ITERA

SUSTAINABILITY REPORT

2020
Make a difference

We find the human solutions to complex challenges

At Itera we make a positive difference by creating sustainable digital businesses. We apply our expertise in technology, business and design to transform our customers' businesses, helping them to anticipate and adapt to the future.

What we value:

People

Passion

Purpose

We are innovative

When all's said and done, it's our people who make the difference. At Itera, you will find a diverse and inclusive working environment, and a culture characterised by freedom of thought, relentless curiosity and a constant desire to innovate, to move things forward.

We are passionate

At Itera you'll find 550+ nerds, all highly passionate about their specialist areas. Individually, we're driven to keep on learning and growing, and we work on our personal development, continuing to fuel our passion.

We are competent

We share a commitment to make a positive difference in the world. At Itera, we care about the projects we dedicate our time to and where we apply our skills. We get excited about really meaningful projects – working with customers who share our vision to advance society through the innovative use of digital technology.

We enable the transition the world needs

Itera aims to be recognised as the specialist in creating sustainable business. Our starting point for achieving this position is the best it can be. We have made sustainability a driver for our services and solutions, we have dedicated employees who want to help make a difference – and we have good partners who will accelerate business opportunities into a greener future. And, just as importantly, digitalisation is an essential requirement for sustainable growth.

The pandemic has provided us with confirmation that one of the advantages of technology is that it can deliver significant environmental gains. Itera has therefore had a significant advantage in relation to the new situation for day-to-day work, as we have already been working in a decentralised way using digital channels for a number of years. At the same time, the strict coronavirus measures have reminded us that physical meetings are still important, and that having a good quality of life will always depend on meeting our need for social contact.

Itera will integrate sustainability into its end-to-end services. We help our customers to realise their strategies and innovative business models through technology and communication. We think it is important that both we and our customers demonstrate what we are doing to bring about a sustainable future. We even took the first step as long ago as 2000, when we became environmentally certified. Then it was a matter of curiosity, today it is a natural, integral part of our ambitions, strategies and business.

Our strategy is to take a comprehensive approach to sustainability and business. We have therefore decided to integrate our sustainability work into the group's business strategy starting in 2021. This means that we will no longer have a separate sustainability strategy – for us it is natural that sustainability consists of taking responsibility for society's common challenges and at the same time for us to use this as a catalyst for strengthening our business. For us, it is simply a question of always striving to achieve the group's vision of making a difference.

We have prioritised those of the UN's Sustainable Development

Goals to which we can contribute. This provides us with a direction for how Itera can have a positive impact through its business activities. Smart concepts, including in the area of energy, will be an important focus.

Digitalisation and technology will be key to the opportunities of the future. We are therefore already investing in new solutions that will have a positive impact on our customers and on a sustainable future. Our new Cloud Centre of Excellence, which was developed in collaboration with Microsoft, offers efficient and secure solutions for customers, while reducing energy and material consumption.

"We think it is important that both we and our customers demonstrate what we are doing to bring about a sustainable future"

Living up to expectations

Itera has numerous stakeholders. We affect their day-to-day activities – and they affect our activities. In order to gain insight into what our stakeholders expect and require of us, we completed a materiality analysis in 2019. This provides valuable input for Itera's strategic business decisions.

Itera's primary stakeholders
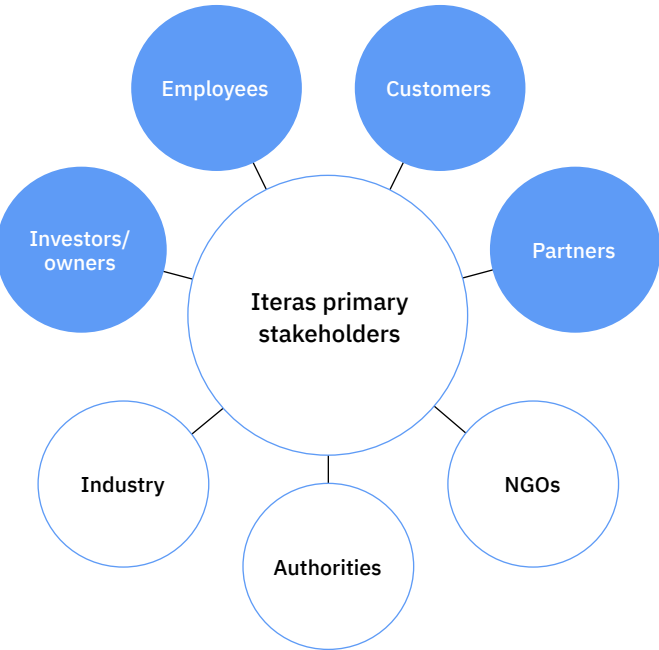
The materiality analysis identifies which stakeholders are important to us and what they think Itera should deliver on. This is the basis for how Itera prioritises its efforts on the areas that will produce the greatest benefit for society and for the company.

