabling both internal meetings and customer-facing interactions to securely happen from anywhere.

Pexip's platform is built on the core Pexip Infinity technology and is secure and scalable. It can be deployed as a self-hosted, hybrid or as-a-service option. The Company's technology is developed in-house. In the software, Pexip depends on third-party licenses for certain components which the company pays royalties for, in addition to open-source software components. Pexip also contributes to open source libraries. The Company's main external suppliers are data center providers, network providers and supporting software providers.

Pexip's customers are mainly large private and public organizations, including more than 15%

of the Fortune 500. These are organizations for whom security, privacy and data sovereignty are paramount. The need to connect different platforms and devices is also of utmost importance, as is the possibility to integrate video into existing workflows and platforms to create customized and branded solutions.

The Pexip platform is sold through a global network of over 300 reseller partners located in 75 countries, serving users in 190 countries.

Pexip has been listed on the Oslo Stock Exchange since 2020.





Infrastructure

Pexip believes that technology should fit into existing workflows and with installed systems. With Pexip's interoperability solutions, no matter the video system, productivity tool, platform, calendar or device, organizations can connect the tools and workflows already in use and utilize native integrations with Google Meet and Microsoft Teams. The result is a better user experience, ease of management for administrators, enhanced return on investment on existing infrastructure and a reduction in e-waste as organizations extend the lifetime of their video conferencing equipment and upgrade it in the most efficient and sustainable way possible.



Critical Meetings

For many organizations, especially those in the government, healthcare, and financial sectors, video meetings are a space where sensitive or even classified information is shared, and where reliability and continuity are an absolute requirement. Pexip can be configured to meet the internal security requirements of each organization and the Pexip platform helps these organizations ensure business continuity, maintain full transparency and control of meeting data and rely on superior audio and video. Organizations keep full control of their data, 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 organizations are able to communicate if a primary solution fails or if communication is lost due to network outages, natural disasters, or digital attacks.



Video Enablement

Video is now powering a range of both business-to-consumer (B2C) and government to citizen (G2C) applications and Pexip is enabling organizations to transform their businesses and reimagine their customers' experiences with the digitalization of traditional client services. With Pexip, organizations can use application programming interfaces (APIs) to build custom branded experiences and integrate with their chosen technology and workflows to provide video-enabled consultations that are easy to join from any device or location. The APIs can integrate with "out of the box" workflows and can be extended to perform a range of tasks such as adding an SMS invitation, providing access to a company directory, or building a fully-branded experience with custom apps and integration with external control systems for inbound call management.

Contributing to the Sustainable Development Goals

The United Nations' Sustainable Development Goals (SDGs) were agreed upon by 193 UN member states in 2015, including all of the countries in which Pexip operates. A key component of the SDGs is the principle of collaboration for their achievement, including between Government, Civil Society and Business. Pexip has identified the following SDGs as ones the company can contribute to.



Goal 4: Quality Education

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



Goal 5: Gender Equality

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



Goal 9: Industry Innovation and Infrastructure

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



Goal 11: Sustainable Cities and Communities

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



Goal 12: Responsible Consumption and Production

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

Material Topics



Analysis



Strategy



Governance



Reporting

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

In 2021, Pexip reviewed the material topics which it had identified in 2020 as being the sustainability topics that are material to its business. The Company found the topics to be of continued relevance for 2021. These material topics for reporting were identified in alignment with GRI's materiality principle. Topics that have a significant environmental, social or economic impact or, are considered important by stakeholders, are considered material.

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

Pexip considers SASB's Software and IT Services Standard and the disclosures contained within it to represent financially material ESG topics for the company. All disclosures from the Standard have been included in this report – see SASB disclosure table in the appendix on page 30.

