

# Communication of Progress 2020

## Tibber



United Nations Global Compact







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## To our stakeholders

I am pleased to confirm that Tibber Group reaffirms its support of the Ten Principles of the United Nations Global Compact, in the areas of Human Rights, Labour, Environment and Anti-Corruption.

This report is Tibber's first Communication of Progress. It outlines how we have identified and analysed our environmental and social impact as a company, as well as some of the early phase activities that we have initiated.

We consider 2020 to be the baseline year in terms of our systematic approach to corporate responsibility, and our journey has just begun. However, our long-term commitment is to align Tibber's overall business targets and strategies with the Sustainable Development Goals.

Within some of the Ten Principles we consider ourselves already at the forefront in our sector, but we have yet much to learn. In this process we will continue challenging ourselves and the sector; to empower consumers to live a more sustainable life by using energy smarter.

I hope you will find this Communication of Progress informative. If you want to know more about Tibber as a company and how we work with climate action, responsible business, social impact and stakeholder communication, you can visit our Impact Report 2020 at [www.tibber.com](http://www.tibber.com)

Sincerely yours,



Edgeir Aksnes  
CEO



Tibber is a fully digital energy company that empowers consumers to reduce costs and consumption by using home energy smarter.

Tibber is present in the Norwegian, Swedish and German energy markets, and will also launch in the Netherlands in 2021. The company has 120 employees located in Førde, Stockholm, Helsinki and Berlin.

Tibber's vision is a society where smart technology gives all consumers the power and opportunity to live energy independent.

# The Ten Principles of Responsible Business

In this document we will elaborate on how we integrate the Global Compact Principles of Responsible Business into our business model, our daily operations and our company culture.



## Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and  
Principle 2: make sure that they are not complicit in human rights abuses.



## Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;  
Principle 4: the elimination of all forms of forced and compulsory labour;  
Principle 5: the effective abolition of child labour; and  
Principle 6: the elimination of discrimination in respect of employment and occupation.



## Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;  
Principle 8: undertake initiatives to promote greater environmental responsibility; and  
Principle 9: encourage the development and diffusion of environmentally friendly technologies.



## Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



# The UN Sustainable Development Goals

Based on the identification of key stakeholders and the analysis of material aspects of Tibber's corporate responsibility, we have defined 7 Sustainable Development Goals to be most relevant:



## **SDG 7: Affordable and clean energy**

Our trading technology provides consumers with 100% renewable electricity at low purchase price, and we don't profit from our customer's consumption.



## **SDG 8: Decent work and economic growth**

Our hardware products go through Life Cycle Assessments and we take actions to secure resource efficiency in production.



## **SDG 9: Industry, Innovation and Infrastructure**

Our home energy management technology, such as smart heating, offers flexibility on the consumer side and makes the power grid more efficient.



## **SDG 11: Sustainable cities and communities**

Our home energy management technology, such as smart EV charging, facilitates the shift towards cleaner transport systems.



## **SDG 12: Responsible consumption and production**

We fix defect and used electronics instead of wasting it. We use smart home technology to help people reduce their electricity consumption.



## **SDG 13: Climate Action**

We use tools such as carbon reporting and Life Cycle Assessments to track, measure and reduce the environmental footprint from our activities.



## **SDG 17: Partnerships for the goals**

We are a member of the UN Global Compact, an organisation that helps businesses set goals and report on their progress towards the SDGs.

# Tibber Impact Strategy

In order to make the Business Principles and the UN Sustainable Development Goals operational to Tibber's business, we have categorized our work into four objectives:



## Taking Climate Action

Track, measure, report and reduce as much as possible of the environmental footprint from our products and services.



## Conducting Good Business

Promote transparency and ethical business practices throughout the organization, as well as communicating clear expectations about sustainability towards business partners.



## Having a Positive Social Impact

Support life-long learning among employees and build a healthy company culture with sustainability at its core.



