

netcompany

Building strong, sustainable societies

ESG Report 2020

Letter from the CEO

2020 was an exceptional year



WATCH video from the CEO
netcompany.com/int/esg

In 2020, we witnessed how **digital solutions** and **digital readiness** tied societies and people together in an unforeseen way

2020 was an exceptional year. A year that forced us all to rethink our ways of living, working and socialising. While COVID-19 has posed a threat to our health and how we organise our society, it has also posed an opportunity to rethink how we can act as responsible citizens and organisations and create value for each other.

In 2020, we witnessed how digital solutions and digital readiness tied societies and people together in an unforeseen way. By utilising all conceivable technical and virtual tools available, authorities and companies have kept their wheels running. At Netcompany, we felt committed to contributing by developing digital tools to help authorities monitor and fight the spread of COVID-19. Looking across the world, there is no doubt that today's digital opportunities have been crucial in ensuring that we find ourselves in a far better position today than we might have feared.

There is no doubt that digitisation is key in meeting the challenges we face as a global community, whether caused by political forces, climate change, or an unforeseen pandemic. In this way, 2020 has shown just how important it is that we develop strong, sustainable societies fit for the digital age. This is what we wish to contribute to each day at Netcompany. Throughout their lives, millions of citizens make use of Netcompany services. This puts great responsibility on us as a company. Responsibility for the solutions we bring to societies and citizens. And responsibility for pushing the digitisation of societies forward in favour of our citizens.

In order to do this, we must have a strong and sustainable organisation. This is why we put great emphasis on being a trustful and transparent IT partner and employer. We act responsibly when it comes to our environmental footprint, the well-being and opportunities of our employees, and the quality of our solutions to clients.

By collaborating with companies, authorities, and educational and political institutions, I believe that we can find innovative and applicable solutions, thereby contributing to the UN's 17 Sustainable Development Goals. By developing even more skilled IT talents each year and educating society, we help create the foundation upon which the future world will be built. This way, I believe that Netcompany as a responsible IT partner, can help make a real difference to societies, businesses, the environment, and our common future.

André Rogaczewski
CEO and Co-Founder

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Highlighted stories



Netcompany has helped authorities develop COVIDmeter and SmitteStop, two platforms contributing to monitoring and controlling the spread of COVID-19.



Netcompany delivers hundreds of society-critical govtech solutions to governments around the world.



Main sections

We pave the way for a sustainable future



Go to **ENVIRONMENT**

We develop societies and people



Go to **SOCIAL**

We act responsibly



Go to **GOVERNANCE**

Introduction



Our ESG report for 2020 describes our **ESG ambitions**, focus areas, commitments, key figures, corporate policies, strategies, and objectives, as well as **selected activities** throughout the year

Pursuant to section 99(a) of the Danish Financial Statements Act, the report also includes Netcompany Group A/S's statutory statement on corporate social responsibility for the financial year of 2020, as well as Netcompany Group A/S's and Netcompany A/S's statutory statement on the underrepresented gender pursuant to section 99(b). Also included is Netcompany Groups A/S's statutory statement on section 107(d) of the Danish Financial

Statements Act regarding diversity, and Netcompany Group A/S's reporting on Communication on Progress in relation to the principles of the UN Global Compact.

We have based our ESG reporting on Nasdaq's guidelines on key ESG figures in a way that is meaningful to Netcompany. Our key figures are presented in our ESG report as well as our annual report and

based on average per FTE where relevant. This is due to the rapid increase in the number of employees in Netcompany in recent years.

For the purpose of this ESG report, "Netcompany" is defined as all group companies, and where necessary, the individual companies are referred to by the countries they are located in.



Did you know ...

Netcompany has delivered society-critical solutions for more than 20 years

Our sustainability strategy

Our sustainability strategy

As a corporate citizen, we enable digital societies. >>

There is no doubt that digitisation is key to meet the challenges we face as a global community, whether caused by political forces, climate change, or unforeseen pandemics. 2020 has shown just how important it is that we develop societies fit for the digital age.

For more than 20 years, Netcompany has helped create strong, sustainable societies. Societies in which millions of citizens make use of digital services throughout their lives.

As a good corporate citizen and prominent enabler of safe, modern, and sustainable societies, we have the responsibility to contribute to even more connected and cohesive communities – for the benefit of citizens as well as businesses. Our expertise helps build innovative solutions, each of which improve quality of life for everyday citizens and the conditions in which businesses operate.

One of the greatest challenges companies and societies face is a lack of digital competency. To remedy this, Netcompany is committed to developing an even greater number of skilled IT talent each year and supporting the education of society. We will continue to share our extensive knowledge of, and expertise in, governmental digitisation with countries around the world in order to create more safe, sustainable, and modern communities.

Our green footprint

At Netcompany, we continuously explore and focus on ways to reduce emissions across our ways of working. We do so as one company and in all of our 10 international locations.

As an IT company, our talented employees are our primary resource. Our business model is therefore free from energy-exhaustive production methods; the kind that emit large amounts of CO₂ into the environment. Increasingly, our digital solutions help facilitate CO₂ reduction in our clients' businesses as well.

This is how we will help build the foundation for a greener and sustainable world for us all.

Safe and sustainable **digital** solutions



We want to share our extensive knowledge and expertise



We invest heavily in our employees' personal and professional skills

ESG focus areas

Environment

We pave the way for a **sustainable future**



- Use technology to build and support green sustainable solutions
- Use resources sustainably

Social

We develop **societies and people**



- Build digital solutions to strengthen societies and businesses
- Educate society
- Develop the best IT talents and leaders
- Increase diversity in the IT industry

Governance

We act **responsibly**



- Build trustful partnerships
- Create security and transparency for all stakeholders
- Set high governance standards

We have built our sustainability strategy based on the three factors measuring the sustainability and social impact of a company: Environment, Social and Governance (ESG). For each factor, we have chosen 2-4 focus areas.

In this report, we will describe each factor, our commitment to it, and our initiatives covering each focus area.

ESG key figures

Environment



0.12

tons/avg. FTE

Netcompany's indirect GHG emissions has dropped from 0.21 tons/avg. FTE in 2019 to 0.12 tons/avg. FTE in 2020.

Social



+42 eNPS

employee satisfaction

Netcompany received a score of +42 in employee satisfaction on a scale from -100 to +100 where any value above +20 is considered high.

Social



1,000

new employees

In 2020, despite shutdowns of the societies we operate in, Netcompany hired almost 1,000 new employees across our 10 locations.

Governance



40%

women in Board of Directors

Netcompany Group A/S fulfils the requirements for equal representation in the Board of Directors as 40% of the board members are female.

ESG key figures

ESG key figures overview		Unit	Target 2021	Actual 2020	Target 2020	2019	2018	2017
	Environment							
	CO ₂ e, scope 1 (direct GHG emissions)	Tons per FTE	<0.08	0.06	<0.08	0.08	0.07	0.06
	CO ₂ e, scope 2 (indirect GHG emissions)	Tons per FTE	<0.21	0.12	<0.21	0.21	0.25	0.27
	CO ₂ e, scope 3 (other indirect GHG emissions)	Tons per FTE	<0.69	0.19	-	0.69	0.44	0.09
	Energy consumption	GJ per FTE	<7.29	4.99	<7.29	7.29	8.21	8.25
	Renewable Energy Share	%	75	73.39	-	73.23	64.93	65.10
Water consumption	m ³ per FTE	<4.61	3.28	<4.61	4.61	5.38	5.82	
	Social							
	Full-time employees incl. freelancers and contractors	FTE	-	2,768	-	2,293	1,861	1,256
	Gender diversity	f/m	20%/80%	18%/82%	20%/80%	19%/81%	19%/81%	17%/83%
	Gender diversity for managers, principals and partners	f/m	13%/87%	11%/89%	13%/87%	12%/88%	10%/90%	9%/91%
	Sick leave	%	<3.5	3.1	<3.0	3.8	3.5	2.9
	Employee satisfaction	eNPS	>35	42	>20	42	36	48
Customer satisfaction	NPS	>20	20	>20	22	26	11	
	Governance							
	Gender diversity - Board of Directors (BoD)	f/m	40%/60%	40%/60%	20%/80%	20%/80%	17%/83%	0%/100%
	Attendance at the BoD meetings	%	>97	100	>97	97	95	99
CEO Pay-Ratio	times	<1:19	1:18	-	1:17	1:12	1:06	

Each of the ESG key figures, their set targets and development – as shown in the table – will be presented and explained throughout the ESG report alongside the activities that are aimed at pushing the development forward.

This year's environmental KPI's are in many ways affected by COVID-19 and should be viewed in this context. Therefore, we have also chosen to maintain our environmental targets from 2020.

United Nations Global Compact



Netcompany has always believed in the three pillars upon which the 10 UN Global Compact principles are built: improving people's **quality of life**, fostering **equitable growth**, and **protecting the environment**

In 2013, Netcompany signed up to the UN Global Compact principles for how companies' work with corporate social responsibility (CSR), solidifying Netcompany's dedication to act as a responsible partner of this world. It is our goal to continuously improve our ESG efforts and promote the UN's 2030 agenda for Sustainable Development, so that we may all stand united and help each other in fulfilling the UN's 17 Sustainable Development Goals (SDGs).

UN Sustainable Development Goals

As an IT service provider, Netcompany's primary impact on society is related to the use of labour forces, as Netcompany does not have any physical production capacity and therefore also has a somewhat limited impact on the environment. For the same reason, we have chosen to focus our ESG ambitions on the SDG targets 4, 5, 8, 9, 10, 12, 16, and 17.

In the following summary, each of the aforementioned SDG goals will be presented along with the specific SDG targets that Netcompany is dedicated to fulfilling, as well as a summary of Netcompany's activities that contribute to the realisation of the UN goals.

WE SUPPORT



You can find our reporting on the 10 UN Global Compact principles here

ENVIRONMENT page 21 

HUMAN RIGHTS page 44 

LABOUR page 44 

ANTI-CORRUPTION page 62 

Summary of our SDG targets and activities



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



Targets:

- 4.1** By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.
- 4.4** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.

At Netcompany, we are a strong believer in education and the continuous development of skills throughout one's life. We take great pride in developing our employees each day of their career at Netcompany, through our Netcompany Academy, mentoring, and more. We also believe that one of the main challenges facing society today is a lack of digital competencies. This is why we want to share our knowledge and educate and develop more digital talent. We do so by engaging in close collaborations with universities and organisations, as well as sharing our knowledge at events and on our digital platforms.

Examples of initiatives:

Initiator of Digital Dogme. Partnerships and sponsorships of the Danish Foundation of Entrepreneurship, Engineer the Future, the AaB Academy, Coding Pirates and more.

Collaborations with universities, such as board membership at Aalborg University, membership of the Industry Advisory Board at RMIT University in Ho Chi Minh City, and numerous activities and events aimed at IT students. In 2020, we offered virtual tech talks on a number of topics, reaching more than 4,000 users around the world.

➤ You can read more about our educational initiatives on page 38 and 47.

Achieve gender equality and empower all women and girls.



Targets:

- 5.1** End all forms of discrimination against all women and girls everywhere.
- 5.5** Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.
- 5.B** Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women.
- 5.C** Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.

At Netcompany, we offer equal opportunities for men and women. We have a transparent and fair recruitment process, progression, and development setup, ensuring that employees are hired, promoted, and evaluated based on qualifications and skills. Also, employees with similar experience and performance ratings are paid equally,

irrespective of gender. Netcompany engages in a long list of initiatives aimed at getting more girls and women interested in IT and attracted to the IT industry. In 2020, we have taken on new initiatives to promote diversity and inclusion and set up new targets to measure and follow up on diversity and inclusion initiatives.

Examples of our activities:

Partnerships with and support of Girls' Day in Science, IT Camp for Girls, Jenteprojektet Ada, Kvinner i Tech, Oda Nettverk and Girls in Tech Fest. Internal focus group meeting with female employees. Commitment to Lederne's zero-tolerance against sexism campaign and sexual harassment awareness campaign, updated Diversity & Inclusion policy, diversity targets for recruitment, gender-neutral language in job postings, inclusive leadership training for managers, and more.

➤ You can read more about our gender equality initiatives on page 40, 48 and 56.

Promote inclusive and sustainable economic growth, employment, and decent work for all.



Targets:

- 8.2** Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation, including through a focus on high value added and labour-intensive sectors.
- 8.5** By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
- 8.6** By 2020, substantially reduce the proportion of youth not in employment, education, or training.
- 8.7** Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.

- 8.8** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

At Netcompany, we believe that digitising societies is key in sustaining future growth and prosperity in our societies. Therefore, we keep working towards technological upgrades and creating innovative solutions. We can do this thanks to our talented labour force of approximately 3,000 employees world-wide.

Netcompany's remarkable growth generates hundreds of new jobs each year, even during the COVID-19 pandemic in 2020, contributing to the general education and training of new IT talents and the overall reduction of unemployment rates. A significant number of jobs are occupied by graduates, which contributes to the overall reduction of the unemployment rate within the youth labour force.

At Netcompany, we're committed to ensuring a safe and healthy working environment for all our employees in respect of our values, legal obligations and the rights of our employees. This includes fair and equal wages, rest and leisure, safe and comfortable working environments, and the clear renunciation of the use of child and forced labour.

Examples of our activities:

Measuring employee satisfaction (e-NPS). Hiring almost 1,000 new employees in 2020 despite COVID-19. Initiatives to meet the challenges and changed ways of working during COVID-19, such as online hiring and onboarding of new employees, creating the best opportunities for working remotely, including practical guidelines and best practice guides, virtual social events and more. Collaboration with Jobcenter Aarhus to give unemployed young people new skills and work experience.

➤ *You can read more about working at Netcompany and how we adapted to the COVID-19 situation on page 45.*



Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.



Targets:

- 9.1** Develop quality, reliable, sustainable, and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.
- 9.2** Promote inclusive and sustainable industrialisation and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries.
- 9.4** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

infrastructure in society. Our solutions are built on secure platforms that are flexible and scalable, with information being accessible at any time. Furthermore, Netcompany engage in ongoing dialogue with governmental boards and associations that focus on how digitisation can build resilient infrastructure and help support sustainable industrialisation.

Examples of our activities:

Engagement in boards and associations such as the Danish Foundation for Entrepreneurship, Digital Dogme, DI Digital, Teknologipagtrådet and the Danish Social Investment Fund. In 2020, we launched our govtech framework, making our expertise in governmental technology solutions and digital transformations accessible to more societies around the world. As a response to the COVID-19 threat, we developed several solutions for a number of Northern European countries, helping to monitor and decrease the spread of the virus.

 *You can read more about how Netcompany helps build strong, sustainable societies and our response to the COVID-19 pandemic on page 34.*

Netcompany builds digital solutions that support the development of innovative, digital, and sustainable

Reduce inequality within and among countries.



Targets:

- 10.2** By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.
- 10.3** Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies, and action in this regard.

political and religious beliefs, sexual orientation, and other social identity attributes. Through our digital govtech solutions, we also contribute towards making health information accessible to all citizens in a country and the disbursement of social pensions, child benefits and more.

Examples of our activities:

Transparent and fair recruitment and promotion processes. Other initiatives include a new internal LGBTQ+ network, hiring of people with autism, support and hiring of war veterans, and support of financially and materially disadvantaged families.

At Netcompany, we believe that all people are equal. We also know that a diverse workforce equals an innovative workforce, and that happy employees who feel included and accepted for who they are perform better. Therefore, we actively invite everyone to apply for vacancies in our company irrespective of age, culture, nationality, ethnicity, gender, physical abilities, experience,

 *You can read more about our work to prevent inequality on page 40, 42 and 48.*

Ensure sustainable consumption and production patterns.



