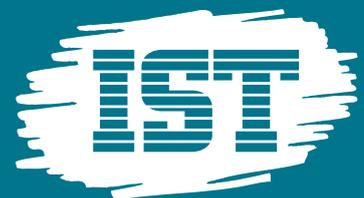


Carbon report

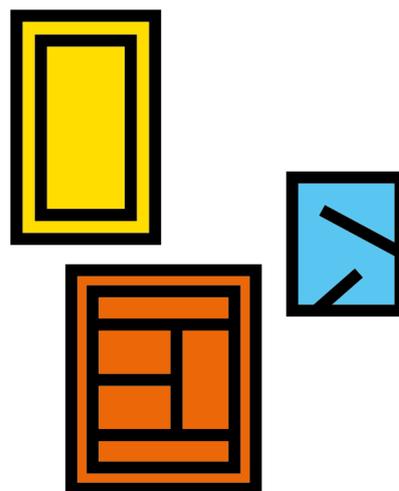
**An overview of our carbon
footprint within IST Group.**

2020



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Together for a better future

Sustainability plays an important part in all levels of our organization, and as a leader in the edtech industry, we strive to minimize our environmental impact and positively contribute to a better tomorrow.

To achieve this, we have been switching to renewable energy in our data centers and offices. We've also minimized our business travels and changed the way we handle our purchases of computers, cellphones and hardware for our data centers, in a long-term sustainable way.

Through our environmental management system, we can address how we utilize our resources, how

much we consume and what we can do to become an even greener IST.

Guided by the UN's Sustainable Development Goals (SDGs), we're exploring ways we can contribute to these goals by shaping the digital learning environment in all our local markets.

Our environmental initiatives are influenced by Goal 12 of the SDGs, **Responsible Consumption and Production**, as well as Goal 13, **Climate Action**.

More information about our sustainability efforts and strategy can be found on www.ist.com.



Mikael Wahlberg
Executive Vice President



Torbjörn Karlsson
Executive Vice President

Our carbon footprint

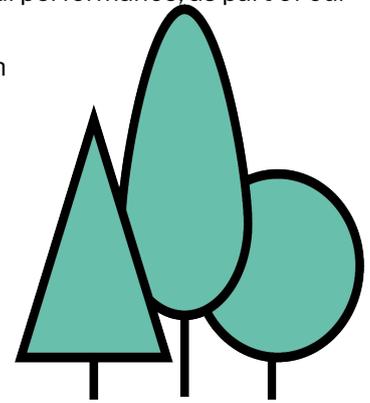
Our carbon footprint is the total amount of greenhouse gas emissions we release into the atmosphere within a given year.

We started to measure our carbon footprint for the entire IST Group in 2019, therefore this year serves as the baseline year for this report.

By keeping track of how much CO₂ we release into the environment, we will get important information

about how we effectively can reduce our negative impact on the climate and how to target these areas to become as environmentally friendly as possible.

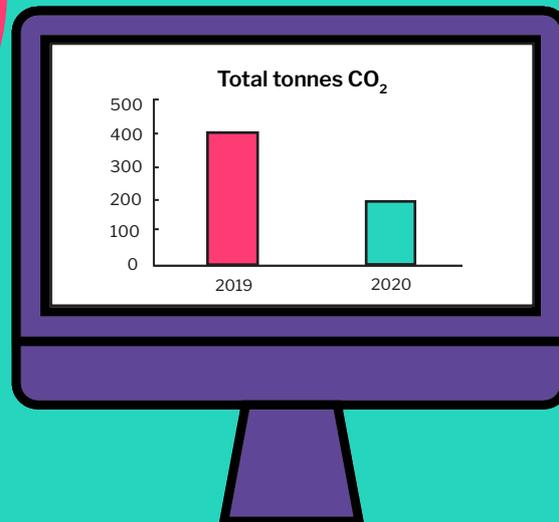
Monitoring our carbon footprint is one way we can track our environmental performance, as part of our environmental management system in accordance with ISO14001.



50%
CO₂ reduction
2020 compared to 2019

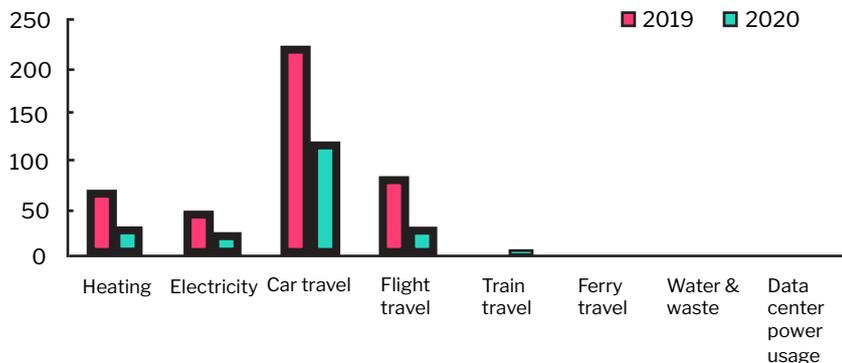
Our carbon footprint was reduced by 50% between 2019 and 2020.

In 2020, the whole organization saved almost 200 tonnes of CO₂, which is the equivalent of the total energy usage of 24 houses for one year*.



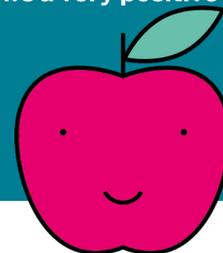
* <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Tonnes CO₂ by emission type



Travelling by car continued to be our largest source of CO₂ emissions in 2020, making up 58% of our total CO₂ emissions. This was followed by electricity and heating, which made up 27% and flight travels which was 12% of our total CO₂ emissions in this year.

However, the CO₂ emissions from all these areas decreased between 2019 and 2020, which shows a very positive development.

