# ESG REPORT 2023

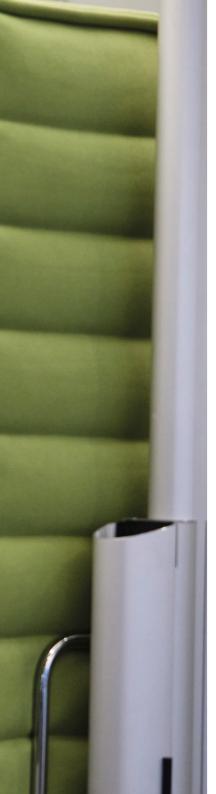


"Simployer seeks to make sustainability an integrated part of our business and, through our offerings, make it easier for companies and individuals to succeed in an increasingly international, digital and sustainable world."

### **Contents**

Words from our CEO	05	Working with ESG in Simployer	14
About Simpleyer	06	Environment	15
About Simployer		Social	16
Key metrics 2023	07	Governance	22
Simployer ESG journey	08	Simployer's ESG impact in our offerings	25
Our stakeholders	09	Simployer's ESG focus areas 2023-2026	26
Materiality assessment	10	Conclusion	28
UN Sustainable Development Goals	12	Appendix	29





#### Words from our CEO

As a company committed to driving positive change and making a meaningful impact, we recognize the importance of transparency, sustainability, and the wellbeing of our employees and stakeholders. This report gives you an insight to how we embrace our ongoing Environmental, Social and Governance (ESG) journey.

For two consecutive years Simployer has crafted an ESG-report. We have come far and learned a lot during this process, but also understood that we still have a lot of grounds to cover in our search to become even more sustainable. With each step forward, we gain deeper insights into the challenges and opportunities inherent in fostering a more sustainable society and workplace.

At Simployer, we are not just about pioneering HR solutions and knowledge sharing; we are committed to weaving sustainability into all aspects of our operations. Through this report, we offer a glimpse into our way of working with ESG. Our aim is to facilitate success in an increasingly globalized and digital landscape. Moreover, we lead by example, showcasing how we nurture the potential of our workforce.

We believe that our responsibility extends beyond our internal operations. We are dedicated to helping our customers create better, more inclusive, just, and diverse workplaces. By supporting them in their ESG efforts, we amplify our impact and contribute to a more equitable and sustainable world.

While our ESG journey is well underway, we recognize that there is always room for improvement. Our commitment to sustainability is ongoing, and we continuously strive for enhancement. We acknowledge that achieving our ambitious goals requires continuous effort and dedication. With each step, we aim to make an even greater positive impact and deliver a more sustainable future.

We invite you to dive into this report and join us in our quest for positive change.

Thank you for taking part of our ESG journey.

Vigleik Takle CEO, Simployer

## **About Simployer**

Simployer is a leading player in the Scandinavian HR market, delivering the unique combination of HR tech solutions and knowledge services. Simployer is the preferred choice of more than 15,000 customers, servicing over 1.2 million users.

Simployer helps customers inspire, engage, manage and develop their workforce through our combination of HR tech and expertise tailored to local market needs.

We are 315 Simployees in Sweden, Norway, Denmark, and Poland, and we all know that it is all about the people. It is people that make businesses grow.

Together with our customers, our vision is to unleash the full potential in people.



## Key metrics 2023

**FINANCIALS** 

503M

(NOK) Annual recurring revenue 565,2M

(NOK) Total revenue 492,9M

(NOK) Recurring revenue (of total) 98,5M

(NOK) Adjusted EBITDA

**EMPLOYEES** 

ENGAGEMENT

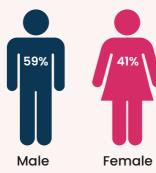
315

**Employees** 

**Gender distribution** 

**Female** 

Gender distribution in leadership



Countries

15

Average eNPS

6,1%

Turnover

**KPI 81** 

Male

Engagement

**KPI 70** 

Wellbeing

**CUSTOMERS AND USERS** 

They

15 000

Customers

1,2M

End users



7

## Simployers ESG journey

Simployer has a long history of working on initiatives related to Environment, Sustainability, and Governance (ESG). However, our ESG journey gained momentum in the autumn of 2020 when we made a commitment to integrate ESG principles into our operations. After careful consideration, we aligned our values with four key United Nations Sustainable Development Goals (SDGs).



