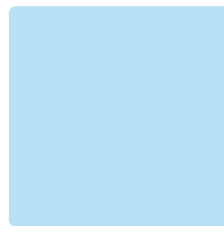


2022

Zalaris Sustainability Report



Simplify work life. Achieve more.

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01.

Letter from the CEO



**We believe that small
steps can lead to giant
leaps, and we are
excited to continue our
journey toward a more
sustainable future**

As we continue to grow and evolve as a company, we see an increased focus on sustainability amongst our customers. More and more organisations recognise the importance of reducing their environmental impact, promoting social responsibility, and ensuring good governance practices.

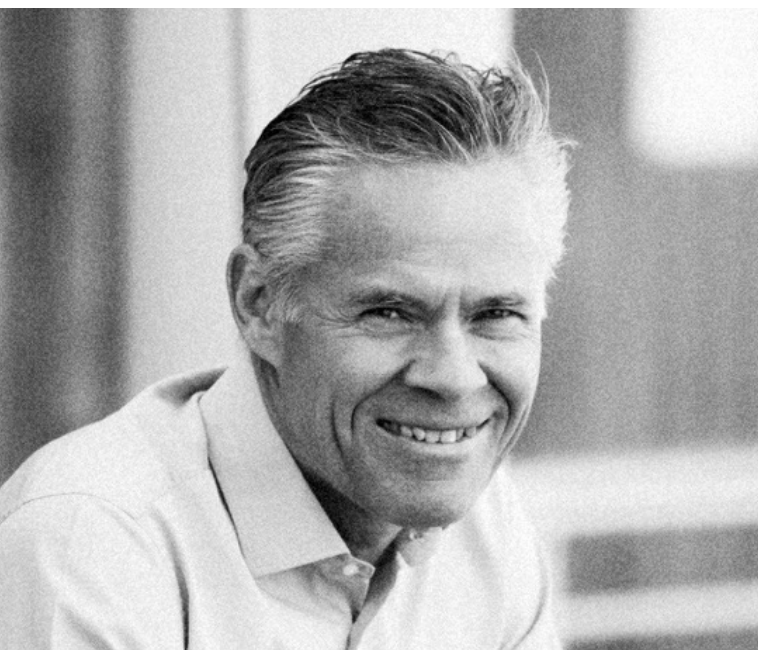
At Zalaris, our commitment to sustainability remains steadfast moving into 2023. We are excited to have launched several ESG tools into our products. We are committed to providing solutions that help our customers manage their workforce with a focus on sustainability and responsible business practices. As described later in this report, we have committed to becoming “Net Zero” by 2040. This will require us to constantly focus on improving processes around our procurement and travel.

In addition, the Corporate Social Responsibility Directive (CSRD) will become increasingly important in the coming years. As companies face greater scrutiny from stakeholders on their ESG performance, providing transparent and reliable information on their sustainability practices is crucial. By incorporating CSRD into our mindset, we can help our customers stay ahead of the curve and meet the growing demand for responsible and sustainable business practices.

We remain committed to measuring, documenting, and improving our sustainability. We will continue to set targets and report our results continuously. At Zalaris, we believe that small steps can lead to giant leaps, and we are excited to continue our journey towards a more sustainable future.



Hans-Petter Mellerud
CEO & Founder



02.

ESG in Zalaris

**Zalaris has committed
to Net Zero by 2040
and works to support
the United Nations
Sustainable Development
Goals (SDGs)**

Highlights from 2022
Zalaris and the UN Sustainable Development Goals
Ratings and partnerships



Highlights from 2022

- We committed to Net Zero by 2040. Adding targets for 100% renewable Scope 2 power in 2025 and a 40% reduction on business travel emissions by 2030.
- Three ESG related products were launched.
 - My Carbon Footprint maps employee commute (Scope 3)
 - CO2 calculation feature integrated into PeopleHub Travel & Expense module
 - Dashboard for easier reporting and monitoring of aspects related to the Norwegian Activity and Statement ACT (ARP Rapportering)
- Our first Sustainability report was presented alongside the 2021 Annual Report.
- We were awarded EcoVadis Silver Status
- We committed to support the Ten Principles of the UN Global Compact