Pexip stakeholders were engaged in the reporting process

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

Review of the material ESG topics

In 2020, Pexip engaged an independent ESG consultant to carry out a select number of specific stakeholder interviews, a staff survey and an assessment of material ESG topics. Responses from the interviews and survey, together with an analysis of the topics raised were presented to management with recommendations of which material topics to report. In 2021, an internal review was done by the Executive Management Team, led by Pexip's CEO, and the decision was made that the topics identified in 2020 were still highly relevant and that they should be measured on and included in the 2021 report.

EU Taxonomy

Pexip is closely monitoring the EU's work on Sustainable Finance and the EU Taxonomy regulation. The new legislative and non-legislative actions introduced in the European Green Deal and the EU Sustainable Finance Action Plan will require financial market participants and companies to consider and disclose how they are working with sustainability in a new and standardized manner. Given the interconnectedness of financial markets, the influence of the Taxonomy on ESG investing, and investment decision-making in general, is likely to extend well beyond Europe.

The EU Taxonomy establishes a classification system with criteria for which economic activities can be considered environmentally sustainable. It creates a frame of reference for investors and companies by providing clear criteria and common

language for ESG reporting and assessment and its aim is to support companies in the transition to climate neutrality and a sustainable economy. Publicly listed large companies like Pexip that are headquartered in the EEA and that qualify to meet the requirements of the Taxonomy will be required to disclose to what extent their turnover, investments and operational costs align with the Taxonomy criteria for the financial year 2022. In 2021, Pexip has spent time investigating and analyzing how its operations might align with the final EU Taxonomy criteria, as well as assessing how the taxonomy framework may be used for internal risk management, financial planning and strategy processes. Pexip believes that it fits within the category of "Information and communication - computer programming, consultancy and related services" and will report accordingly for the financial year 2022.

Material topics

The following topics have been determined to be material for the 2021 sustainability report:

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

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

Greenhouse Gas Emissions & Energy Management



GHG emissions and energy management are material topics for Pexip. The computing energy used by the information and communications technology sector is significant. Estimates of the associated GHG emissions from the sector range from 1-2% of global emissions. Data storage and transfer services (servers) in particular are major contributors to this growth.

A core focus at Pexip is delivering video conferencing solutions that require less network resources and more efficient CPU (central processing unit) usage and, as a result, use less energy than comparable solutions. Pexip's patented video platform has the most efficient implementation of any Intel-based transcoding technology.

Pexip utilizes smart scaling and data routing for efficient data processing and allows for bursting with virtual servers. This means that Pexip can create and remove additional virtual servers in response to demand in its customers' cloud of choice. The distributed deployment model is also bandwidth-efficient. These aspects provide three to four times more effective usage of network, CPU and energy than alternative solutions.

Pexip uses low-carbon and carbon-neutral cloud providers

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

¹ <https://azure.microsoft.com/en-us/global-infrastructure/sustainability/#environmental-impact>

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

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

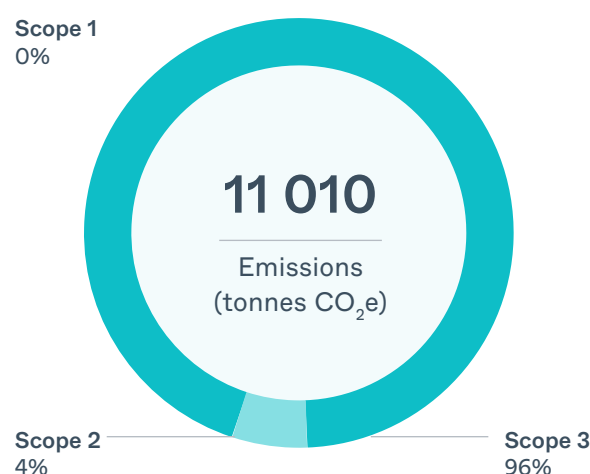
Sustainable innovation

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

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 allows Pexip customers to scale the benefits of AI across their entire hybrid workforce, eliminating expensive training and technical support associated with the adoption of new systems.

