

SUSTAINABILITY REPORT

BENIFY *2021*





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ABOUT US AND OUR SUSTAINABILITY WORK

At Benify, sustainability and responsible business conduct means that in addition to complying with laws and regulations, we also have a social and environmental responsibility. Furthermore, we want to be an ethical frontrunner and role model in all aspects of our work. As a provider of benefit services, we have a great responsibility to help our clients to offer sustainable benefits to their employees, which in turn has a positive impact on their lives and well-being. We also have a responsibility to our internal and external stakeholders to be environmentally, socially, and financially responsible in our daily operations.

Our position on sustainability is clarified in our Code of Conduct. In addition, we have policies in all areas, such as an anti-corruption policy, an environmental policy, and a travel policy.

Organizational profile and business model

Benify is a Swedish HR tech company, providing the market's leading platform for benefits, remuneration and communication. With the cloud-based platform, employers can reduce their benefit administration, automate their HR processes, improve their employee communication, and create tailored employee experiences where everyone understands and appreciates the full value of their employment. Thousands of employers around the world use our platform to increase engagement and improve the quality of life for their employees.

The majority of our employees are employed at our offices in Sweden. We also have offices and employees in Denmark, France, the United Kingdom, the Netherlands, Lithuania, and Germany.

This sustainability report highlights how Benify works with sustainability, the potential for improvement we see in areas related to these matters, and the risks we have identified. This is our second sustainability report in accordance with the Annual Accounts Act. We have looked at GRI Standards and used this as a reference but have for this year chosen not to report in accordance with GRI.

The sustainability report refers to the financial year 2021 and constitutes Benify AB's statutory sustainability report. The report applies to all companies within the Benify Group.

