Carbon Report

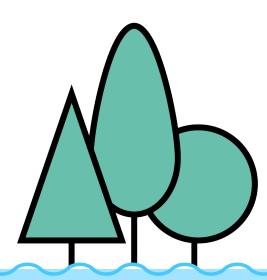
An overview of our carbon footprint within IST Group.





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A sustainable year for IST

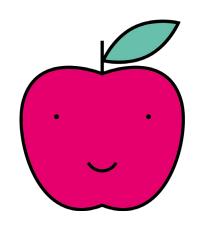
In 2021, the whole IST organization reached an important milestone and became certified in the **ISO 14001** standard for environmental management systems!

Throughout the year we had a particular focus on integrating environmental considerations into our ways of working and our management system. This means we systematically measure our environmental performance, set goals and take actions to continuously improve our environmental impact when it comes to our business activities.

As part of this ongoing three-year certification period, we commit ourselves to live up to the responsibilities outlined in our environmental policy, reduce our negative environmental impact and contribute to the Sustainable Development Goals including **Goal 12: Responsible Consumption and Production** and **Goal 13: Climate Action**.

Driving our sustainability initiatives is an expert group of co-workers that have voluntarily committed to bringing extra focus to sustainability in the workplace. **The Sustainability Expert Group** includes representatives from all of our regions and has the aim of supporting the company in putting our sustainability strategy into local action.

Our carbon footprint



One important aspect of the way we work with sustainability is that we measure our annual carbon footprint.

We do this to identify how our business activities impact the environment and take action to reduce them!

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

The first time we measured the carbon footprint for all of IST was in 2019 and will serve as the baseline year for this report.

In 2021, the total carbon footprint for the entire IST organization was 169 tons of

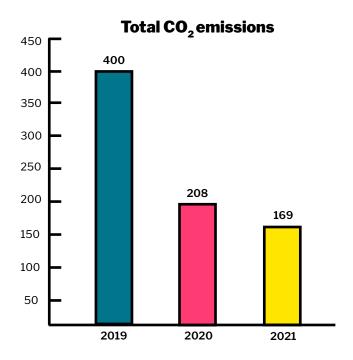
 CO_2 , which is a 57% reduction compared to 2019.

This reduction is the equivalent of removing 36 fuel-driven cars driven for one year from the road.

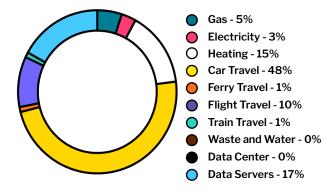
For this report, we have also expanded the scope we use to measure our annual carbon footprint to include emissions related to the life cycle of the data servers and storage owned by IST.

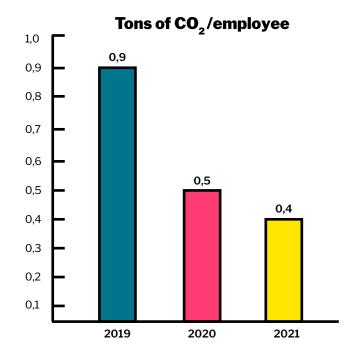
This addition is essential for IST as a leading edtech company to include in our reporting going forward and to look at optimizing our data storage and usage to help the environment and our customers even more.

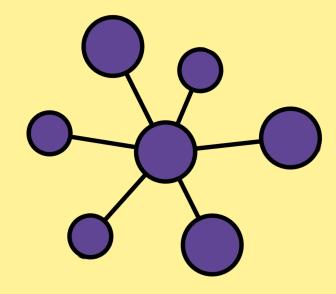




Share of tons of CO₂ by emission type 2021







In 2021, business travels by car was our largest source of emissions, making up 48% of our total carbon footprint.

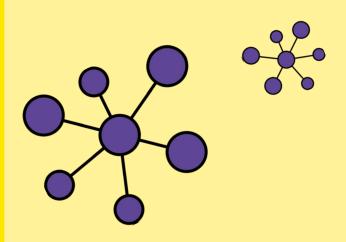
This was followed by emissions produced from the manufacturing, transporting and end of life of our data servers (17%).

Business travels by plane was our thirdlargest source of carbon emissions (10%).

Although there are still aspects that we need to further address, the overall CO_2 emissions produced by IST have continued to decrease since 2020.

When looking at the total amount of CO_2 produced by each co-worker during working hours, we could see that the overall CO_2 emissions were reduced from 0.9 tons of CO_2 / co-worker in 2019 to 0.4 tons of CO_2 / co-worker in 2021.