The materiality analysis confirmed that our primary stakeholders are our customers, our employees, our investors/owners and our partners.

The following summary is an extract from the materiality analysis:
Technology is increasingly a driver and a pre-requisite for more sustainable solutions. Itera's competitive advantage is that we have expertise, experience and delivery capabilities that can meet our stakeholders' expectations. We constantly aim to integrate sustainability into our deliveries. This creates trust and meets the expectations of our primary stakeholders:

• Our customers will recognise us as an attractive provider if we display clear targets, expertise and an active commitment to sustainable, value-adding solutions. Many of our customers have put sustainability on their agenda and look for partners that can contribute to a sustainable future.

• Our owners and investors increasingly recognise the value of businesses operating ethically and sustainably. Sustainability is smart business, and investors regard this as a requirement for good investment returns.
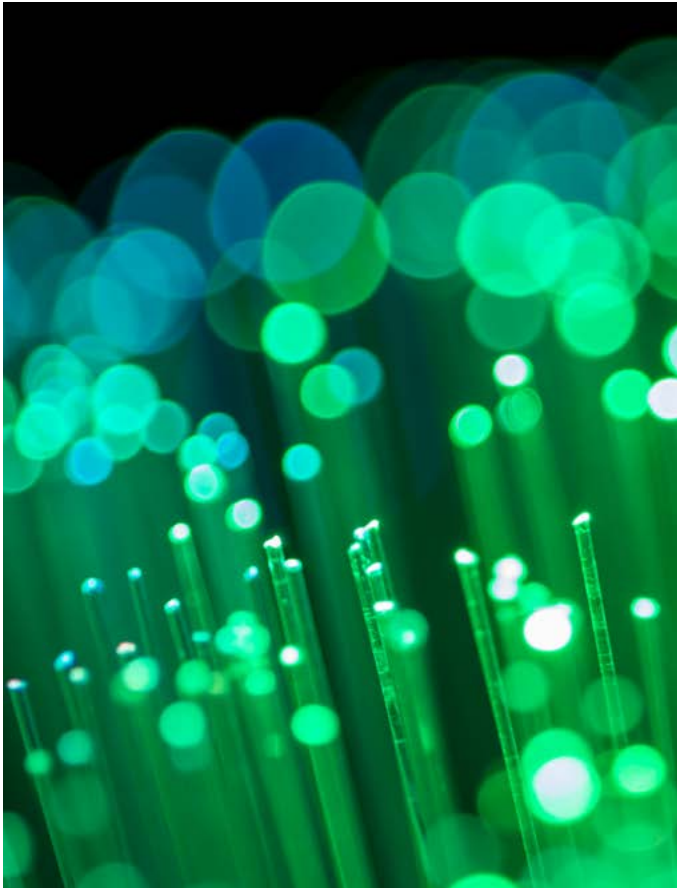
> "Itera has a duty to make a positive contribution. This is communicated by our 'Make a difference' vision"
>
> *Ane Gjennestad*
> CHIEF COMMUNICATION OFFICER

• Our employees are our most important resource. Our employees are committed to contributing to sustainable growth and want a meaningful working day. Through its commitment to sustainability, Itera will seek to ensure that we are an attractive employer for skilled people who want to make a difference.

• Our collaboration partners also want to operate sustainably. We often rely on one another to meet our customers' needs. This means that we need to have the same responsible attitude to what represent the most sustainable and value-adding solutions – for the benefit of our customers and our customers' customers.