Zalaris and the UN Sustainable Development Goals (SDGs)

Zalaris works to support the United Nations Sustainable Development Goals (SDGs) and believes that our business has a vital role in delivering on and contributing to the goals. We support all the 17 SDGs, but our focus is related to the following:

- **Goal 3 – Good health and wellbeing**
 - Through the partnership with Norseman, Active Against Cancer, and 5K Your way, we contribute to increased awareness around the benefits of staying active. Paying extra attention to the benefits of how an active lifestyle can reduce risk in conjunction with cancer-related illnesses.
- **Goal 5 – Gender Equality**
 - We celebrate diversity and strive to create an inclusive workplace where everyone is valued and respected. Regardless of gender, ethnicity, religion, sexual orientation, functional impairment, or any other personal characteristic, we believe your knowledge, competencies, and strengths genuinely matter.
- **Goal 9 – Industry, Innovation, and Infrastructure**
 - We are focused on digitalizing payroll and HR solutions. Optimizing these two areas is valuable to secure fair and transparent work environments.
- **Goal 12 Responsible Consumption and Production**
 - We set a goal that by 2030, all products we no longer use shall either be in a state that others can reuse them or shall be fully recycled.
- **Goal 13 – Climate Action**
 - All are responsible for partaking in combatting climate change. We reduce whatever we can internally and tune our products to help our customers do the same.
- **Goal 17 – Partnerships for the Goals**
 - Working with partners to achieve the UN SDGs is essential for success. We have teamed up with many great partners to become a more sustainable organization on one side. On the other, we have teamed up with partners who help us add sustainability features and functions to our products. We also consider all our customers' partners when making the most out of our everyday sustainability actions.



Ratings and partnerships

WE SUPPORT



UN Global compact

In 2022 Zalaris became a member of the UN Global Compact and committed to supporting its Ten Principles. The Ten Principles cover various topics related to human rights, labour standards, environmental sustainability, and anti-corruption. This membership also provides access to the UN Global Compact's extensive network of companies, organisations, and experts, allowing Zalaris to stay current on the latest trends and best practices in sustainability and responsible business and collaborate with other members to address common challenges and opportunities.