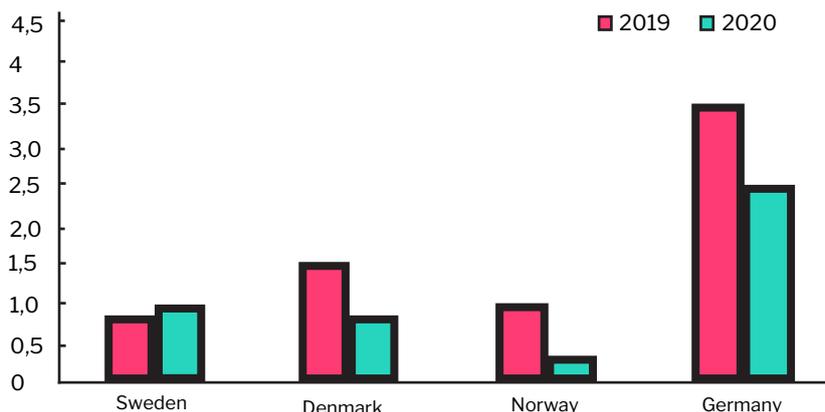


Tonnes CO₂ per employee

If we look at the total amount of CO₂ produced by each co-worker during working hours, we could see that the overall CO₂ emissions were reduced from 0.9 tonnes of CO₂ / co-worker in 2019 to 0.5 tonnes of CO₂ / co-worker in 2020.

Note: travel emissions from Denmark and Germany were not measured in 2019. This should therefore be taken into consideration when comparing the data over time.

Tonnes CO₂ per employee and business region



"How can we maintain a more sustainable way of working after the pandemic?"

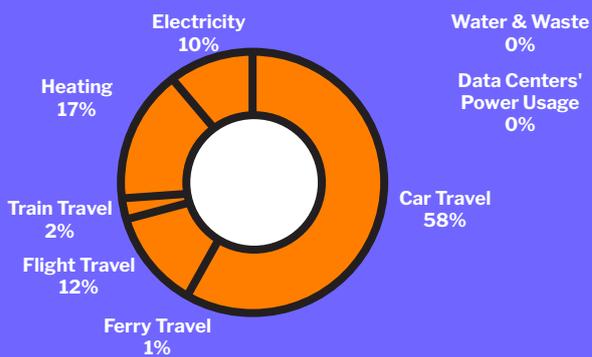


Looking back on 2020, we can see that our new online working habits had a positive impact on our environmental footprint. We have actively saved around 20 tonnes CO₂ in 2020 as a result of us switching to renewable energy sources for electricity and heating. Now, we must evaluate how can we maintain this more sustainable way of working once we start returning back to the offices. How can we bring the benefits of these new ways of working with us in the future? Which meetings can be held online, and which business travels can be replaced? In 2021, and in the years to come, we will need to actively take greener initiatives - even when we're back in the office.

Elisabeth Wandel
Sustainability Manager

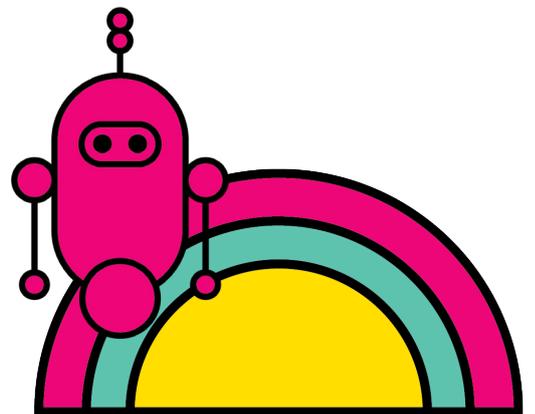


Share of tonnes CO₂ by emission type in 2020

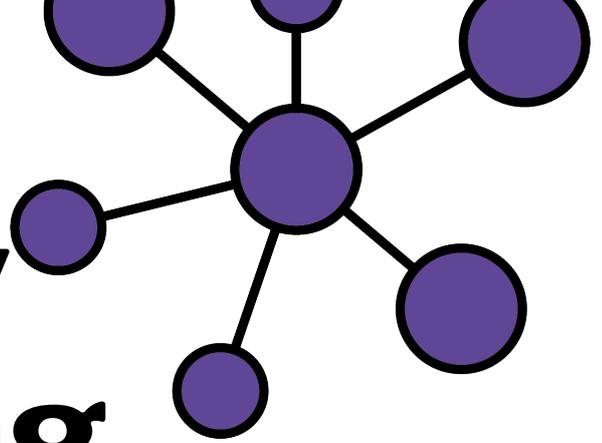


As the chart above suggests, our car travels contributed to the most CO₂ emissions in 2020.

We could also see that the power usage in our data centers, our train and ferry travelling as well as our water and waste consumption contributed the least to our total CO₂ emissions.



Electricity and heating emissions



Half of the total kWh of electricity used in our offices in 2020 came from renewable energy.

At the end of 2019, we switched to green electricity in our office in Oslo, and in Autumn 2020, we made this switch in our offices in Roskilde, Svendborg and Neritz. Our headquarters in Växjö has also been running on green electricity since 2015.

It is possible for us to have such a low carbon footprint because our offices are located in countries where a high percentage of the electricity comes from renewable energy sources.