Goals for a sustainable business

Itera is committed to being part of the global effort to create a sustainable world. Through our strategy work, it became clear that Itera cannot make a meaningful contribution to all of the UN's 17 Sustainable Development Goals. Our approach is therefore to prioritise those goals where we can make a difference through our company.

Our sustainability strategy work, and the materiality analysis in particular, clearly identified the targets where our business and our employees can make a credible contribution to sustainable development.

Itera believes that technology and digitalisation are helping to create sustainable societies. Big data, cloud solutions, the internet of things and other technologies, in addition to open arenas for democratic processes, are the basis for our shared resources to be managed responsibly.

Itera has formulated and implemented four purposes:
• We realize sustainable innovation
• We integrate sustainability into our deliveries
• We are sustainable in our day-to-day operations
• We collaborate to achieve our goals

Goals prioritised by Itera
The three Sustainable Development Goals set out below have been prioritised by Itera as a guide for our organisation. Over the next few years, Itera will focus on innovation and developing measures and services that are in line with these overarching ambitions.

Industry, innovation and infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

Itera has prioritised measures that mean that we can be a capable advisor to our customers on building sustainable value chains. We´ve put in motion internal competence development activities, including by setting up the Itera Sustainability Academy. In 2020, we also arranged a large event for all of the group's employees at which we presented our strategy and policy for sustainable business.

Sustainable cities and communities

Make cities and human settlements inclusive, safe, resilient and sustainable.

Itera develops sustainable smart concepts via its interdisciplinary teams of specialists. Smart cities, smart mobility and smart energy are important and appropriate focus areas.
procurement activities are as sustainable as possible.

Responsible consumption and production

Ensure sustainable consumption and production patterns.

Itera rewards internal conduct that contributes to responsible consumption. We have ambitious targets in relation to recycling or reusing equipment for which the company no longer has a use. Itera will also set requirements to ensure its procurement activities are as sustainable as possible.
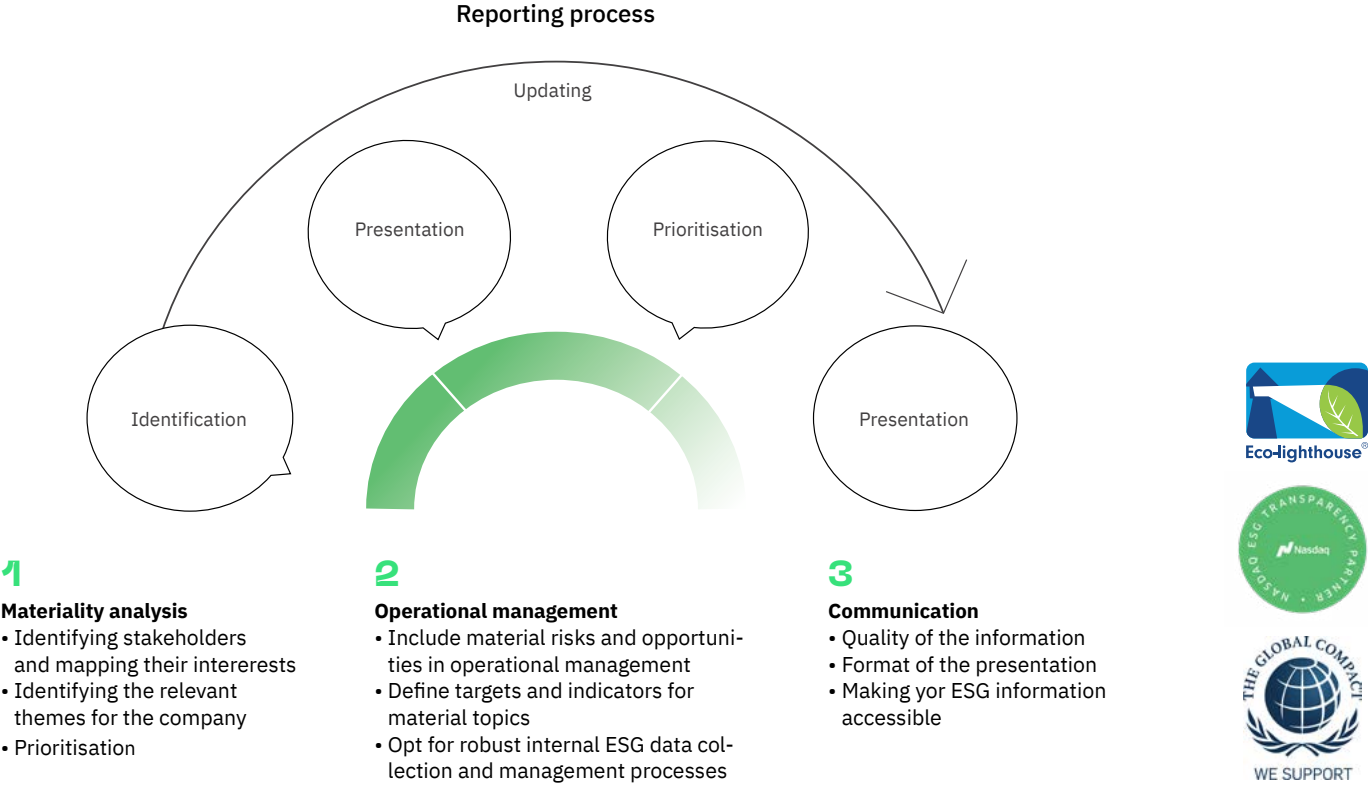
Global effort
The UN's 17 Sustainable Development Goals are the world's shared blueprint for eradicating poverty, fighting inequality and stopping climate change by 2030.