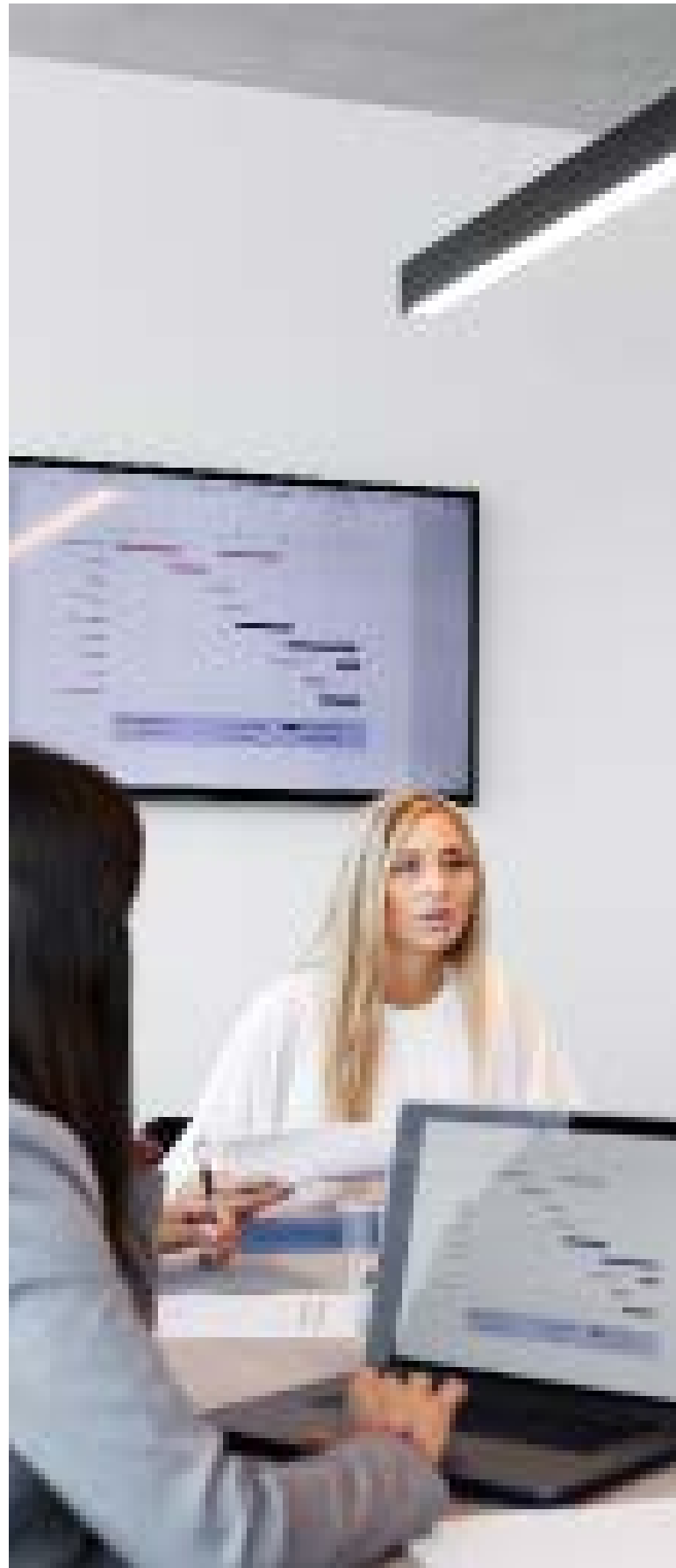
Achilles

Achilles is a global network of companies and organizations that facilitates business collaboration and helps suppliers demonstrate their reliability and compliance. As a member of this network, Zalaris gains increased visibility and access to potential clients and partners who trust Achilles to identify and evaluate trustworthy suppliers. Achilles' rigorous prequalification processes and ongoing monitoring help demonstrate Zalaris' commitment to high standards of quality, safety, and environmental responsibility.



EcoVadis

Zalaris EcoVadis Silver rating indicates our commitment to sustainable and responsible business practices. This rating shows our commitment to customers, stakeholders, and potential partners. It also shows that we have implemented measures to minimize environmental impact, ensure fair labor practices, and promote ethical business conduct.



03.

Environment

The IT software and consulting industry is perceived as having a low environmental footprint. Even so, we are not exempt from having emissions.

Climate emissions
Office power (Scope 2)
Travel (Scope 3)
Data centers (Scope 3)
Emissions per employee
Climate risk



Climate emissions

The IT software and consulting industry is often perceived as having a low environmental footprint due to several factors:

Energy efficiency: Cloud computing typically uses fewer resources than traditional IT infrastructure. The energy consumption of a single data center can be shared across multiple customers, resulting in higher utilization rates and fewer energy-intensive servers.

Reduced physical infrastructure: With cloud computing, there is no need for physical infrastructure such as servers and network equipment to be housed on-premises, which leads to significant reductions in resource consumption, such as energy and water usage.

Scalability and flexibility: Cloud computing allows for efficient resource allocation and scalability, allowing for resource consumption based on demand and reducing energy consumption and environmental impact.

Reduced travel: Offering products and services in the cloud reduces the need for travel.

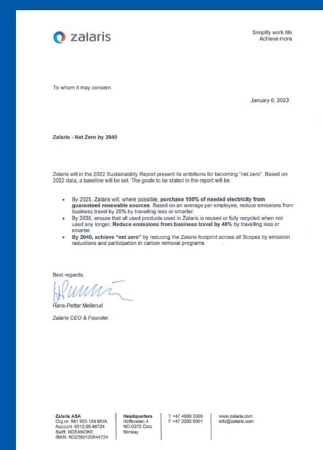
The majority of our locations are in areas with mainly green grid power. We actively look for the best available sources of renewable electricity.

However, it's important to note that the industry is not immune to environmental impact. For example, data centers that host digital products require significant amounts of energy to operate and cool, leading to carbon emissions. Being an international player in a services business incurs travel for operations, services, and sales.

