



Idnet **Communication of progress 2022**

Statement of the CEO 2022

Since the last report, the outside world has continued to take unexpected and unwelcome directions. Restrictions and preventive measures disappeared after the pandemic and was replaced by the Ukraine war. The anxiety affects everyone's everyday life in the workplace and their spare time. A strong corporate culture and well-functioning work environment routines are more important than ever.

The hybrid office is here to stay. Time savings provides many benefits to the puzzle of life. The environment also draws a winning ticket with reduced travel. But there are challenges linked to working from home part-time. Examples are anxiety, stress, and poor ergonomics. Therefore, one of our focus areas has been ensuring the health and a good working environment in this new context. An example of several measures taken at Idnet is introducing the "weekly health maintenance hour".

Another focus area has been the continued work establishing our business concept, "We create sustainable growth." During the year, we have worked on various ways to develop how our solutions help our customers in their sustainability work. We manifested

this by producing an animated film that describes what we do. It is a nice feeling to know that we are helping to create sustainable economic growth and reduce emissions and occupational injuries.

We are also very proud to have established Idnet Innovation & Creativity Day. It follows the UN's Innovation & Creativity Day to encourage our employees to use their various skills for new thinking that leads to a more sustainable world.

And finally, the most extensive activity is the creation of our digital demo hub. It enables our salespeople to conduct more effective sales visits digitally and to a greater extent be able to show how the right IT solution can provide sustainable profits. At the same time, the digital demo hub gives us the opportunity to reduce our own travel.

This report describes the steps Idnet has taken in 2022 in our efforts to integrate the principles of the UN Global Compact into corporate strategy, corporate culture and business operations.

Gothenburg 2022-10-01
Peter Hallinger, CEO





We are
committed.
Always.

About Idnet ---

in two minutes

What we do

In an always-changing world Idnet create sustainable growth by digitalizing warehouse and shop floor processes. Clients achieve increased quality, efficiency, a better work environment and other sustainable and environmental benefits. This leads to increased profitability and a growth in a sustainable way. Customers consist largely of the leading Swedish chain stores as well as e-commerce, 3pl and production companies. Idnet currently has 71 employees, with headquarters in Gothenburg and local offices in Stockholm and Växjö.

Sustainability at Idnet

In recent years, environmental and sustainability issues have become increasingly more in focus. Today, much more emphasis is placed on the sustainability of activities than it was in the past. At Idnet, we have always had a great passion for these issues. We always act from a sustainability perspective; it is a pillar of all the equations we face.

We always consider how our customers will benefit in terms of sustainability. How depends on the conditions and what we are working on together..

It may be that the solution generates fewer returns, which reduces your emissions and any indirect and direct costs associated with this. It may be that the hardware contributes to better ergonomics, which creates a better working environment with fewer repetitive stress injuries and sick leave as a result. It may be that we review our suppliers so that they meet the requirements you place on them based on business ethics and human rights. Or perhaps some completely different issues. However, you can always be sure that our solutions will significantly contribute to sustainability efforts. Of course, we are ISO 9001 and 14001 certified.

UN Global Compact

The driving force of our sustainability work is our commitment to the UN Global Compact - the UN's voluntary initiative for sustainable entrepreneurship. The initiative consists of ten principles based on the UN Declaration on Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the UN Convention against Corruption. Idnet committed in 2013, and today, there are around 500 companies affiliated in Sweden.

So what does this mean

In concrete terms, it is about ensuring that all people are healthy, that we are concerned about our environment and that we conduct our business properly and ethically. But also, that we work to advance our positions within the principles of the initiative.

WE SUPPORT



Sustainability goal

In 2025, all major projects shall be climate neutral. This means that in our daily work, we must always keep people and the environment in mind. Our goals, policies and strategic documents are aligned with our significant risks and environmental aspects.

To achieve this, we must:

- Economize our management of raw materials, water, and energy and primarily use more environmentally friendly alternatives, such as renewable sources.
- dispose of our waste material appropriately.
- monitor and ensure the environmental awareness of our suppliers, manufacturers, and sub-consultants.
- help our customers in their environmental work.
- create awareness among our employees.
- compensate for the business's negative impact on greenhouse gas emissions.
- comply with all applicable laws and regulatory requirements.
- work to continually improve our environmental performance and prevent pollution of water and air.