Sustainable development is about meeting the needs of people alive today without compromising the ability of future generations to meet theirs. The Sustainable Development Goals reflect the three dimensions to sustainable development: the climate and environment, the economy, and social issues.

Reporting process

Updating

Presentation   Prioritisation

Identification   Presentation

1
Materiality analysis
• Identifying stakeholders
  and mapping their intererests
• Identifying the relevant
  themes for the company
• Prioritisation

2
Operational management
• Include material risks and opportuni-
  ties in operational management
• Define targets and indicators for
  material topics
• Opt for robust internal ESG data col-
  lection and management processes

3
Communication
• Quality of the information
• Format of the presentation
• Making yor ESG information
  accessible

We are open about what we do

Itera is committed to reporting its sustainability work in a transparent way. This is also in line with the growing requirements to which listed companies are subject.

Itera's objective is to have a set reporting structure that we use to regularly report on our targets, where we are in relation to them, and what measures we have taken for the KPIs we have prioritised.

We have been inspired by the process model for ensuring comprehensive reporting and use of reported data that is recommended by organisations including Oslo Børs. We are on the right path, and in 2021 we have again been certified

as a Transparency Partner by NAS-DAQ. This serves as confirmation of Itera's commitment to sustainability and transparency, including its commitment to ensuring human rights, looking after the environment and operating responsible business activities.

Itera is also certified as an Eco-Lighthouse. This requires us to be open about our environmental impact and the measures we take to reduce our environmental footprint.

Corporate governance
Itera applies corporate governance that is based on the requirements of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance. The separate section on corporate governance provides more information on how Itera complies with Section 3-3(b) paragraph 2 of the Norwegian Accounting Act and the provisions of the Norwegian Code of Practice for Corporate Governance.

How we create value

Itera takes a comprehensive approach to how we contribute to sustainable value creation. Our foundation is formed of our vision and strategy, our strengths, and our core deliveries. When these are combined, value is created for our customers, our employees and our owners.

Our vision and strategy →	Our strenghths →	Our main activities →	Our value creation
Vision Make A Difference	**Expertise** Technology, design and business expertise applied correctly contribute to sustainability	**Realise sustainable innovation** Identify, sell and deliver projects	**Investors** Long-term and ethical investments
Strategic position The specialist in creating sustainable digital business	**Commitment** Employees motivated to make a difference	Test and learn methods	**Customers** Attractive partner with clear standpoints and contributions to sustainability
UN SDGs prioritised by Itera	**Customer portfolio** We can have an impact on many of the largest companies in the Nordics	**Sustainability in deliveries** Skills development through "Sustainability Check"	**Employees** Projects with purpose in a value-based company
9: Industry, innovation and infrastructure		**Sustainable day-to-day operations** We are sustainable in our day-to-day operations	
11: Sustainable cities and communities	We integrate sustainability into our deliveries	"Sustainability Academy" for employees	
12: Responsible consumption and production	We establish innovative and future-oriented partnerships that strengthen and develop our sustainable solutions.	**Collaborators** Identify any relevant partners	

By applying our expertise in digital technology, business and design, we're transforming our customers' businesses and helping them to realise their ambitions for a sustainable future.