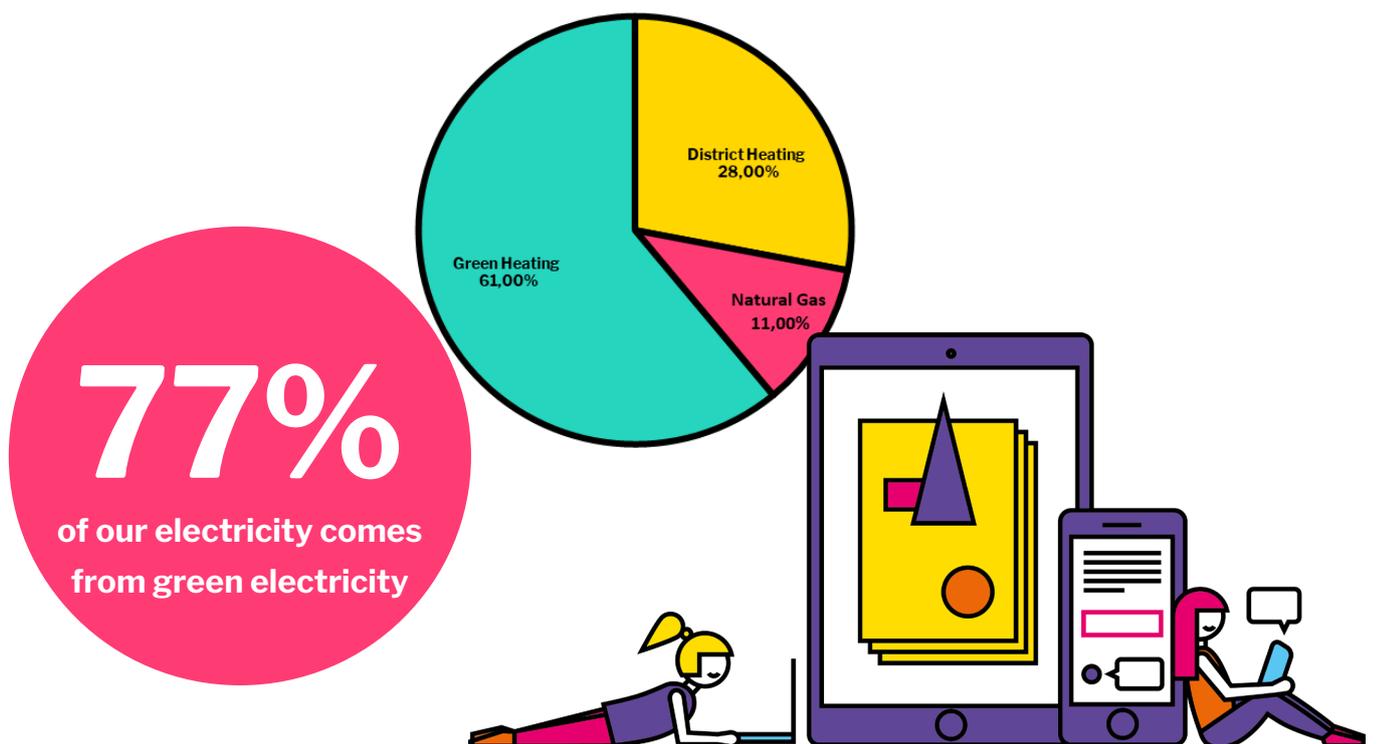
However, buying renewable energy from a guarantee of origins ensures that we are not contributing to fossil fuels, but it may not reduce our carbon footprint

by much. It is especially important to buy green energy from our electricity and heating providers in Denmark and Germany, where there is currently a lower share of renewable energy sources in the national energy mix, compared to Norway and Sweden.¹

Green energy: Electricity from renewable energy sources including wind and hydropower (from a guarantee of origins).

Green heating: Heating from biofuels in district heating, biogas, as well as electric heating, run on renewable energy sources (from a guarantee of origins).

Energy source of office heating in 2020 (kWh)



¹ <https://ourworldindata.org/grapher/renewable-share-energy>



32%
reduction of driven
kilometers 2020

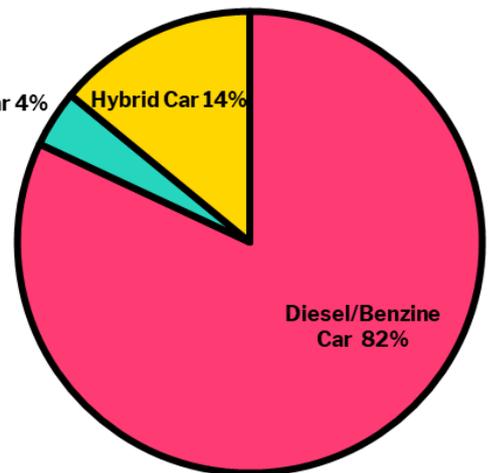
Business travels

Travelling by car made up 58% of our CO₂ emissions in 2020.

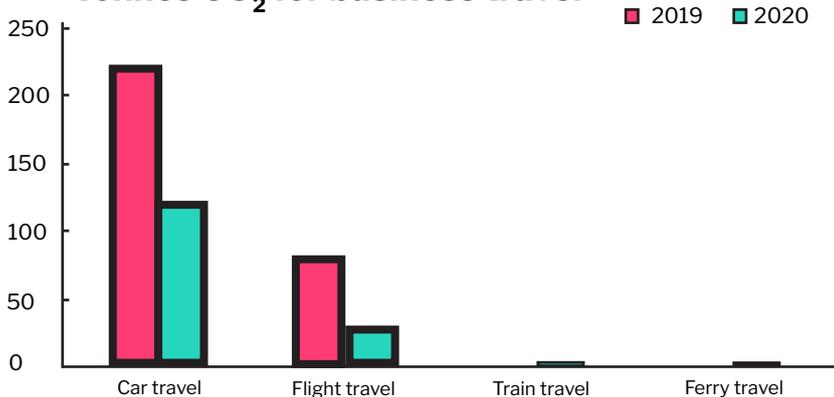
However, our CO₂ emissions due to car travels were reduced by nearly 50% compared to the previous year.

As a result of us travelling less by plane in 2020, we also managed to cut our CO₂ emissions caused by flight travels by 70%.