Targets:

- 12.2** By 2030, achieve the sustainable management and efficient use of natural resources.
- 12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.

Netcompany is dedicated to preserving the environment and has internal procedures to secure sustainable waste management and reduction of resource consumption. We continuously look into decreasing our energy and water consumption per FTE, and the reuse of IT equipment and office furniture.

Examples of our activities:

Donating used computers to organisations such as The Connection, Buttershaw Bec and ReDi School. Engagement of sustainable business partners in the procurement of renewable energy, as well as the reuse and responsible disposal of company equipment. Internal processes for optimising digital effectiveness to reduce overall energy consumption.

You can read more about how we contribute to sustainable consumption on page 22.

Promote just, peaceful, and inclusive societies.



Targets:

- 16.2** End abuse, exploitation, trafficking, and all forms of violence against and torture of children.
- 16.5** Substantially reduce corruption and bribery in all their forms.

Netcompany firmly condemns all use of child labour, human trafficking and any form of exploitation of any human being. We have implemented internal policies such as our Anti-slavery Policy and our Anti-bribery and Anti-corruption Policy to make our stance clear to both our employees and business partners. We have also implemented a whistle-blower system where reports can be filed anonymously by anyone that may have suspicions or knowledge of any discrepancies.

Examples of our activities:

Internal awareness campaign of policies on anti-slavery, anti-bribery, and anti-corruption, as well as when and how to use our whistle-blower system. In 2020, we developed the STOP app, a global anti-trafficking app that allows anyone anywhere to submit suspicious activity easily and quickly. Commitment to the zero-tolerance of sexism campaign by 'Lederne', including official top management condemnation of any form of sexism and discriminatory behaviour.

You can read more about how we help build strong, sustainable societies on page 34.

Revitalise the global partnership for sustainable development.



Targets:

- 17.17** Encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships.

At Netcompany, we offer and apply our expertise in this field to the societies we operate in. We collaborate with governments, trade organisations, universities, NGOs, and other associations, engaging in dialogue and committing to initiatives that promote technology and engineering as a means to solve some of the difficult issues we face in this world.

Our govtech solutions help governments and public authorities manage everything from the payment of child benefits to citizens' health information and taxes, thereby building more digitised, sustainable societies.

Examples of our activities:

Netcompany is engaged in several initiatives and partnerships, such as Digital Dogme, the Danish Foundation for Entrepreneurship, Teknologipagt-rådet, Think Tank Europe, the Danish Social Investment Fund, Health Tech Copenhagen, DI Digital, and more.

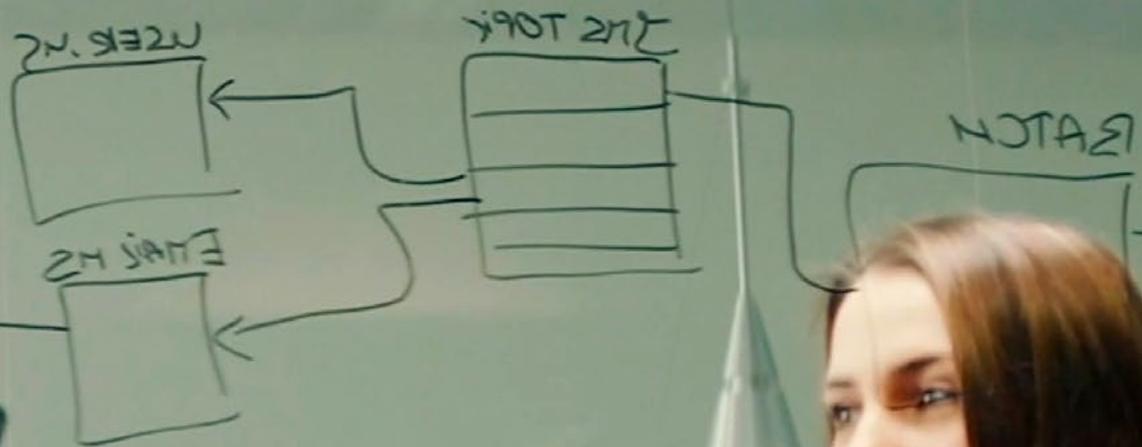
You can read more about our many partnerships and commitments on page 38.



Did you know ...

We believe that our future as a company and as a society depends on IT talents creating groundbreaking progress and innovation

Who we are and what we do



Who we are and what we do

The world is currently in the middle of a significant revolution as digital transformation is fundamentally changing societies, businesses, and the way we live our lives. >>

As a trusted strategic partner, Netcompany can help businesses and societies succeed in this transformation and ensure that we build the framework for a sustainable future and success in a digital world.

We do so by delivering society and business-critical IT solutions that accelerate our public and private clients' digital transformation through digital platforms, core systems and infrastructure services, throughout Northern Europe. We have a relentless focus on always delivering our projects on time, on budget, and within scope.

Netcompany was founded in Copenhagen, Denmark in 2000. Since then we have



3,000+
people

10
offices

6
countries

expanded rapidly, now employing more than 3,000 people across 10 offices in 6 countries.

We deliver some of the most complex systems introduced recently in Denmark – systems like the new system for child support, housing benefits, handling distressed children and youth, the new debt collection system for the Danish tax authorities and the new digital schooling platform in Denmark.

Our vision for Netcompany is to become a Northern European leader in showing how digital transformation can create strong, sustainable societies, successful companies and improve the quality of life for all.



In 2020, we took a pivotal step towards this goal by introducing the Netcompany Govtech Framework with the aim to bring our govtech expertise to even more societies. We are already on our way to achieving this, delivering solutions to several European governments.

At Netcompany, we believe that it is not only our future as a company, but as a society, that depends on IT talents creating groundbreaking progress and innovation. This is why we engage in numerous initiatives aimed at getting more young people interested in IT and technology, continue to work hard to be an attractive workplace, and invest heavily in our employees' personal and professional skills.

Netcompany's business model

Established, repeatable and scalable business model. >>

Netcompany operates with its own unique, established, repeatable and scalable business model designed to deliver excellence in digital transformation on time, on budget and within scope through three key pillars:

Outstanding talent and career development model

Netcompany's IT professionals are highly skilled, many coming from top universities with advanced IT or science-related degrees. Netcompany focuses on talent and career development through our accelerated merit-based career development programme which rewards top performers with accelerated progression through the various career stages from consultant to partner.

Disruptive management model and integrated sales approach

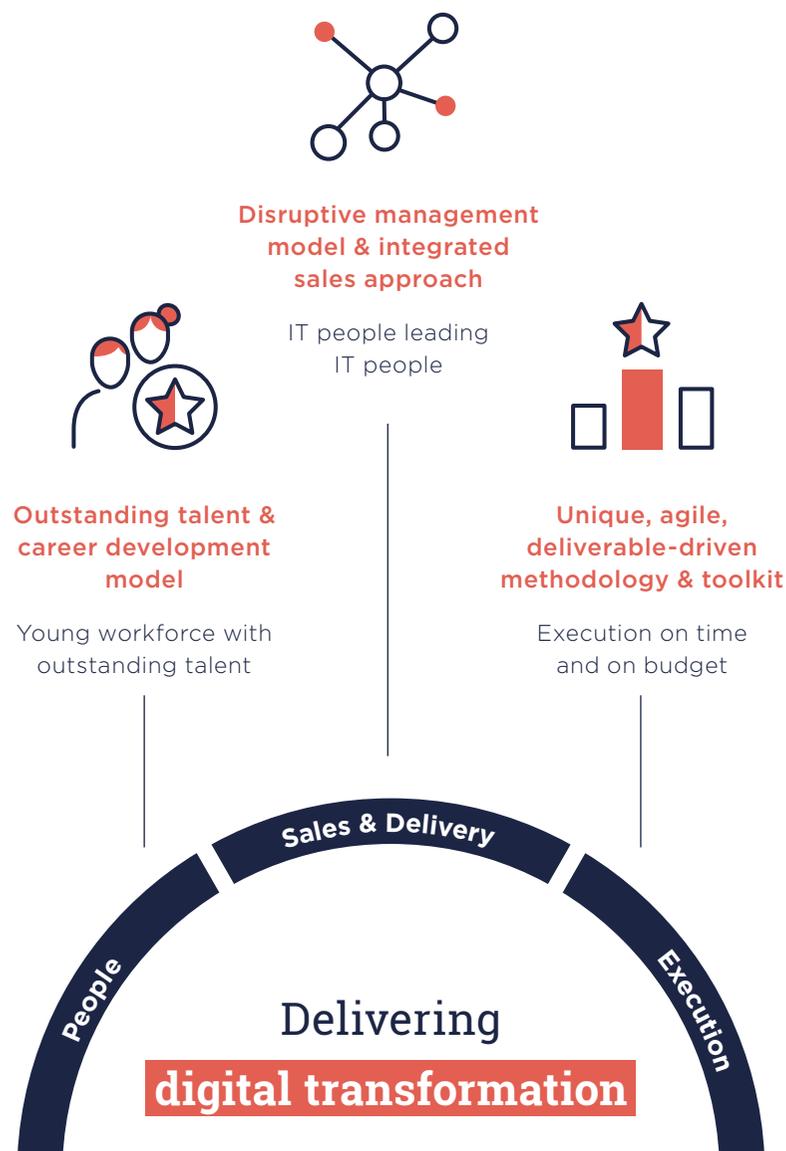
Netcompany's business model is focused on a decentralised management model with IT people leading IT people throughout all levels of the organisation. Netcompany employs an integrated sales and delivery approach whereby the same individuals responsible for selling IT services to customers are also responsible for delivering the systems and solutions, maintenance, and operations. In addition, Netcompany's risk assessment calculation, which is important

when pricing, scoping, and committing to new projects, is based on an operational evaluation by Netcompany's experienced IT professionals.

Unique, agile, deliverable-driven methodology and toolkit

Netcompany's business model involves the use of an agile, transparent, and deliverable-driven methodology and toolkit which we believe is unique. This methodology and toolkit provide a complete set of guidelines, tools, and templates for planning, delivering, managing, and documenting complex integrated IT solutions. It is used across all projects and throughout all stages, from development to maintenance and operations. Netcompany's supporting toolkit includes stringent collaboration and approval processes with customers, to ensure that Netcompany and its customers have a firm, mutual and completely transparent understanding of all deliverables as well as the project progress.

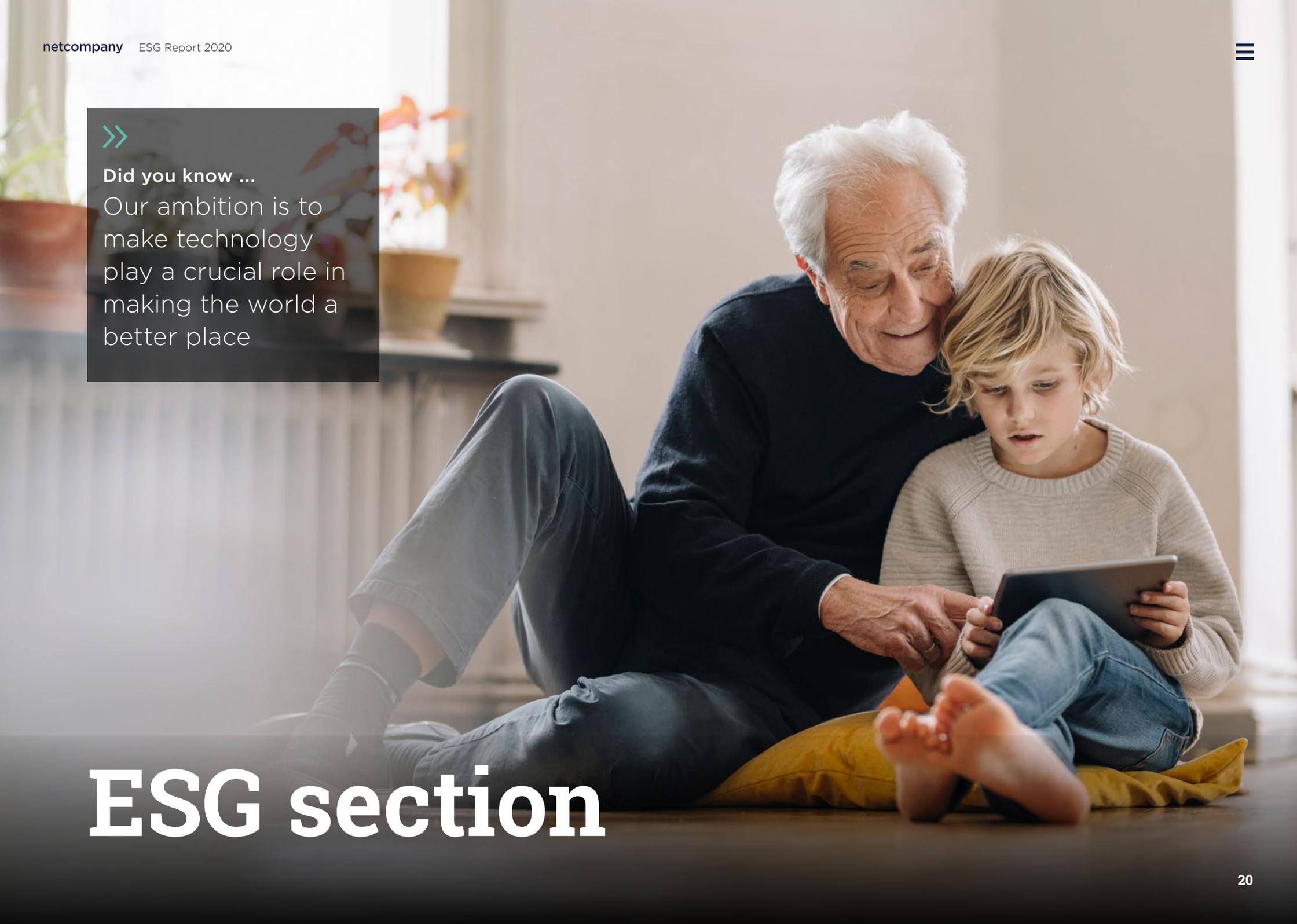
Central to the business model is the commitment to "always deliver", supporting Netcompany and its customers in successfully meeting their needs. Through the continued focus on delivery – on time, on budget and at an agreed quality – Netcompany has, during the last 20 years, consistently built a track record unrivalled in the industry. The capabilities to build such a track record lie in our continued focus on talent and talent development.





Did you know ...

Our ambition is to make technology play a crucial role in making the world a better place



ESG section

Environment

At Netcompany, we believe that one of the keys to solving the climate challenges and creating a sustainable future for us all, is through the digitisation of society. >>

We also acknowledge that there are many other non-digital initiatives that are equally important in the fight against climate change and may contribute to the reduction of greenhouse gases and the preserving of the environment. This is why we believe it is important to address both aspects.

Compared to production companies, Netcompany does not have a large impact on the environment, as we don't use any fossil fuels or water in a production capacity. Instead, our resources descend from our talented employees in the delivery of our services. For the same

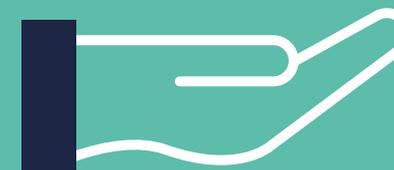
reason, many of our ESG-related initiatives are also focused on the UN SDGs concerning social responsibility, as we believe it is the area where we can make the biggest difference in society. Nevertheless, we are also deeply invested in optimising and increasing our environmental efforts as we wish to take responsibility for our impact on the environment.

We always seek to find new ways to reduce our environmental footprint and as described in our ESG report for 2019, we have, as part of our green journey, initiated several environmentally friendly initiatives in our offices, such as movement sensors on water faucets in office bathrooms and use of energy efficient LED lightbulbs.