Itera's focus on sustainability

Itera has a constant focus on improvement, and sustainability is an important driver for responsible business. In this section we present the initiatives we have prioritized, where we are at present and the targets we have set.

Employee engagement: Actual and target scores

Unit	Actual 2020	Target 2020	Target 2021
Itera Group	8.2	8.0	8.0

Sick leave

Unit	Actual 2020	Target 2020	Target 2021
Itera Group	2.3%	3.0%	3.0%

Working Environment
Number of employees

573
Itera Group

HSE framework

Itera will be vulnerable to poor employee engagement, frequent and/or prolonged sick leave, fire or evacuation or unwanted high staff turnover. Our employees work in a safe and appealing environment where digital and physical collaboration among people is at the core of our working pattern.

By focusing on systematic HSE work with policies, processes, system support and roles and responsibilities, we improve the health and well-being of employees, reduce sick leave and enhance the commitment and satisfaction of employees in a safe and sustainable environment. All in all, Itera provides an attractive workplace.

The HSE targets we have set ourselves are part of our systematic work on health, safety and the working environment. With regard to health, safety and the working environment, our main focus is on promoting employee well-being, preventing accidents and injuries that lead to health problems, and encouraging health-promoting activities.

We have set the following HSE targets:
1. Promote employee engagement
2. Maintain a low sick leave rate

Employee engagement
Itera does not measure employee satisfaction but employee engagement, as we are of the view that this is a strong indicator of employee well-being. The engagement score is an overall indicator of how engaged our employees are (the maximum score is 10). Employee engagement is measured every two weeks by means of a digital survey consisting of around 10 questions. Each employee gives his/her score and feedback on a wide range of relevant topics, such as his/her work-life balance, professional development, workload and adherence to Itera's values. Employees are given the opportunity to share their opinion on which areas and measures should be prioritized in order to improve the results. Based on the input our employees provide, various types of analysis are carried out and different measures to improve engagement are implemented.

Diversity and inclusion
Itera strongly believes that diversity and inclusion make a difference to

Itera, our customers and society. At Itera we share a commitment to making a positive difference to the world. To make this happen, our mission is to create sustainable digital business. We believe all our individual unique characteristics represent the driving force for our winning team in their work to grow our customers and our employees. We believe a diverse culture is a sustainable culture. As a company, Itera cultivates a working environment where everyone feels valued and included.

Itera developed a diversity and inclusion framework in 2020 on the basis of which it will focus on three areas: ensuring representation of diverse talent, enabling equality of opportunity through fairness and transparency, and tackling micro-aggressions and promoting multi-variate diversity. The diversity and inclusion framework will help us to

make a positive difference to our development and hiring of talented people from currently underrepresented groups, while also nurturing a culture where everyone feels welcome and respected.

Greater diversity is correlated with a significantly greater likelihood of outperformance. Furthermore, fostering a diverse and inclusive culture is a critical factor for success: it enables individuals both to shine in their own right and to pull together as ONE Itera.

ODA
Itera's focus on helping to increase the number of women in technology is demonstrated by the fact it is a partner to ODA, the largest network for women in technology in the Nordic region. In September we hosted a digital kick-off event for the 2020 ODA Mentorship program that

was attended by over 80 women. The program is an important shared meeting space for inspiration and motivation and delivers tools for empowering the participants, and together with ODA it promotes technology as a great area in which to work.

SHE
The SHE Index is a catalyst for encouraging stakeholders to focus on diversity and inclusion in leadership and the workforce, equal compensation and work life balance. The Index consists of six categories that focus on different aspects of gender equality.