Our sustainability work is characterized by traceability between sustainability investments and prioritized business goals a structured approach and approach to continuous development using ISO standards proactivity through communication and dialogue with our stakeholders; employees, suppliers, customers, customers' customers, authorities, media, universities, owners and future generations.

Agenda 2030— and the SDGs

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity.

The 17 SDGs are integrated—they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability. Countries have committed to prioritize progress for those who're furthest behind. The SDGs are designed to end poverty, hunger, AIDS, and discrimination against women and girls.

The creativity, knowhow, technology and financial resources from all of society is necessary to achieve the SDGs in every context.

Our selected SDGs

To achieve the SDGs, the world is dependent on engaging the private sector. In 2017, Idnet started work on the Global Goals for Sustainable Development. By linking what we do to a specific goals, it is much easier to get a good structure and to prioritize activities. It is also easier to understand where we need to increase our efforts to contribute to the global goals.

We selected six goals where we see that our business impacts and where we have an opportunity to contribute to positive development. The goals we have chosen to focus on are:

1. No poverty
3. Good health and well-being
5. Gender equality
8. Decent work and economic growth
12. Responsible consumption and production
13. Climate action

How this fits our commitment to the UN Global Compact

Our commitment is a central part of our sustainability work. The commitment is confirmed both internally and externally as the sustainability perspective is included in strategies and daily tasks.

Our compliance strategy for the UN Global compact and our “best impact” strategy goes hand in hand. Focusing on minimizing impact in one area and maximize in another. Both ways contributes to the selected goals.

Communication

The communication of our concrete actions and actual results taken towards the SDGs strengthens trust in our brand and as a employee and partner. The main external communications channels are customer and partners dialogues, our website and the annual report sent to UN Global Compact. All employees can find all information, goals, actions and measurements on our intranet.

We at Idnet are keen to have good relations with all our stakeholders and to create value together. We appreciate that stakeholders contact us if they have questions or comments regarding the content of our code of conduct, our policies and routines, and how we live up to their expectations. Contact information is to be found on website, last page on the Code of Conduct and this report.

How Idnet affect the SDGs



- Delivers solutions with positive impact on work environment and economic sustainable growth
- Works and reports according to the UN Global Compact
- Is ISO-14001 certified
- Has a Code of Conduct
- Has active dialogue with manufacturers regarding sustainability
- Ensures that manufacturers do not use child labor or conflict minerals
- Has policies on human rights, corruption, discrimination, and gender equality
- Participates in "Fair Trade Fika Challenge" and chooses Fair Trade and organic products
- Regularly has joint physical activities that promote health, team formation, and communication
- Supports Team Ryneby/Barncancerfonden and Ung Företagsamhet



- Delivers solutions that reduce bad environmental impact
- Reduces the number of physical meetings through investments that enable more and better online meetings
- Continuously reduces CO2 emissions of company vehicles through new company car policy
- Offers loan of company bicycle including helmet
- Works to increase direct deliveries
- Reduces packaging by removing unnecessary cables etc. that the customer doesn't need

Idnet

Code of Conduct

Wherever you are, whatever you do, you are part of a collaboration. A collaboration based on openness and honesty - that's how we build transparency and trust. Together, as humans, co-workers and business partners, we have a common responsibility to make our world a better place and to build for a sustainable future. At Idnet, we have always had a great passion for this. The driving force is our commitment to the UN Global Compact - the UN's voluntary initiative for sustainable entrepreneurship.

As a help, and a support we can refer to and stick (adhere) to, we have created a Code of Conduct. It summarizes our policies and our expectations of partners and employees. Openness, honesty, transparency and trust are key factors.

Our Code of Conduct is about ensuring human rights, health, decent working conditions and promoting proper business ethics and environment principles along our supply chain. As we work today, we must not forget about tomorrow. We continuously strive to limit harmful environmental impact, and we favor sustainable practises.

To achieve this, we want to work closely with our customers and partners who share and apply the same principles detailed in the Code.