We will continue to seek out areas and initiatives where we can optimise and reduce Netcompany's resource consumption and impact on the environment with the ambition of realising a greener and more sustainable future for us all.

UN's SDGs

In our environmental activities we focus on the SDG targets no. 9 and 12.



We pave the way for a **sustainable future**

Climate impact

As an IT service provider, Netcompany's climate impact is somewhat limited, as our main services are provided by labour forces. Regardless, we are responsible for our carbon footprint. Therefore, we have spent the past year, since our last ESG report, further mapping our climate impact and investigating newer and greener solutions that may reduce our environmental footprint.

Digital sustainability

Digital sustainability is much more than just the digitisation of manual work processes. It is about increasing digital effectiveness to maximum capability so that energy consumption is minimised as much as possible. At Netcompany, we put a lot of time and effort into optimising our digital effectiveness, hereunder the effectiveness of our datacentre hardware. This includes, but is not limited to, regularly following up on any hardware equipment that has reached end of life and replacing it with newer and more energy efficient hardware. We make a great effort to have the best possible utilisation rate and no equipment is switched on without having an important business function. Further to this, we continuously update our algorithms for automation of our digital processes, so that routines become faster and more efficient, subsequently leading to a



All electricity purchases in Netcompany Denmark are

100%

sustainable

lower energy consumption. We aim to have a very high level of virtualisation in our server environment, thereby gathering the most possible workloads on fewer energy consuming hardware elements. Today, our virtualisation rate is close to 95%.

Renewable energy

Netcompany's largest impact on the environment is related to our electricity consumption which supports our employees' use of electronic devices, as well as the electricity used in the different office locations for lighting, heating, etc. As part of our journey towards environmental sustainability, we wish to reduce our climate impact where it matters. In 2020, Netcompany in Denmark subsequently chose to change all of its electricity sources so that all electricity purchased directly by Netcompany Denmark will derive solely from renewable energy sources going forward. In addition, Netcompany Netherlands also purchases their electricity from 100% renewable energy sources. In the upcoming year, we will further investigate the possibilities of changing to sustainable energy sources for the rest of our entities, so that all electricity purchases in Netcompany may one day be 100% sustainable.



Presentation of the numbers for 2020

In the following section, we will report on our climate impact for the year 2020 following the recommended guidelines and calculation formulas issued by Nasdaq. As something new, we will also be reporting on our climate impact deriving from aerial transportation and mileages under CO₂e scope 3. Due to the rapid increase in our number of employees over the past years, we will continue to report on Netcompany's consumption per average FTE where applicable.

The energy data for 2017-2019 presented in the ESG Report 2019 has been updated to reflect the amount of renewable energy as part of the CO₂e scope 2 emissions in accordance with the Nasdaq ESG key indicator guide. Furthermore, minor corrections and recalculations have been made, which is mainly due to more accurate consumption data having been made available from non-Danish locations, and a correction in relation to the company car scheme. Netcompany's climate target numbers have also been updated in accordance herewith, as the overall target for 2020 of minimising Netcompany's climate impact has remained the same.

It is noted that the numbers include data from the offices of Netcompany Netherlands, Netcompany UK and Netcompany Vietnam from before they became part of the Netcompany group.

Direct GHG emissions (CO₂e scope 1)

Direct GHG emissions (CO₂e scope 1) include emissions that derive from Netcompany's own combustion of fossil fuels and materials.

Netcompany does not use fossil fuels in any production capacity and therefore neither produces nor emits any direct GHG emissions in this regard. Netcompany's direct GHG emissions are therefore also restricted to fuel bought in relation to the company car scheme. Most of the fuel consumption under the company car scheme relates to the employee's private usage of the cars and should therefore – strictly speaking – not be included under Netcompany's GHG emissions. We have, however, chosen to report on the consumption for full transparency. Our direct GHG emissions are based on the emission factors from DEFRA 2020 for the relevant fuel type. It is noted that some of the data is estimated due to insufficient data and that some data has not been possible to retrieve.

The numbers show that there has been a decrease in Netcompany's direct GHG emissions of 0.02 tons/avg. FTE in 2020 compared to the emissions in 2019. The reason behind this is that the number of FTEs has increased over the past year subsequently minimising the overall consumption measured per average FTE, as the actual usage has largely remained the same.

In our ESG report 2019 we set a target of minimising our direct GHG emissions in 2020 and with the registered decrease the target has been achieved.

The majority of the cars that are covered by the company car scheme are leased and less than three years old, making sure that the respective cars are the newest and most energy efficient models on the market.

Netcompany's Transport Policy encourages all employees to minimise fossil fuel transportation as much as possible.

Indirect GHG emissions (CO₂e scope 2)

Indirect GHG emissions (CO₂e scope 2) include emissions that derive from the energy used to produce electricity, district heating, and district cooling, which Netcompany has purchased for its use, except electricity deriving from renewable energy sources.

Netcompany's indirect climate emissions are related to Netcompany's electricity usage on company premises, including the use of electronic devices and the heating and cooling of the office buildings, and external server facilities located at third parties. For Netcompany Denmark the electricity emission factors are based on factors deriving from Energinet as heating is based on HOFOR's climate declaration 2019, and emissions from cooling are calculated using the electricity emission factors. For the rest of Netcompany's entities the emissions factors are based on IEA 2019 factors (latest actual values). It is noted that the consumption for the month of December (and November for Netcompany Poland) has been estimated based on the average consumption in the previous months of 2020.



All of Netcompany's **IT equipment** is **state-of-the-art** and some of the most energy efficient devices on the market, which keeps the **energy consumption** as low as possible

For the year 2020, we have registered a drop of 42.86% in Netcompany's indirect GHG emissions going from 0,21 tons/avg. FTE in 2019 to 0.12 tons/avg. FTE in 2020. The reduction in our consumption is for a large part attributed to the derived effects of the COVID-19 crisis, where many of our employees has been required to work from home for a greater part of the year. Further to this, the numbers have been updated to account for Netcompany's usage of renewable energy.

Due to the extraordinary situation with COVID-19 it is difficult to register or conclude anything on the effect of our environmental efforts based on this year's data. Hopefully, the situation will normalise during 2021, so we may be able to better track the results of our efforts in the future.

Last year we set a target of minimising our indirect GHG emissions in 2020, which, as the numbers show, has formally been achieved. The achievement should, however, be mindful to the reasons behind, as described above.

All of Netcompany's IT equipment is state-of-the-art and some of the most energy efficient devices on the market, which keeps the energy consumption as low as possible. Also, a large proportion of Netcompany's employees are working directly from customer locations, which also has a subsequent effect on Netcompany's indirect GHG emissions. Going forward, Netcompany will continue to investigate the possibilities of decreasing the company's indirect GHG emissions, including changing to sustainable electricity sources where possible.

Other indirect GHG emissions (CO₂e scope 3)

Other indirect GHG emissions (CO₂e scope 3) include emissions that derive from business travel by flight and car.

Netcompany is an international company located in six countries. To promote knowledge sharing and to support the implementation of Netcompany's processes and methodologies, as well as to perform the quarterly roadshows in connection to the quarterly reports, business travel by plane and car is an inextricable part of Netcompany's business operations. In connection hereto, and as something new, we have chosen to report on Netcompany's GHG emissions under the CO₂e scope 3 deriving from business travels by plane and car to provide even greater transparency on our climate impact. Business travel by car for the employees covered by the company

car scheme is not included under CO₂e scope 3 as it is included under CO₂e scope 1.

Emissions deriving from business travel by car are based on mileage reimbursements. At the time of writing, data for the month of December was not yet available and has therefore been estimated based on the average for the previous months of the year. Emission factors are based on DEFRA 2020 and an average car with unknown fuel type. The only exception for this is Netcompany Denmark, whose emission factors are based on the factors from the Danish Energy Agency. Emissions from flights are based on data from Netcompany's travel agency, which uses the DEFRA emission factor.

Looking back on Netcompany's GHG emissions from previous years, 0.09 tons/avg. FTE was emitted in 2017, 0.44 tons/avg. FTE was emitted in 2018 and 0.69 tons/avg. FTE was emitted in 2019. As the numbers show, emissions significantly rose in 2018, which, among other reasons, is because of a lack of previous data regarding the fuel consumption under the company car scheme in 2017. Furthermore, Netcompany Netherlands was acquired in 2018 which entailed more travelling activities by plane in that period to secure a proper integration of the office in the Netcompany family. It is further noted that emissions deriving from aerial transportation have not been included in the data up until March 2018, as the previous travel agency that Netcompany used did not register flight mileages. Therefore, it has not been possible to determine the amount of GHG emissions up until that point.

In 2019, GHG emissions rose again. At this point in time Netcompany increased its focus on global mobility in the Netcompany group, so that employees from different entities could meet each other, share knowledge, and work closely together at different locations, with the purpose of making the Netcompany organisation a more integrated and unified organisation. This also meant that the amount of business travel increased during this period.

In 2020, Netcompany's GHG emissions have decreased substantially to 0.19 tons/avg. FTE. The decrease must primarily be viewed in light of the COVID-19 crisis, where the majority of the aerial transportation has been shut down due to worldwide restrictions on international travelling. Subsequently, this year's decrease in GHG emissions does not depict Netcompany's GHG emissions under scope 3 accurately and emissions are expected to rise as aerial transportation once again becomes possible.

Energy consumption

Total energy consumption includes energy consumed under CO₂e scope 1 and 2 and energy from renewable energy sources.

At Netcompany, we are greatly invested in finding new and more energy efficient ways of doing business. This is to help both ourselves and our customers to create a more sustainable foundation on which to build our businesses upon.

This year our total energy consumption has dropped 31.55% to 4.99 GJ/avg. FTE, however, the drop is mainly attributed to the derived effects of the COVID-19 crisis, where the majority of our employees have been working from home during the better part of the year, subsequently reducing the energy usage on Netcompany premises. For the same reason, we also expect to see an increase in our consumption level once society stabilises and all our employees are allowed back on company premises. The total energy consumption is calculated using conversions and fuel properties from DEFRA.

In 2019, we set a target to minimise our total energy consumption and as the numbers show, this target has been achieved. The result should, however, be viewed in light of the COVID-19 crisis, as this year's numbers do not accurately depict Netcompany's normal energy consumption.

Renewable energy share

The share of renewable energy of Netcompany's total energy consumption.

To provide more transparency about Netcompany's environmental impact, we have chosen this year to report on the share of renewable energy that we use as part of Netcompany's overall energy consumption.

As the numbers show, there has been a fluctuation of 8.46% in the years 2017 – 2020 with 65.10% of Netcompany's total energy

At Netcompany, we are greatly invested in finding new and more **energy efficient** ways of doing business

consumption being renewable in 2017, 64.93% being renewable in 2018, 73.23% being renewable in 2019, and 73.39% being renewable in 2020. The reason for the fluctuation is mainly found in the various levels of energy consumption in the different entities, where some entities have a lower/higher share of renewable energy and have used more or less energy in a particular year. The share of renewable energy used by our different entities has, as such, largely remained the same throughout 2017 – 2020. The only changes have been in 2020, where Netcompany UK expanded to a rented office space that does not use 100% renewable energy, and where Netcompany Denmark switched to 100% renewable energy sources for its direct electricity purchases.

Water consumption

Water consumption includes the sum of all water used from all sources such as spring water, surface water, and groundwater.

As an IT service provider Netcompany does not use water in a production capacity and Netcompany's water usage is therefore limited to the water consumption of our employees. This puts a natural limit on how much we are able to reduce the overall

water consumption of the company. To lower our consumption as much as possible we have, however, implemented a number of initiatives, such as two-flush toilets and movement sensors on bathroom water faucets in some of our offices. The total water consumption of Netcompany is based on registered water usage from our different locations as well as bottled water.

Overall, our water consumption has largely remained the same throughout 2017 - 2019. In 2020, there has been a decrease of 1.33 m³/avg. FTE compared to last year, with a water consumption of 3.28 m³ registered per average FTE. The lower consumption level is caused by the effects of the COVID-19 crisis, where many of our employees have been required to work from home, subsequently causing the consumption level on company premises to fall.

In last year's ESG report we set a target of minimising our water consumption. As the numbers show, the target has been achieved. It should, however, be taken into consideration, that most of our employees have been working from home for the larger part of the year due to the COVID-19 crisis.

It is noted that our water consumption data does not exist for all our offices as some is currently not possible to retrieve and some has not been registered in previous years. Data for the month of December (and November for Netcompany Poland and Netcompany UK) has furthermore been estimated based on the water consumption from previous months of 2020.



Environmental value and initiatives

The value of IT solutions in society

With new technologies and digital efficiency, IT solutions hold the potential to fundamentally change the way society works, redefining company business models and society at large.

Netcompany's work with digital solutions has contributed to digital transformation for many years and through this, indirectly supported the UN SDGs by optimising customer systems and workflows, which in many cases has also led to a derived and positive effect on the environment. At Netcompany, we are grateful to be able to work within a field where we are able to continuously contribute to the fulfilment of the UN SDGs, while simultaneously enabling our customers to further pursue the path of sustainable growth.

Car scrapping online

In less than 9 months, Netcompany in Denmark delivered a new IT system called Digital Pay-out and Scrapping Certificate System, which enables Danish citizens to scrap their cars online. The citizens are only able to choose from a list of authorised car

scrappers, which ensures that the disposal of cars abides by all environmental requirements regulating the proper disposal of vehicles. At the same time, the system reduces the risk of tax evasion, as the scrap compensation is paid out directly to citizens. The system replaced a heavily manual process with barely any IT involved. It is expected that more than 90% of all cases are now handled without human interaction and the processing of each case has been reduced from an average of 2 weeks to less than 2 days. Since its launch in the beginning of 2020, more than 32,000 citizens have scrapped their cars online, rendering the system a digital success.

The bluefin tuna

In our fight against climate change it is important that we learn to understand how the climate is changing and how it affects our natural surroundings. As an example, Netcompany supports the Danish Technical University's (DTU) research project on bluefin tuna, which, after more than 50 years of absence, has suddenly and without any obvious cause returned to Danish waters. This has led to a number of questions, such as why it has returned and why it even left in the first place.



32,000+

Danish citizens scrapped their cars online in 2020





Case story

Smarter Airports

In 2020, Netcompany Denmark and Copenhagen Airport announced their new joint digital adventure, Smarter Airports. The aim is to develop a new market-leading digital platform for the efficient and sustainable operation of airports all over the world.

Using data, algorithms and artificial intelligence, the Smarter Airports platform will provide new opportunities for mapping and integrating huge amounts of data on traffic handling, flight times, check-ins, and security. It will operate as an intelligent ecosystem to help all stakeholders optimise the planning and execution of the airports' daily operations. This will be done through the digital coordination of the airports' various tasks. Every actor is notified about important information relating to its respective tasks, making it possible for the actor to adjust its services accordingly. This will, among other things, help avoid delays and unnecessary time spent by aeroplanes on taxiways. It will also make it possible to minimise energy consumption, e.g. in terminals

that are not being used, which altogether will lead to a reduction in the airport's overall energy consumption and GHG emissions.

The Smarter Airports platform facilitates an effective business infrastructure that simultaneously minimises the airport's resource consumption and the airport's business costs. It shows how the integration of environmentally sustainable operations may also lead to a potential increase in revenue. It further depicts the endless possibilities of digital sustainability which Netcompany believes are vital for a green transition and the preservation of our environment.