## Inspiring a Movement

Inspire and engage our stakeholders to take action and make a contribution to a more sustainable development.

These objectives will guide our sustainability efforts as Tibber develops as a company, expands its sphere of influence and enters new markets.

In the next section we will describe the actions we have taken to integrate the Ten Principles into our business and the results we have achieved.

### In Tibber, we work to:

1. Track, measure, report and set targets to reduce emissions from our activities
2. Integrate sustainability in our design, production and distribution of products
3. Have a dialogue with suppliers about their social and environmental impact
4. Co-create sustainable solutions with our business partners
5. Inspire and engage our stakeholders to contribute to sustainable development
6. Reduce energy consumption and waste from our office locations
7. Keep company air travels to a minimum and use alternate transportation
8. Promote life-long learning and a sustainable lifestyle among employees
9. Encourage and advise our customers to save energy and lead a sustainable life
10. Integrate sustainability in recruitment, onboarding and training of employees





## Actions and results – 2020



## 1 Environment

### The smartest energy is the one you don't use!

Tibber's purpose is to empower people to use energy smarter. From the perspective of a sustainable development our most important contribution is that we use smart technology to help consumers reduce their electricity consumption. Our members get full insight into their home energy consumption through visual analytics in the Tibber app, and they can connect different smart home devices to control and reduce consumption.

### Technology that enables energy saving

Tibber encourages the development and use of environmentally friendly technologies, both by offering products in Tibber Store that are designed to help consumers use electricity smarter, but also by developing our own products that enable energy saving. Our first inhouse designed smart home device, Tibber Pulse, sends real time reports on electricity consumption to the app, and provides insights to identify saving potential.

Average electricity  
saving by use of  
smart heating

**9,3%**

**Did you know? About 70% of electricity consumed in households is used for heating. By connecting their heat pump to a thermostat or sensor, and activating smart heating in the app, Tibber customers reduce their energy consumption with an average of 9,3%.**

### Inspiring climate action

Tibber seeks to promote environmental responsibility among our stakeholders and inspire a movement of consumers to take action to reduce their electricity consumption. Some of the best stories about dedication towards home energy efficiency is found among our members. You can read more about the Tibber user who reduced his consumption from 33.000 kWh to 11.000 kWh within a year in Tibber Magazine: [www.tibber.com](http://www.tibber.com)

**55 440**

Tonnes of CO<sub>2</sub>e in  
monthly reduction of  
emissions from  
smart heating

**Did you know? If all households in Norway used smart technology to automatically reduce their indoor temperature by 1C° at night and when they are out of the house, it could reduce national electricity consumption with 140 million kWh per month.**



## 100% Renewable energy

Tibber is committed to selling only renewable energy. To secure that members can trace which power plant they buy their electricity from, we add a Guarantee of Origin to the purchase. The user can then view "their" power plant in the app. We choose supplier based on proximity to the consumer and availability of power from each producer. On average we switch power producer once every month.

### 24/7 matching of renewable energy certificates

The current best practice in the energy sector is that Guarantees of Origins have a monthly matching of the power produced and the electricity consumed. To lead the way towards better traceability, and to contribute to renewable energy being produced at demand, Tibber has joined forces with Statkraft, to test how our digital trading technology can facilitate a 24/7 matching of these Guarantees of Origins.

## Promoting a sustainable energy system

In 2020, Tibber participated in three external projects, each demonstrating how smart home technology can make the power grid more efficient and reduce the need for infrastructure upgrades.

### Norflex Consumer flexibility offered from EVs and heaters to balance local grid

Norflex is a pilot project aimed to establish a digital marketplace for trading of consumer flexibility in local power grids. In this project, Tibber pools together flexibility from two different device types, panel heaters and EV chargers, in multiple homes, by shifting electric load to times of the day when the grid is less constrained. This flexibility is offered to the local grid owner (DSO) Agder Energi Nett in an automated process.