Our customers and also the future generation's trust in us is ours to live up to, and our commitment to continue to deserve that trust is why customers, partners and employees stay with us.

Implementation and compliance

Business partners receive our Code of Conduct in connection with signing business agreements. They must then confirm that they accept the code and explain how they comply with it. They are also encouraged to give feedback regarding the content and are informed about our grievance mechanism.

The process for new employees is similar. During the onboarding, they need to confirm that they accept the code, are encouraged to give feedback regarding the content and are instructed about the ways to report suspicions of violation of the Code.

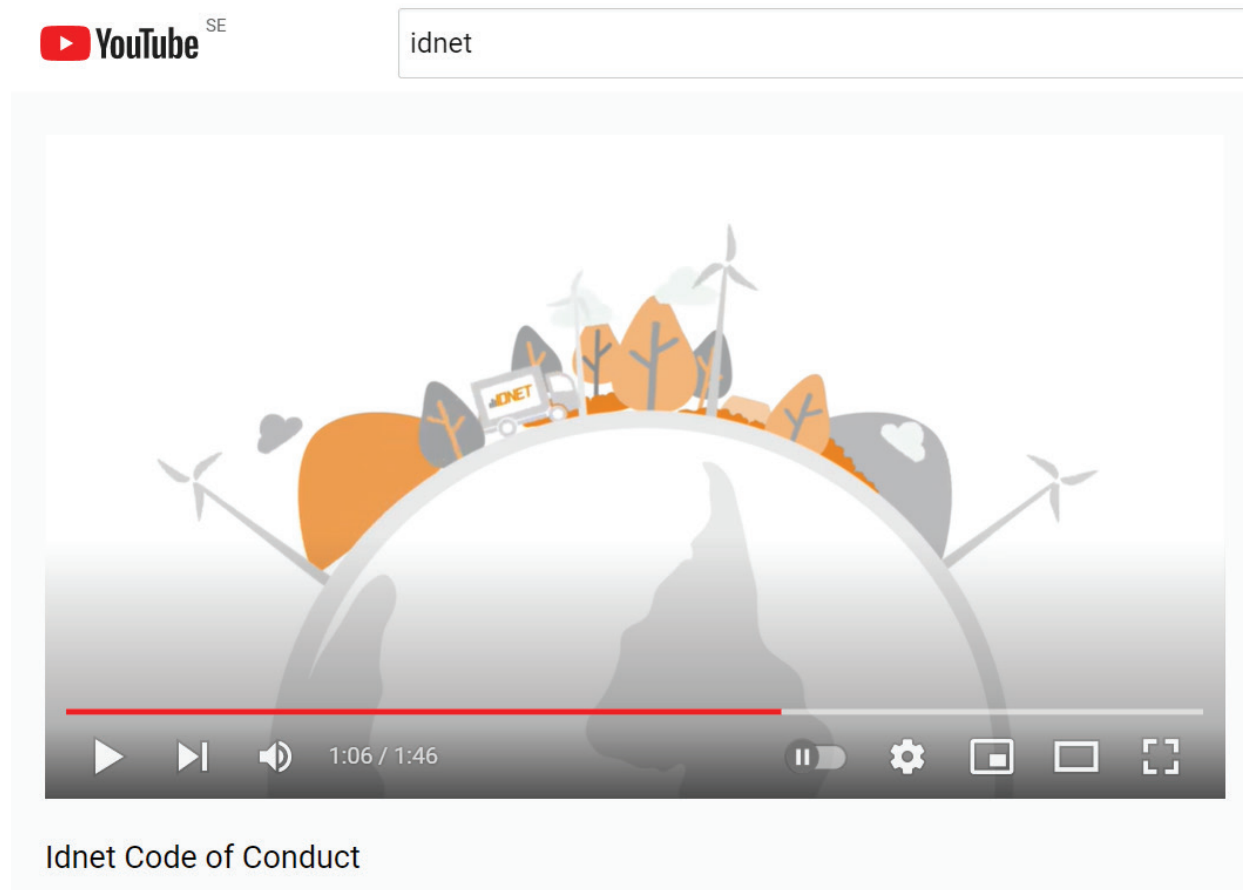
Any suspicion of violation of the Code of Conduct or legislation, must be reported. There are several ways to report suspicions of such violations. In the first instance, employees and business partners' employees report to their immediate manager. If this is not appropriate for various reasons, it is possible to report anonymously via our whistleblowing system.