In 2021, we collaborated with external partners to assess and refine our existing ESG efforts. This process was crucial in selecting SDGs that closely align with Simployer's purpose. Our People & Culture department has been at the forefront of this work, recognizing the need for expertise in the emerging ESG domain. It has required significant effort and resources from our organization.

A key lesson we have learned is that the more we delve into ESG, the greater the potential for improvement. As we enhance our practices, we also identify areas that require more attention to achieve our ambitious goals.

In 2023, we recognized that ESG demands dedicated resources. Consequently, we appointed a Sustainability Lead to oversee ongoing ESG reporting for Simployer. Additionally, our product development aligns with our holistic view of ESG. In 2023, we worked on a product called "Equal Pay," which helps our customers streamline equal pay mapping and analysis for equitable work.

Our commitment remains unwavering as we continue to integrate ESG principles at Simployer, driving positive change and contributing to a sustainable future.

#### **Our Stakeholders**

Nurturing an ongoing dialogue with our key stakeholders significantly enhances Simployer's relationship with the societies we operates within.

We engaged with our internal and external stakeholders through interviews and surveys. This collaborative approach allowed us to gather valuable insights from key stakeholders, including our customers and employees. Their perspectives on ESG issues and their expectations from Simployer proved invaluable in shaping our ESG priorities.

The surveys gave us further depth and detail, offering us a comprehensive understanding of the specific ESG issues that are of utmost importance to our stakeholders

**Unions** 

**Business partners** 

Competitors

**Authorities** 

**Local society** 

**Owners** 

**Suppliers** 

**HSE** representatives

Customers

**Employees** 

Academia



### Materiality assessment

Simployer conducted a comprehensive materiality assessment to gain deep insights into the environmental, social, and governance (ESG) issues that hold the greatest relevance and significance for our stakeholders.

This assessment played a pivotal role in identifying the priorities that matter most to our stakeholders and guiding our commitment to sustainability and responsible business practices. Here are the key steps we took:

Peer Analysis: We initiated a peer analysis to benchmark our ESG performance against industry peers. This provided valuable insights into emerging trends and best practices within our sector, allowing us to focus on common areas for improvement.

Data Collection and Evaluation: We collected data from various internal and external sources to evaluate our current ESG performance. By analysing this data,

we identified both our strengths and areas requiring enhancement, enabling a targeted approach to overall ESG improvement.

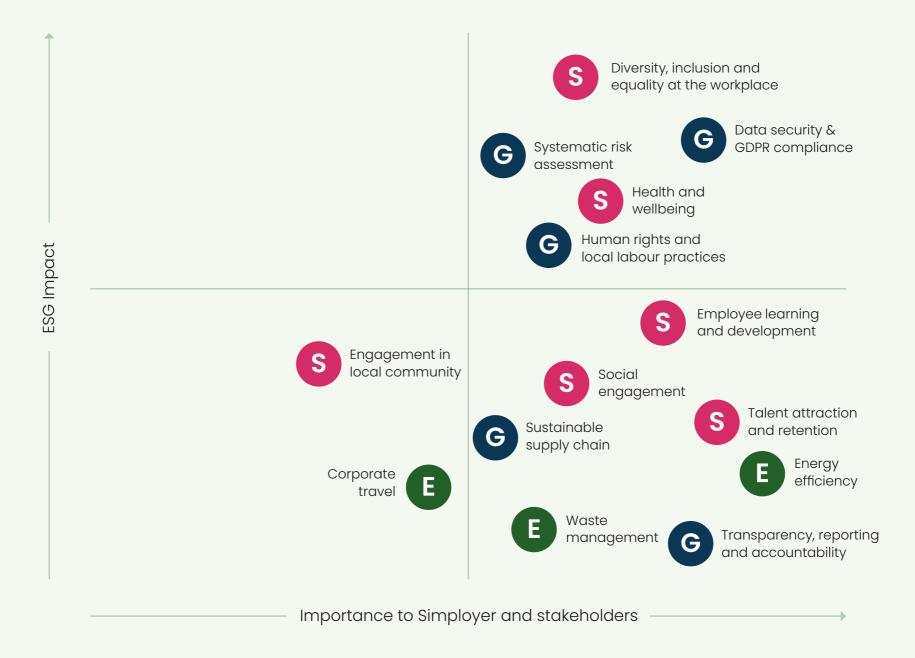
Stakeholder Insights: Valuable feedback was obtained from our customers and employees during this process.