By facilitating a more **effective** business infrastructure, Smarter Airports will enable airports all over the world to **reduce** their **climate impact**

To answer these questions and many more, bluefin tuna are, among others, marked with advanced digital transmitters that register and send back information to the researchers about the tuna's surrounding environment, such as water depth, temperature, and lighting. The data is then used to track where the tuna has been, where it feeds, and where it breeds. This is all important information to better understand the life pattern of tuna and help their safe return to Danish waters. The bluefin tuna project is just one example of how the use of technology and digital solutions may help us gather information about our surrounding environment and help us cultivate a healthy ecosystem for the animal world.

Waste management and recycling

As an IT company we are expected to be a front runner when it comes to new digital solutions available on the market. For the same reason, we have a high usage of IT equipment as we always need to stay on top of any new or improved functionalities to make these available to our employees so that they may programme and operate our IT solutions to the best of their abilities. To secure a responsible waste management of our IT equipment, we have implemented internal procedures to ensure that all outdated equipment is either sold, recycled, or properly disposed of. We have also established business relations with a number of environmentally sustainable business partners, such as a recycling company certified under the ISO 14001 scheme who purchases

and handles all outdated equipment from our data centre locations and Holmeriis B8 in Netcompany Norway, who recycle office furniture either by resale, donation or environmentally sustainable disposal, focusing on the establishment of a circular economy.

It is in the sum of all actions that greater changes may happen. This is why we try to make a difference wherever we can and encourage all actions to be taken, no matter how big or small their impact may be.

One example is our office in Copenhagen, Denmark which introduced a waste sorting scheme in the summer of 2020, whereafter biodegradable waste is sorted from non-biodegradable garbage, thus securing a responsible waste management. Waste sorting schemes are also implemented in Netcompany Netherlands, Norway, and Poland, and will, in 2021, further be implemented in the Aalborg office in Netcompany Denmark.

Another example is our use of recycled paper and office supplies in our Copenhagen and Oslo offices and the fact that we in general have a very low consumption of paper and other office supplies, as the majority of our work is carried out on computers. In addition, Netcompany Netherlands also donates their used printer toners to a charity called AAP, where the proceeds from the collected toners go to the shelter, recovery, and care of monkeys. Furthermore, Netcompany Poland collects plastic caps and delivers them to a charity organisation that helps people with disabilities making the best possible use of what would otherwise be considered waste.

Travelling

As part of Netcompany's Travelling Policy all employees are encouraged to minimise the use of modes of transport that are dependent on fossil fuels. To this end we have also installed tele and video communication solutions at all of Netcompany's offices allowing personnel to make contact with customers and other Netcompany employees from afar, without having to spend time and fossil fuels on travelling. Netcompany's offices are also located in the city centres, making it much easier for employees and customers to commute via public transportation.

In addition to the above, Netcompany in Denmark, Poland, and Vietnam make bicycles available to the employees to be used for business meetings close by, just as Netcompany in Denmark offers all employees a travelling card for public transportation. Due to high demands, the bicycle park in one of our Copenhagen offices has been expanded even further in 2020 with more bicycles having been made available to the employees.

Whenever travelling is required, the transportation method is chosen based on the local infrastructure, the environmental output, and any significant interests of Netcompany.



Introducing waste sorting schemes across locations

Case story

Donating computers

At Netcompany, we always seek to find meaningful purposes for the use of any outdated equipment that may still be of use to others. This makes sense socially as well as environmentally.

When Buttershaw Bec school in Leeds put out a call for help, Netcompany UK did not hesitate to respond to their call. The Buttershaw Bec school has a large number of children from disadvantaged backgrounds without access to computers at home, and when educational facilities were shut down due to COVID-19, this naturally posed great challenges to the students. Netcompany's donation of computers to the school gave several students the means to continue their learning and development as uninterrupted as possible, while at the same time facilitating responsible waste management.

Netcompany UK also donated several computers to the organisation The Connection, which is a charity organisation that helps the homeless move away from, and stay off

Netcompany's donation of computers to the school gave several students the means to continue their **learning and development**

the streets of London. The computers are used to train the organisation's employees and its service users in applying for government grants, housing and employment opportunities.

Another initiative that Netcompany has supported with the donation of computers is the ReDi school initiative in Denmark that offers free IT courses to women with a different ethnical background to Danish. The objective of the initiative is to create digital empowerment for women through the acquisition of digital skills and by supporting women in accessing a social and professional network.





Environmental risks

Netcompany's negative impact on the environment is overall quite low since we do not use any fossil fuels or water in a production capacity. Still, we take climate change very seriously, just as we take great responsibility in contributing to positive and scalable results through our digital solutions in regard to both our own and our customers' effect on the environment.

Relative to our business as an IT service provider, our environmental risks are primarily related to our suppliers, our high usage of IT equipment, our internal procedures, and the compliance of our employees.

The risks imposed by our suppliers relate to their own environmental profiles, including their use of climate-friendly materials, sub-suppliers, and internal procedures. A possible derived effect of our suppliers' environmental impact is that our profile might not be as green as we perhaps thought and aspire for it to be. This could potentially lead

to reputational damages and a lack of incentive for customers to choose us as their business partner. As part of our journey towards an increasingly greener profile, and to mitigate risks, we have intensified our focus on our suppliers' environmental impact and started looking for greener alternatives where viable.

Although we believe in the responsible use of resources, we are not able to reduce our use of IT equipment, as we need to provide our employees with state-of-the-art equipment in order for them to create, operate, and support the best and most innovative digital solutions. This is to the benefit of our customers and subsequently our society. However, we have made sure to implement environmentally friendly waste management procedures, which include donating functioning equipment to philanthropic purposes and cooperating with a responsible waste management partner who purchases and recycles old equipment. Through these

procedures we believe that the environmental risks imposed by our relatively high usage of IT equipment are mitigated appropriately and to the best of our abilities.

The environmental risks in relation to our internal procedures and our employees relate to the non-compliance of our internal policies and guidelines. To mitigate these risks our employees are required to read and familiarise themselves with our policies, just as we plan internal campaigns to raise awareness.

The digital world holds the key to endless possibilities, many of which we are still yet to discover. Going forward, we will continue to explore new and innovative digital solutions with our suppliers and customers, doing our part to contribute to the establishment of a greener future for us all.

Social

At Netcompany, we believe that digitising societies is key to sustaining future growth and prosperity in our societies. >>

For 20 years, we have helped develop strong, sustainable societies. Societies in which millions of citizens make use of Netcompany services throughout their lives. This puts a responsibility on us that we do not take lightly. We know just how fundamental IT solutions can be in making the everyday life of citizens go on as it should. Getting access to health information, social benefit payments, home/school information, and digital mail are just a few of the hundreds of society-critical solutions we deliver.

When it comes to public digitisation, Denmark takes the lead. In this, Netcompany has played a

key role. And we want to share our extensive knowledge and expertise within governmental digitisation with other countries around the world.

Responsibility for the solutions we bring to societies and citizens is one of the social commitments we take. Pushing the digitisation of societies forward is another. And this is important, as one of the main challenges facing society today is a lack of digital competencies. We want to share our knowledge, educate, and develop more digital talent and IT leaders, and open the world of IT up to even more people – regardless of gender or other social identity. This applies to Netcompany as well. Without the absolute best employees in the field, we cannot deliver on these commitments. Therefore, we do our utmost to attract and develop strong IT talents and leaders.

We have an extensive development programme in place, ensuring our employees continue to develop throughout their career. We also have a strong focus on bringing more talent to our company, getting even more young people interested in the world of IT. This is because we are convinced that it is these IT talents who will make a real difference to our societies, businesses, environment, and our future.



We develop
societies
and **people**

UN's SDGs

In our social activities we focus on the SDG targets no. 4,5,8,9,10,16 and 17



Netcompany's influence on society



Building sustainable, scalable solutions

Netcompany focuses on delivering society and business-critical IT solutions to public and private clients to support them in their digital transformation journeys. Our public clients offer end-to-end IT services to central and local governments. This includes tax collection, payments of public benefits to citizens (e.g. pensions, children/family, and property/housing), central registries for companies, properties, employees, and public and health self-service portals.

Our private clients offer end-to-end IT services to businesses, membership organisations and trade unions. We deliver business-critical IT solutions covering various areas such as e-commerce, billing, document and case management, system integration, customer relationship management and enterprise risk management, artificial intelligence, and information management, very often combined.

At Netcompany, we believe that with new technology and digitisation we can make a difference and positively impact people's lives. For us, digitisation is about how to turn technological development into value for the people it affects.

Today, we are an integral part of several of the societies we operate in, delivering solutions that have a fundamental role in people's everyday life. By providing these services, we are playing a key role in a modern, state-of-the-art, fair, and corruption-free administration of the societies we operate in.

In the following section of the report, you can read about some of our solutions and initiatives that have contributed to building strong, sustainable, and digitised societies.

Limiting the impact of a worldwide pandemic

2020 has shown us just how important technology can be when we face challenges to our health, society, work, and overall welfare. COVID-19 was an unforeseen crisis that has affected all of us – some more than others. It forced us all to rethink how we do business, how we engage with other people, how we, together as a community, can overcome this common challenge facing us all. At Netcompany, we felt committed to do what we could to help limit the impact of the pandemic. In Denmark, we worked together with authorities to develop COVIDmeter and the 'Smittestop' app – two solutions that help monitor and stop the spread of the virus. The latter has also been delivered to the Norwegian authorities.

To Netcompany, **sustainability** is about being able to adapt to the **ever-changing world** we live in – whether the changes are caused by political forces, climate change, or an unforeseen pandemic



2020

has shown us just how important technology is

As we have kept the wheels running on our business, our need for new talent has remained as important as ever. We have continued to hire new employees at the same rate and speed as before the pandemic, contributing positively to the labour market in the countries we operate in.

To Netcompany, sustainability is about being able to adapt to the ever-changing world we live in – whether the changes are caused by political forces, climate change, or an unforeseen pandemic. We are impressed by how our employees have adapted to these new and uncharted waters while still delivering the same high-performance results and level of professionalism that has always been Netcompany's trademark.

Case story

Monitoring and controlling the spread of COVID-19 in Denmark

We are all stakeholders in the fight against COVID-19 and it is our joint responsibility to do everything in our power to eradicate the virus and minimise its impacts. As part of this responsibility, Netcompany has helped the Danish authorities develop COVIDmeter and SmitteStop, two platforms contributing to monitoring and controlling the spread of the virus in Denmark.

COVIDmeter

COVIDmeter is a digital platform empowering Danish citizens to contribute to the work of the health authorities, by completing a digital questionnaire about the condition of their health on a weekly basis. The questionnaire results make it possible for the authorities to track the development of the

disease and help form an informed and objective data-based foundation for the authorities to rely on when making decisions about reopening the country.

The SmitteStop app

The SmitteStop COVID-19 contact-tracing app is an app that Danish citizens can voluntarily download to their mobile phones to help authorities track the spread of the COVID-19 virus.

The contact-tracing app allows users to register if they have been infected with COVID-19, after which, other app users who have been in contact with the infected user are notified of the risk. This way, the app helps citizens become aware of potential

exposure to the virus, making it possible for them to take the necessary precautions and get tested, so any further spread of the virus can be avoided.

The app was first developed for the Danish authorities in the beginning of 2020. In autumn 2020, Netcompany also signed an agreement to develop a Norwegian version of the app, showing how scalability is an integral part of the way we develop IT platforms at Netcompany.

The Netcompany Govtech Framework

Over the past several decades, the developed part of the world has benefitted from more stable and reliable societies. Many countries have built welfare states, where citizens enjoy a much higher quality of life than previous generations.

The latest UN e-government survey (2020) puts Denmark at the forefront of public digitisation. As a leading supplier of govtech, Netcompany has been key in this development, providing hundreds of society-critical solutions to public authorities. And we want to help more societies embark on the digital transformation journey. This is why, in August 2020, we launched a unique platform presenting all of our govtech solutions and pushing the agenda of the digital transformation of societies forward.

You can read about two of our govtech platforms developed in 2020 on the next page.

"With the Netcompany Govtech Framework we invite governments around the world to **use technology** to build and improve **strong, sustainable societies** and create **better lives for us all.**"

- André Rogaczewski, CEO and Co-founder

Official donor register

The Donor Register platform, developed by Netcompany for the Dutch government, is a great example of how digitisation can help build strong welfare societies and improve the life of citizens.

Every day around the world, people are waiting for an organ or tissue transplant, and every year patients die because no suitable organ is available. In the Netherlands alone, hundreds of people are currently waiting for an organ or tissue transplant. As of summer 2020, the Dutch Donor Act introduced new rules on organ donation and the Dutch government asks all Dutch citizens to register in the Donor Register. The register is delivered by Netcompany for the CIBG — an agency of the Ministry of Health, Welfare and Sport.

The Donor Register is a self-service platform that will handle processes regarding a citizen's choice in opting out (or in again) as well as specifications regarding which organs and tissues may be donated. In the register, everyone in the Netherlands can make their personal decision on whether they wish to donate organs and tissues to someone else after death.

The register covers

more than 14 million citizens

The platform automates the processing of donor forms and creates easy accessibility for a broad range of users. It has been developed to offer easy usability for visually and mentally impaired people and with a simple functionality for choosing and changing the options for organ donation. The platform has a modern and scalable architecture that supports high availability of the system and uses a technology that supports effective support and maintenance processes.

State pension and disability pensions

As an organisation within ATP (Danish Labour Market Supplementary Pension), Europe's 3rd largest pension provider, Udbetaling Danmark is responsible for the collection, disbursement and control of a number of public benefits on behalf of the Danish state, and contributes to an efficient welfare society.

A central task of the organisation is handling state pensions and early retirement pensions, as well as other pension related benefits for Danish citizens in Denmark and abroad.

In need of a modern replacement, ATP and Netcompany engaged in close collaboration to deliver Socialpension — a secure and efficient benefits platform that ensures the correct and timely pay-out of benefits. Benefits that for many recipients are their only income and, hence, are essential for their livelihood.

Paying out more than 135 billion DKK/year
to **1.35 million** citizens

The platform covers a full range self-service portal, managing the assessment and calculations of benefits based on current legislation combined with different aspects in a pensioner's life — such as income, cohabitation and death — as well as the management of the actual pay-out of benefits and updating all necessary peripheral systems.

The main objective of the project was to combine several obsolete and cost-intensive systems into one modern system with significantly lower operational and maintenance costs.

The platform was delivered during the COVID-19 lockdown in spring 2020, showing great skill, ambition, and commitment from everyone involved to succeed with the project and meet the deadline. This project is also a testament to how Netcompany's platforms can be easily adapted to work across industries and sectors.

Educating society

One of the great challenges companies and societies are facing today is a lack of digital competencies. A lack that may lead to decreased innovation and a loss of growth and competitiveness. At Netcompany, we want to share our knowledge and educate and develop more digital talent and IT leaders.

Pushing the digital agenda forward

We engage in constant dialogue and are represented at universities, trade organisations, and initiatives such as Digital Dogme, DI Digital, Teknologipagtrådet, Think Tank Europa, Health Tech Hub Copenhagen, The Danish Social Investment Fund, and the Danish Foundation for Entrepreneurship. We do this to constantly push our society and future generations in a direction where IT can help solve some of the many challenges societies and businesses are facing.

The Danish Foundation for Entrepreneurship

Netcompany has had a strong partnership with The Danish Foundation for Entrepreneurship for years, and since 2018, CEO André Rogaczewski has been Chair of the Board of Representatives.

The foundation is the Danish national knowledge centre and focal point for the development of entrepreneurship teaching at all educational levels, and works to ensure that the ability to be innovative is a fundamental element of education, from primary school to PhD. It is the foundation's vision that innovation and entrepreneurship be

integrated into the education system and become deeply embedded within educational institutions to a higher degree.