Type of cars driven in 2020 (km)



Tonnes CO₂ for business travel





Number of return trips 2019 - 2020

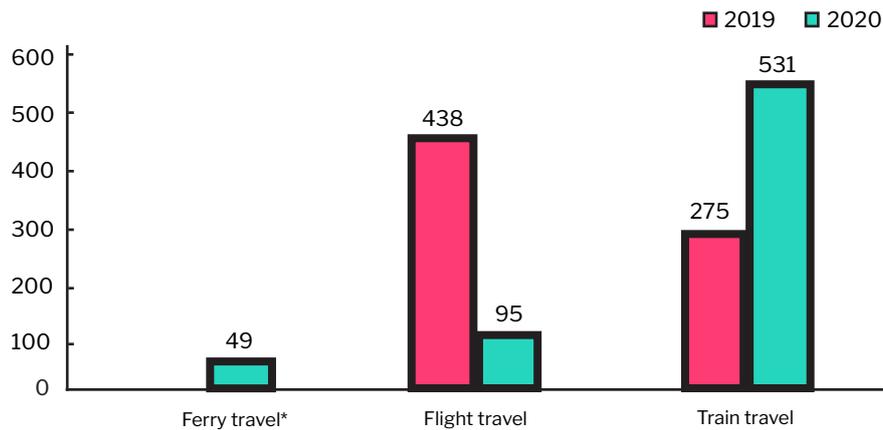
One of the main improvements in the way we reported our carbon footprint in 2020, is that we were able to measure the number of return trips by flight, train and ferry in all the countries we operate in.

This was only possible in our Swedish and Norwegian business regions in 2019, which should be taken into consideration when comparing data over time.

In 2020, we took a total of 675 return business trips, the majority of which were by train. In fact, we took

the train about five times more than we travelled by plane in 2020, which is very positive from an environmental point of view as trains produce less CO₂ than planes.

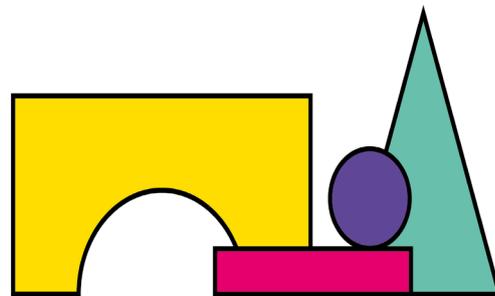
This led us to the most significant change within this category. We could also see that we lowered our number of return trips by flight by 78% between 2019 and 2020. This means that we only embarked on 95 return plane trips in 2020 compared to the 438 flights we took in 2019.



* Ferry travel was not measured in 2019 and is therefore not included in the diagram.



Our digital carbon footprint



When we surf the web, send emails and store files, we leave a digital carbon footprint behind. This is because our digital activity requires transmissions and storage of data which is run by various data servers. The environmental impact of these data servers comes from two main sources; the resources needed to produce them, and the energy needed to keep them running and cooled.

IST Group owns about 100 data servers. The majority of which can be found in our data centers hosted by Interxion, and a few which are placed in our offices. With all of our data centers being powered by 100% renewable energy, our data servers have zero carbon emissions while they are in use. This means that

running IST's solutions have a minimal impact on the environment - both for us and for our customers.

However, it's important to also include the resources it takes to produce the actual hardware of the data servers. It takes an estimate of 139 tonnes of CO₂ to produce our 100 data servers. This is the equivalent of the annual energy usage of 17 households.¹

Having data servers is essential to our organization. Therefore, we aim to find ways to reduce this source of negative environmental impact by optimizing our data usage and storage, buying used data servers and recycling them at the end of life, so parts can be reused.

¹ <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

100%

renewable energy in all
our data centers

0

emissions while our
data servers are
running

139*

tonnes CO₂ to produce
100 servers

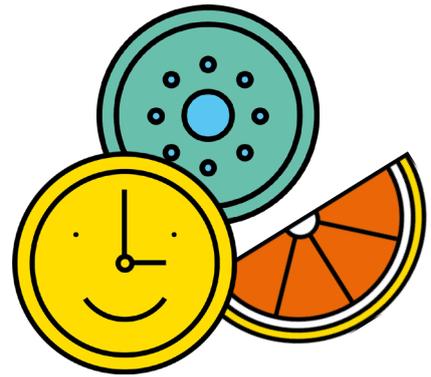
** Located at our data centers and offices. The emissions from the manufacturing, transportation and end of life of our data servers are not included in the annual carbon footprint for IST in 2020 as it covers the total lifespan of the server.*

Business Regions



Our carbon footprint per IST region

Regional overview



We have gathered data and information from all of our four business regions; Sweden, Denmark, Norway and Germany, to see how our carbon footprint might vary between the different countries we operate in.

This data will give us a more accurate idea of how our organization affects the environment as a whole, while showing us areas within our different business regions that might need improvements.

In 2020, the total amount of CO₂ emissions went down in all four business regions. However, it's important to know that a reduction in CO₂ emissions can depend on a number of different reasons.

By switching to more sustainable solutions will, for example, reduce the amount of CO₂ emissions. Although, this does not show that we are changing the amount of resources we consume through our business activities.

Therefore, we have chosen to also compare our actual consumption of resources and show how

our usage has changed between 2019 and 2020.

This will reveal if our actions are actually reducing our consumption, which is essential to become a greener IST.

Going forwards, we will continue to evaluate and work towards lowering our carbon footprint and we hope to also start collecting data from other areas within our organization, such as our purchasing routine, waste disposal from all of our offices and the food we serve in the canteen etc., to account for how these activities affect the climate.

By doing this we can become even more aware of how our organization affects the planet and get a clear picture of what we are doing well and what we need to work on.



Denmark

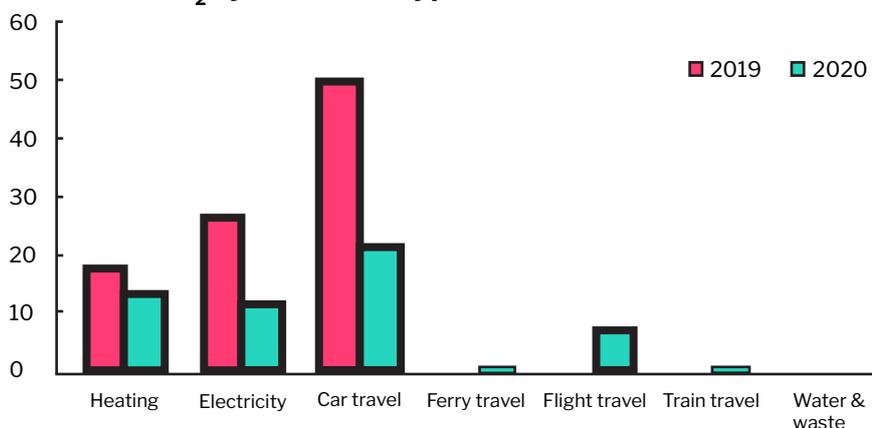


We have two offices in Denmark, one in Roskilde and one in Svendborg. In 2020, we took the step and switched to electricity produced by offshore wind farms in both our offices.