This is a further reduction of 0.1 tons of CO_2 / co-worker since 2020.



Digital carbon footprint

Handling and storing data are an essential part of our business as an edtech company.

This makes it critical to look at initiatives to optimize our data storage usage so that we use our resources effectively. This is important from an environmental perspective, in addition to a privacy and customer perspective.

Throughout 2021, our data servers and storage providers emitted a total of 29 tons of CO_2 , which includes the whole life cycle of the data server, from the manufacturing, transportation to the end of life of the server.

Some key finding we found when going over the data for 2021, was that we used 220 639 kwh to power our primary data center, which is the equivalent of the average electricity usage of 28 homes for one year.

All of IST's data storage providers and our data center run on 100% renewable electricity. So, when our 105 data servers are running, they have a minimal impact on the environment.

It is assumed that a data server has a life span of five years. These calculations are based on the average manufacturing, transportation and end of life of four types of dell servers that cover 34% of our physical server and storage types.

We also make sure that our used data servers are disposed of according to the WEEE directive at the location of our data center provider or local recycling station to make sure these are taken care of correctly and recycled.

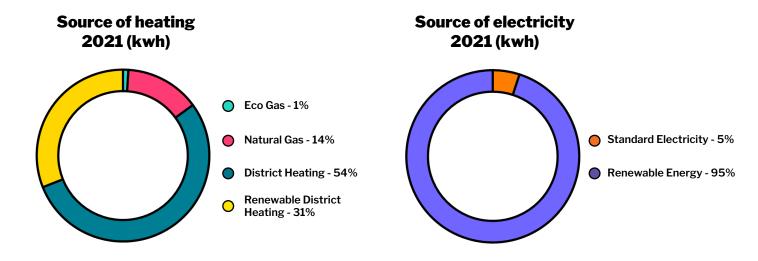
100% renewable energy in our data centers

emissions while our data servers are running

220 000kwh used in our data servers 2021



Electricity and heating emissions



95% of the electricity used in our offices came from renewable energy in 2021.

The remaining five percent, comes from our business regions where we share office spaces and it can therefore be a longer process to switch electricity source. However, we are having an ongoing conversation regarding this with the landlord of these offices spaces.

Our headquarters in Växjö has been running on green energy since 2015.

Since 2019, we've switched to green electricity in our offices in Oslo, Roskilde, Svendborg and Neritz.

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.

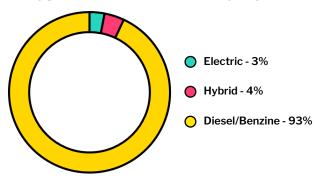
Did you know...

We're able 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, it's important to note that buying renewable energy from a guarantee of origin ensures that you are not contributing to fossil fuels, but it may not reduce your carbon footprint by much.

Business travels

Type of fuel used in 2021 (km)



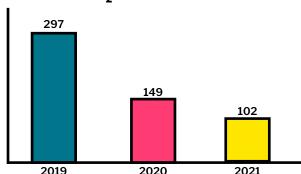
Car travels made up 48% of our total carbon emissions in 2021, with a total of $581\,000$ km driven throughout the year.

This is a 53% reduction in driven km since the baseline in 2019. With only 3% of km being driven by electric cars in 2021, there are improvements to be made in moving away from diesel and benzine fuel.

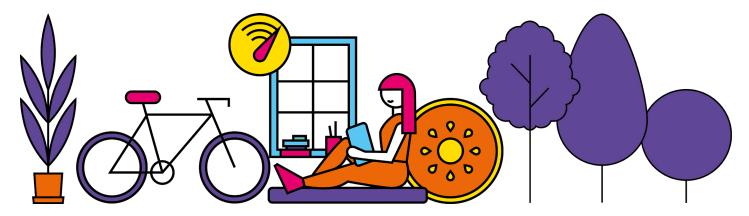
Driving an electric car emits 75-90% fewer carbon emissions (45 g $\rm CO_2$ / km in Germany and 14 g $\rm CO_2$ / km in Sweden and Norway) compared to an average fuel car (170 g $\rm CO_2$ / km).

To find out more, please see the methodology section.









Number of return trips 2019 - 2021

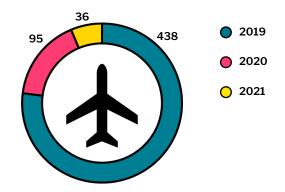
As a result of the global pandemic, we have started to re-evaluate the way we plan our business meetings and if travelling for business is actually beneficial for the quality of the gathering or if joining digitally will suffice.