Their perspectives helped align our sustainability efforts with stakeholder expectations.

UN Sustainable Development Goals (SDGs): Based on the materiality assessment findings, we identified four primary UN SDGs directly relevant to our organization's operations and stakeholder priorities. These goals represent areas where we can make substantial positive contributions.

Moving forward, in 2024, we will conduct a double materiality assessment to further enhance our reporting and commitment to ESG practices.

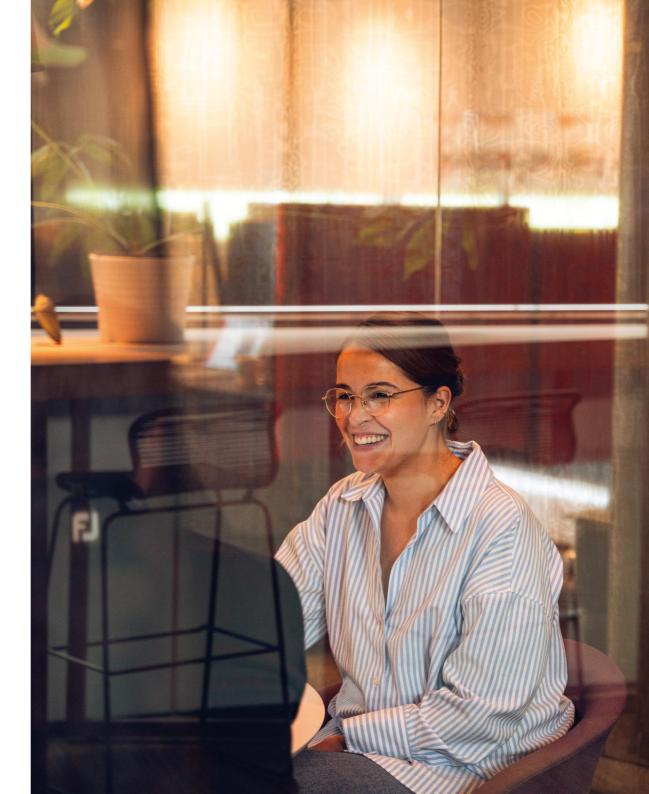
## Results from the materiality assessment



## UN Sustainable Development Goals

Based on the materiality assessment Simployer have chosen to focus on four of the goals that are particularly relevant to the company and its stakeholders:

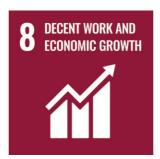
- Gender equality (5)
- Decent work and economic growth (8)
- Responsible consumption and production (12)
- Partnership for the goals (17)







We wish to increase our positive impact on SDG 5 by being best in class when it comes to promoting equality and equal access to career development and equal pay and developing working conditions that are satisfying for both men and women.



We strongly believe that we can achieve more by promoting and helping start-ups and students and in this way helping society to create new job openings along with economic growth. We have begun a start-up funding collaboration with our majority owner, Ferd.



We seek to reduce our negative impact on the environment by reducing unnecessary travel and purchases.



We know that we can achieve more by working together to reach the ambitious UN goals. For our partnerships, we seek organizations and initiatives that touch on our core goals.

## Working with ESG in Simployer

Integrating Environmental, Social, and Governance factors is crucial for a comprehensive understanding of Simployer's sustainability performance.

On the following pages, we give you an insight to how we specifically work with the E, S & G in Simployer.











#### **Environment**

#### **Waste Management**

We strive to make our offices environmentally friendly and compliant with local waste treatment regulations and cooperating with our partner Intility to recycle and refurbish our old electronic equipment.

#### **Energy Efficiency**

Simployer has offices that are energy efficient, and we provide services and technology that promotes reduction of paper-use by digitizing all relevant HRsystems.