In another project, Norwegian grid owner (TSO) Statnett invited Tibber as an aggregator to collect flexible consumption from many different consumers and devices and offer it as a reserve balancing service in an automated process. In the pilot, Tibber offered 1 megawatt (MW) from panel heaters and electric cars, and was the first to automatically activate on demand to the mFRR-market in Norway.

In Sweden Tibber got approved, as the first private actor, by Svenska Kraftnät in the FCR market (Frequency Containment Reserve). This means that Tibbers customers can contribute to maintain the frequency balance and ensure a more efficient electricity grid.

**6.488**  
**tCO<sub>2</sub>e**  
Total emissions  
of CO<sub>2</sub>e from  
Tibber in 2020

## Carbon Accounting

While Tibber's most important mission is to empower our members to reduce their electricity consumption, we have a responsibility to set science-based targets and actively work to reduce emissions from our own activities. Every quarter we track, measure and report internally on our direct and indirect greenhouse gas emissions (scope 1, 2 and 3) in accordance with the GHG-protocol. As a part of the accounting process, we also perform Life Cycle Assessments for the products we develop ourselves.

**Did you know? The calculated environmental footprint from our hydro power is 3,3 grams CO<sub>2</sub> per kWh in Norway and 10 grams CO<sub>2</sub> per kWh in Sweden and Germany. As a comparison, the Norwegian electricity disclosure was calculated to 396 grams CO<sub>2</sub> per kWh in 2019.**

**Did you know? The Life Cycle Cost of Tibber Pulse is 8,2 kg CO<sub>2</sub>e per unit. An average smart phone has an environmental footprint of approximately 60 kg CO<sub>2</sub> per unit, excluding network usage.**

1. Energy retail  
Calculated Life Cycle Costs from Tibber purchased renewable energy (6164 tonnes CO<sub>2</sub>e)
2. Hardware production  
Production, transport and use of hardware developed by Tibber (135 tonnes CO<sub>2</sub>e)
3. Transport webstore  
Transport of products to and from Tibber Store (119 tonnes CO<sub>2</sub>e)
4. Office operations  
Electricity, heating and waste generated from operating Tibber offices (46 tonnes CO<sub>2</sub>e)

## Actions to reduce emissions

Based on initial findings from our carbon accounting and Life Cycle Assessments, we have taken actions to reduce emissions from our activities:

- We have renegotiated our transport contracts to reduce weight and waste from Tibber Store products.
- We have changed main supplier in our value chain to reduce transport from hardware production.
- We have launched a return programme where we offer to take back Tibber Pulse devices to refurbish and resell them in Tibber Store.

**200**  
Refurbished  
Tibber Pulse



## 2 Human rights

### Supply Chain Management

All employees in Tibber have an employment contract compliant with relevant labour, HSE and human rights regulations. We have no tolerance for human rights violations and expect our value chain partners and suppliers to share this approach.

Our expectations have been formalized as legal requirements through a Code of Conduct, which will be implemented into key partnerships and supplier contracts. This Code of Conduct addresses relevant aspects from the Ten Principles, the UN Sustainable Development Goals and Tibber's impact strategy.

5

**Key suppliers  
requested for  
documentation**

We have requested documentation and policies regarding sustainability from our key hardware suppliers, as an initial review of their approach, actions and achieved results.

To further enhance sustainability in Tibber's supply chain, we are initiating workshops with key partners and suppliers to identify challenges and potential for collaboration on material aspects.



## 3 Labour rights

### Diversity

**100**

Employees  
in Førde,  
Stockholm,  
Berlin and  
Helsinki

Tibber welcomes diversity in our workforce, with employees from 19 nationalities. 36% of employees are women, 50% in the top management team. Our Head of People is responsible for non-discrimination practices and employer welfare.

As Tibber continue to scale and expect to employ approximately 200 people by the end of 2022, a 100% increase within a year, it is essential to ensure that our recruitment processes promote diversity in our workforce. Our next task will be to implement the necessary policies and routines to secure this.