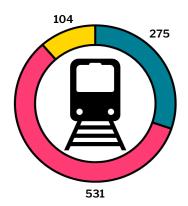
We travelled almost three times more by train than by flight in 2021, which resulted in a 90% reduction in the number of return trips by flight since the baseline in 2019.

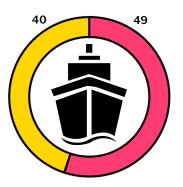
Taking the train instead of flying within Scandinavia emits 95% less $\rm CO_2$ emissions (4 kg $\rm CO_2$ / one-way train trip compared to 75 kg $\rm CO_2$ / one-way flight trip).

Since 2019, we can also see a positive change in the way we choose to travel with the number of return flight trips having gone down the most out of the methods of transportation we're currently using.

However, it's important to know, when making comparisons over time, that we're not measuring our return ferry travels in 2019.







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

Business regions



Regional overview

As a leading edtech company, we want to do what we can to set a good example for other businesses and organizations around the world.

To do this, we need to understand how each of our business regions performs from a sustainable perspective so that we can detect areas of our business that might need to be improved.

That's why we throughout 2021, have continued to collect data and information from our four business regions; Sweden, Denmark, Norway and Germany.

Similar to the 2020 report, this report will focus on comparing our actual consumption of resources and show how our usage has changed between 2019 and 2021.

The biggest achievement of this report was that we despite the impressive reduction in CO_2 emissions in 2020, still managed to even further improve our climate impact in 2021.

New to this year's carbon report is that we've gathered more information about the environmental impact our data servers contribute, so that we in the future can, to the best of our ability, compensate for the ${\rm CO_2}$ emissions.

Going forward, 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 continue to work on.

Denmark
58%
CO_reduction
2021 compared to 2019

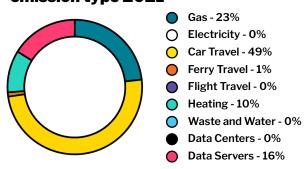
Germany
44%
CO_reduction
2021 compared to 2019

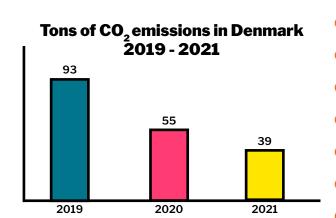
Norway
86%
CO₂ reduction
2021 compared to 2019

Sweden
48%
CO₂ reduction
2021 compared to 2019

Denmark

Shares of tons of CO₂ by emission type 2021





We have two offices in Denmark, one in Roskilde and one in Svendborg.

- Last year, in 2020, we took the step and switched to electricity produced by offshore wind farms in both our offices to have a more sustainable source of electricity in our Danish offices.
- Similar to the carbon footprint for the entire IST organization, the majority of the carbon footprint for our Danish business region was produced by business travels by car.
 - However, in 2021, our Danish colleagues drove about 168 000 km less by car than they did in 2019, which is a big step in the

right direction to becoming as close to carbon-neutral as possible.

Overall, our Danish business region travelled less this year, going from 104 return trips in 2020 to 31 return trips in 2021.

This, among other actions, helped the business region reduce their total CO₂ emissions to 39 tons of CO₂, which is a 58% reduction since 2019.

co 58% compared to 2019

Number of return trips:









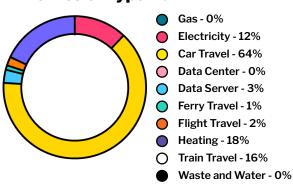
11

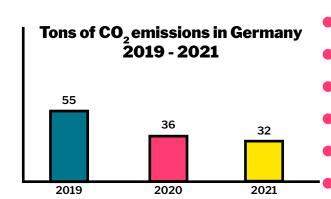
18

112 000 km

Germany

Shares of tons of CO₂ by emission type 2021

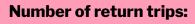




- In Germany, we have one office in Berlin, one in Neritz and one in Schmalkalden.
- Our office in Neritz switched to renewable energy sources for electricity and heating in 2020.
- We've could see a steady decline of 32 tons of CO₂ emissions in our German business region which equals a 44% reduction compared to 2019.
- In addition to this, our German colleagues travelled more by ferry in 2021 than they did by train and by car in 2019.

The only method of transportation that went up in business region Germany was flight travels, going from zero return trips in 2020 to one return trip in 2021.

Similar to some of our other business regions, car travels were the biggest source of CO_2 emissions in this region. However, our German colleagues drove 75 500km less in 2021 than they did in 2019, which is a great step in the right direction.