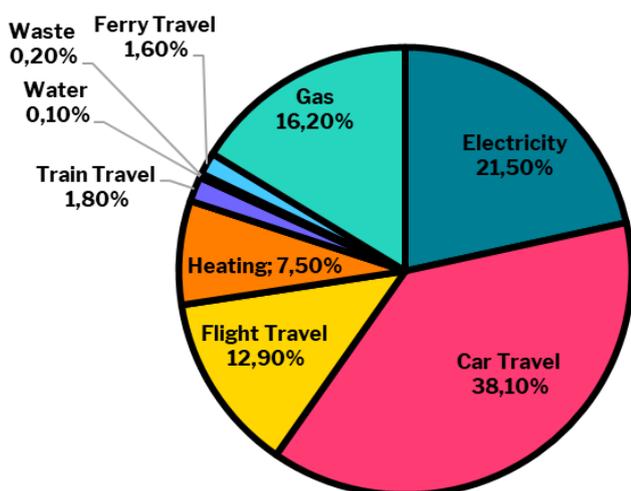
To further reduce our climate footprint and contribute to a greener workplace, we also took several new initiatives in 2020:

- Using rechargeable batteries
- Reducing the number of delivery slots for different goods
- Avoid single-use utensils in the canteen
- Installing LED lighting in the hall
- Sorting food waste
- A water dispenser has been installed to replace the use of bottled water

Tonne CO₂ by emissions type in Denmark



Percentage of tonne CO₂ by emission type in Denmark 2020



In Denmark, more than 50% of our CO₂ emissions produced in 2020 was due to business travels, mainly by car.

In 2020, we could also see that there was an almost equal divide in the amount of CO₂ emissions produced by our electricity and heating usage (district and gas) in Denmark.

Emissions type	2019	2020	% change in consumption	% change in tonne CO ₂	Change in tonne CO ₂
Total electricity (kWh)	130.025	119.631	-8%	-55%	-14,4
Total district heating (kWh)	66.910	60.670	-9%	-23%	-1,2
Total gas heating (m ³)	6.345	5.468	-14%	-26%	-3,1
Total water usage	541	382	-29%	-29%	-0,03
Total km driven	281.599	124.825	-56%	-58%	-28,6

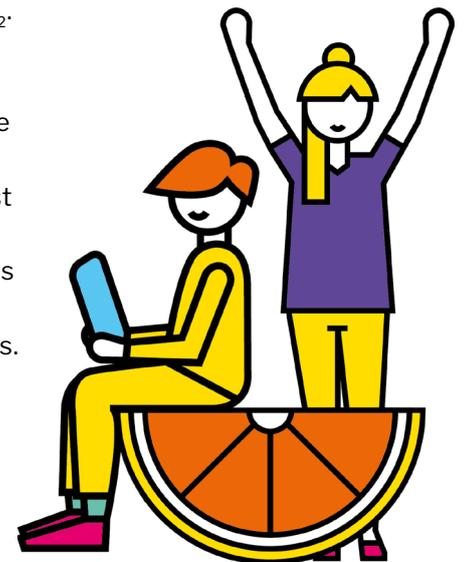
Between 2019 and 2020, our offices in Denmark have, thanks to the previously mentioned initiatives, managed to lower their overall CO₂ emissions by 41%.

In addition to switching to electricity produced by offshore wind farms, both offices reduced their total use of electricity from 130.025 kWh in 2019, to 119.631 kWh in 2020.

Even the usage of heating, gas and water was lowered in these locations in 2020, which contributed to a positive change in CO₂ emissions.

Furthermore, our Danish colleagues also reduced the total number of kilometers they drove in 2020 by 56%, compared to the previous year. This equals a reduction of 28,6 tonnes of CO₂.

We could also see a positive change in the way we travelled in Denmark, as the most used form of public transport in 2020 was ferry travels, closely followed by train rides.



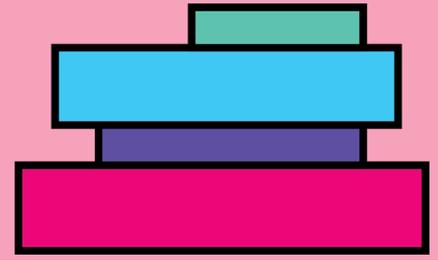
Number of return trips

16

42

46

Germany

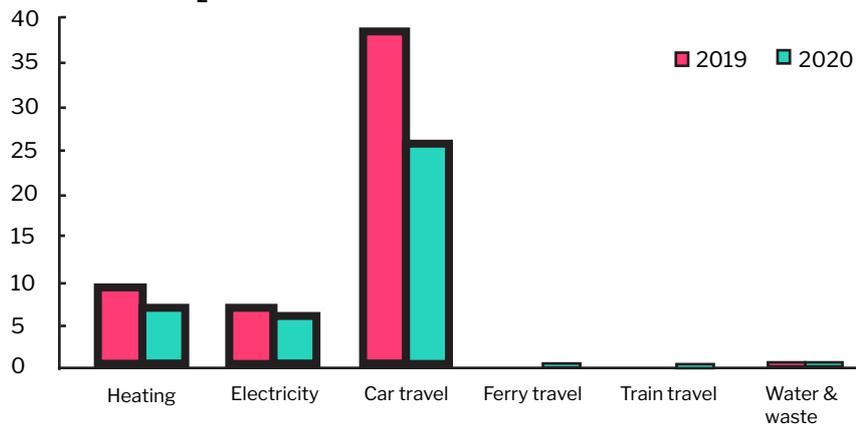


We have three offices located in Germany: in Berlin, Neritz and Schmalkalden. In 2020, our office in Neritz switched to renewable energy sources for electricity and heating.