Click the picture and download the Code

Click the picture 

and learn more about our Code



Sustainability — in our solutions

Our solutions create the most significant difference from a sustainability perspective. In fact, our business idea is “In an always-changing world we create sustainable growth by digitalizing warehouse and shop floor processes.” We are a part of the customer’s sustainability work, there are always sustainability effects on our deliveries.

Environmental sustainability

To achieve environmental sustainability operations should not have a negative environmental impact. In many ways, our solutions help the customer to achieve a better environmental sustainability by fewer emissions:

- A better process accuracy leads to fewer returns
- Fewer consumables leads to less production of electronics and less transportation
- Drop shipments leads less transportation
- More efficient packaging leads to less transportation
- Long life cycle leads to less production of electronics
- Centralized upgrades leads to less transportation

Social sustainability

To achieve social sustainability operations should not have a negative impact on human rights, the work environment, and or business ethics

These are some examples how the ergonomic design of our solutions impact the customers social sustainability:

- The right IT tool for the task and a standardized workflow gives less musculoskeletal disorders and stress
- The ergonomic design of IT tools and standardized workflow gives a safer work environment
- The ergonomic design of IT tools and standardized workflow gives satisfied employees

Economic sustainability

Economic sustainability means that economic growth does not have any negative consequences for environmental or social sustainability. How does our solutions contribute to this for the customers? In many ways! Here are some examples:

- Less wastage
- Lower transportation costs
- Lower packaging costs
- Less sick leave
- A better resource utilization of staff and IT
- Long life cycle: high TCO (Total Cost of Ownership)



Click the picture

and learn more about sustainable solutions





Stakeholders

dialogue

Stakeholder	Way of communication & interaction	Areas of interest
Customers	In the agreement process Code of Conduct Through project meetings Customer surveys Information on web site Social media	Sustainable financial solutions Sustainable ergonomic solutions Business ethics and human rights Transparency, respect and trust information security Carbon footprint ISO-management systems
Employees	Onboarding process Idnet Code of Conduct. Employee interviews, surveys and daily dialogues Leadership program Monthly company staff meeting Safety committee Annual Innovation Day Information on our intranet & web	Company culture Work environment Leadership Gender equality Transparency, respect and trust Business ethics and human rights information security Innovation & improvements Carbon footprint
Partners & suppliers	Partner dialogues Code of Conduct Self assessment surveys Supplier evaluations	Product quality Business ethics and human rights Transparency, respect and trust Carbon footprint
Customers customer	Competitive intelligence Customer dialogues	Business ethics and human rights Carbon footprint
Authorities	According to the legislation	Compliance with applicable laws SDGs
Future employees, schools and education	Social media Trainees Lectures	Company culture Work environment Our contribution to the SDGs Business ethics and human rights
NGO	UN Global Compact Report Sponsorships	Our contribution to the SDGs
Owners and board	Board meetings Sustainable report	Transparency, respect and trust Business ethics and human rights Our contribution to the SDGs
Future generations	Competitive intelligence	Carbon footprint Business ethics and human rights Our contribution to the SDGs

Highlights

since last report

Since the last report, we have made lots of improvements. Maybe not so many in numbers this time as they are a bit more extensive than in previous years:

Health maintenance hour

One of our values is “Curious first movers”. This value encourages us to try new ways to improve our business and for our customers, customers customer and future generations. To promote innovation and creativity, the first Idnet World Creativity and Innovation Day took place April the 21st. All employees participated and the day aimed to raise awareness of the role of creativity and innovation in all aspects of human development. The agenda consisted of workshops, seminars, and challenges.

Annual health month

September was designated Idnet’s health month. During this month, the employees were offered lectures on health, to try various health-promoting activities, participate in challenges and health coffee breaks.