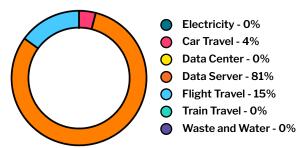
CO reduction

22

138 000 km

Norway

Shares of tons of CO₂ by emission type 2021

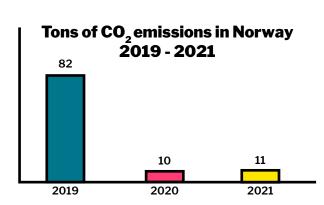


In 2021, we moved to a new office in Oslo, which is running on 100% renewable energy. The new office is also located close to the central train station in Oslo, making it a perfect location for train commuting.

Since 2019, our Norwegian business region has managed to lower their overall CO_2 emissions by an impressive 86%, going from 78 tons of CO_2 in 2019 to eleven tons of CO_2 in 2021.

In addition to this, our Norwegian colleagues travelled 77 000 km less than they did in 2019, which resulted in a e a huge reduction in business travels overall for this business region. Going from 225 return flights in 2019 to 16 in 2021.

The slight increase in CO₂ emissions for



this business region between 2020 to 2021, is because we didn't include the emissions from our data servers in the previous reports.

These emissions represent the manufacturing, transportation and end of life of the data servers that it takes to produce and store data related to our products on our Norwegian market.

The 81%, displayed in the graph above represents nine out of the eleven tons of CO_2 emitted in our Norwegian business region.

Number of return trips:





27

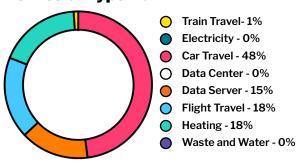


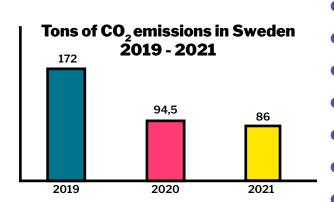


7 891 km

Sweden

Shares of tons of CO₂ by emission type 2021





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 HQ 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 works 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 renewable energy.

Our Swedish business region has, since 2019, reduced its total CO2 emissions by 48%, emitting a total of 86 tons of CO₂ in 2021.

Number of return trips:





65





322 000 km

Action areas 2022

At IST we've set up four sustainability change drivers to provide a long-term direction for the company's sustainability strategy.

Our four change drivers are:



Become as close to CO₂ neutral as possible in our offices and data centers.



Developing products that promote digitally inclusive learning environments.



Address how we create value for our customers and users aligned with the SDGs.



Be the storyteller about sustainability within edtech.

Working towards turning these change drivers into reality, we've set up three goals that our Sustainability Expert Group will work with and implement in the organization in 2022, so that we together with our customers, users and suppliers can help contribute to a more sustainable world.

In 2022, our Sustainable Expert Group will mainly be focusing on:

- Make a clear vision for sustainability at IST with local action plans and targets.
- Spread awareness internally and externally and engage co-workers in sustainability.
- Create common ways of working with sustainability across IST.

You can follow our sustainability journey on www.ist.com.



Methodology report



The process of reporting this carbon report can be broken down into two parts:

- data collection
- data analysis

The scope of this reporting covers:

Our 9 offices locations:

- Oslo Business region Norway
- Växjö, Linköping and Stockholm Business region Sweden
- Neritz, Schmalkalden and Berlin Business region Germany
- Roskilde and Svendborg Business region Denmark

Our main data storage provider:

Interxion

Our reporting draws inspiration from the Green House Gas Protocol (GHG). 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 including: natural gas and fuel from company-owned cars.
- **Scope 2**, consists of indirect emissions from purchased electricity, district heating and electricity from electric car travel.
- **Scope 3**, refers to indirect emissions from upstream and downstream activities including: water usage, residual waste, business travel via employee-owned cars, flight, ferry and train, as well as the electricity usage of our data storage providers and the manufacturing, transportation and end of life of IST-owned data servers.

Data analysis:

All usage measured from activities need to be translated into CO_2 emissions. This is done by multiplying the unit with a given CO_2 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/6/2022/06/methodology-report-2021.pdf

More than 5 million users. 400 co-workers and 9 offices. From Kiruna in northern Sweden to Munich in southern Germany. We are the leading edtech company in Scandinavia!

For more than 35 years we have made the everyday life easier for students, parents, teachers and managers. Half of us that work here have a background as teachers or school leaders, so we understand all aspects of school. Together we make sure everyone has the opportunity to learn more.

Read more on www.ist.com.