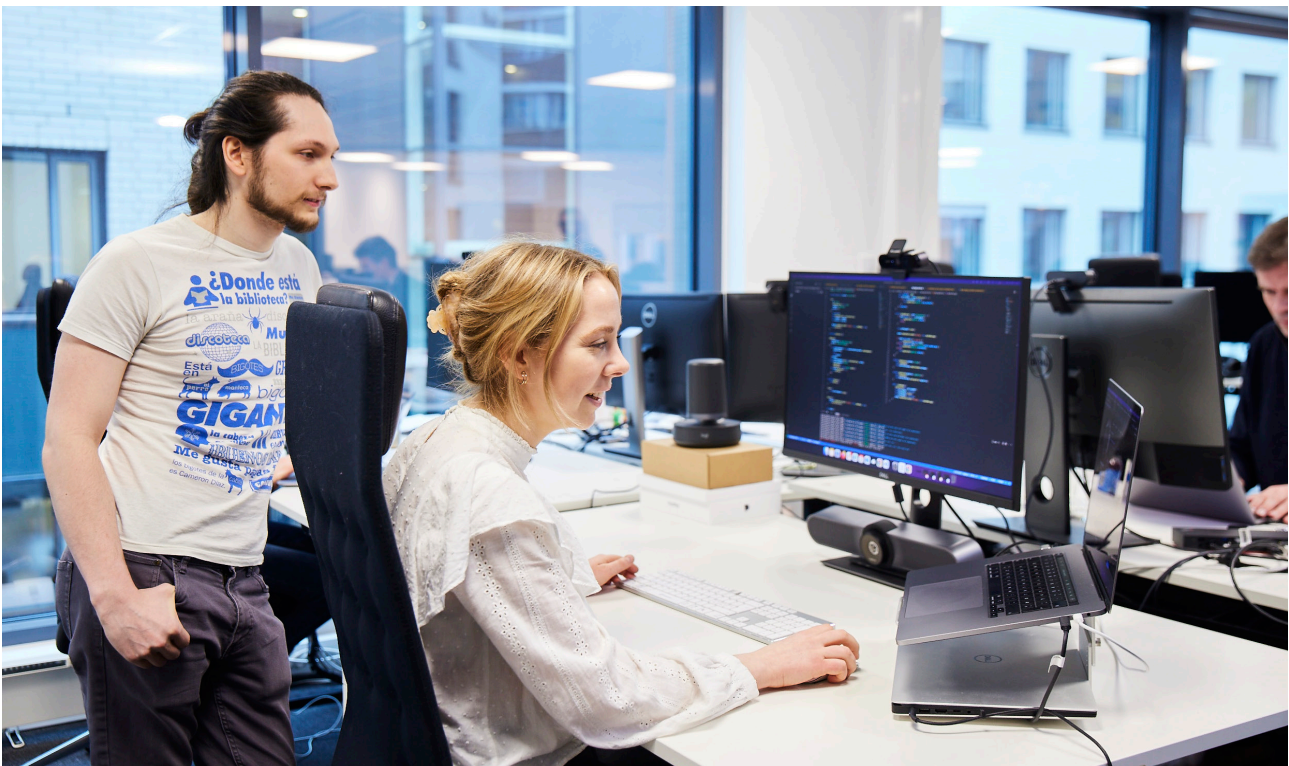
Pexip's own emissions are low

Pexip's own GHG emissions are relatively low and are primarily related to building energy use in its offices, travel related emissions, and the emissions in its supply chain, such as from hosting service providers. Pexip's total GHG emissions in 2021 included estimated emissions from host service providers (scope 3). These were calculated on a market basis as 11,010 tonnes carbon dioxide equivalents (CO₂e). Pexip became carbon neutral in Scope 1 and Scope 2 from mid-2021 and onwards through buying carbon credits. Pexip's ambition is to have net zero emissions by 2030 including scope 3.



Talent Attraction and Retention

Talent attraction and retention are key to a successful company and in a competitive employment market, it is a highly material topic for Pexip. Attracting and retaining a global, diverse and skilled workforce is crucial to Pexip's success.