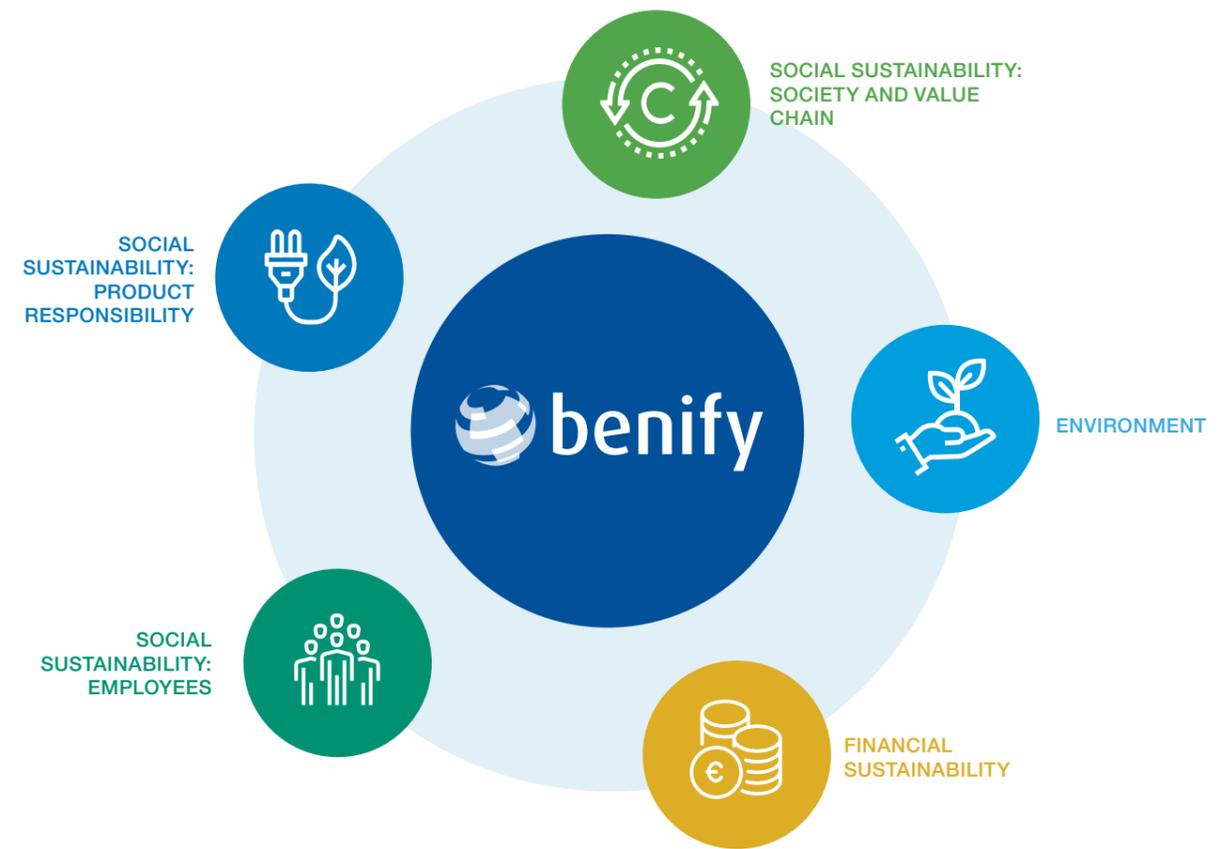
Stakeholder dialogue

We have regular dialogues with our most important internal and external stakeholders – namely our clients, our employees, our owners, end users and suppliers. These stakeholders have been selected as they have a direct or indirect impact on our business or may be affected by our business operations. The purpose of the dialogues is to find out which sustainability issues are crucial for our stakeholders. Benify's latest, as well as first, materiality analysis was completed in January 2019 and through it we identified Benify's most important sustainability areas. The stakeholder dialogue consisted of a questionnaire sent to the respondents and in some cases this was complemented with follow up interviews. The outcome of the stakeholder dialogue is an important part of our strategy and development work in sustainability.

In the environmental field, transport and waste have been highlighted as important issues. Concerning employees, the survey showed that issues regarding equal treatment and non-discrimination, skills development and gender equality are important. Moreover, ensuring easily accessible and a sufficiently large range of sustainable products and services in the Benify platform is also of great importance to our stakeholders. In addition, the stakeholder dialogue shows that client satisfaction and information security are important areas. Finally, human rights and compliance with laws and regulations are also areas to prioritise in our sustainability work, according to our stakeholder dialogue.

Sustainability objectives

Benify's sustainability objectives run from 2020 to 2022. The goals are based on our sustainability areas and are categorised according to the following five areas:



Each target area is in turn linked to one or several of UN's Sustainable Development Goals. Through our sustainability objectives, we contribute to the following UN goals:





ENVIRONMENT

Overall objectives 2020–2022

- Raise awareness within Benify about sustainability and climate change.
- Spread knowledge internally about our travel policy and ensure that our employees comply with it.
- Improve communication about our sustainability work.

Detailed objectives 2020–2022

- We will start measuring our annual carbon dioxide emissions linked to our travels to obtain a baseline value in 2021.
- We aim to reduce our carbon dioxide emissions linked to our travels in accordance with the Paris Agreement, starting from 2022.
- We will have a Sustainability Office Manager in place at our offices starting from 2021.
- We will create a climate report, and carbon offset, for Benify's annual conference 2021.
- We will have an environmental management system in place during 2021.
- We will have our first sustainability report in place in 2021.



GOOD HEALTH & WELLBEING



SUSTAINABLE CITIES & COMMUNITIES



CLIMATE ACTION



SOCIAL SUSTAINABILITY: EMPLOYEES

Overall objectives 2020–2022

- No Benify employee should feel discriminated against or unequally treated.
- We will advocate an accepting and welcoming environment for all Benify Employees
- We aim for all our employees to consider Benify a sustainable and responsible workplace.