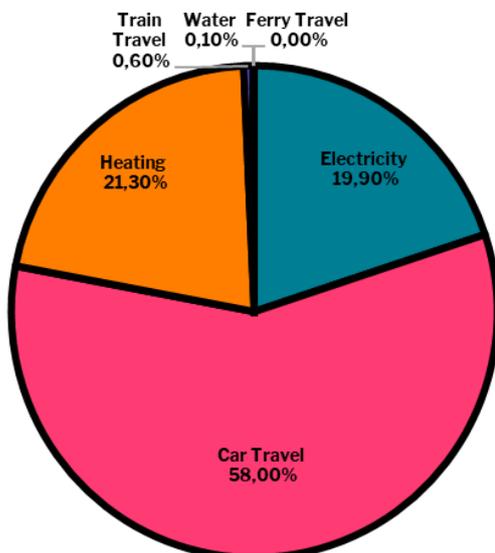
To reduce our environmental impact and to make our offices greener, these initiatives have been taken and implemented in 2020:

- Reduce the number of printouts
- Returning printer cartridges to the manufacturer
- Responsibly and professionally dispose of our electronic waste
- Avoiding using disposable cups
- Only running the dishwasher once a day
- The data center provider, Strato AG, runs on 100% renewable energy and is climate neutral

Tonne CO₂ by emissions type in Germany



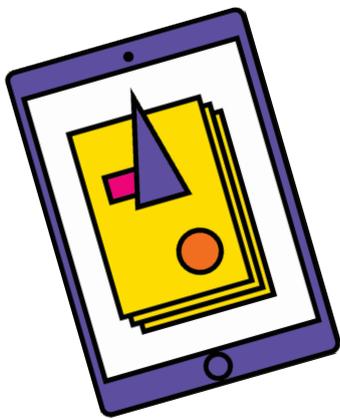
Percentage of tonne CO₂ by emission type in Germany 2020



In 2020, travelling by car was clearly the largest CO₂ contributor in our German business region, making up 58% of its total CO₂ emissions for that year.

We could also see that electricity and heating (gas and district) made up 41% of the total CO₂ emissions in our German business region, while water usage and ferry travels produced the least CO₂.

Emissions type	2019	2020	% change in consumption	% change in tonne CO ₂	Change in tonne CO ₂
Total electricity (kWh)	46.159	44.133	-4%	-8%	-0,7
Total district heating (kWh)	34.216	34.989	+2%	+1%	+0,04
Total gas heating (m ³)	3.112	1.986	-36%	-45%	-2,4
Total water usage	204	204	0%	0%	0
Total km driven	214.000	155.500	-27%	-34%	-12,7



In our three offices in Germany, we could see an overall positive change in the total amount of CO₂ emissions produced in 2020.

In addition to the greener initiatives previously mentioned, our German colleagues also travelled less in 2020, and the entire business region made zero return trips by plane in this year.

Although we do not have the data to compare this to the previous year, it is a very positive factor from an environmental point of view as a return flight from Berlin to Stockholm, for example, would emit around 220 kg of CO₂.¹

Despite the slight increase in our usage of district heating, we could see a more significant reduction in gas heating and electricity usage throughout 2020.

Despite this, the German business region still managed to reduce their total CO₂ emission by 27% between 2019 and 2020.

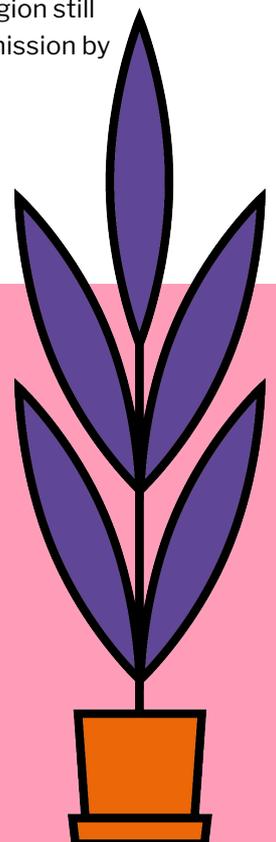
Business travels for Germany 2020



Number of return trips

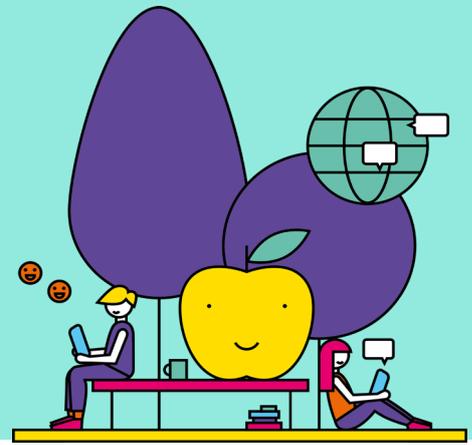
10

1



¹<https://flightemissionmap.org/>

Norway



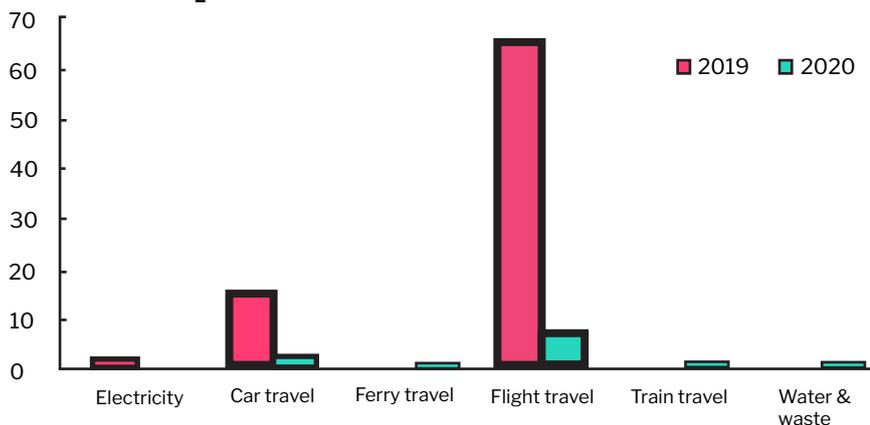
Our office in Norway has been environmentally certified by Miljø Fyrtårnet since 2009.