Itera joined the She Index in 2019 and our first score upon joining was 58 out of a possible 100, and we are very pleased to see that our score in 2020 has increased to 84 out of 100. This is mainly due to the new diversity and inclusion framework we developed in 2020.

Women as a proportion of Itera employees

Unit	Actual 2020	Target 2020	Target 2021
Itera Group	32%	34%	35%
Itera Norway	33%	37%	37%
Itera ASA	71.4%	50%	50%

Diversity and inclusion framework
In 2020, Itera developed a framework for improving diversity and inclusion. This framework will be implemented in 2021 and Itera's senior management team and managers will deliver on our diversity and inclusion agenda and be responsible for our progress as a company. We will focus on three high-level areas of diversity and inclusion:
• ensuring the representation of diverse talent
• enabling equality of opportunity through fairness and transparency
• tackling microaggressions and promoting multivariate diversity

Itera accelerates inclusion
Gender equality is a global challenge and gender parity in labour force participation is one of the most important criterias. 88% of employees do not believe their company is doing what it takes to improve gender diversity. An initiative by MAK and ODA, the "Diversity Equity, and Inclusion Pledge" aims to bring together leaders and decision-makers from businesses and organizations who believe in the value of gender, ethnic and multicultural diversity. Itera has signed the pledge.

ODA is the leading network for women in tech in the Nordics with more than 11.000 members and more than 50 strategic partners across various industries. The network is a non-profit organization, and more than 70 enthusiastic volunteers facilitate events, networking sessions, mentoring and professional expertise with the overall goal to increase gender diversity and inclusion in tech. Together we are on a mission to reach our goal of 40% women in tech.

MAK is a leading Norwegian organization working on systemic change around diversity, equity and inclusion - with a particular focus on ethnicity and gender – as a com-petitive advantage for Norway and Norwegian businesses and organizations. In the past five years, MAK has worked actively and systematically across society, business and community.

**Itera: Climber of the year**
Universum is a global leader in employer branding, and between October 2019 and April 2020 it surveyed over 219,500 students studying business, engineering and IT from the 12 largest economies. Itera climbed 26 places on Universum's ranking of the 100 most attractive employers in Norway in 2020 and was awarded the title of "Climber of the year" in the IT sector. We normally achieve our best results on the Universum survey of students, so we are very pleased that 2020 also us climb strongly in the ranking for the survey covering our target group of professionals.

Summer internship: An important contribution
To contribute to recruitment in a sector where the demand for employees exceeds the supply, Itera runs an annual summer internship program targeted at students at major universities. This program is a strategic tool intended to help Itera to build relationships with the most talented students at an early stage in their education, with some students offered positions at Itera as early as after the second or third year of their master's program. The students are tasked with solving strategic problems in a variety of eight-week customer projects, each led by one of Itera's experienced project managers.

Summer internships
2020

31 students

2021 target:

27 students
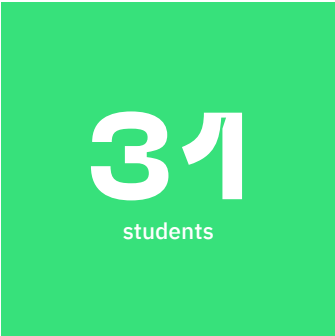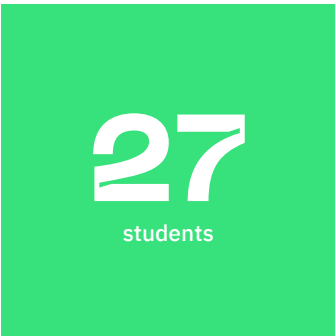
Environment

Itera is a certified Eco-Lighthouse company. This is a natural extension to Itera's history: In 2001 Itera became the first Norwegian communication and technology company to obtain certification in accordance with the environmental standard ISO 14001.

We are committed to operating our business activities in such a way that we avoid damaging the external environment. At Itera, we have a pronounced environmental policy that is reflected across our entire organisation.

Measures:
1. Limit paper usage
2. Encourage use of public transport
3. Sort waste electronic equipment (return scheme).