Detailed objectives 2020–2022

- We aim to increase gender equality in the executive management team so that it reflects the gender distribution of the company as a whole.
- All Benify employees should have read and understood, and comply with our Code of Conduct.
- 100% of our employees should annually complete and become certified in our e-learning on "Diversity & Inclusion".
- All employees should have completed an e-learning on Benify's sustainability work before the end of 2021.
- We should be at 6.8 or above on average in the work situation parameter in our pulse measurements ("Pulsmätningar").
- Our turnover of staff should be below 18% R12 over the years of 2020–2022.



QUALITY EDUCATION



GENDER EQUALITY



REDUCED INEQUALITIES



SOCIAL SUSTAINABILITY: PRODUCT RESPONSIBILITY

Overall objectives 2020–2022

- Our benefit portal should encourage the end user to make more sustainable choices.

Detailed objectives 2020–2022

- 100% of our employees should annually complete and become certified in our training "Information Security Awareness Training".
- We will contribute to sustainable consumption by continuously taking in more green benefit offers.



QUALITY EDUCATION



RESPONSIBLE CONSUMPTION & PRODUCTION



SOCIAL SUSTAINABILITY: SOCIETY AND VALUE CHAIN

Detailed objectives 2020–2022

- No human rights violations or discrimination should occur within Benify.
- 100% of our suppliers should have signed the sustainability appendix to our supplier agreement.
- In 2020, we should have a partnership in place with an organization Benify supports.



REDUCED INEQUALITIES



FINANCIAL SUSTAINABILITY

Detailed objectives 2020–2022

- We aim to have a training module in place for our employees in anti-corruption and bribery.



QUALITY EDUCATION

THE OBJECTIVES IN 2021

When we sum up the year, we can conclude that we are well on our way to achieving our set goals. About a third of the goals have already been achieved, and the majority of the remaining ones have been initiated, and in several cases are close to being achieved. However, we will not be able to fully realize three of the goals in the Environment area, as a direct consequence of the Corona pandemic.

- We will start measuring our annual carbon dioxide emissions linked to our travel to obtain a baseline value in 2021.
- Our goal is to reduce our carbon dioxide emissions linked to our travel from 2022, in accordance with the Paris Agreement.
- We will report on climate change and climate compensation for Benify's annual conference in 2021.

With regard to the first of these three, we can state that we have annual measurements of our carbon dioxide emissions, which we also report on in this report. But given the Corona pandemic and the fact that travel at work has basically disappeared completely during this period, we have a hard time setting a base value for our emissions in 2021. The Corona pandemic has also made goal number two difficult to achieve. 2020 was the first year that we started measuring our emissions linked to our travel, and given that travel was close to zero in 2020 and during the first eight months of 2021, it will be impossible to reduce our emissions further linked to our travel in 2022. Regarding the third goal, we did not have the opportunity to have a conference in 2021, as a result of the Corona pandemic. Consequently, we have not had the opportunity to implement this goal.

Overall we are on track with our sustainability objectives, and a majority of our goals have either already been met, or are well on the way to being met.



