

ESG POLICY

Adopted by The Board of Directors on 10 February 2022

1 PURPOSE

Techstep aims to be a positive agent for change in society by actively promoting mobile technology that enable people to work smarter and more sustainable. Sustainability entails responsibility, risk and business opportunities related to environmental, social and governance (ESG) factors, and shall be an integral part of Techstep's business in order to deliver long-term value to customers, employees, shareholders, partners and other stakeholders.

The purpose of this ESG policy is to reflect Techstep's commitment to responsible business practices with respect to people, environment and society.

2 ROLES AND RESPONSIBILITIES

The board of directors has the overall responsibility for aligning Techstep's strategy and ESG considerations. Operationalising the principles into day-to-day operations lies with the CEO, supported by the executive management group.

The executive management sets overall goals and measures for their respective business units, which are anchored in the board. Each executive is responsible for communicating these to everyone in their respective business units and ensure compliance with this policy.

Techstep shall have a dedicated function to ensure sufficient focus on driving sustainability and advancing the company's ESG program.

3 SCOPE

Sustainability in Techstep is about creating business value to the benefit of key stakeholders such as customers, shareholders and employees, the environment and society. ESG is focusing on the way Techstep is doing business, disclosing the company's impact (risk and opportunities) on the environment and society, as well as its management practices for ensuring sound governance:

- **Environmental:** reduction of greenhouse emissions, energy and waste management, circular solutions and climate change
- **Social:** human rights, health & safety, employee relations, equality and diversity, human capital management, community impact
- **Governance:** materiality, management practices (corporate governance, executive pay, board diversity, risk management and internal control), business ethics, bribery and corruption, cybersecurity and data privacy, supply chain management

4 MAIN PRINCIPLES

4.1 Compliance with relevant laws and regulations

As a Norwegian public limited company listed on the Oslo stock exchange, Techstep is subject to the following sustainability legislations:

- The *Norwegian Accounting Act 3-3c* requires Techstep to report on environmental and social impact, working environment, equality, human rights and anti-corruption.
- The *Norwegian Equality and Anti-Discrimination Act* requires Techstep to investigate, assess and report on discrimination- and equality risk in the company.
- The *Norwegian Transparency Act* requires Techstep to carry out due diligence in accordance with the OECD Guidelines for Multinational Enterprises and publish an annual account of human rights and decent working conditions across its supply chain (enters into force 1 July 2022).
- EU Taxonomy and the *Corporate Sustainability Reporting Directive (CSRD)*. The EU Taxonomy is a classification system for sustainable economic activity, to establish an international standard that defines what activities and investments can be considered sustainable for the environment and the climate. With the introduction of the EU Taxonomy and expected implementation in Norwegian legislation, Techstep shall assess to which extent its activities can be classified as sustainable according to the taxonomy and prepare for mandatory reporting in accordance with the CSRD (expected from 2023/24).

4.2 Principles for responsible business

Techstep commits to responsible business by following the ten principles of the United Nations Global Compact, the world's largest global corporate sustainability initiative. Techstep joined the UN Global Compact in February 2022 as part of the company's increased focus on sustainability. This means that Techstep is committed to:

- i. Climate and the environment
 - Work systematically to minimise negative environmental impact from own operations
 - Design and promote solutions helping customers reduce their environmental footprint
- ii. Human rights
 - Operate in line with fundamental human rights as laid down in the UN Guiding principles on Business and Human Rights
 - Systematically promote human rights within own operations and among business partners
- iii. Employees' rights
 - Observe the International Labour Organization's (ILO) fundamental conventions
 - Attend to workers' rights through working with trade unions and by setting clear requirements for and monitoring suppliers
 - Provide a safe, healthy, and inclusive working environment
 - Offer equal opportunities irrespective of gender, age, sexual orientation, or cultural or religious background
 - Treat all employees with understanding and respect, and encourage them to use their abilities in a way that contributes positively to own and company development
- iv. Business ethics and anti-corruption
 - Apply high ethical standards through everything we do
 - Oppose all forms of corruption and financial malpractice within own operations and in contact with partners and suppliers

Specification of the principles that apply for the company and its employees shall be included in Techstep's Code of Conduct and related policies and procedures to ensure implementation of the principles in the day-to-day operations.

4.3 Materiality

Techstep shall build its ESG strategy on a materiality assessment to ensure efforts and resources are focused on ESG issues that has the greatest impact on the business or its stakeholders. Techstep shall frequently review its material topics, as what is considered material may change over time as the company develops or new regulations and requirements are introduced.

An assessment of material topics shall consider the following two dimensions:

- the significance of Techstep's economic, environmental, and social impacts, and
- Techstep's substantive influence on the assessments and decisions of stakeholders.

A topic can be material if it ranks highly for only one dimension of the materiality principle.

4.4 Reporting on progress

Techstep shall continuously follow-up material ESG factors and report annually in connection with Techstep's annual report. Reporting shall include an assessment of results achieved and expected measures going forward. The reporting shall be based on the Global Reporting Initiative (GRI) standard and TCFD. From Annual Report 2022, Techstep shall seek third-party verification. As a signatory of UN Global Compact, Techstep shall also submit a Communication on Progress.

Techstep also supports the UN Sustainable Development Goals (SDGs), consisting of 17 objectives to achieve a better and more sustainable future for all. Relevant SDG's for Techstep to prioritise shall be linked to material topics and be based on an assessment of underlying targets for each SDG.

Change log

Version number	Change	Prepared by	Approved by	Approval date
1.0	CSR policy (New)	CFO, Marius Drefvelin	Board of Directors	18 February 2018
2.0	CSR policy changed to ESG policy	Head of Sustainability, Cathrine Birkenes	Board of Directors	10 February 2022