The electricity provider in our current office in Oslo has been running on 100% renewable energy from hydropower since the end of 2019.

Therefore, the environmental focus for our Norwegian office in 2020 has been to make the purchasing routines more sustainable by choosing environmentally certified office supplies and cleaning products.

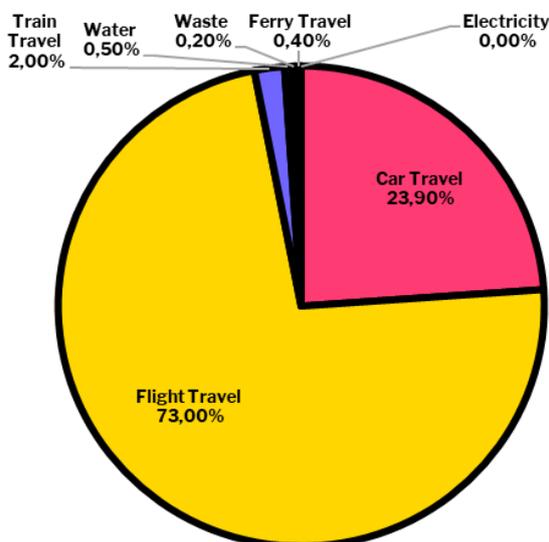
In addition to this, we have also tried to reduce the number of deliveries we receive.

Tonne CO₂ by emissions type in Norway



**the heating in Norway is electric, therefore there is no category shown for heating.*

Percentage of tonne CO₂ by emission type in Norway 2020



Within our Norwegian business region, flight travels contributed to more than 70% of its total CO₂ emissions in 2020.

We could also see that the electricity used in our Oslo office did not contribute to the overall CO₂ emissions. This is because this office has been running on renewable energy since the end of 2019.

Emissions type	2019	2020	% change in consumption	% change in tonne CO ₂	Change in tonne CO ₂
Total electricity (kWh)	262.875	248.099	-6%	-100%	-2,4
Total district heating (kWh)	-	-	-	-	-
Total gas heating (m ³)	-	-	-	-	-
Total water usage	125	267	+114%	+114%	+0,03
Total km driven	85.327	29.359	-66%	-84%	-12,6

The efforts to become more sustainable within our Norwegian business region have had a fantastic outcome, as the business region lowered its overall CO₂ emissions by 88% between 2019 and 2020.

Our colleagues in Norway managed to reduce their electrical consumption by about 6%. One aspect to point out though is that our office in Oslo runs on electric heating powered by 100% renewable energy, which is why there is no data to show for district and gas heating.

Our Norwegian colleagues also lowered the distance they drove by car by about 56,000 km in 2020 compared to 2019. This reduction symbolizes a change in consumption by 66% and a change of 12,6 tonnes of CO₂.

Even the number of return flights went down

by 73% in 2020, and the most popular method of transportation within this business region was train travels.

The increase in water consumption can be explained by the fact that the municipality estimated our water usage in 2019, because we did not have an exact reading of the water meter that year. This estimate was most likely significantly lower than our actual consumption and explains why the data shows such a big rise.

Going forward, we will be able to measure the water consumption ourselves, and we will therefore get more accurate data.



Business travels for Norway 2020



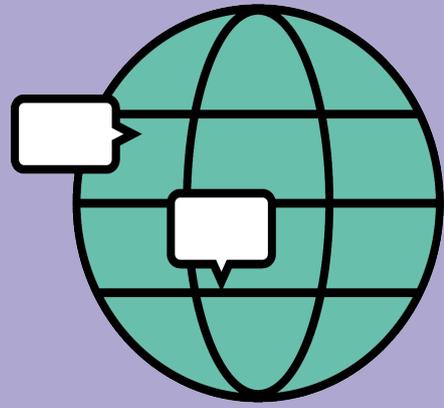
Number of return trips

60

112

2

Sweden



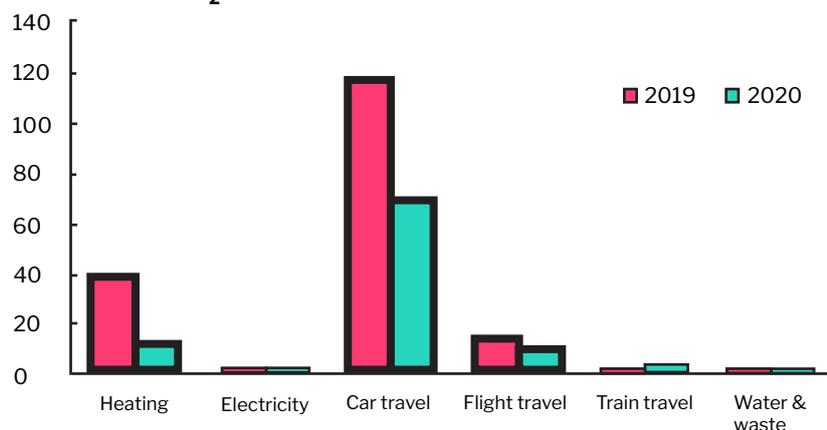
We have three office locations in Sweden, including our headquarters in Växjö, which has been environmentally certified according to Svensk Miljöbas since 2009 - and we were re-certified in 2020!

Our Växjö office has been running on electricity from renewable energy since 2015, and on district heating from 100% biofuels since the end of 2019.