RISKS AND OPPORTUNITIES

	EXPLANATION	ACTIONS
 <p>ETHICAL RISKS</p>	<p>Ethical risks arise if employees at Benify do not follow the Code of Conduct or other ethical guidelines we have in place. It also relates to risks regarding employees being involved in corruption or other irregularities, which can lead to Benify's trademark being damaged, or the company receiving legal penalties as a consequence of these irregularities.</p>	<p>All employees at Benify are expected to read and confirm Benify's Code of Conduct when starting their employment. The Code of Conduct stipulates how all employees at Benify shall act and the ethical guidelines they shall follow. We also have policies that supplement the Code of Conduct, for example in anti-corruption. During the year, we developed an internal E-learning on sustainability, where anti-corruption is one of the areas.</p>
 <p>INFORMATION SECURITY RISKS</p>	<p>At Benify, we handle large amounts of information about our clients and their employees. This information is one of Benify's largest and most important assets. It is therefore our highest priority to ensure that the information receives the highest possible level of protection to avoid the risk of sensitive information being leaked.</p>	<p>At Benify, we take information security very seriously and we have taken great steps to ensure that we can handle our clients' information with maximum security. We are certified according to ISO / IEC 27001 on management systems for information security and ISO / IEC 27018 on protection of personal data in cloud services. We also have all the necessary policies and governing documents in place as guidelines for how we should work with this, which all employees have access to and are expected to follow. Our employees undergo regular training in the area.</p>
 <p>ENVIRONMENTAL RISKS</p>	<p>As a service company, Benify's environmental and climate impact is marginal and therefore the risks associated with this area are considered low. They are mainly linked to our daily office operations, to our product range in the platform, to business trips and to some extent purchases.</p>	<p>Our environmental work is based on our environmental policy and the environmental goals we have set. We also have the environment in mind in our travel policy, where we primarily advocate digital meetings where possible and otherwise travel with a mode of transportation with the least environmental impact.</p>
 <p>HUMAN RIGHTS RISKS</p>	<p>Risks linked to discrimination on the grounds of gender, sexual orientation, ethnic origin, religion, political affiliation, functional variations, or age are always present in employee-intensive activities such as Benify's.</p>	<p>All employees at Benify read and confirm Benify's Code of Conduct when starting their employment. The Code of Conduct stipulates how all employees at Benify shall act and the ethical guidelines they shall follow. We also have a policy for gender equality and diversity, as well as guidelines in this area. Our employees have access to these policies and guidelines and are expected to know and follow them. In addition, we have web-based trainings on gender equality and diversity that our employees attend. During the year, we developed an internal E-learning on sustainability, where diversity and non-discrimination is one of the areas.</p>

ENVIRONMENT

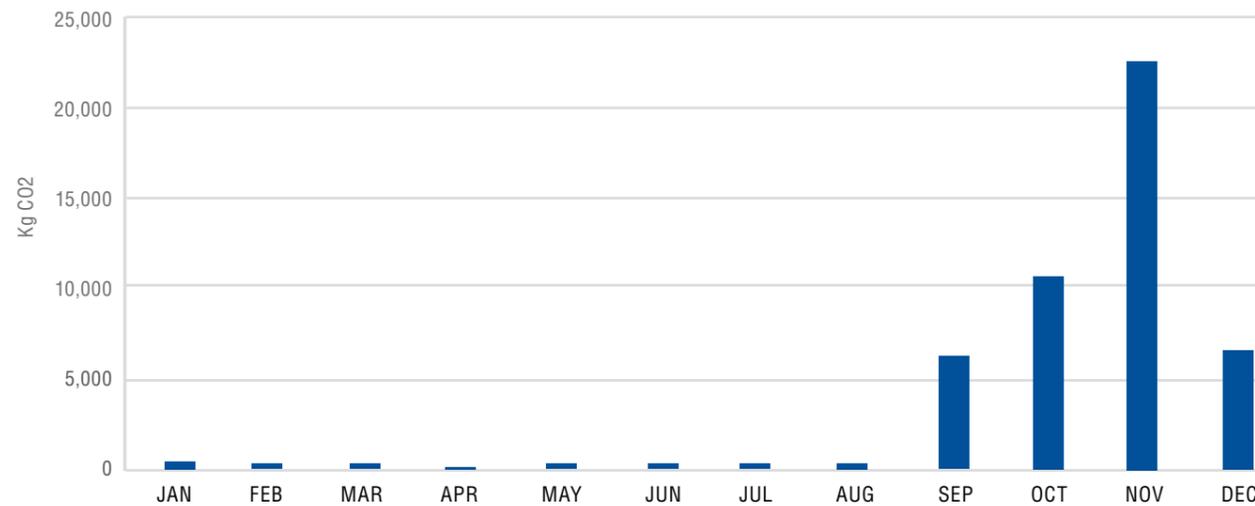
Our position in the environmental area is stipulated in the company's environmental policy. In 2020, we set our first environmental objectives for the years 2020–2022. Overall, our ambition is to increase knowledge within the company about sustainability in general and about the environment and climate change. We will also increase our employees' knowledge of our travel policy and ensure that it is followed, as well as increase internal communication about our sustainability work.