#### Gifts and giveaways

We have opted to cut down on the number of gifts and gadgets for our

employees and customers and to make more sustainable and reusable replacements for the occasional bouquet of flowers.

#### **Sustainable Supply Chain**

Simployer procures goods and services from vendors and partners both locally and internationally, choosing vendors that can document sustainability and can be part of long-term business partnerships.

#### **Emission reduction**

Simployer has implemented a new travel policy which aims to reduce our negative impact on the environment.

#### Social

#### **Diversity and Inclusion**

- Simployer promotes equality and equal access to career development and equal pay.
- When we recruit, we focus on diversity and gender equality at all levels in the organization. Simployer will continue our efforts to ensure equal rights and opportunities for all and will strive proactively to prevent discrimination.

#### **Healthy organization**

We provide diversity, pay equity reporting and measuring and have an empowered and knowledgeable HR department to maintain a safe and healthy work environment.

#### **Employee wellbeing**

Simployer is using, and providing as a digital service to our customers, tools to measure the wellbeing and worklife balance of our employees, also providing suggested actions on how to improve wellbeing. Also collaborate with academia.





#### Social engagement

We contribute to create new job openings along with economic growth. We do this by providing education to students within our expert areas and support start- ups with freemium versions of our services. We also collaborate with academia.

#### **Community Engagement**

- Simployer is engaged with local communities and is supporting community development initiatives.
- Current initiatives include providing students free access to our learning library, offering freemium solutions to start-ups, visiting schools to share our expertise in SaaS and HR, and running an apprentice program.

- We have established a partnership with the ODA network for women in tech to strive for a more diverse and inclusive workplace.
- We work with academia and value our relationship with business partners both locally and globally.
- With our headquarters in Sarpsborg, Norway, we believe we can make a difference to the society where we are in, and we are members of Sarpsborg Næringsforening and Kristiansund og Nordmøre Næringsforum.



## Simployer is a people first company

We are here to help companies unleash the full potential in their people. We have a unique position in the market because we have both HR expertise and technology in our offering.

This combination makes Simployer one of very few companies that can deliver on such a bold vision.

This is also reflected in our ambitions, and by 2026, we aim to become the preferred choice as HR vendor for employees and customers in Northern Europe.

To make sure we have an empowered staff we make sure to "take our own medicine" and have a high focus on developing our own people.





We recognize that our people are not just assets; they are the heartbeat of our success. Their diverse talents, passions, and experiences fuel our growth and innovation. In Simployer we are committed to fostering a culture of belonging and inclusion, where every individual contributes to our shared purpose.

Eilin Gillesen Chief People and Culture Officer, Simployer

## An internal insight to Simployer

#### **Engagement Surveys**

In Simployer we utilize or own survey tool to measure employee engagement levels. Based on leadership, wellbeing, collaboration, recognition, pride, development, and alignment, our surveys provide comprehensive insights. In 2022, we conducted four surveys, with an average response rate of 75%, an average eNPS of 26 and an overall engagement KPI of 79, indicating high degrees of engagement.

In 2022, Simployer introduced monthly engagement level measurements to gain a more accurate understanding of employee experiences. This realtime feedback system helps us identify emerging trends promptly and proactively address employee needs. One such trend shows the need to improve employee wellbeing. To address this, we introduced a wellbeing program in 2023. This initiative aimed to enhance overall employee wellbeing and create a healthier work environment.





#### Leadership programmes

Two times a year, all managers gather for Leadership lab. We seek to create leadership through Direction, Alignment and Commitment, and are practicing this together. "Simply leading" is an individual leadership program for managers to improve their leadership skills through leading self, leading others and leading business.

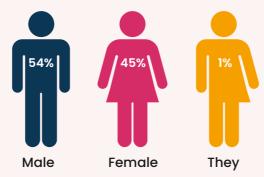
#### Learning and education

All Simployees have access to our training portal Simployer learning library. We offer language courses (English, Norwegian and Swedish) to all, and put learning and development on the agenda frequently through feedback loops and talent reviews.

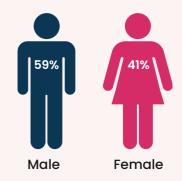
#### Culture

We want to build a culture based on belonging, inclusions and engagement, through the 7 drivers of engagement. We do this through Identity workshops in different teams (to work on purpose, values and feedback), a yearly company gathering (Simply Together) and through local social committees. We also arrange Newcomers Day and make sure provide all new Simployees and extensive onboarding.