Supporting the IT talents of tomorrow

At Netcompany, we believe that future IT talents will be amongst those who will make a real difference to our societies, businesses, environment, and our future. That it is the new generation of IT masterminds who will create groundbreaking progress and innovation. Netcompany supports numerous initiatives aimed at getting more young people interested in IT and technology and in supporting students and young people in general.

Close collaboration with universities

Netcompany has always had a strong collaboration with IT universities. Hiring up to 1,000 new IT talents each year, we are clearly interested in getting to know students early on, just as we wish to share our knowledge and offer interesting collaborations, guidance, and more. We are a member of recruitment panels, sit on the board of the University of Aalborg, are a member of the Industry Advisory Board at RMIT University in Ho Chi Minh City, participate in career fairs, offer thesis' counselling, student jobs, and more.

Reaching even more students with virtual events

With COVID-19 restrictions meaning that we couldn't go out and meet IT students as we usually do, we had to come up with

At Netcompany, we believe that future **IT talents** will be amongst those who will make a **real difference** to our societies, businesses, environment, and our future

alternatives in the form of virtual events. This turned out to come with additional benefits, allowing us to reach even more students than when events took place physically. Our renowned Tech Talks turned global as virtual Tech Talks and with great success. Going online has meant that we have been able to reach way more students and others interested in our IT topics. In 2020, we reached more than 4,000 users online through our virtual global Tech Talks.

We continued to host guest lectures at universities, this year mainly virtually. Guest lectures are a great way for us to share our knowledge and expertise in various fields within IT, as well as giving students an idea of the people who work at Netcompany. Career fairs have likewise turned virtual, and we have participated in many, meeting potential future employees this way.

In 2020, we reached more than

4,000

users online through our virtual global Tech Talks

Case story

Digital Dogme

If 2020 has shown us anything, it is the importance of being able to adapt to new unforeseen circumstances by making use of digital solutions. This requires that businesses and not least public authorities have the required digital skills and qualifications needed to think in new digital possibilities and make use of these solutions.

This is the very purpose of Digital Dogme. To enhance the digital qualifications of employees and citizens.

In 2018, Netcompany initiated the Digital Dogme movement in collaboration with three other notable Danish companies with the purpose of cultivating employees' digital skills from within. At the same time, the idea was to make Digital Dogme a broad movement where member companies commit to upskilling employees and sharing knowledge and experiences.

The vision of Digital Dogme is to strengthen Denmark's role as a leading digital nation and reduce the digital skills gap, thereby creating better conditions for growth and

digital business development for the benefit of employees, companies, and society.

Digital Dogme acts as an education broker and creates value for members across industries through external partnerships with tech companies, industry organisations, and educational institutions.

Through tailor made networks and events, Digital Dogme members live the motto "Closing the digital skills gap" by actively creating and sharing upskilling products within four distinct competence areas: cybersecurity, world-class IT skills, digital transformation, and technology understanding and digital mindset. All created upskilling products are available for all members through Digital Dogme's Learning Academy.

In 2020, Digital Dogme and Microsoft Denmark engaged in a new collaboration on the enhancement of digital qualifications in Denmark. Together they will create a better analytical foundation in the area of digital qualifications and increase companies and the Danish citizens' access to relevant digital

courses such as LinkedIn Learning. Through the collaboration, Digital Dogme will also aim to develop concrete solutions that minimise the digital qualifications gap in Denmark.

The collaboration will help meet Danish businesses and public authorities' demand for increased digital qualifications in the future and directly contribute to a continued digital transformation and innovation in Denmark. In 2020, Digital Dogme has also, amongst other things, established Det Digitale Kompetencebarometer – an official initiative that outlined the competency gap in Denmark, hosted a fully booked conference on digital competencies at the Danish parliament, established four networks based on the four competence areas, and initiated dialogue with trade organisations, educational institutions, tech companies etc., all interested in collaborating and committing to formal partnerships.

In 2021, Digital Dogme will continue to work on its goal to create more digitally skilled employees throughout Denmark.

For many years, Netcompany has been supporting the **Coding Pirates** initiative, whose purpose is to create awareness and **engage children in the digital world** from a young age

Other social events have also been translated into online versions, with the added benefit of allowing both us and participants to interact and network across locations. Our social events aim to give participants insights into an IT relevant topic and create fun networking experiences with other IT students.

One of the key social events we hosted this year was the virtual edition of the Danish Championships in Programming. In the competition, students get to test their coding skills and compete against other IT students in Denmark. Aside from hosting the event, Netcompany also sponsored all of the prizes.

We have held more than 100 physical and virtual events for students, participated in more than 20 physical and virtual career fairs, given more than 30 guest lectures, sponsored more than 20 education institutions or networks and taken part in several partnerships and activities across the countries we operate in. Altogether, we have reached thousands of students throughout the year, motivating their interest in making a difference through a job in the IT industry.

Initiatives supporting new talent

Engineer the future

Netcompany is part of the technological alliance “Engineer the Future” alongside other tech companies, educational institutions, and organisations. The aim of the alliance is to create more support and understanding of the potential in engineering from the general public, young people, and politicians in order to ensure more jobs, growth, and development.

In 2020, the alliance started a new initiative “Book an expert” through which primary schools can book IT experts from tech companies to do guest lectures for their pupils. Netcompany has signed up to the initiative with several experts. Aside from teaching pupils about IT, the aim is also to act as role models and inspire children to become interested in IT.

Coding Pirates

For many years, Netcompany has been supporting the Coding Pirates initiative, whose purpose is to create awareness and engage children in the digital world from a young age, ensuring that both girls and boys are introduced to the digital world and its many possibilities.

In 2020, The Danish ICT Industry Association, Netcompany, and a number of other supporting IT businesses, hosted an online Coding Class, presenting three cases for students across Denmark to find creative solutions to. Netcompany’s case, Code for Love, focused on how many people spend too much time apart, especially during the

COVID-19 lockdown. The students were asked to come up with solutions to connect people. The students worked in teams and got to pitch their solutions to the companies.

More women in IT

While IT historically has been a male-dominated field, we are happy to see that more and more women are choosing to study and work within IT. This brings even more bright minds to the field, and it is a development that we have been supporting and will continue to support.

Netcompany engages in a long list of initiatives aimed at getting more girls and women interested in IT and attracted to the IT industry. In Denmark, one of these initiatives is Girls’ Day in Science, which is a nationwide event that aims to inspire girls across Denmark to choose a path in education within science or technology. In 2019, more than 3,200 attended the event. We also support the IT Camp for girls, which is a three-day event at the University of Aarhus for young women focusing on technology and design, and the ReDi School initiative, which is a non-profit initiative located in Copenhagen that offers free IT courses to women with an ethnic background that is not Danish.

In 2020/2021, Netcompany participates with three female leaders in the Danish ICT Industry Association’s mentor programme for talented women with leadership ambitions. The programme has been established



Case story

AaB Talent Academy

In 2020, Netcompany entered a large, three-year partnership with the Danish football club AaB's talent department, the AaB Academy, as well as a new collaboration with Aalborg University and AaB.

The collaboration establishes a platform for developing talent in the local environment. The objective is to engage youth in sports and social activities, enabling young talents to make friends, build strong personal relations and set a personal sports goal. The academy will use individual training, mental training, and international matching.

The partnership also aims to broaden and strengthen sports and athletics in general in Aalborg Øst by working together with primary schools in the neighbourhood, focusing on getting more young people interested in sports, and engaging in communities offered through sports.

As part of the collaboration, Netcompany is teaming up with Aalborg University.

The collaboration establishes a platform for **developing talent** in the local environment

Together, the partners will strengthen the use of data in AaB as a performance platform, just as the partnership will work on strengthening innovation and entrepreneurship in all of Northern Jutland.

as a response to the lack of female leaders in the IT industry and aims to encourage more female employees to take on leadership responsibilities. The programme will allow the female mentees to engage in honest and open dialogue with their mentor about how to take their career to the next level, how to mature as a leader, and the obstacles they may face on their career path.

In Norway, we support Jenteprosjektet Ada, which is a network for female tech students at Norwegian University of Science and Technology (NTNU). Ada works to increase the number of females who apply, enter, and graduate from technology degrees. In February 2020, Netcompany held the event Jenter i Tech (Girls in Tech) at NTNU in collaboration with Ada. This was a continuation of our annual event Kvinner i Tech (Women in Tech), where the aim was to inspire female tech students to be role models for each other and future students. Netcompany Norway also partners with the ODA Network, the leading women's tech network in the Nordic region, to work together towards the goal of a higher proportion of women in IT. Netcompany has, among other things, hosted their Mentor Programme, and several of the female employees in Netcompany have participated as mentors at Girl Tech Fest – an annual coding and tech inspiration event for more than 1,300 girls in 10 Norwegian cities, which is one of ODA Network's many initiatives.

Other initiatives

Across our various locations, Netcompany engages in a large number of initiatives covering various areas such as supporting and hiring war veterans, raising money for cancer support, donating computers to those who are underprivileged, hiring people with autism, supporting financially and materially disadvantaged people, and more.

Buttershaw Bec

When the UK government instructed that all educational facilities close due to COVID-19, how students would continue to learn and develop was a big concern. Following the movement to online learning for students across the UK, the Northern Powerhouse Partnership (a government body) put out a call to help a particular school in the Leeds area (Buttershaw Bec) that had a large number of children from disadvantaged backgrounds that did not have access to computers at home, naturally complicating their learning even further. Netcompany donated computers to the initiative, thereby giving several students the means to continue their learning and development.

Donating computers to free IT courses for women with a different ethnic background

The ReDi School initiative is a Danish non-profit initiative that offers free IT courses to women with an ethnic background other than Danish. The objective is to create

digital empowerment for these women through the acquisition of digital skills and by supporting them in accessing a social and professional network. Netcompany has donated computers to the ReDI school.

Helping homeless people return to work

Netcompany recently worked with the homeless charity, The Connection, to identify how we can help them tackle the underlying issues caused by homelessness and rough sleeping, and to provide a means to get back to work. In 2019, The Connection helped over 2,600 people in London on their journey away from homelessness and rough sleeping. Netcompany supports The Connection through the donation of IT equipment that is used to train people and support their service users in applying for government grants, housing, and employment opportunities.

Raising money for cancer support

Macmillan Cancer Support is there to help everyone in the UK with cancer live life as fully as they can, providing physical, financial, and emotional support. The COVID-19 pandemic has led to the postponement of many sporting challenges in 2020 and therefore caused a massive funding gap for UK charities. Netcompany is supporting Macmillan through innovative methods of raising money to support the organisation's work such as bake offs, brave the shave, virtual athletic events, and more.



Participating with female leaders in a mentor programme for female IT talents

Taxation

It is deeply grounded in Netcompany's values to act as a responsible partner in society in all regards and to ensure equal opportunities for all. We feel strongly that we – as an industry leader – should lead the way in changing our society for the better, and it is important to contribute to the social welfare and benefits of the societies in which we operate.

A prerequisite for the welfare benefits in any society is that sufficient funding is available. This is typically accumulated through the means of direct and indirect taxes. We have a transparent tax disclosure policy, firmly



Paying more
than DKK

1bn

in direct and
indirect taxes
in 2020

disassociating ourselves from the use of tax havens and other methods of tax evasion. The Executive Management are fully taxable in Denmark, where we were founded and where the vast majority of Netcompany has been built over the last 20 years. The broader partner group pay income taxes in the countries where they live and work, and as a company, we pay corporate income taxes and other indirect taxes in all the countries in which we operate.

In 2020, Netcompany paid more than DKK 128m in corporate income taxes. In addition, Netcompany paid indirect taxes such as VAT

and other similar taxes in excess of DKK 535m. Finally, the more than 3,000 employees at Netcompany paid around DKK 400m in personal income taxes based on the salaries they generated through their employment with Netcompany.

In total, the Netcompany Group contributed more than DKK 1,063m in direct and indirect taxes in 2020 to the societies in the countries we are located in. We take pride in this and, based on our continued growth aspirations, we expect to be able to continue contributing more in the future.

Customer satisfaction

In 2016, Netcompany implemented a customer experience management programme. Fundamental to the programme is a customer feedback system. The customer satisfaction survey is conducted on an annual basis and Netcompany tracks progress on its Net Promoter Score (NPS), which is assessed on a scale from -100 to +100.

This year, we received an NPS of +20, which is in line with last year.

Generally speaking, a Net Promoter Score above 20 is considered to be very good. We believe that the opinion of our customers serves as a powerful indicator in determining the success and performance of our

We received
an NPS of

+20

in our annual
customer
satisfaction survey

solutions in the market. Going forward, we will continue to translate the learnings from the survey and incorporate the findings into our engagement strategies for all our customers.

Human rights

Netcompany's approach to human rights is strongly rooted in our core values and ethical standards of being a people-orientated company. It is of great importance to us that everyone we meet and get acquainted with in our business dealings is treated with the dignity and respect that all human beings deserve. As such, we have also chosen to follow the United Nations' Declaration of Human Rights through several policies including our Code of Conduct and Anti-slavery Policy, just as we have implemented internal guidelines on non-discrimination and protective measures against any kind of harassment.

Netcompany wishes to secure the human rights of every employee throughout the organisation. This also includes the employees of our subcontractors and business partners. For this reason, we have a whistle-blower system in place, allowing people to report any suspicions or knowledge of any mistreatment either within Netcompany or within the organisations that Netcompany collaborates with.



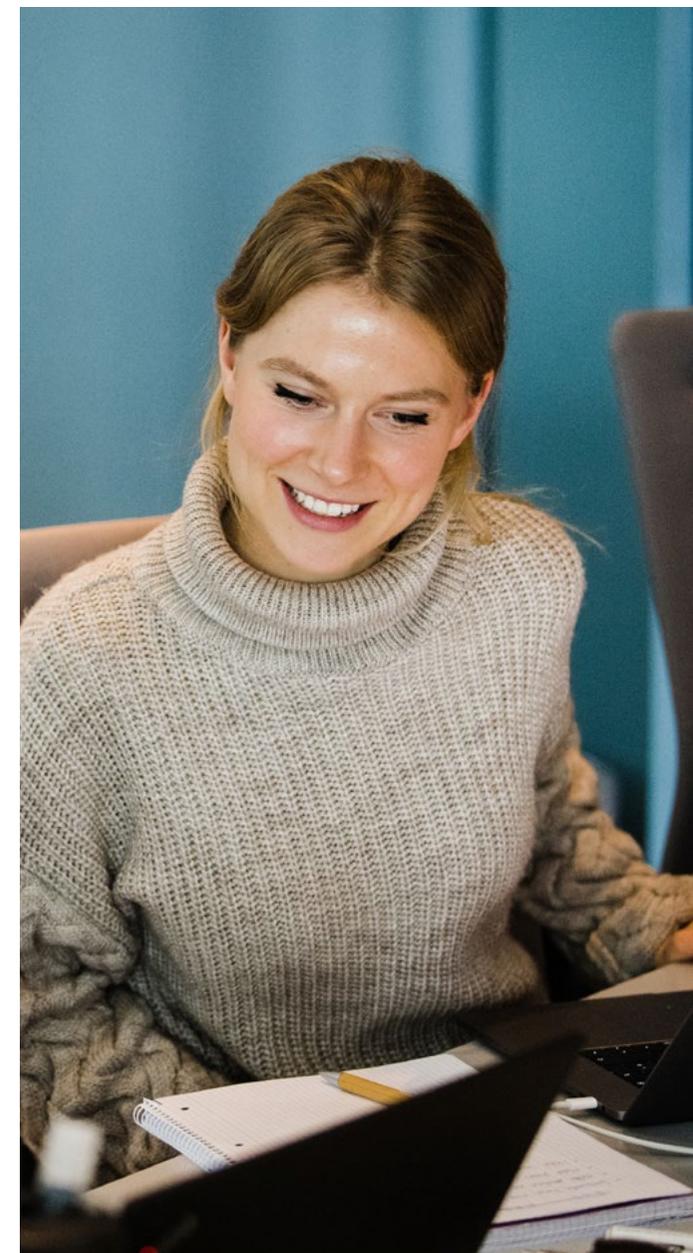
Netcompany wishes to secure the human rights of every employee throughout the organisation

Labour

Netcompany always operates under the highest ethics when using labour forces and has a zero-tolerance approach to the use of child labour, as well as forced and compulsory labour. These ethics are also embodied in the Netcompany Code of Conduct and Netcompany fully supports the Convention on the Rights of the Child, stating that all children have the right to leisure and education.