Annual World Creativity and Innovation Day

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Code of Conduct workshops

Workshops linked to our Code of conduct and sustainability have been carried out. Risks and opportunities and how to support the customers in their sustainability work was discussed.

Idnet Concept World-our digital demo hub

Our brand new digital demo hub enables our salespeople to conduct more effective sales visits digitally and to a greater extent be able to show how the right IT solution can provide sustainable profits. At the same time, the digital demo hub gives us the opportunity to reduce our own travel.

“Great place to work” certification

We are very proud of what we have achieved together and place significant importance on protecting our vibrant corporate culture. We develop it by working purposefully on continuous improvements. One input to this is the Great Place to Work employee survey. The outcome of the Great Place to Work employee survey forms the focus for our leadership program. We do very well in these surveys and since 2017 we are certified according to their A Great Place to Work-certification.

Work environment training for all team leaders

Team leaders had a work environment training. The training included legislation and best practices.

Risc analysis &— risc management

The following risks have been identified within our operations:

Work environment

After the pandemic, the hybrid office is now the new normal. At Idnet, we have continued to partially work from home. Risks such as stress, ergonomics and sitting still must be monitored extra carefully when working from home. Since the pandemic, we have carefully followed up everyone's experience in employee surveys. We have continued with this post corona. Every three months, we have conducted anonymous follow-ups regarding how employees make their workday function. The results are presented at monthly meetings and are published on our intranet.

A weekly health maintenance hour was introduced in January 2022. The goal is getting more people active and making use of the wellness grant. This was follow-up with a health month in September.

Everyone has been offered height-adjustable tables for home use.

Through our Health Insurance, all employees can receive call therapy and help with ergonomics.

Environmental

Our operations have a negative impact through electricity consumption, transport, production of the electronics we resell, and print-outs.

Electricity consumption is difficult to influence as we have rented premises and consumption depends on the temperature outside. In warm years we need to provide cooling; in cold years, heat is required. We have sensor-controlled lighting in certain parts of the premises and use Green Electricity. Regarding electronics production, we also do not have much opportunity to influence in other ways except through dialogues with the manufacturers. We depend on the manufacturers, and they are not interchangeable.

For years, we have been successful at getting our print volume down. It not only saves the environment from several different perspectives, but our employees can also use the time they save on printing and handling documents for something more value-creating.

Transport is our most significant negative impact. Where possible, we try to minimize the number of shipments through direct deliveries and packaging optimization, but it is a small part of our deliveries. Instead, we have chosen to focus on business travel, which usually takes place using company vehicles for practical reasons. Since 2021, it is only possible to choose an electric car or plug-in hybrid as a company car.

The pandemic resulted in reduced travel. To always question whether the trip is necessary or can be replaced with a digital meeting is a mindset that is here to stay.

Corruption

In all organizations, there is a risk of bribery and nepotism. To minimize this in our operations, we have developed a code of conduct with clear policies and guidelines and educate employees about business ethics.

Our whistleblower function reinforces these preventive measures and enables suspicion of violations of our guidelines to come to the surface in a transparent way.

Human rights

In all organizations, there is a risk that human rights violations may occur in the form of, for example, harassment or discrimination. There is also a risk that irregularities will not be detected. We work purposefully within our culture, values, and leadership to reduce the risk of this happening. We have clear policies with zero tolerance and follow up annually on how these are carried out through the employee interview process.

As preventive activities, HR attended “Unibiased Day”, learning about the latest trends in open-minded recruitment, diversity and inclusive leadership. We also participated in a Human Rights seminar suite conducted by UN Global Compact Sweden.

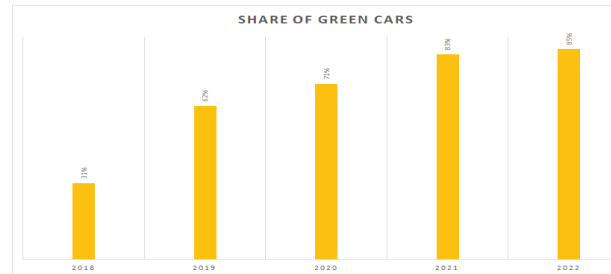
Results ---

since last report

Work environmental

Idnet offer a safe and healthy workplace. Our workplace is and will continue to be free from violence, harassment, threats and other dangerous or disruptive elements caused by internal or external threats. We are dedicated to our goal to have zero (0) accidents, injuries and exposure to health risks. We encourage all employees to physical activity, to have balance between work and private life and that everyone finds working at Idnet beeing enriching and joyful.