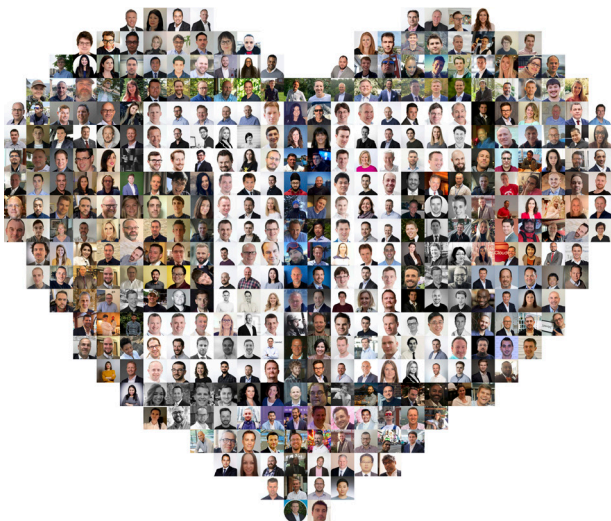
In 2021, Pexip added additional resources to the People team to focus on recruitment and retention. The Company has built its talent management process on four pillars: People, Culture, Purpose, Organization.

People

Pexip's focus when recruiting is to hire a diverse group of people who are ambitious and passionate, and who can challenge each other in a respectful and supportive manner in order to achieve more. The recruitment process is very thorough and the main focus is on hiring for attitude and training for skill. This means that Pexip believes in giving employees a greater sense of trust and autonomy, and focusing

more on outcome and impact rather than input and control. Pexip believes that providing a culture that supports self-leadership and inclusion is critical to job satisfaction, loyalty, and ultimately, productivity.

In 2021, Pexip trained 60 leaders on the Pexip Way of Leadership. This program focuses on the active mentoring and coaching of employees and is part of Pexip's learning offering, Pexip Academy. Furthermore, 217 sellers attended the Pexip Way of Selling program, and 20 sales leaders completed the Pexip Way of Sales Coaching program. In addition, the Company offers a virtual orientation program for new hires in order to secure successful onboarding. In 2021, 162 Pexip employees completed this



program. As a general policy, Pexip encourages its employees to keep their skill set up to date by completing relevant training courses.

In 2021, the People team spent time mapping the employee journey and defined a set of goals and initiatives to ensure a positive learning environment for all disciplines throughout the employee experience. From a recruitment perspective, the goal is to deliver a high-quality, unique, and authentic match-making experience that sparks engagement. For 2022, there will be a focus on unconscious bias training for applied to the creation of job descriptions and interview techniques. In addition, the new hire orientation program will be reworked to combine tutorials with self-paced learning.

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. The Pexip culture is one of the primary reasons why people join Pexip. The Pexip Way is used as a framework to ensure that our decisions and actions enhance the culture and it helps ensure that productivity per individual doesn't decrease while the number of employees increases. The

Pexip Way is embedded in everything at Pexip, from recruitment, onboarding, learning, and development.

Purpose

With over 500 employees around the globe with very diverse backgrounds and competencies, a clear purpose is important. Pexip's purpose revolves around making the world smaller and opportunities greater for our customers. This means helping large enterprises and organizations with business-critical communication by video. A clear understanding of our purpose is important and this is something that Pexip worked on defining more clearly in 2021, to align with a new strategic direction.

Organization

Pexip aims to remain agile and disruptive as it grows.

This means:

- A flat structure where employees are brought into discussions on topics that are related to them, and that they have knowledge about, not because of their place in the organization chart. This is to ensure efficiency, engagement and ownership amongst employees.
- Continuous learning to foster curious, ambitious and passionate employees who seek to renew themselves, Pexip and the industry.