Transport

Air travel*	2019**	2020	2020
	Itera Norway	Itera Norway	Group
No. of flights in the Nordic region	289	134	135
No. of flights within Europe	175	12	106
No. of flights to the rest of the world	12	6	8

*Roundtrip = 1
**The 2019 figures apply to the Norwegian part of the Group

Car travel	2020
Total kilometres driven	54 665
Total kilometres driven in an electric car	32 000[1]
Litres of diesel/petrol used	1 329
No. company cars	2

1) Estimates

WASTE
(The figures apply to the Norwegian part of the Group)

Residual waste: 5681 kilos
Recycled waste: 3915 kilos
Total: 9597 kilos

Recycled waste

(The figures apply to the Norwegian part of the Group)

Food waste:

2019	2020
1874 kg	1125 kg

Paper and cardboard:

2019	2020
905 kg	985 kg

Sorted wast

	2019	2020	Target 2021
Source-sorted waste	40%	42%	45%
Residual waste	60%	58%	55%

Waste Electrical and Electronic Equipment:

2019	2020
133 kg	125 kg

Hardware recycling
Itera has a target of recycling all computer equipment for which we no longer have a use. Used screens, keyboards and mice are given to employees free of charge. PCs that are no longer being used by Itera are formatted and prepared with a Windows operating system for a new life in low-income families.

Equipment that cannot be reused is disposed of as hazardous waste.

Glass and metal:

2019	2020
432 kg	290 kg

Procurement

We focus on sustainable products. As an example, all our cleaning products, coffee and office supplies are environmentally certified. In 2020, Itera increased its focus on the companies from which we purchase goods and services. We constantly identify which of our suppliers currently have environmental certifications and / or sustainability strategies and establish internal guidelines to ensure that future suppliers also take on environmental commitments. These measures will help us to reach our target for 2025, which is for 90% of the companies from which we buy goods and services to have a sustainability strategy and / or a certification.

(The figures apply to the Norwegian part of the Group)

Number of suppliers that have a certified environmental management system, such as Environmental Lighthouse, ISO 14001, EMAS or equivalent: equivalent or sustainability strategy.

2019	2020	Target 2021
18	28	32

Percentage (%) of purchase volume (measured in NOK) spent on third-party eco-labelled /environmentally certified goods and services:

2019	2020	Target 2025
46%	56%	90%

The figure are based on our 50 largest suppliers.

Sustainability-related initiatives

Mobile telephone scheme
Itera's employees are entitled to NOK 6,000 plus value-added tax every second year to buy a new mobile phone. In 2020 Itera introduced a scheme that rewards all employees who keep their phone for more than two years. This involves employees who choose to keep their phone for more than 24 months seeing their next entitlement increase by NOK 250 plus value-added tax per month. The scheme applies retroactively to the last time the employee purchased a phone.

If an employee uses his or her phone for the entire third year, the additional entitlement amounts to NOK 3,000 plus value-added tax, meaning the total entitlement for a replacement mobile phone would be NOK 9,000 plus value-added tax. If the employee purchases a telephone that is cheaper than his/her total entitlement, the difference can be put toward the next telephone he/she purchases.

Digital signing of contracts
To make life easier for our customers and also to contribute to sustainability, Itera has introduced a solution that allows contracts to be signed digitally. Instead of having to print, sign, scan and return contracts, customers can receive their documents by email and then choose whether to sign them on their mobile, tablet or PC.

Policies

Human rights
Itera is committed to ensuring internationally recognised human rights such as those defined in the United Nation's Universal Declaration of Human Rights and other UN conventions. Itera has operations in countries outside Scandinavia, specifically Ukraine and Slovakia, and considers that the establishment of these workplaces has contributed to increasing the living standards of its employees in these countries.

Anticorruption
Itera does not tolerate any form of corruption.

The Group is exposed through its nearshore activities in Ukraine to a certain level of corruption risk as the country has a low score on the Transparency International Corruption Index. Itera has therefore decided to protect the Group from this risk by not delivering services to the public or private sectors in Ukraine where the problem of corruption is principally found, and by only exporting its services to countries where western business standards are the norm.

The Group has guidelines for all employees concerning the acceptance of gifts and other benefits or advantages.

ITERA

Make a difference

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