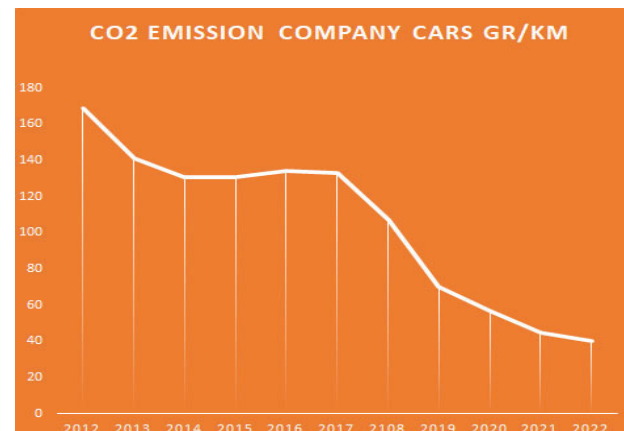
Goal	Result
100% should feel that it is fun to work at Idnet	86% (-4% from prior report)
100% should feel that their work is meaningful.	84% (-2% from prior report)
100% of newly hired colleagues should feel that they were well received	93% (-2% from prior report)
100% should feel that they will informed about major changes in the business	74% (-12% from prior report)
100% should feel that the office environment has a positive impact on work.	79% (-4% from prior report)
100% shall use the wellness grant	76% (+4% from prior report)
100% should feel that this is a physically safe workplace	96% (-1% from prior report)
100% should feel that this is a mentally healthy workplace	75% (-8% from prior report)



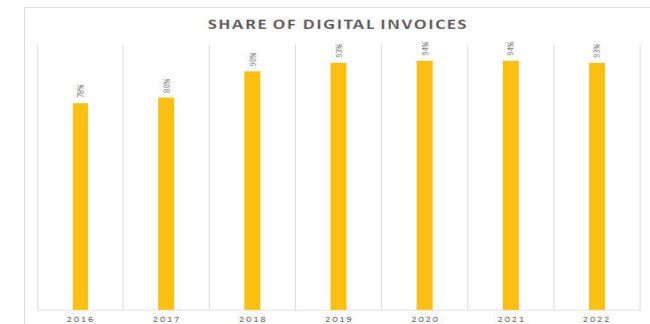
Environmental

The share of "green cars" is now up to 85% of the fleet, 2 % better than in last report.

The Co2-emissions from the company cars has decreased from 45 gr/km to 40 gr/km.



The share of digital invoices has increase of 16% since we started to measure this back in 2016. Today we have 93% digital invoices.



Human Rights

Due Dilligence in our supply chain was done without any remarks. No suspected human rights violations within one's own business or in the supply chain have been reported. The preventive work has continued with further improvements..

Business Ethics

Due Dilligence in our supply chain was done without any remarks. No suspected Business Ethics violations within one's own business or in the supply chain have been reported. The preventive work has continued with further process improvements.

Honesty, trust,
openness and
respect in all
relations.
Always.

We are ————— stronger together

Internships

We offer internships in several different professional roles and have interns regularly from high schools, universities and vocational schools.

Collaborations with schools

We lecture at different schools about our different professional roles, our values and our organizational model.

Stronger Together Friends

We think it is important to share our success. We want to do so with organizations that are doing well in society and that we feel special about. That is why we have chosen to be sponsors of Team Rynkeby/Swedish Childhood Cancer Fund, Jontefonden, Hand in Hand, WWF, SOS Children's Villages and the Red Cross. In addition, we usually sponsor so called Enkronas matches and local youth teams. We also have a partnership with Junior Achievement Sweden, whose activities are aimed at supporting young entrepreneurs.



GÖTEBORG

Vi stödjer



JONTE
FONDEN





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