Demonstrating Netcompany's commitment to acting ethically and with integrity in all our business dealings and relationships, we have implemented an Anti-Slavery Policy, making employees aware of the issue of modern slavery and notifying them of Netcompany's whistle-blower system where any violations or suspected violations can be reported anonymously. To date, Netcompany has not received any reports through the whistle-blower system concerning the misuse of labour forces.

During the COVID-19 pandemic, we have continued to hire new employees at the same rate as before the pandemic, contributing positively to the labour market in the countries we operate in.



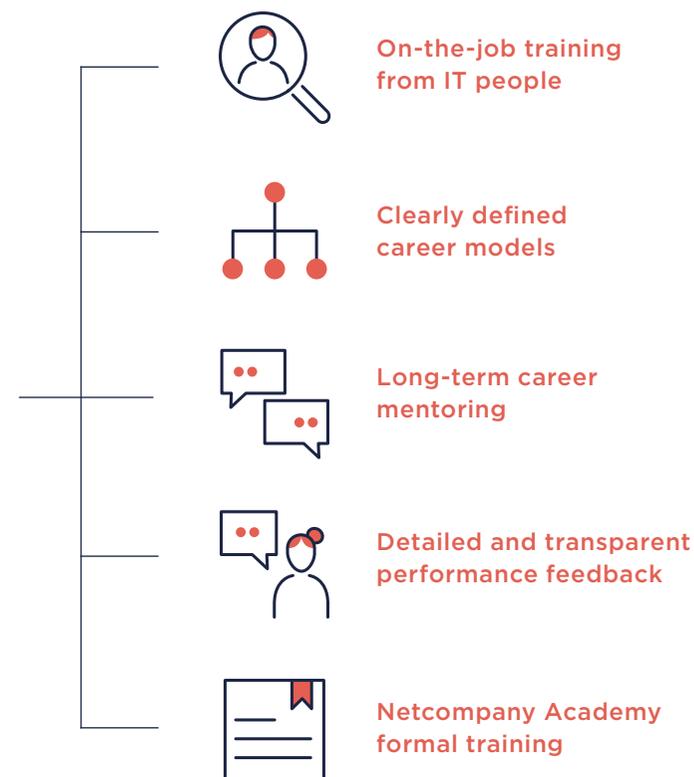


Working at Netcompany

At Netcompany, we are skilled and ambitious. Our culture is built upon a high level of agility, a flat organisational structure and a pragmatic approach focused on delivering

results. This means that at Netcompany, employees get the opportunity to work on projects that make a real difference to society.

Career
Development
 Programme



In 2020, we have kept the engine running, hiring more than 900 people across our 10 locations in 6 countries. This means that today, we are more than 3,000 people in Netcompany. Due to COVID-19, many new employees have been interviewed, hired, and onboarded to the company and their respective teams online. While this was a radical change for our usual hiring methods with face-to-face interviews, we have proven that it can be done and with just as good results. Also, we didn't adjust our targets for new hires in 2020, thereby supporting a labour market that is currently under pressure due to the struggles many companies are facing.

Employee satisfaction

Our employees are our most important and valued resource. They are the ones that steadily take us into the future, which is why their everyday work satisfaction is also of great importance to us and something we take very seriously. As part of our efforts to remain an attractive workplace with a positive employee morale, we conduct an annual employee satisfaction survey tracking our results in the employee Net Promoter Score (eNPS), which is assessed on a scale from -100 to +100.

The eNPS for Netcompany is +42 in 2020. This is level with 2019 and an increase from +36 in 2018. Benchmark data from Bain & Co. shows that an eNPS above +20 is high, which underlines that Netcompany's employees are motivated and loyal.

Netcompany continues to have a high focus on well-being for our employees and acknowledge that employee well-being is extremely important for delivery and business performance.

It is also great to see that IT students and professionals alike continue to view Netcompany as an attractive employer, for example, in the annual Universum ranking. In this year's Universum ranking in Denmark, we moved into the top 10 employers amongst IT professionals and were in the top 5 amongst IT students.

Work environment

Health is an integral part of a person's overall well-being and life happiness. As the average person spends more than 90,000 hours of their life working, a tremendous amount of time is spent at the workplace. This leads to great responsibilities for all employers to secure a healthy and safe work environment for their employees. At Netcompany we take this responsibility very seriously, as we want our employees to remain active and continue to be employable in the labour market for as long as they can and want to.

We have zero tolerance towards any kind of discrimination, harassment or bullying of employees due to any social identity, such as age, culture, nationality, ethnicity, gender, physical ability, political and religious belief, sexual orientation, and other attributes, as stated in our Policy against Harassment and



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Sexual Harassment. In 2020, we also supported the zero tolerance towards sexism initiative by Lederne, a Danish organisation for business leaders.

In 2020, our average sickness absence rate fell from 3.8% to 3.1%. We will continue to work to maintain and develop a work environment that will positively affect the current rate.

In our ESG report for 2019, we reported an average sickness absence rate of 2.7%. This number only accounted for January to October 2019. The total average sickness absence rate of 2019 was 3.8%.

By providing a healthy work environment and by offering a range of health promoting initiatives such as sports clubs in our After Dark community, discount on gym memberships, and bikes for commuting, we will continue to work towards further reductions in our employee's absence ratings.

Working remotely during COVID-19

At Netcompany, we have been working together virtually and digitally for many years. So, when COVID-19 forced us to work from home, we already had a great toolbox for making this work. Still, we knew that for many, this posed a significant change in their everyday lives, just as it influenced how they collaborated with colleagues and clients. We wanted to make the transition and processes as easy to deal with as possible. Therefore, we developed several easy best-practice guides to support individuals and teams when working remotely. We make

IT equipment available for the employees who may need it to create good, functional working stations at home.

COVID-19 has, and still will, influence us all in ways we cannot predict, and this will also be different depending on which country you live and work in. At Netcompany, we focus on providing our employees with continuous information with specific and easy-to-follow guidelines for each location. We know that the uncertainty can be troubling for many, and we do everything in our power to make these difficult times as easy to get through as possible.

Creating a strong social community

At Netcompany, we take responsibility for creating a strong social community and making sure that our employees have the best possible opportunities to participate. This is why Netcompany After Dark is such an integral part of Netcompany. After Dark is a community for all Netcompany employees across all locations and it offers employees the chance to go to a large variety of events and social gatherings.

It is a culture and a community that we are proud of, as we believe that we perform our best when we know each other and have fun together.

Our After Dark community has a wide spectrum of offers. We have sports teams for running, badminton, football, yoga, climbing etc. We also have clubs for those interested in games, gaming, cultural experiences, and much more. We believe that social activities

help us to maintain a high employee satisfaction, a low absence from sickness and create unity across projects, teams, and physical locations – and the events are able to be attended by everyone. Despite our size, we do not focus on hierarchy, and employees and managers are approachable across all levels, sharing an after-hour beer or attending After Dark events together.

In 2020 due to COVID-19, we have had to rethink how we interact with each other and how to continue to build strong social communities. Through virtual Friday bars, lunch, and coffee breaks on Teams and more, we have found new ways to keep our social engagement thriving. In 2020, we also introduced our online Global Updates as a means for all employees in Netcompany to connect, sharing good stories on projects, celebrating new wins, and more.

Development, training, and education

Netcompany has an extensive development programme, including our Netcompany Academy, guaranteeing that employees are challenged and supported throughout their career at Netcompany.

Netcompany hires hundreds of new graduates each year, creating outstanding career opportunities for many young people coming straight out of school. We hire people who are committed to making a real difference and are ready for a steep learning curve right from the start.



We also hire experienced professionals, taking their career to the next level with increased responsibility, new skills and leadership roles.

IT people leading IT people

At Netcompany, IT people lead IT people. This is fundamental to how we do business and work together. It is unique and creates a workplace where everyone speaks the same language, where employees get frequent and relevant feedback from managers and mentors and can learn from their peers. This also helps to create the optimal conditions for development. Because at Netcompany, development is everything. And we aim to develop the IT leaders of tomorrow.

Long-term mentoring

All employees are assigned a personal mentor, ensuring a continuous and consistent development within a company, where employees often change projects and move on to new tasks with new managers.

Netcompany Academy

We believe that as people, we never stop learning. This is also why our extensive development programme is for everyone and tailored to meet the needs of the individual employee.

All Netcompany employees are enrolled in Netcompany Academy, which supports development through mandatory seminars, certifications, and pop-up courses. The timing and content of the mandatory seminars are aligned with employees' chosen career paths, ambitions, and progression. All seminars and



At Netcompany,
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training courses are designed specifically to supplement the skills and knowledge gained from the daily project and team tasks and responsibilities. All training courses are for Netcompany participants only, the content is tailored specifically to be Netcompany relevant and most courses are conducted by Netcompany professionals. This ensures that both content, cases, and discussions are of high quality and high relevance.

Netcompany Academy also allows employees to build a strong social network with colleagues across projects and countries, creating a stronger community across the organisation.

As an experienced employee at Netcompany, Netcompany Academy courses and seminars will focus on managerial skills, in-depth understanding of methodology, leadership, and strategy, allowing experienced professionals to gradually take on more responsibility and management roles, including creating motivation and job satisfaction among team members.

In 2020, we gave our academy a lift, making it more flexible and even better suited to meeting the individual needs of each employee. We also strengthened the academy's ability to create alliances and strong internal networking across countries with global multi-day workshops, bringing employees from our locations across the world together. This way we can, to an even larger extent, share competencies and our distinct Netcompany culture.

Diversity and inclusion

Netcompany recognises that a diverse and inclusive workplace is imperative for securing and maintaining competitiveness in the market and securing better problem-solving abilities and innovation.

It is also by reflecting the diversity of our clients and the population in the countries that we work in that we can better understand and meet the needs and requirements of our clients. That is also why we consider diversity and inclusion as a business opportunity and not a compliance necessity.

It is our people who allow us to deliver on our purpose - to build strong, sustainable societies around the world. This requires a culture of inclusion where all employees feel supported, valued, and enabled to be their best.

Diversity is found in any social identity, such as age, culture, nationality, ethnicity, gender, physical ability, political and religious belief, sexual orientation, and other attributes. It is our intention to continue to safeguard a culture where every employee, no matter their social identity, can experience the same opportunities for career development and advancement.

The numbers for 2020 show a slight decrease in the percentage of women in Netcompany, but we are still close to our set target for 2020 of 20% females. In 2021, we will work even harder to reach this goal.



Netcompany's aspiration for diversity and inclusion is anchored in three pillars: diverse talent, equal opportunities, and inclusive culture. It is these three pillars that guide how we approach and support the integration of diversity and inclusion in our core processes where relevant and possible, and ensure that we increase awareness and secure focus on creating and maintaining a diverse and inclusive workplace.

Diverse talent

It is our objective to have as many skilled candidates as possible, of any social identity and with a broad array of experiences, to choose from when filling positions, including management positions. For this reason, we strive to broaden the field of candidates as much as possible, and our employment procedures are designed to give applicants, regardless of social identity, equal opportunities to apply for and obtain any position at any level. Still, we only employ the best candidates and the decisive factor, in external as well as internal recruitment processes, shall be the candidates' qualifications.

To support equal access for everyone to vacant positions at Netcompany, we continuously focus on any barriers that may prevent underrepresented minorities from being appointed to a position, including management positions. This applies to all steps of the employment procedure, including job descriptions, job advertisements, screening of applicants and job interviews. We have targets for recruitment in order to secure

diversity in our shortlists, and we follow up on these targets, measuring the gender composition throughout the recruitment process.

Attracting more women to IT both in general and in Netcompany specifically is also a key ambition in our employer branding, and we engage in a long list of initiatives to promote IT among girls and young women.

Equal opportunities

Netcompany focuses on creating an attractive working environment which promotes equal career opportunities for all employees regardless of social identity. We believe that it is through different perspectives and experiences that we can gain the competitive advantage needed and leverage the effect of diversity for business growth. This requires a focus on equal opportunity throughout the organisation.

Through our global internal career development programme, Netcompany Academy, and our global performance and progression processes, we make sure that all employees are treated equally and are offered similar opportunities across locations.

At Netcompany, we have transparent and fair promotion processes. It is experience and qualifications that determines the salary level, and equal pay is given for equal work regardless of gender or any other unjust reason that does not reflect the true qualifications of our employees.

Inclusive culture

At Netcompany, we strongly believe that we create the best results when we know each other and have fun together. For this to happen, you need an inclusive culture that allows all employees regardless of social identity to feel valued, involved, and accepted. Only by having such a culture can you allow for true creativity, inspiration, innovation, and growth.

Key to an inclusive culture is inclusive leaders. Leaders who show commitment to diversity and inclusion and make it a personal priority. In 2020, we decided to make inclusive leadership training an integral part of our management seminars.

Following up on diversity and inclusion

2020 was also the year we established an internal group consisting of managers from HR, Legal, Communication and Employer Branding, focusing and following up on diversity and inclusion initiatives and targets. The group has quarterly meetings, following up on the progress on our diversity and inclusion ambitions on a continual basis, and aims to ensure that the D&I efforts build traction across the company. The group is also responsible for an annual review – and potentially revision – not only of progress, but also of initiatives and corresponding ambitions. Netcompany also sits in on DI's Special Committee for Diversity, which aims to find tangible solutions to promote diversity and equality in companies.

You can read more about our approach in our Diversity & Inclusion Policy.



Social risks

Netcompany is operating in a market with an increasing need for highly qualified IT professionals. Unfortunately, it is becoming increasingly difficult to hire talented personnel with relevant educational backgrounds, simply because the number of IT graduates each year is not large enough to cover the market needs. Furthermore, female interest in the industry is still low, imposing a risk for the loss of many of the advantages of gender diversity.

At Netcompany, we understand that our employees are key to maintaining our position and one of our greatest risks is, as a consequence, the lack of qualified employees to support the increasing workload, as well as the lack of diversity that is so immensely important to the development of new and innovative solutions. These challenges could potentially lead to an unwanted cap on Netcompany's revenue, not because we aren't able to handle the amount of assignments in a fully competent and responsible manner, but simply because we could risk not having access to the required workforce. For the same reason, we are greatly invested in maintaining a high level of employee satisfaction, while at the same time generating an increased interest in employment within

the IT industry for all, and in particular, for women. We will continue to care for our employees both professionally and personally through Netcompany Academy and our mentor programmes, social activities, and general employment conditions, just as we will continue to promote the great and many advantages of employment in the IT industry. In addition, we will continue our work with Digital Dogme, which we truly believe will become an imperative part of meeting the future and increasing needs of IT qualified personnel.

Despite our greatest attempts to the contrary, we are always at risk when it comes to the compliance of our employees and our business partners in terms of violations of applicable rules and regulations, including our internal policies. The consequences of such violations could result in loss of goodwill and related losses in revenue, financial costs and corporate liability. In order to prevent and mitigate these risks as much as possible, we have implemented a whistle-blower system, which makes it possible for all to report any suspicions or knowledge of illegalities without fear of repercussions. In 2020, we made a campaign to increase awareness of internal policies amongst employees.