**19**

nationalities

Our efforts so far have been focused on building a strong company culture where sustainability is a natural and integrated part:

### Sustainability as part of Employee Onboarding

Tibber is rapidly growing, with approximately 80 employees recruited during the reporting period. Thus, our onboarding programme is key to include new employees in the company culture. Besides individual training and a mentor programme, Tibber's onboarding process includes five sessions, where one is dedicated to sustainability.

### 30-day challenge to encourage a sustainable lifestyle

Another action taken was the [30-day challenge](#), where volunteer employees were invited to set a goal to make their lifestyle a little more sustainable within 30 days. They received coaching and inspiration from climate scientist and experts on change. Great examples from the challenge were "yes to digital detox", "no to meat" and "no to unnecessary stuff".

**10-25%**

Of the population is  
required to inspire  
change

**Did you know? That positive sustainable behaviour is "contagious"? When you make a committed choice, and share it with others, you shift social norms. When 10-25% of the population do so, the majority follows. Read more about the 30-day Challenge at [www.cchallenge.no](http://www.cchallenge.no)**

## 4 Anti-corruption practices

### Overall business risks

As a digital B2C energy company, Tibber handles both digital power trading, large volumes of consumer data and personal information about customers.

**1.315  
GWh**

**of renewable electricity  
traded in 2020**

In our overall business risk assessments we have concluded that

1. breach of data protection and privacy
  2. breach of routines in power trading
- represent some of the most prominent risks related to our operations.

To mitigate these risks, Tibber has internal governance policies for

1. IT systems
2. Privacy and data protection
3. Power trading

These policies regulate roles, responsibilities, maintenance routines and internal audits of Tibber's internal processes, security and compliance work. The IT-policy also regulates access control and operations related to platforms and IT systems. The Personal data protection programme secures control with all data processing, and that we have technical, organizational and contractual measures for good security and compliance. The Privacy policy is communicated to customers in a thorough way when signing up.

### Practices to ensure transparency

One of the greatest governance (and reputational) risks in the energy sector is a lack of transparency about the complexity of the energy system, which is especially relevant when communicating to consumers about pricing of contracts. Norwegian Consumer Authorities have criticized energy companies for using price strategies that confuse customers, by offering low price deals with hidden price elements and rapid changes to terms.

As a part of this sector, Tibber has a strong emphasis on full transparency. We have had only one energy contracts since our start, and the membership fee is fixed. Since we use digital trading technology, we can sell electricity to consumers at purchase price, and our only markup is legally required fees and certificates of origin from renewable energy sources. This means we don't make a profit from our members' consumption, and it gives us a better incentive to honestly help consumers reduce their electricity usage.

# The way forward

This Communication of Progress focuses on the Ten Principles and actions taken by Tibber in 2020, but we have already started working systematically with improvements and actions to take in 2021.

Within the four objectives in our impact strategy, these are some of our commitments:

- Set reduction targets for our scope 1-4 emissions. These include direct emissions from owned resources, indirect emissions from purchased energy and indirect emissions from our value chain, but also avoided emissions from our products and services.
- Organize workshops dedicated to the Sustainable Development Goals with our three closest partners and suppliers.
- Participate in a development project aimed at improving the energy value chain, such as better matching of production and consumption of renewable energy.
- Invite employees to a new sustainability challenge.
- Have a more systematic approach to diversity in our workforce.
- Develop new functionality in the app to make it even more engaging and inspiring for consumers to reduce their electricity consumption.
- Engage one or more partners in a community challenge to raise awareness of the importance to reduce electricity consumption.

For inquiries about our work with sustainability, please contact me directly at [elisabet@tibber.com](mailto:elisabet@tibber.com)

Sincerely yours,  
Elisabet Kjerstad Bøe  
Head of Sustainability