Transports and travel

In our travel policy and our environmental policy, we stipulate our position on business travel. In general, the position is that all business trips must be booked with the environment in mind. When it comes to long-distance travel, we strive to replace physical meetings with video or telephone conferences where possible. However, we realize the importance of physical meetings

in creating relationships with clients and colleagues and will therefore prioritize these in some cases. In 2021, however, the Corona pandemic has had a major impact on the number of business trips we have made.

GNG emissions from Air travel



Materials and recycling

At Benify, we make conscious and sustainable choices when we, for example, purchase office supplies, groceries, and other products. We also make sure to enable recycling of materials and sorting of, for example, paper, metal, and glass in our offices.

Over the last few years, we have been collaborating with the company Inrego, which reuses computers and mobile phones for a sustainable future. Every

year, we send used and outdated IT products to Inrego, who in turn carries out reconditioning and upgrading of these products before they resell them. Through this collaboration, we help extend the life of our products, which contributes to a sustainable society and lower environmental impact.

EMPLOYEES

Benify's employees are the company's most important asset and we strive to create and maintain a safe and healthy work environment for our employees. We advocate an inclusive work environment and strive to ensure that all our employees feel a sense of community and belonging in the workplace. The basis for this work is in the internal guidelines and policies that ensure we comply with work environment legislation and associated regulations.

Equality

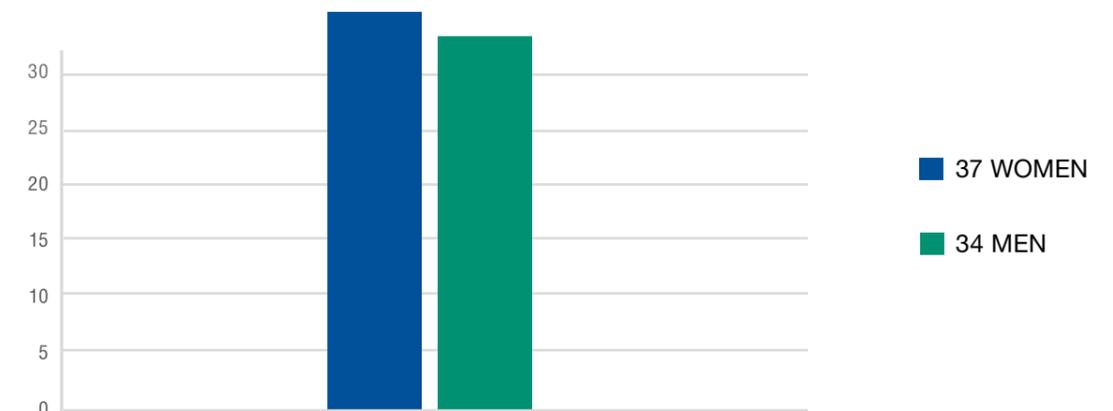
Benify's management team consists of two women and five men, which is an uneven distribution of the company as a whole. This is an area where we aim to become more equal over time. Currently, 49% of Benify's employees are women and we also have 52% women in leadership positions within the company.

We carry out an annual salary survey to ensure that equal work results in equal pay, regardless of gender. Managers are tasked with regularly reviewing wage gaps and are expected to strive for an equal workplace.