Employee Satisfaction

The Company regularly conducts employee Net Promoter Score (NPS) surveys to monitor employee satisfaction and guide management actions. The response rate in 2021 was 62%. The result was a promoter score of 56, which was down from 77 in 2020. Although the score was still satisfactory, Pexip is taking the lower score seriously and believes that it reflects a year where many people were still working from home as a result of the pandemic, the Company went through a reshaping of its strategy and market conditions were more challenging. This is being addressed through more training, including sales enablement, increased communication, and more in-person work and events where that is possible.

Diversity and Equal Opportunity

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

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

2021 was a year of learning and awareness. The Company has participated in and encouraged a range of initiatives including:

- Hosting seminars and participation in panel discussions related to diversity and inclusion
- A Diversity and Inclusion assessment of job ads
- The use of diversity job boards
- A commitment to Diversity and Inclusion in Norway through "The CEO Commitment" an initiative driven by Oda, Norway's leading Women in Tech Network and MAK, a leading Norwegian organization working on systemic change around diversity, equity and inclusion and where Pexip is an active sponsor.

Pexip also conducted its own diversity and inclusion survey in 2021. The core findings were that inclusion is a primary factor for wellness at work. There are, however, relatively big global cultural differences and expectations when it comes to diversity and inclusion. The Company has put in place a core team, led by the Chief People Officer, to drive the agenda and set initiatives for 2022.

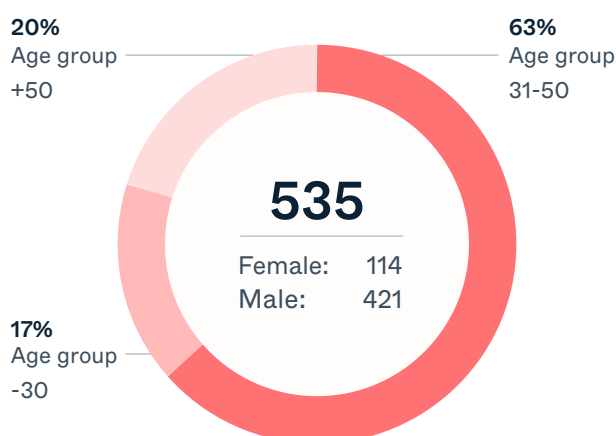
When it comes to setting compensation, the deciding factors include the content of the position (complexity, responsibility and level) and local market regulations, living costs and pay levels. On

average, females in Pexip earn 93% of what men earn.

Our diversity, by gender and age

At the end of 2021, Pexip had 421 males and 114 females as permanent employees. The rate of gender diversity stands at 40% of the board, 20% for the executive team and at 21% for all employees, reflecting that the Company operates in an industry that has traditionally been male-dominated. Almost 30% of the new hires in 2021 were women, a small increase from the previous year. The Company is committed to recruiting more women, and has engaged an internal team of volunteers to work on the topic of Equality, Diversity and Inclusion. This initiative is designed to create awareness and build engagement around recruiting and developing a more diverse team. The majority of Pexip's employees are aged from 31-50 years (63%). The Company has 17% of our employees in the age bracket of up to 30 and 20% over 50. There was one reported discrimination incident in 2021.

Total number of employees



30%

of the new hires in 2021 were women

Intellectual property

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

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

Active IP management also supports the reputation of the Company as a technology innovator, which

helps attract customers, and partners and may assist in attracting and retaining the best employees; a rich and developing IP portfolio indicates an innovative company culture.

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.

In 2021, Pexip was involved in three patent litigations initiated by third parties, whereas all were settled relatively quickly with favorable results for Pexip.

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



Health, Safety and Wellbeing

Pexip works systematically to take care of employees' health, safety and wellbeing. This is important for those who work from home but also those who are now returning to offices as Covid-19 restrictions lift.

Health and safety performance

No work-related illnesses or accidents were reported in 2021.