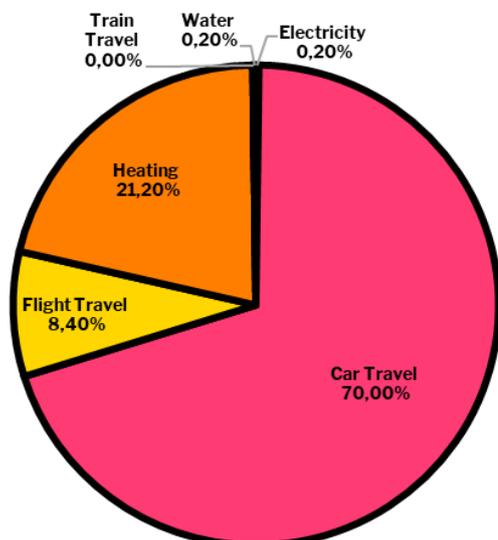
In Stockholm, we are renting office spaces from Atrium Ljungberg, a company that actively work with energy efficiency and green electricity in their buildings.

Our office space in Linköping is rented from Vasakronan, which is a company that is ISO14001 certified and actively works towards producing its own renewable energy.

Tonne CO₂ by emissions type in Sweden



Percentage of tonne CO₂ by emission type in Sweden 2020



Throughout 2020, car travels made up more than half of the CO₂ emissions in our Swedish business region.

In contrast to this, we could see that electricity, water and train travels contributed the least to the overall CO₂ emissions during this year.

Emissions type	2019	2020	% change in consumption	% change in tonne CO ₂	Change in tonne CO ₂
Total electricity (kWh)	221.474	183.620	-17%	-32%	-0,12
Total district heating (kWh)	554.968	558.998	+1%	-75%	-26
Total gas heating (m ³)	-	-	-	-	-
Total water usage	1.358	491	-64%	-64%	-0,2
Total km driven	658.540	531.863	-19%	-41%	-48

Our Swedish business region has managed to lower its overall CO₂ emissions by 44% in 2020.

In addition to this, our Swedish colleagues travelled 33% more by train in 2020 than they did in 2019. They also reduced their air travels by 91% within that same time frame.

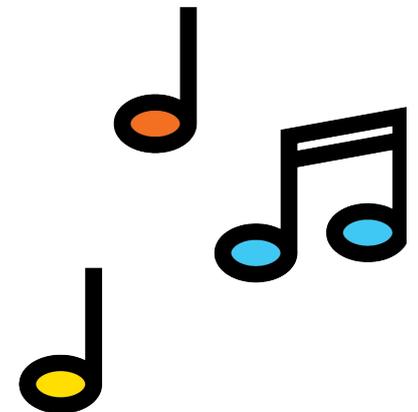
Even the way cars were used within the Swedish business region made a positive impact on the amount of CO₂ emissions produced this year.

Between 2019 and 2020, the total number of kilometers driven by cars in this region went down by 19%. This equals a reduction in 48 tonnes of CO₂ which is a 41% improvement, compared to the previous year.

We could see that the usage of district heating slightly increased in 2020. This is because we moved to a larger office in Stockholm in June, 2020.

However, our office in Växjö is heated with 100% renewable energy from biofuels in our district heating, leading to a significant reduction in CO₂.

Gas heating is not used in our Swedish offices, hence why there is no data for this category.



Business travels for Sweden 2020

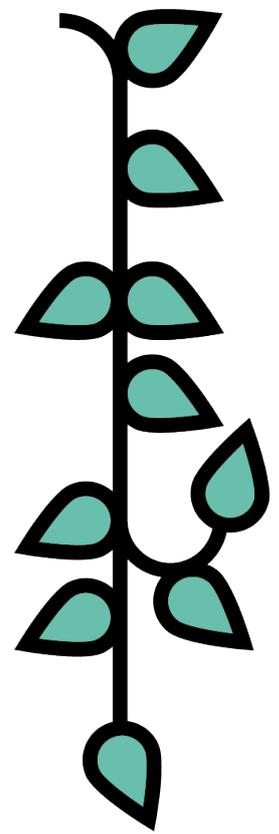


Number of return trips

19

367

Methodology report



The carbon reporting process can be broken down into these two parts:

- data collection
- data analysis

The scope of this reporting covers:

Our 9 offices

- NO: Oslo
- SE: Växjö, Linköping, Stockholm
- DE: Neritz, Schmalkalden, Berlin
- DK: Roskilde, Svendborg

The energy usage in two out of four data center providers:*

- Interxion (primarily for customer data)
- ATEA (primarily for internal data)

This reporting draws inspiration from the Greenhouse Gas Protocol (GHG Protocol). The GHG Protocol is a globally used standard for countries, organizations and businesses, to measure and manage their carbon footprint. Although not all environmental aspects can be measured in terms of CO₂ emissions, the GHG framework encourages businesses to look at activities carried out directly by the organization, which might impact the environment, as well as indirect emissions which might be a result of activities such as purchased goods or waste disposal. IST does not claim to be certified in the GHG Protocol, but it draws inspiration from its reporting structure to be transparent and comparable to other companies.

The GHG Protocol analyzes three scopes of emissions:

- Scope 1 consists of direct emissions from owned facilities and vehicles (fx, natural gas, diesel from owned company cars).
- Scope 2 consists of emissions from purchased electricity and district heating.
- Scope 3 refers to indirect emissions from upstream and downstream activities (fx, emissions from employee-owned cars on business trips, air travel and our data centres).

Data analysis:

All usage measured from activities need to be translated into CO₂ emissions. This is done by multiplying the unit with a given CO₂ emission factor. Emission factors vary from country to country when it comes to electricity consumption and heating.

More information about the methodology can be found on:

<https://www.ist.com/assets/media/sites/6/2021/12/Methodology-report.pdf>

**Strato AG used in BR Germany runs on 100% renewable energy and is climate neutral*

More than 5 million users. 450 co-workers and 9 offices. From Boden in northern Sweden to Schmalkalden in central Germany. We are the leading edtech company in Scandinavia!

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