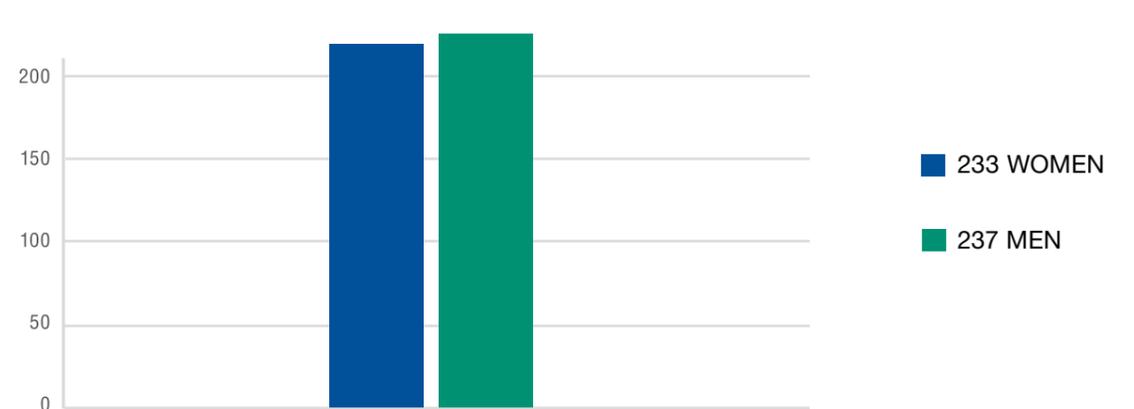
We always recruit based on competence and experience. If it comes down to two people of different genders who have equal competence, we employ the person of the underrepresented gender.

Benify has a budget dedicated to the internal network Benitas. Benitas is run by female employees and organises activities with the purpose of increasing employee engagement among women at Benify and to increase the interest and influence of women in Tech.

Manager gender distribution



Employee gender distribution



Skills development

At Benify, we work long-term to ensure access to well-trained employee and to secure and develop our position on the market. We work based on a lean model where learning is part of our daily work and collaboration with others. The daily operation is complemented by specific training when the need arises. In the long term, our plan is to create sustainable training initiatives to attract and retain competent employee.

We work as much as possible with internal recruitment to offer our employee the development opportunities they strive for. Benify values the individual's personal knowledge and therefore encourages employees to initiate their own development. If employees want to develop in a specific direction, there are great opportunities to do so, especially if they take initiatives and drive suggestions forward.

Equal treatment and non-discrimination

Benify must be an equal workplace free from violations and discrimination, where everyone has the same prerequisites and opportunities. To ensure that we comply with this, we have set up a whistle-blower function with an associated reporting function where employees can report experienced, or suspected, violations or irregularities anonymously. To ensure and

easily follow up on how the organization is doing and to identify if someone feels violated or discriminated against, we carry out weekly surveys among all employees. Through this tool, we ask questions on the topic, and employees can anonymously leave comments or chat with HR or their closest manager to underline challenges or the need for action.

We have set clear guidelines on gender equality and discrimination in our Equality & Diversity policy and the policy document Benify's Equality & Diversity Guidelines. In the introduction that our managers undergo, they receive training in responsible recruitment and how they as managers can ensure equal treatment and non-discrimination. Our Diversity Success Plan is updated annually to ensure that we work to promote equality and equal treatment as well as counteract discrimination.

Every year, we award Core Value Awards to employees who have excelled in treating others well. The purpose is to recognize those who excel, but also to encourage good habits and kind behavior within the organization.



Exceed Expectations



Show Love



Think Ahead



PRODUCT

Benify Marketplace's goal is for sustainability to be an obvious part of the range of benefits and to constantly develop sustainable offers and products. Benify should be the number one tool for a more sustainable style of living and consumption for clients and employees. Our range of benefits in the health and well-being category consists of much more than just the arranging of wellness services. There is also conversational support, counselling, and services to prevent mental illness. For the conscious consumer, we have also given the sustainable benefits an eco-label. During the current Covid-19 pandemic, Benify has helped clients and employees adapt to a new digital everyday life, and together with our suppliers we have created new benefits that can be used from home in a safe way. This is an important example of how we take responsibility and contribute to helping our clients and users maintain social and economic sustainability.