Wellness initiative

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

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



Ethical Business Practice



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

A whistleblower mechanism exists to report instances where these standards have not been met. The process is operated by a third-party international audit firm in order to maintain the privacy and integrity of the whistleblower process. All complaints are received by the Whistleblower committee consisting of the Chief People Officer and the Chief Financial Officer. There was one complaint submitted via the whistleblower channel in 2021. According to section 4.9 of the Company's Whistleblower policy, retaliation against whistleblowers is prohibited. The reported issue was resolved in a satisfactory manner for all parties without any disciplinary action being taken.

In 2021 the Company conducted a human rights salience mapping, with the help of an independent third-party organization (The Governance Group). 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 severely negatively impact people. 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 Law, which was adopted in 2021 and will come into force in July 2022, and in accordance with the appropriate GRI standards. Pexip will regularly review its salient human rights issues.



Digital Inclusion and Positive Industry Impacts

At Pexip, digital inclusion is a material topic.

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, leveling 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:

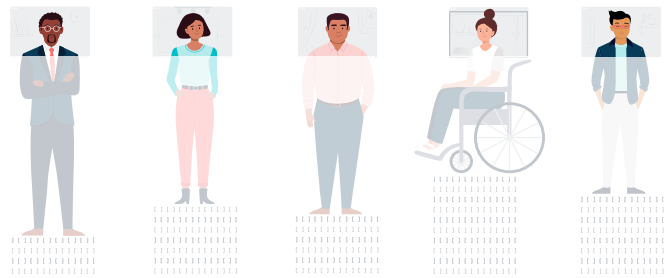
- AI can be applied to any video image regardless of which endpoint originated the image, including legacy hardware endpoints and video sent from soft clients and mobile devices. This removes the need for new hardware and enables reuse of existing video infrastructure, which is more sustainable and eco-friendly.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

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

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

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

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



Supply Chain Management

Pexip expects that all suppliers which have a direct contractual relationship with Pexip comply with our supplier code of conduct terms and conditions, including any environmental, social and governance requirements. Pexip's Supplier Code of Conduct and approach to working with suppliers reflect our expectation that our suppliers and business partners will match our own commitment to sustainability, including environmental protection, internationally recognized human rights, and ethical business practice. In developing our Supplier Code of Conduct, we have been guided by internationally recognized standards, including the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the ILO Fundamental

Conventions, and the Sustainable Development Goals. When selecting suppliers we consider their ESG performance, particularly in relation to our own material ESG issues. To achieve our goal of a sustainable supply chain, we will favor suppliers that operate consistently with our ESG policies. Ethical business and employment practices, diversity and the environmental impacts of their operations, including the use of renewable energy and GHG emissions, are key considerations. In 2021 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.



Data Security and Privacy

Data security and privacy are highly material to Pexip.



For many organizations, especially those in the government, healthcare, and financial sectors, video meetings are a space where sensitive or even classified information is shared, and where reliability and continuity are absolute requirements. With cyber-attacks on the rise, confidential business information, critical services and infrastructure are at risk from data breaches and denial-of-service attacks. In addition, with increased geopolitical complexity and tension, governments are looking for communication tools that promote and facilitate privacy, trust, and data sovereignty.

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

In 2021, 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 can be configured to meet the internal security requirements of each organization and the Pexip platform helps these organizations ensure business continuity, maintain full transparency and control of meeting data and rely on superior audio and video. Organizations keep full control of all Call Detail Records (CDR) 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 organizations are able

to communicate if a primary solution fails or if communication is lost due to network outages, natural disasters, or digital attacks.

Pexip holds multiple data security and privacy certifications

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

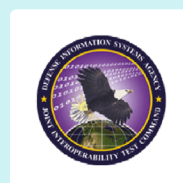
In combination with its ISO certification, Pexip also meets and enables a comprehensive range of additional data security and privacy standards, including:

- GDPR (EU Regulation 2016/679) compliance
- U.S. Department of Defense (DoD) Joint Interoperability Test Command (JITC) certification
- Federal Information Processing Standard (FIPS) Publication 140-2 compliance
- Health Insurance Portability and Accountability Act (HIPAA) compliance
- SOC2/SSAE16 compliant data centers
- CSA STAR Level One
- CSPN Certification French National Agency for Information Technology Security (ANSSI)

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.