#### **Gender distribution**



#### Gender distribution in leadership





#### Governance

#### Compliance

Simployer complies with all relevant laws and regulations related to its business in the markets we operate in.

#### Compliance risk and landscape

Simployer provides IT- and professional services to customers primarily in the Nordics. Simployer does not produce any physical products and does not require any special operating license or is operating in a highly regulated area/market.

## Simployer must however operate in compliance with:

- Regulations concerning running a business (.i.e., registration and operating a business, finance regulation)
- Being an employer (labor-law, EHS and other regulation concerning employees)
- The processing of large amounts of personal identifiable information (privacy-regulation, General Data Protection Regulation, the "GDPR")

 Relevant regulation of ESG, such as the Norwegian Transparency Act

Summarized, with regards to compliance, Simployer is assessed to operate in the lower range, risk-wise, considering overall complexity of compliance and relevant follow-up activities.

#### **Ethical Business**

Simployer has an internal ethical guideline to make sure we conduct our business with high ethical standards and with a culture that enables employees and stakeholders to speak up and report any undesirable or unethical activity.

Simployer also provides Whistleblowing as a service to our Customers.

#### **Labour practices**

Simployer promotes fair and ethical labour practices, including fair wages, safe working environments, diversity, and inclusion, and promotes these practices through our service to our customers.

#### **Human rights**

Simployer adheres to and promotes human rights, and which are an integral part of our business, see Simployers Code of Conduct.





#### **Code of Conduct**

Simployer has a Code of Conduct in place that is available <u>here</u>.

#### **Board of Directors**

See our Board of Directors here.

#### **Executive Management**

See and read more about Simployers Executive Management Team <u>here</u>.

#### Data Privacy and Security, Compliance - Documentation

Please visit <u>Simployer Trust Center</u>. Here you will find documentation related to privacy, security, how we work with compliance, and other relevant information, such as our standard agreements, Simployer's last report according to the Norwegian Transparency Act etc.







## Simployer's ESG impact in our offerings

We believe Simployer can make an impact when it comes to ESG through the services and products we are offering. By making sustainability a part of our core, we contribute to a positive behaviour change in all our touchpoints with customers and end users.

We do this in several ways:

#### The product offering

Through our products, we can assist our customers in their sustainability efforts, which we see as one of the greatest opportunities we have to make a positive social impact. We will continue to develop our products and offerings to become the market leader in supporting customers in their sustainability initiatives.

 Healthy organizations. We provide diversity & pay equity reporting and measuring, whistleblowing functionality, empowered and knowledgeable HR dep.  Employee wellbeing. We provide measuring wellbeing/work-life balance in surveys, suggesting actions on how to improve wellbeing.

#### Ethical considerations in R&D:

We will continue to work on developing cooperation with our suppliers to influence how we can monitor our footprints and, in turn, ensure that they do their part to reduce their impact.

The overall methodology and design principles for how we build our products:

- Privacy & security features in HR tech solutions.
- Inclusive user experience: Our approach to diversity and accessibility is simple: everyone is welcome. We work with continuous improvement to follow best practices to make our products easy to use for everyone.



## Simployer's ESG focus areas 2023-2026

#### **ESG Policy**

To solidify our commitment to ESG principles, we will continue to develop our ESG policy. This policy outlines our approach to environmental stewardship, social responsibility, and ethical governance. It serves as a guiding framework for our internal operations, decision–making processes, and interactions with stakeholders. Through this policy, we aim to ensure that ESG considerations are integrated into all aspects of our business.

#### **CSRD**

We will enhance our sustainability efforts to meet the requirements of the Corporate Sustainability Reporting Directive (CSRD), which will necessitate working comprehensively and systematically. The process has commenced, and we view the new regulations positively as they will provide us with better insight into our impact on our environment across all three areas: Environment, Social, and Corporate Governance.

#### Align with UN SDGs

As an HR tech and knowledge provider committed to ESG, we continuously strive to align our efforts with the United Nations Sustainable Development Goals (UN SDGs).