Sustainability is high up on Benify's agenda and we collaborate with several players to find new innovative solutions in, for example, sustainable mobility and health. Our platform is also an effective tool for our clients to achieve their goals linked to sustainability and employee health, for example through nudging, incentives, flexible benefit pots and targeted communication.

Our platform is also an effective tool for our clients to achieve their goals linked to sustainability and personnel health.

The areas where our platform has the greatest effect today are employee health and quality of life, climate impact, social sustainability and financial security. An example of increased employee health is a Whistleblower service we provide to our clients' employees. It is a channel for employees to be able to report anonymous misconduct in the business. The system provides a structure for the handling so that cases are handled professionally and consistently without unnecessary delay.

Ecolabelling

Benify has developed an eco-label that we call ECO, through which Benify offers extra sustainable benefits with a better environmental focus. This is available so that our end users can feel confident that they are making a smart choice that does not take an unnecessarily toll on the environment. The benefits with this label meet Benify's conditions for being classified as an extra sustainable benefit. For a benefit to be labelled ECO, it must be more environmentally friendly than similar services or products in the same category. Benify cannot guarantee that the benefit is

100% environmental friendly, but compared to other benefits, it is a more sustainable alternative.

All our suppliers that are ECO-labelled have a sustainability focus in some way. Some of our ECO-labelled partners work with climate-smart travelling, others with different types of sustainable collaborations with their suppliers. An example of an ECO-labelled benefit is Benify's SL benefit, where end users can buy an annual travel card and pay in instalments via a salary deduction and thus receive a better price. The offer can encourage the employee to choose a more sustainable transport alternative, while creating financial security since we offer savings that are not otherwise possible.

Social sustainability and financial security through the benefits portal

Our platform offers the opportunity to donate one-off or monthly amounts to quality-assured charities via net salary deductions, or from a flexible benefit pot from the employer. In addition, clients can convey information through the platform and manage the booking of volunteer work, donations and other initiatives for their employees.

The platform also contributes to financial security as our end users can save large sums of money through advantageous offers. The biggest effect is however on their financial security in the future. Currently, hundreds of thousands of employees in Sweden – regardless of salary level – have access to Benify's independent digital pension adviser Lifeplan. Smart algorithms analyze the entire pension holding and provide individualized advice for an optimal fund distribution with regard to expected returns and fund fees. Reducing fees by some percentage points can give several thousand kronor more in future pensions to our end users.

Improve the range of sustainable benefits

Benify's sustainability strategy in the product area is analyzed twice a year as we review trends and results. Thereafter, the strategy is adjusted and updated for the next six months.

We continuously assess our clients' demands and focus through surveys and case studies and compile data based on these. Data collection via a survey is done on an annual basis and we follow up with in-depth interviews with committed clients to create a deeper understanding. Thanks to this approach, we get a clear picture of what our clients demand and their challenges in sustainability. Based on this, we can then adapt our strategy and range.

INFORMATION SECURITY AND COMPLIANCE

Information security is of the utmost importance to us at Benify and one of the cornerstones of our business. Our clients trust us to manage their data, which puts great responsibility on us to ensure that information is handled in a safe manner and in accordance with prevailing laws and regulations. Personal data is something we handle daily and therefore our information security and data protection work is well integrated.

 <p>VISION</p> <p>We are a role model and benchmark within the Information Security sector, taking the lead and proactively responding to future security challenges and contributing to improving corporate social responsibility.</p>	 <p>MISSION</p> <p>We maintain and continually improve a high Information Security standard for our stakeholders by providing high quality advice, security requirements and foster a high-end security culture.</p>	 <p>VALUE</p> <p>We build trust and provide safety to our stakeholders. We mitigate security threats and streamline internal processes to ensure a global competitive advantage and increased profitability.</p>
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Certificates and standards

Benify has a management system for information security and data protection and we already hold the following certifications in the area: ISO 27001, ISO 27018 and ISO 27701. Our many certifications within the ISO 27000 series make us unique in Sweden and is something we are very proud of.