Governance

Responsibility is one of our absolute core values, as we know it is a fundamental part of creating a foundation of trust between Netcompany and our customers, employees, shareholders, society, and other stakeholders. >>

Trust is crucial in any business relationship and it always begins with responsible corporate governance.

To Netcompany, responsible corporate governance is a matter of setting out directions and guidelines for the company that embody both an ethical business approach and a fair balance between the interests of Netcompany's many stakeholders. It is about holding ourselves responsible for our actions and inactions and ensuring that what we say is also what we do.

Corporate governance is an indispensable instrument in securing accountability throughout an organisation, and it is accomplished by means of transparency and supervision of the company processes. Through our governance reporting we wish to provide the necessary clarity and transparency about the ways that Netcompany do business so we may earn the trust of our stakeholders and accomplish our goal of long-term sustainability.

UN's SDGs

In our governance activities we focus on the SDG target no. 16



We act
responsibly

Management

At Netcompany, we have a two-tier management structure consisting of the Board of Directors and the Executive Management. The Board of Directors is responsible for the overall and strategic management of Netcompany and is involved in the decision making concerning all major investments, risk management, significant operational issues, and more. The Executive Management is responsible for the day-to-day management of Netcompany, including the organisation of the company, implementation of strategies, and allocation of resources. The Executive Management is supervised by the Board of Directors and the two bodies are held separate from each other so that no one serves as a member of both bodies, thus avoiding any conflict of interest. The division of responsibility between the Board of Directors and the Executive Management is set out in the Rules of Procedures for the Board of Directors and Executive Management Instructions.



The Executive Management consists of the CEO, COO and CFO

Board of Directors and Executive Management

The Board of Directors of Netcompany Group A/S currently consists of five members who are all considered independent under the Recommendations on Corporate

Each member of the Board of Directors and Executive Management **contributes** with their own **special competencies**

Governance. The Chair and the Deputy Chair are chosen among the board members and appointed by the Board of Directors. Each member is elected for a one-year period and may be re-elected. The Board of Directors must always consist of at least three and no more than seven members elected at the general meeting.

Netcompany believes that a diversified Board of Directors is of great importance to any company. As such, each of Netcompany Groups A/S's board members contribute with a different competency profile supplementing the rest of the board and strengthening the overall management of Netcompany to the best interests of the shareholders, company employees, customers, and other stakeholders.

The Board of Directors meets at least five times a year and holds extraordinary meetings whenever it is required.

During 2020, the Board of Directors conducted a self-evaluation. The evaluation included, among other factors, effectiveness, performance, achievements, and composition of the Board of Directors, including an evaluation of the performance of the individual members of the Board of Directors as well as the collaboration with the Executive Management. The results of the evaluation were that there has been a good and constructive collaboration between the Board of Directors and the Executive Management throughout 2020 where everybody has contributed with their individual competencies. It was also concluded that both the Board of Directors and Executive Management is composed of highly qualified and diverse members in terms of qualifications, educational background etc.

The members of the Executive Management currently consist of the CEO, COO and CFO. The executive management is registered with the Danish Business Authority.

Board Committees

Netcompany has chosen to establish three different board committees with the purpose of assisting the Board of Directors with its preparatory tasks. The Board Committees consist of an Audit Committee, a Remuneration Committee, and a Nomination Committee.

Along with their preparatory work, the committees also make recommendations for the Board of Directors, who in turn makes the final decision regarding the matter at hand. The responsibilities of the committees are stipulated in separate committee charters, which are reviewed annually by the Board of Directors and updated as appropriate.

Audit Committee

The objective of the Audit Committee is to provide the Board of Directors with a financial overview of Netcompany's businesses along with an overview of Netcompany's statutory audit matters, internal controls, and risk management systems. Furthermore, the Audit Committee is responsible for supervising the procedures for election of the external auditor and the external auditor's independence.

The Audit Committee currently consists of three members of the Board of Directors, Åsa Riisberg (Chair), Scanes Bentley and Juha Christensen, and meets at least four times a year.

Remuneration Committee

The Remuneration Committee assists the Board of Directors by preparing and

presenting proposals and recommendations on all matters concerning the remuneration of the Executive Management and the Board of Directors and its committees.

The Remuneration Committee meets at least two times a year and currently consists of two members of the Board of Directors, Juha Christensen (Chair) and Bo Rygaard.

Nomination Committee

The Nomination Committee assists the Board of Directors by preparing and presenting decision proposals regarding the composition of the Board of Directors and Executive Management, including the nomination of candidates and evaluation of the overall composition of the Board of Directors and Executive Management.

The Nomination Committee consists of two members of the Board of Directors, Juha Christensen (Chair) and Bo Rygaard. The Nomination Committee meets at least two times a year.

Attendance on board meetings

The members of the Board of Directors all understand and respect the extent of the work required by a board member of Netcompany Group A/S and they are all devoted in fulfilling their essential obligations of their respective positions. This is also reflected in the high attendance rate in the board and committee meetings.

In 2020 the Board of Directors met seven times of which five of the meetings were conducted fully or partially as a conference call due to travel restrictions. None of the members were prevented from attending any of the meetings and there were, as such, full attendance at every board meeting held in Netcompany Group A/S, which also means that the set target in last year's ESG report of a 97% attendance rate was achieved. This is also the case regarding the committee meetings where there was also a 100% attendance rate.

Recommendations on Corporate Governance

Netcompany Group A/S is listed on the stock exchange of Copenhagen and is therefore subject to the Danish Corporate Governance Recommendations. The Recommendations on Corporate Governance are based on the principle of comply or explain, so that any legitimate reasons for derogating from one or more of the recommendations may be explained appropriately. As per 2020, Netcompany complies with all 47 of the recommendations.

Pursuant to the Danish Financial Statements Act section 107(b), a statement on corporate governance for the financial year 2020 has been prepared. The statement forms part of the Management's Review and can be viewed at: www.netcompany.com/int/Investor-Relations/Governance

100%

attendance at
board meetings
in 2020

Case story

New members elected to the Board of Directors

In 2020, Netcompany was pleased to announce Hege Skryseth and Åsa Riisberg as new members of the Board of Directors.

Mrs. Hege Skryseth serves as Executive Vice President at Kongsberg and President of Kongsberg Digital. Before joining Kongsberg, Hege Skryseth managed positions in international technology companies, including the position of CEO of Microsoft Norway and Geodata. She is an experienced board member and has extensive strategic and commercial knowledge as well as expertise in general business management, governance, and in the Norwegian market.

Mrs. Åsa Riisberg, former Partner & Member of the Extended Executive Committee of leading private equity firm EQT, brings

extensive experience across finance, M&A, investment management and operations to the Netcompany board and has taken on the role as Chair of the Audit Committee.

Mrs. Åsa Riisberg was part of the core partner team that led the successful IPO of EQT Partners in 2019. Moreover, Åsa Riisberg has served on multiple international boards.

Both new board members bring the right skillset, expertise, and energy to the table and are highly valuable additions to Netcompany's Board of Directors and our continued mission to become a European leader within digital transformation.



Whistle-blower system

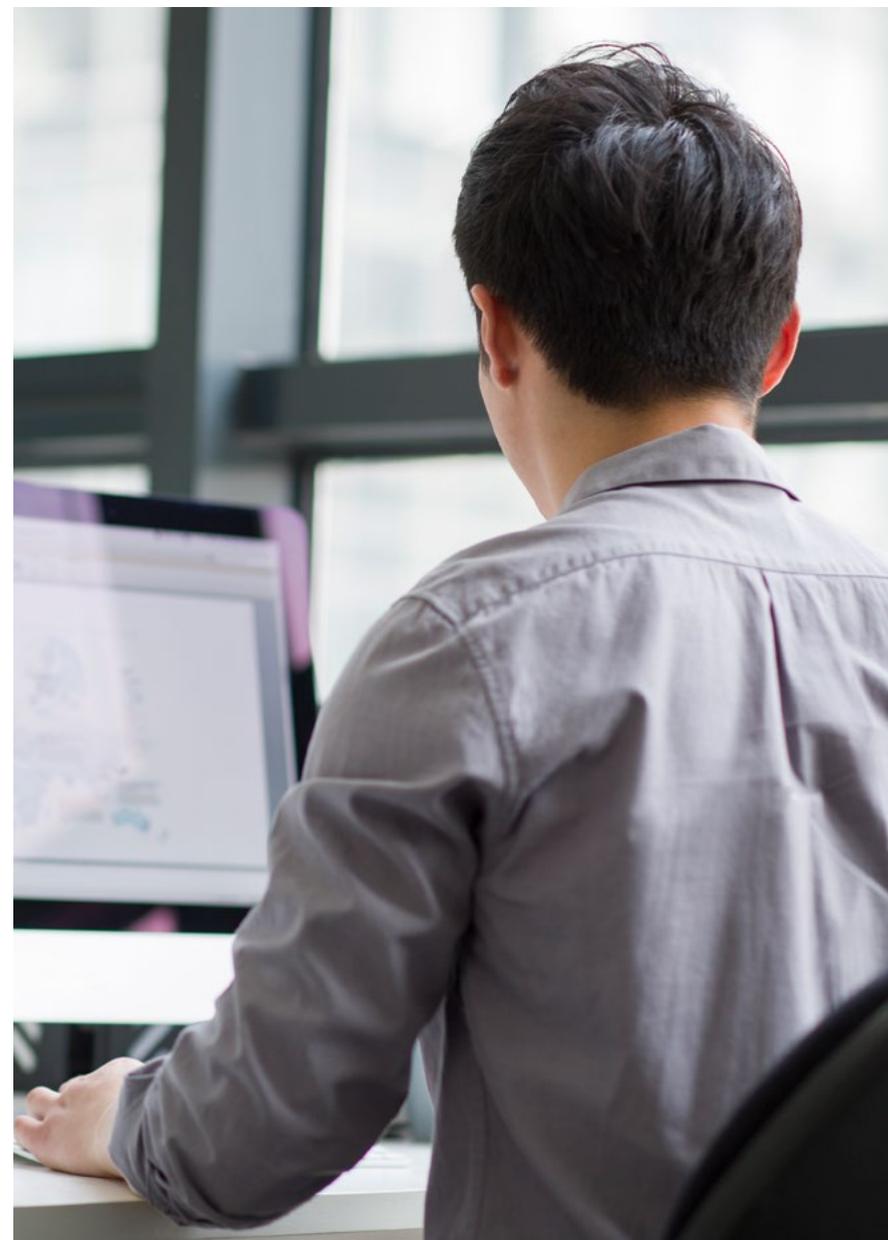
In 2017, Netcompany implemented a whistle-blower system with the purpose of providing a channel through which persons related to Netcompany could anonymously report serious offences or suspected offences that could possibly affect Netcompany in a negative way or affect the life or health of an individual. Reports may be filed by employees, members of the Executive Management and Board of Directors, auditors, lawyers, business partners and suppliers.

To secure the whistle-blower system's independence and autonomy, the system is governed by an external law firm (Plesner) who receives all reports that are submitted to the system. If a report is received it is forwarded to the Chair of the Board of Directors who in turn investigates the matter promptly and makes sure that appropriate actions are taken.

In 2020, three reports were submitted via the whistle-blower system. The reports were investigated thoroughly by all relevant parties. One report was assessed to be out of scope by the external law firm, while appropriate action was taken on the reports which fell within scope.

To secure the whistle-blower system's **independence** and **autonomy**, the system is governed by an **external law firm**

Whistle-blower cases are always taken very seriously, and Netcompany has enhanced the awareness of good conduct and that incidents can be reported through the whistle-blower system.



Gender diversity at board and management level

At Netcompany, we are determined to work towards a more representative and inclusive society where female leadership and diversity is encouraged and valued. It is our ambition to nourish and safeguard a company culture where every employee may experience the same opportunities for career development and advancement.

In 2020, we updated our Diversity Policy to a Diversity & Inclusion Policy, which embraces both gender diversity and diversity in general for all levels of the organisation, including the Board of Directors and the Executive Management. It is a stated target therein, that we will keep working for upholding a culture of equality and inclusion for all.

Netcompany's ESG report includes the statutory corporate social responsibility statement on the underrepresented gender, cf. section 99(b) of the Danish Financial Statements Act for both Netcompany Group A/S and Netcompany A/S. Also included is Netcompany Group A/S' statutory statement on diversity in the Board of Directors and Executive Management according to section 107(d) of the Danish Financial Statements Act. The following describes the



40%

of the board members in Netcompany Group A/S are female

development in Netcompany A/S and Netcompany Group A/S.

Gender balance and diversity at board level

At Netcompany, we truly believe that diversity is key in achieving the best results in any type of business. We are therefore always seeking to fill the Board of Directors with the most qualified and diverse members so that they may complement each other to the greatest extent possible. The board members and their individual positions are chosen accordingly, based on objective criteria such as education, experience, Netcompany's business strategy, and the overall composition of the Board of Directors.

Results and development

Our internal guidelines for diversity and inclusion were a great focus point when two new members to our Board of Directors were elected in 2020. In our ESG report for 2019 and in our Diversity & Inclusion Policy we set a target of two female members of the Board of Directors in Netcompany Group A/S to be achieved by 2022. We are proud to report that we have achieved this goal two years

earlier than originally targeted and that two new female board members, Hege Skryseth and Åsa Riisberg, were appointed to the Board of Directors at the Extraordinary General Meeting in August 2020.

We can subsequently report that Netcompany Group A/S fulfils the requirements for equal representation in the Board of Directors as 40% of the board members are female. Likewise, Netcompany A/S also fulfils the requirements for equal representation as one out of four of the board members is female.

The Board of Directors in Netcompany Group A/S is composed of five very different profiles, who each contribute to a diverse composition of the Board of Directors. Four different nationalities and different generations are represented in the Board of Directors, providing important knowledge about different markets and other aspects of running a sustainable business. Furthermore, the members have different educational backgrounds, experiences, and fields of expertise e.g. financial, governance, and technical expertise.

Gender balance and diversity at management level

Netcompany's career model and business model are based on a vision of IT people leading IT people. For the same reason it is of high importance that the employees that are holding the managerial positions in Netcompany are the best within their field so that they can always help and guide the rest of their team to the highest standards possible. As with any other areas in life, it takes hard work and time to become the best, and in general it takes about 5+ years working for Netcompany to become manager, even more to become principal, and 12+ years to become partner.

As part of an industry that is still primarily occupied by male personnel, this naturally proposes some challenges to the rate at which women will be equally represented at management level in Netcompany due to the general lack of women within the IT industry in both current, and especially previous, generations.

Although the Netcompany career model is based solely on objective criteria, such as experience, performance, and seniority, we recognise that we need to be extra observant of the female talents within our organisation. For the same reason we continue to focus on any barriers that may prevent women from being appointed to managerial positions. This applies to all steps of employment, such as, job descriptions, job advertisements, screening of applicants and job interviews, just as we cover managerial



desires and ambitions in our bi-annual employee development interviews, and aim to offer a sensible work/life balance for all.

Our efforts towards gender equality and inclusion also apply to the general composition of the management, as it is highly important to us that it is comprised of a wide range of profiles. This is so that Netcompany may represent all sides of the societies we are working in and accomplish great results, which we believe is best achieved through the potency of different mindsets.