We have up and until now identified four key UN SDGs that resonate with our organization's operations and stakeholder priorities, and we will continue to focus on and develop within these chosen goals.

#### HR promotes sustainability

Furthermore, we will continue to prioritize the integration of ESG in our product development initiatives. We recognize the influential role our HR tech solutions can play in promoting sustainability and responsible practices across organizations.

By incorporating ESG features and functionalities into our products, we empower our customers to embrace ESG values and integrate them into their HR practices.

By implementing these initiatives, we reinforce our dedication to ESG and strive to make a meaningful impact. We believe that by integrating ESG considerations into our operations, engaging our stakeholders, and delivering products that enable sustainable practices, we contribute to a more sustainable future for our organization, our clients, and society as a whole.

## Continuously work with environment in mind

In our commitment to environmental sustainability, we understand the significance of monitoring and reducing CO2 emissions. A new travel policy is established, and we continue to implement changes that can contribute to reducing negative environmental footprint. We see partners in our supplychain that are raising awareness on this topic, also implementing digital tools for us to monitor and assess our carbonfootprint based on our use of their services.





#### Conclusion

We sincerely appreciate your interest in Simployer's Environmental, Social, and Governance (ESG) report. Our commitment goes beyond offering HR solutions; we aim to embed sustainability into our business practices and empower companies to maximize their potential.

In facing global challenges, we believe embracing ESG principles is vital for long-term success. This report reflects our alignment with the United Nations Sustainable Development Goals (SDGs) and our contributions to a sustainable and equitable work life.

To solidify our commitment, we will continue to develop our ESG policy, guiding our environmental

stewardship, social responsibility, and ethical governance. We also aim to meet the Corporate Sustainability Reporting Directive (CSRD) requirements, gaining better insights into our impact on the environment, society, and corporate governance.

We prioritize integrating ESG into our product development, recognizing the role our HR tech solutions play in promoting sustainability. By incorporating ESG features into our products, we empower our customers to adopt responsible practices.

Our commitment to environmental sustainability includes monitoring and reducing CO2 emissions, implementing a new travel policy,

and partnering with supply chain collaborators to assess our carbon footprint.

These initiatives reinforce our dedication to ESG and our mission to make a meaningful impact. By integrating ESG considerations into our operations and products, we contribute to a sustainable future for our organization, clients, and society.

We are inspired by the positive impact achievable through collective efforts and remain committed to driving positive change. Once again, we extend our gratitude for your interest and involvement in Simployer's continuous ESG journey.

**Appendix** 

## **Sustainability Priorities**

We have identified themes and areas within sustainability that Simployer should prioritize in the future, based on our customers expectations and other stakeholders interests.

#### Show clearly that Simployer...

Rank	Internal	External
#1	represents diversity, inclusion and equality among own employees	represents data security/GDPR in its customer solutions
#2	represents data security/GDPR in its customer solutions	represents <b>green change</b> and <b>behavior</b> in own company/ among employees
#3	represents a high degree of competence development and learning for own employees	represents a high degree of competence development and learning for own employees

### Simployers goals for diversity and inclusion in 2023

## Zero-tolerance for bullying and harassment

- Make sure we have a healthy and safe work environment for all, by working systematically with culture
- Provide tools to report incidents

#### **Recruit for diversity**

- Increase diversity, both in gender, ethnicity and disability through evaluation of recruitment processes, and use "structured interviews" and tests to avoid biased opinions
- Partner up with tech networks for females
- Offer language classes to all

## Increase number of women in leadership

- Make sure we have a healthy balance between men and women in leadership positions through setting goals for diversity in final interviews
- Individual leadership training where 68 % of participants are female

#### Equal pay for equal work

- We aim for a fair pay policy, and work to even out any unintented differences
- Pay analysis implemented for Norway in 2022 and includes all countries from 2023
- Use results from pay analysis to secure equal pay also in recruitment

## Facilitate for internal mobility

- Create a culture and arenas to develop our people, and have equal opportunities for all
- Clear processes for promotions and internal mobility
- Talent Reviews implemented to spot talents across business units

#### Offer internships

 Collaboration with local partners to create relevant arenas for job training and other internships



s:mployer