To ensure the physical security of our data centers, they are inspected according to the ISAE 3000 standard. We have also registered to CSA STAR, a global program for security evaluation of cloud providers.

<p>ISO 27001 CERTIFIED Information Security</p> 	<p>ISO 27018 CERTIFIED Cloud Privacy</p> 	<p>ISO 27701 CERTIFIED Privacy management</p> 	<p>ISAE 3000 ASSURANCE Physical Security</p> 	<p>CSA STAR SELF-ASSESSMENT Information- & IT-Security</p> 
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HUMAN RIGHTS

Relationships based on mutual respect and dignity are important to us and apply to our employees, our business partners, and our suppliers. We are committed to respecting and promoting international human rights and labor laws. We also follow the ethical rules of the UN's Convention on the Rights of the Child.

The terms of employment offered to Benify's employees must meet the requirements of local law and relevant ILO conventions and guidelines contained therein. All our suppliers sign our appendix "Ethical and environmental requirements" which clarifies our position in the area towards our suppliers.

In our Code of Conduct, we have stipulated our position on human rights and all employees at Benify take part in and confirm it at the start of their employment at Benify.

CUSTOMER SATISFACTION

Client satisfaction and product quality are essential for us. We conduct annual client surveys in various business areas – the largest and perhaps most important of these is *Förmånskollen*. The purpose of *Förmånskollen* is to help our clients understand what their employees think about their range of benefits, their employer brand and how they compare to others in their industry, as well as give them tools to improve, further develop and navigate in an ever-changing world. Through *Förmånskollen*, our clients receive a fact-based basis for further developing the

benefit offer, the organization's benefits, and their employer brand. This creates great client value and is something we can give back to our clients that they themselves can work forward from. We also produce client-unique reports, industry and overall reports on trends and facts that we share both with our clients, and certain parts, externally. After the compilation, we work actively to improve ourselves and help our clients based on the results. This is something that creates much added value for our clients.

IT for Children and Stadsmissionen

In 2021, we have continued our partnership with the organization IT for Children, an independent non-profit organization from Sweden with operations in Ghana, West Africa. The organization offers access to computers, Internet, and IT education for thousands of school children in Ghana. Our partnership with IT for Children began in 2020 and we have since the start of the partnership contributed with a few donations to the organization. The donations have gone towards scholarships and extended meal programs for school children.

We are also happy to be a partner company of Stadsmissionen Stockholm and thereby be able to contribute to making a difference for people suffering from poverty or disadvantage in our society.

Supporting Vaccine Forward

This year we have chosen to donate a Christmas gift of SEK 150,000 to the organization Vaccine Forward. Vaccine Forward is a fundraising organization for the purchase and distribution of Covid-19 vaccine to the world's 92 poorest economies for the benefit of GAVI (Global Vaccine Alliance) COVAX AMC. Through Benify's donation, we contribute to 1765 people in one of the world's 92 poorest countries being fully vaccinated against Covid-19.

THE AUDITOR'S REPORT ON THE STATUTORY SUSTAINABILITY REPORT

This is the translation of the auditor's report in Swedish

To the general meeting of Flip Lyskamm AB, corporate, identity number 559209-4501

Engagement and responsibility

The Board of Directors is responsible for that the statutory sustainability report has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination of the statutory sustainability report has been conducted in accordance with FAR's auditing standard RevR 12 *The auditor's report on the statutory sustainability report*. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinion

A statutory sustainability report has been prepared.

Stockholm, June 30, 2021

Ernst & Young AB

Anna Svanberg
Authorized accountant



SUSTAINABILITY REPORT

BENIFY *2021*