We have introduced inclusive leadership training for all managers

Results and development

Last year we set an ambitious target of 13% females in management positions by the end of 2020. This year's results show that we have had a 1% decline from last year with 11% females registered at management level in 2020. Our target was an ambitious target considering the well-known challenges in recruiting women with the required seniority to accede management positions due to the general lack of women in current and previous generations. We chose to set an ambitious target because we believe we can achieve it and as the numbers show we are also very close. To make sure that we go all the way and accomplish our set target, we have implemented several initiatives, as previously mentioned, and we are happy to see that our female talent pool of potential managers is steadily growing. Female representation at entry and senior level has, as such, been ascending during recent years, and we therefore expect to see an increase in the

proportion of female managers in the upcoming years. This also goes for the representation of women in the principal and partner group as more women are being promoted to managers. It may take time to achieve our set target, but we are determined to do all within our power to achieve our goals and will continue our efforts towards female representation in management positions.

With a diverse management we can challenge each other and open for new ways of thinking. The management in Netcompany is composed of a variety of different profiles both in terms of gender, educational backgrounds, nationalities, and generations. We support and encourage diversified management in all layers of the organisation and will keep safeguarding our mentality of inclusion.

Activities in 2020 towards gender diversity and diversity at management level

A great part of including more women in management is to ensure more women in the workforce in general. To this end, we interviewed a focus group of women in Netcompany in 2020 and initiated an analysis of how we can attract more women to join us. Based on the results we are currently investigating what initiatives we should prioritise and proceed with and we are excited to follow up on this in 2021.

To increase focus on our female talent pool and to secure a diverse and inclusive culture, we have further updated our diversity policy

The management in Netcompany is composed of a variety of different profiles both in terms of gender, educational backgrounds, nationalities and generations

and decided to make inclusive leadership training an integral part of our manager training. The training will focus on creating space for others to contribute, awareness of bias and personal blind spots, how to demonstrate an open mindset and having curiosity about others, with the purpose of giving all new managers the tools to, among others, recognise and discover potential management talents, hereunder female talents, and ensure effective collaborations throughout the organisation.

At Netcompany, we have a transparent and fair promotion process based on the same performance criteria for each employee group. We are constantly monitoring our process and adjusting it where needed, so we can ensure that all employees are assessed in a fair and consistent way. Further to this, we measure all our development and performance processes on a continuous basis and measure perception of training through surveys, impact of training (management assessments), promotion ratios etc.

Remuneration of Executive Management and employees

Our Executive Management and employees are all remunerated according to the same principles, taking into account the general salary level within Netcompany, the responsibilities and workload defined in the different positions, the general market standards, and standards within comparable companies.

In 2019 and 2020, client facing employees received an average increase in salary of 7% per employee. The Executive Management did not receive any increases in 2019 due to the general adjustment of their salary, following the introduction of Netcompany to the public market in 2018. In 2020, the Executive Management received an increase in salary of 2.5%.

In 2021, the Executive Management will receive a 5% increase in salary. In comparison, client facing employees (partners and principals excluded) will receive an increase in salary corresponding to an average of 7% per employee.

CEO Pay-Ratio

This is the first year that we report on Netcompany's CEO Pay-Ratio. To provide a transparent and meaningful insight of the pay-ratio, we have chosen to base the reporting on all Netcompany entities as opposed to Netcompany Group A/S where only the Executive Management is employed.

In 2017, the CEO Pay-Ratio was 1:06, reflecting that the main element of the CEO remuneration then was embedded in the shareholding of Netcompany to be IPO'ed. As previously mentioned, the Executive Management did not receive any salary increase in 2019 due to the general adjustment mid 2018 following the IPO of Netcompany. However, since the increase in 2018 happened during the year, the ratio increased from 1:12 in 2018 to 1:17 in 2019. In 2020, the ratio increased to 1:18, which was mainly caused by the long term incentive programme being gradually built up. The

The **salary level** is determined by the employees' **individual responsibilities** and workload, as well as current market standards

salary of all employees, herunder the CEO, follows market and country standards, the salary of all employees, as well as the individual experiences, different workloads, and responsibilities of the various positions within Netcompany. The salary level is also determined with due regard to the attraction and retention of qualified employees. The CEO remuneration package is composed and proposed by the Remuneration Committee and approved by the Board of Directors.

Data protection and privacy

The right to data protection and privacy are fundamental rights, which must always be respected and protected in line with any other fundamental rights. With the digital transformation, the importance of safeguarding the right to data protection and privacy has become even more imperative than ever as vast amounts of data are daily being processed with little regulation and sometimes at high risk for the data subjects.

As an IT service provider, we handle large amounts of data, both in our role as an employer and on behalf of our customers. At Netcompany, we understand the great responsibility that our data processing activities entail, and we take this responsibility very seriously. The protection of data, including personal data, is and always has been one of the core foundations of Netcompany's business and it is an inherent part of the organisation and the Netcompany methodology. We take great pride in being a responsible business partner to all our customers and our employees so that they may always feel safe when entrusting us with the protection of their data. For the same reason we are also proud to announce that in 2020, Netcompany in Denmark obtained the ISO/IEC 27001



In 2020, Netcompany in Denmark obtained the ISO/IEC 27001 certification

certification, while at the same time, Netcompany UK and Netcompany Vietnam upheld their ISO/IEC 27001 certification from previous years.

Data Ethics Policy

In 2020, a new regulation was adopted into the Danish Financial Statements Act section 99(d), making it a requirement for companies of a certain size to account for their data ethics policy in the annual report based on the principle of comply or explain.

Even though the reporting is first made mandatory as of the financial year beginning on 1 January 2021 or later, we have chosen to report on Netcompany's data ethics principles and policy now. The reason behind this is that we firmly believe in the importance of data privacy and data security and we want to state our dedication in the protection of the fundamental rights of data subjects.

Our data ethics initiatives and reporting are organisationally anchored with our CISO and our Legal Department. A Data Ethics and

GDPR steering group (reporting to the Executive Management) has also been established to facilitate and ensure Netcompany's continued efforts within data ethics and data protection. With the implementation of Netcompany's new Data Ethics Policy, both Netcompany Group A/S and Netcompany A/S comply with the requirements under section 99(d) of the Danish Financial Statements Act.

You can read more about our Data Ethics Policy and data ethical principles on the next page.

Case story

Security, integrity and trust

Netcompany's Data Ethics Policy and data ethical principles are embodied in three key principles: security, integrity, and trust.

Technical and organisational security is an essential part of any safe data processing, and Netcompany's daily operations are consequently based on a highly detailed security policy and organisational procedures, which are founded on the international security standard ISO/IEC 27001. We process all data with the outmost respect of the individuals and the sensitivity of the data - all to earn the trust of our customers, employees, shareholders and any other stakeholders.

At Netcompany, we process personal data as both data controller and data processor. When processing data as data controller, we mainly process data about our employees and job applicants, which is provided by the employees and job applicants themselves. When processing data as data processor, it is done on behalf of our customers.

The data is provided by our customers e.g. in connection to the maintenance or hosting of their systems.

The data we process both relates to regular personal data, such as names, addresses, and phone numbers, and sensitive personal data such as health information or union membership. Whether we process regular or sensitive personal data it is always part of our data ethical considerations what type of data we are processing, as we always want to make sure that the right security measures are implemented so they may correspond to the sensitivity of the data.

Internal audit controls are implemented to secure compliance with both information security and data protection requirements, and all our employees are continuously trained in the Netcompany Methodology, which embodies data protection security through a complete set of guidelines, tools, and templates for planning, delivering, managing, and documenting complex integrated

We process **data** with full respect of the individuals and the **sensitivity** of the data

IT solutions. Further to this, all data is securely stored at two different data centres, making sure that data availability is always upheld in the unlikely event of technical failures.

We do not sell or profit from data in any way and our use of artificial intelligence and machine learning is considered with due regard to our data ethical principles and policy.

Anti-bribery and anti-corruption

Business ethics are and always have been a vital part of Netcompany's way of doing business. Unfortunately, not everyone shares the same values, and bribery and corruption are regrettably an unavoidable part of the world we live in. As part of society we must take responsibility for minimising unethical behaviour and practices to the furthest of our abilities. As a step on this road, we have implemented an Anti-bribery and Anti-corruption Policy, in which Netcompany clearly disassociates itself from any type or form of bribery and corruption.

The Anti-bribery and Anti-corruption Policy supplements Netcompany's Code of Conduct by providing minimum standards for compliance with anti-corruption and anti-bribery laws. Furthermore, the policy stipulates strict company guidelines that all employees, board members, agents, suppliers, and other business partners must adhere to. Alongside this, our Code of Conduct also stipulates that all associated with Netcompany's business dealings must always abide by applicable laws and regulations, as well as good business practices and ethical behaviour.

Due to the many and substantial IT projects that Netcompany delivers to public authorities, special attention is brought to this area in the Anti-bribery and Anti-corruption Policy. To this extent – and to the general extent of eliminating bribery and corruption – Netcompany has also implemented a system of approval, where the receiving or offering of gifts, meals, and other entertainment gestures, must be approved by a superior. This aligns with our systematic control of all company expenses which must be attached to an appendix and approved by two independent parties, ensuring that no amounts are leaving the company without just cause.

Netcompany's Anti-bribery and Anti-corruption Policy, as well as Netcompany's Code of Conduct, is mandatory reading for all company employees and is part of the onboarding programme. In 2020, we launched an awareness campaign about our Anti-bribery and Anti-corruption Policy reminding our employees about our guidelines.

As part of society, we must take **responsibility** for **minimising unethical behaviour and practices to the furthest of our abilities**

Along with Netcompany's internal policies and procedures, we have also implemented a whistle-blower system to further minimise the potential risks of bribery and corruption. The whistle-blower system allows all to anonymously report any unethical or criminal behaviour, or suspicion thereof. The reports are investigated by an external law firm and always handled with the utmost respect and seriousness.

There have been no reports made to our whistle-blower system regarding bribery or corruption during 2020.



Governance risks

Risk management is an important part of any sustainable company, including Netcompany, as it helps protect both financial and reputational values. At Netcompany, risk management is a fundamental part of our everyday business, and all substantial risks are reported to the Executive Management and the Board of Directors correspondingly.

As a service provider with a high number of employees, our main risk within the field of governance is our employees' compliance with current regulations and legislation, as well as internal policies and procedures. This also applies in our dealings with external business partners and other collaborators, who may not always share the same values and ethical beliefs that we do.

To mitigate the risk of non-compliance and violations of legislation we have implemented a whistle-blower system, where reports may be filed without any fear of repercussions. Further to this, all our employees are required to acquaint themselves with our corporate policies, which are followed up with internal awareness campaigns.

Living in a digital age, cybercrime is of course also a risk and a risk that we take very seriously. IT security is a top priority in Netcompany and we have implemented numerous technical and organisational security measures to mitigate any potential threats, just as we have implemented internal processes, continuously monitoring our cyber security. Further to this, we provide

security training for our employees on a continual basis, so they may always be ready to take appropriate action if a situation should ever occur.

As a large and continuously growing company, we must anticipate that our business and governance risk will rise and change over time. For this reason we will continue to identify and address all potential risks so that we may continue to uphold a strong corporate sustainability.

ESG in the future



2020 showed us that **digital readiness** is key in the world today. In 2021, we will keep delivering projects that create a framework for a **sustainable, digital future**

2020 showed us that digital readiness is key in the world today. Digital solutions have tied societies and people together to an extent we have never seen before. This has only strengthened our belief that by contributing to building strong, sustainable societies, we help make the world a better and safer place for us all.

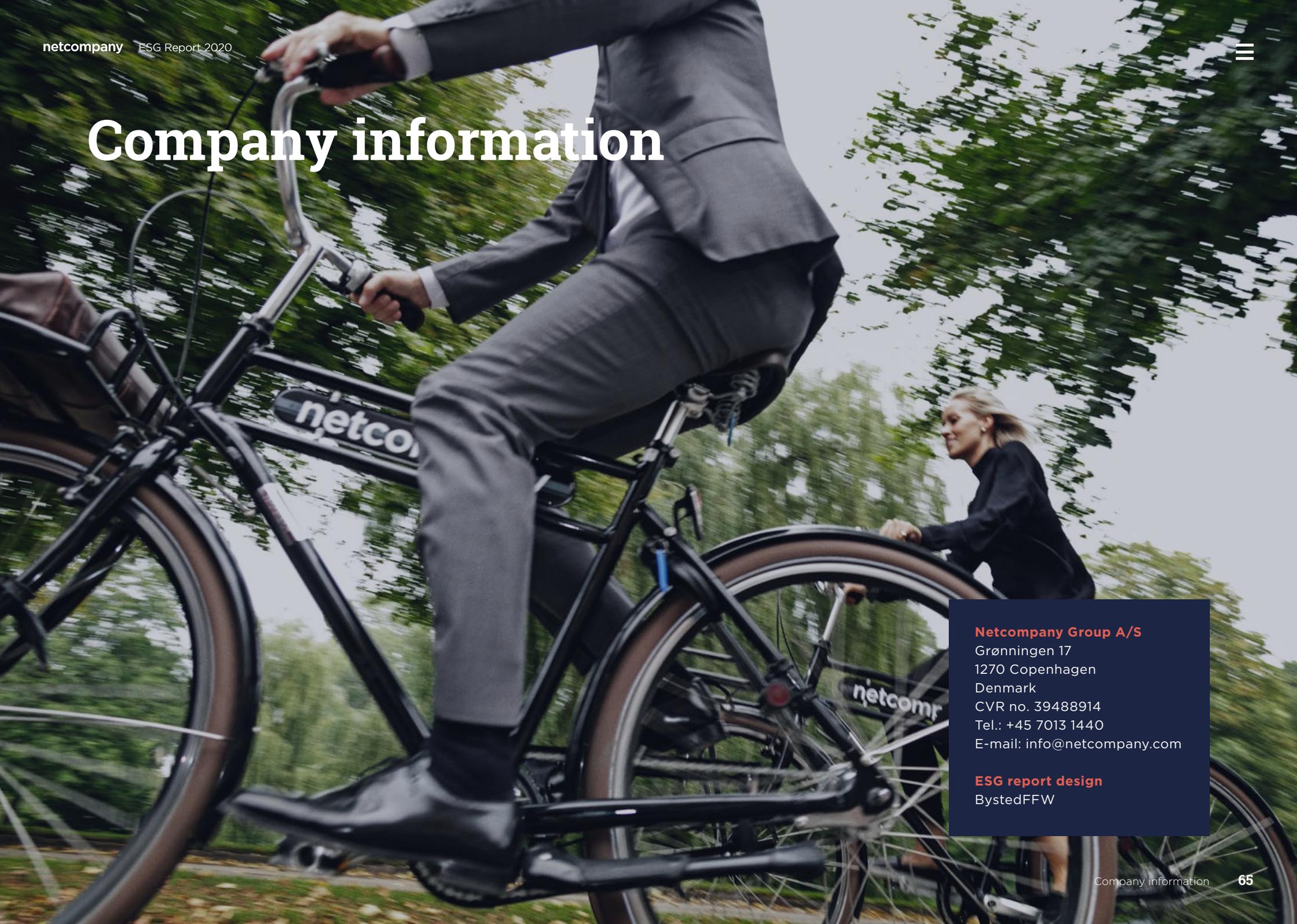
In 2021, we will keep delivering projects that help transform governmental institutions and businesses and create a framework for a sustainable, digital

future. In 2021, we also hope that with COVID-19 vaccines in place, we can start reopening and rebuilding society.

As a responsible organisation, we will continuously look at how we can make a stronger contribution to moving our society forward. By developing stronger digital minds and skills, offering development and equal opportunities for all, finding greener solutions to how we operate, and ensuring secure and transparent collaborations with all our stakeholders.

In 2021 and onwards, we will continue to do this, so that we together can create a stronger society and better future for us all.

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