GDPR
(EU Regulation 2016/679)
compliance



JITC Certified



FIPS 140
Level 2 Validated



Enables HIPAA
Compliance



SOC2/SSAE16
compliant data centers



CSA STAR Level One



CSPN Certification

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;
- Other serious climatic events such as floods, snowstorms and droughts;
- Biological risks, including disease outbreak and pandemics;
- Events caused by humans, such as fires, high level carbon footprint and hazardous material disposal all of which could have significant environmental impact overtime;
- 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.

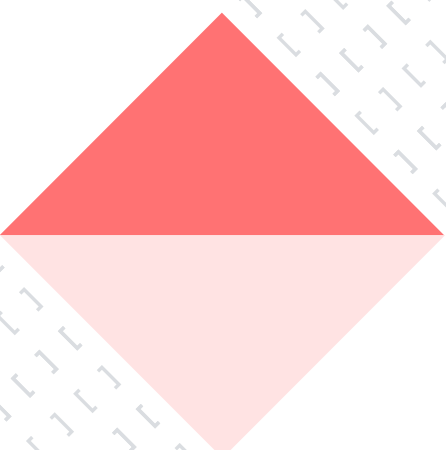
This ensures overall coordination during a crisis, in a timely manner, with the goal of avoiding or minimizing damage to Pexip's profitability, reputation, and ability to operate.

For more detailed information on Pexip's approach and commitment to data security and privacy, see:

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



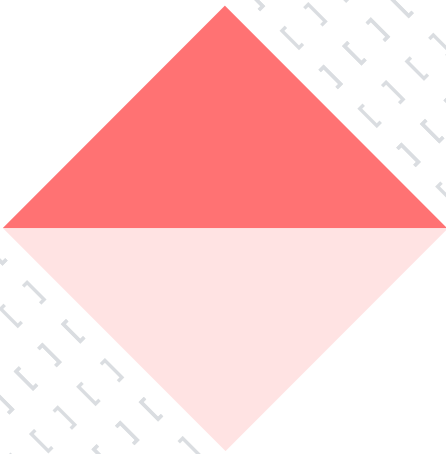
GRI Index



GRI Disclosure		Reference
102-1	Name of the organization	Pexip Holding ASA
102-2	Activities, brands, products, and services	www.pexip.com/about
102-3	Location of headquarters	www.pexip.com/contact
102-4	Location of operations	www.pexip.com/contact
102-5	Ownership and legal form	Listed company Oslo Børs
102-6	Markets served	www.pexip.com/about
102-7	Scale of organization	www.pexip.com/about
102-8	Information on employees and other workers	Page 16
102-9	Supply chain	Supply Chain Management section of report
102-10	Significant changes to the organization and its supply chain	None
102-11	Precautionary Principle or approach	Pexip applies the precautionary principle in its day-to-day decision-making
102-12	External initiatives	<p>1) CEO Commitment - The Diversity, Equity and Inclusion Pledge aims to bring together key leaders, decision-makers and personalities from businesses and organizations who believe in the value of diversity in the workplace. Increasing diversity and inclusion in business requires solutions both within and across organizations.</p> <p>The CEO Commitment is the first network for leaders that have taken a stand to prioritize diversity and inclusion on a strategic level. This initiative aims to bring these leaders together to share the experiences and knowledge that will allow them to create more diverse organizations.</p> <p>For more information: https://www.ceocommitment.com/</p> <p>2) Sponsorship of Oda Network - Norway's leading network for women in tech</p> <p>For more information: https://odanettverk.no/</p>
102-13	Membership of associations	IMCCA, AVIXIA, Oda Network
102-14	Statement from senior decision maker	Page 3
102-15	Key impacts, risks, and opportunities	Page 33
102-16	Values, standards, principles and norms	Page 6
102-17	Mechanisms for advice and concerns about ethics	Page 19
102-18	Governance structure	See Annual Report investor.pexip.com/reports-and-presentations
102-40	List of stakeholder groups	Page 33
102-41	Collective bargaining agreements	None active
102-42	Identifying and selecting stakeholders	Page 33
102-43	Approach to stakeholder engagement	Page 33
102-44	Key topics and concerns raised	Page 10
102-45	Entities included in the consolidated financial statements	See Annual Report investor.pexip.com/reports-and-presentations
102-46	Defining report content and topic Boundaries	Page 5
102-47	List of material topics	Page 11
102-48	Restatements of information	None
102-49	Changes in reporting	None
102-50	Reporting period	Calendar year
102-51	Date of previous report	May 2020
102-51	Reporting cycle	Annual
102-52	Contact point	For questions or feedback on this report contact Gillian Dalslaaen, gillian@pexip.com
102-53	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards (core option)
102-55	GRI content index	Page 27
102-56	External assurance	None

