



COMMUNICATION ON
PROGRESS

This is our **Communication on Progress**
in implementing the principles of the
United Nations Global Compact and
supporting broader UN goals.

We welcome feedback on its contents.

UN GLOBAL COMPACT Communication On Progress

FREJA



FOREWORD



21 December 2022

Dear All,

For our **seventh** update report I am pleased to confirm that Freja eID continues to support the ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption.

Said that, in last year we were focused on digital inclusivity to make people in our society more equal and to make digital services accessible to many.

By the very nature of our business we support public accountability and transparency. Therefore we commit to reporting our progress annually according to the Global Compact COP policy.

Sincerely,



Johan Henrikson
CEO Freja eID AB

INTRODUCTION

Sustainable and responsible business is important for Freja eID to be able to create long-term value for the company and our stakeholders. Sustainable business according to our definition means integrating financial responsibility, social responsibility and environmental responsibility in all aspects of our business.

Freja eID AB, has been a member of the UN Global Compact for many years and the ten principles of UN Global Compact and its underlying conventions and declarations are always present in the company's business.

Social sustainability is at the core of Freja eID business. By providing secure digital identities we provide a secure means for people across the globe to interact across digital channels while maintaining a high degree of privacy and personal integrity protection. Thereby we contribute to important social structures and building new ecosystems. Our solutions are crucial for welfare, inclusion, and sustainability both for local and central government in Sweden for offering digital services such as: health and care, crucial financial services such as the Tax Authority, access to Police e-services etc.

Digitalization can also reduce corruption by automating processes. Identity and security related to these are core components to achieve these benefits.

Ongoing political events in the world, especially in Europe have strengthened our dedication to delivering innovative solutions for strong and secure digital identities and making them accessible to all members of society.

We are proud to say that the crowning achievement of this year has been the fight for equality. More precisely, the right for all Swedish citizens to be able to access the e-services in Sweden that they have the right to, since 10% of Swedish citizens are currently digitally excluded from them.

The ongoing conflict in Ukraine has also brought many refugees to Sweden. In line with including everyone in digital society in Sweden, we quickly made it possible to register for our service with a Ukrainian passport so that Ukrainian refugees in Sweden had access to an e-ID.

The war in Ukraine also shone a light on a glaring weakness in Sweden's digital infrastructure – the overreliance of all e-services in the country on a single e-ID. In times of crises, the resilience of a country's digital infrastructure is of paramount importance, especially for a country as digitised as Sweden. Here Freja represents an important fail-safe or redundancy solution.

We are also pleased to announce that our efforts have been recognised – Freja won the 'Security Company of the Year' award at Tech Awards Sweden 2022. The event was held on 22 March this year in Stockholm with numerous organisations and individuals participating in six different categories related to technology, security, and innovation.

HUMAN RIGHTS

PRINCIPLE 1: Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.

PRINCIPLE 2: Make sure that they are not complicit in human rights abuse.

We are continuing the fight against digital exclusion in Sweden. 10% of Swedes are digitally excluded because they do not meet the criteria of having the most widely used e-ID in Sweden. Even though there are three state-approved e-IDs in Sweden, the complete market dominance of one has caused it to be mandatory for having a functional digital life in Sweden – accessing the 6000+ e-services that they should have the right to access.

We recognise this unacceptable digital divide as discriminatory and harmful for the healthy functioning of the digital society that Sweden aspires to be. For that reason, we launched our 'Alla ska med' campaign in October of 2022. The campaign reached hundreds of thousands of Swedes and was supported by multiple organisations representing people with special needs, people with disabilities, people with autism, the elderly and more.

The aim was to raise awareness about digital discrimination in Sweden, of the unfair treatment of people who were being digitally excluded, and that there was a way to solve this problem.

The campaign also included a petition asking the Swedish government to take action against digital discrimination by requiring all e-services in Sweden to offer all government approved e-IDs as login solutions.

The campaign culminated on 5 December 2022, where the Swedish Minister of Civil Affairs received the petition and the collected signatures for the 'Alla ska med' campaign.

Apart from the 'Alla ska med' campaign, we have also been working hard to include Ukrainians fleeing from the war. With the influx of refugees from Ukraine in Sweden, we quickly added support for the Ukrainian passport in Freja. In this way, Ukrainian citizens would be able to have a Swedish government-approved e-ID to identify themselves.

We also collaborated with companies to provide Ukrainian refugees with free legal advice and support during their stay in Sweden.

Freja e/D has offices in two countries



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.

PRINCIPLE 6: The elimination of discrimination in respect of employment and occupation.

Freja eID complies with the relevant laws relating to employment and employment conditions in each country we operate in. We recognize that labor standards and conditions may vary from country to country. We ensure that our employees have satisfactory wages, working conditions and that there is no exploitation of labor.

No person shall be employed who is below the minimum legal age for employment. We place high demands on suppliers that we are in business with continuously, to not take part of or in any way support, any form of child labor.

Freja eID offer equal employment opportunities to all. The persons recruited are selected on merits and are not discriminated because of gender, race, origin, religion, sexual orientation, disability or age. To us, diversity is positive.

All employees shall have a written contract, be informed about and fully understand their employment conditions and rights. The contract shall as minimum contain: working hours, notice period, wages and frequency of payment.

A normal working week is 40 hours, unless otherwise regulated in national legislation. Employees have the right to yearly holidays and parental leave.

All employees shall be free to form and to join, or not to join, trade unions or similar employee representative organisations.

Freja eID has a policy regarding the working environment and is responsible for work not to endanger the health or safety of employees.

Throughout 2022, we have continued to support remote working for employees. The primary reason was to accommodate employees' health and safety concerns, especially near the beginning of the year. For employees wishing to work from the office, we provided all WHO recommended measures in all workspaces.

Additionally, we have found that remote working has significantly benefitted our employees' work-life balance without compromising productivity. On the contrary, we have found that remote working has been beneficial to people's overall welfare and satisfaction. Therefore, we will not be insisting on people forcibly returning to the office, rather, giving them the opportunity to choose freely when to work from home and when to come in.

Steps to correct and prevent physical accidents and injuries as well as psychosocial illnesses are being taken to limit hazards in the working environment. There are various initiatives in our different offices, depending on local needs and requests from our employees. Some of the measures we take to prevent physical and psychosocial illnesses in the work space are giving our employees the possibility to exercise during business hours, and benefit from a wellness grant. Workplace design provisions are also applied in all locations based on local regulations. Where such regulation is not available Swedish norms form the basis of workplace design.

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.

Our business is to help other companies implement digitization. This means that our products and services reduce or eliminate paper-based processes and physical transport. Letters and other documentation can, with our technology, be replaced by digital communication. Physical communication can be replaced by digital contacts and our technology makes it possible for people to work from home /remotely with less travelling as a result.

We only use printing shops that are environmentally certified, and always select paper that is FCS-marked and Rainforest Alliance Certified.

Freja eID has invested in a system for remote meetings between our offices so that we can cut down on travel.

We offer employees to work from home as a step to reduce traveling and also the impact on the environment. Freja eID strive to minimize environmental impact in all parts of the business. The move to a refurbished plant in Upplands Väsby was a part of our efforts to streamline our processes and minimize the number of transports. To manufacture a login token in China, transporting it several thousand miles and then

manage and distribute it in Sweden, of course means leaving an environmental footprint. Freja eID's effort to develop security solutions that use the mobile phone as the login device, are to be seen as part of a reduced climate impact. We believe that the mobile phone of the future will be the entity that most people use to securely connect to various services on the Internet and in line with this, the number of physical devices will be reduced.

Recycling is also a natural part in all of our offices across the world. Sorting paper, metals, foods and plastics is part of this ongoing project. We collect huge amounts of plastic bottle caps in our Serbian office to support the Bottle Caps for Handicapped humanitarian initiative. We are also committed to the EU WEEE initiative to minimize the impact of electronic waste. All our electronic equipment is being collected, reused and/or disposed off in accordance with EU regulations by approved suppliers.

We strongly encourage our employees to drive hybrid cars.

As a member of Nordic Business Alliance our branch company in Belgrade (Serbia) took part in the urban beekeeping project, realized by Belgrade Beecenter. The goal of the project is to support the breeding of bees in urban areas and thus protect the green areas that depend on these noble insects. The first jars of honey, as a result of this action, are already ready for use.

ANTI-CORRUPTION

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

Freja eID has a policy on business ethics. Corruption does not only create problems for the individual company, but also prevents communities from developing, especially in poor parts of the world.

All forms of corruption, including but not limited to extortion, bribery, facilitation payments, nepotism, fraud, terrorism financing and money laundering, are forbidden. Digital payments and transactions – part of our core business, increase the traceability and thus prevent money laundering and other related forms of corruption.

No one shall offer, ask for, give or accept, directly or indirectly, a personal payment, gift or benefit in exchange for favourable treatment intended to influence a business transaction or to obtain a personal or business advantage.

FREJA

www.frejaeid.com

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