GRI Disclosure		Reference
Health and safety		
103	Management approach	Page 18
403-9	Work-related injuries	Page 18
Emissions		
103	Management approach	Page 12
305-1	Scope 1 GHG emissions	Page 13
305-2	Scope 2 GHG emissions	Page 13
305-3	Scope 3 GHG emissions	Page 13
Diversity and equal opportunity		
103	Management approach	Page 16
405-1	Diversity of governance bodies and employees	Page 16
Data privacy and security		
103	Management approach	Page 23
418-1	Customer data breach and data loss	Page 23

SASB Disclosures



SASB Disclosures

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

Table 1. Sustainability disclosure topics & accounting metrics

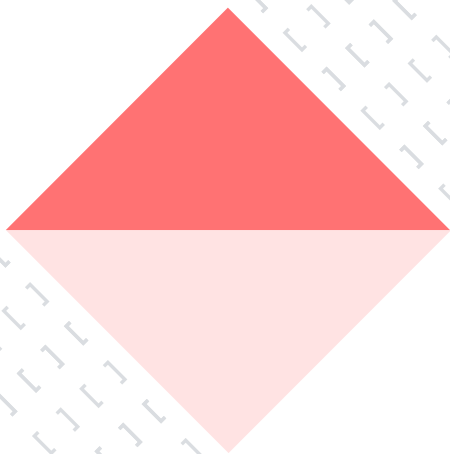
Topic	Accounting Metric	Measure	Unit of Measure	Code
Environmental Footprint of Hardware Infrastructure	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	1) 4000 2) 100% 3) 45%	Gigajoules (GJ), Percentage (%)	TC-SI-130a.1
	(1) Total water withdrawn, (2) total water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

Topic	Accounting Metric	Measure	Unit of Measure	Code
Recruiting & Managing a Global, Diverse & Skilled Workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore	1) NA 2) 0	Percentage (%)	TC-SI-330a.1
	Employee engagement as a percentage	56 (NPS)	Percentage (%)	TC-SI-330a.2
	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	1) 20% female, 80% male 2) 6% 3) 28%	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) 7 3) 9h 31m partial outage across locations	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



Stakeholder Engagement

Pexip undertook a materiality assessment in 2020 and has continued to engage with its stakeholders in 2021 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:

Stakeholders engaged

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

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

Topics identified by stakeholders

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

Environmental topics

Energy management

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

Climate change – adaptation

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

Climate change – mitigation

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

Supply chain: GHG emissions and energy management

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

Supply chain: waste and water management

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

Environmental topics: opportunities/positive impacts

IT solutions for the environment

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

Social topics

Diversity and equal opportunity

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

Employee health, safety and wellbeing

Work systematically for employees' health, safety and wellbeing.

Employee development

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

Talent attraction

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).

] pexip [

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