Hence, continuous focus on smart travel and good hosting partners remains vital for us to continue focusing on sustainability and reducing our environmental impact.

Zalaris is committed to:

- **Zalaris committed to Net Zero by 2040.**
- **Adding targets for 100% renewable Scope 2 power in 2025**
- **40% reduction in business travel emissions by 2030.**



Office power (Scope 2)

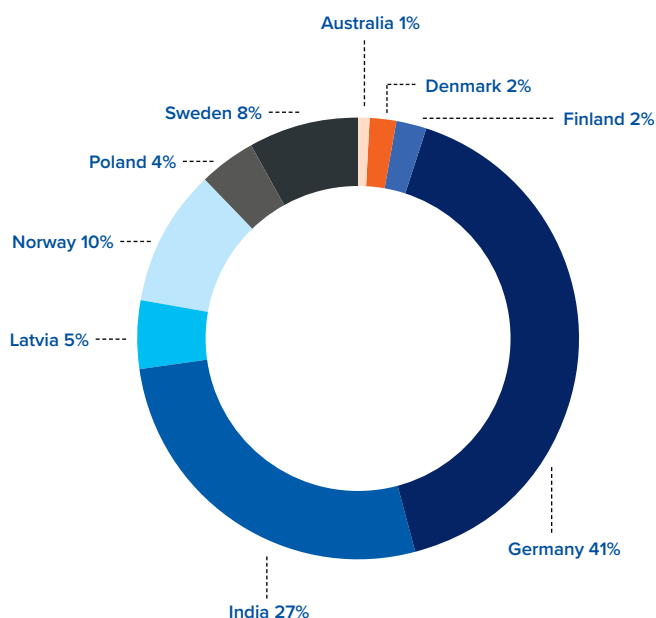
Comparing grid electricity CO₂ emissions worldwide is challenging due to different methodologies, energy mixes, time of measurement, incomplete data, and the allocation of emissions. These factors can vary significantly between other countries, regions, and even utilities, making it difficult to make accurate and reliable comparisons.

Nonetheless, based on input from all locations, we have identified a baseline for the Zalaris Scope 2 emissions.

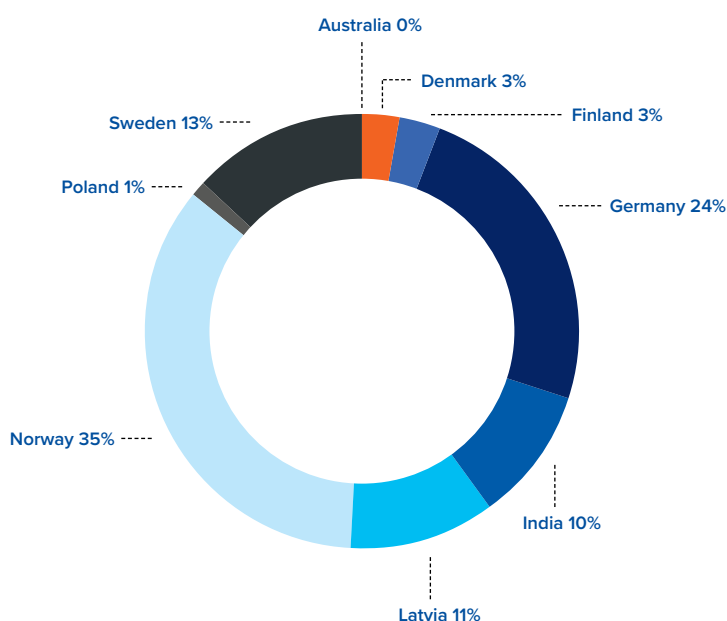
In 2022 power usage for Zalaris Worldwide was estimated to be **748 000 KWH**¹. Leaving a CO₂ footprint of **44 tCO₂eq**



Zalaris office power - CO₂ emissions



Electricity Purchased (kWh)



¹ Methodology:

Wherever possible we have collected power usage numbers by country and multiplied these by standard grid emission factors for each country provided by [Climatiq](#). For a couple of locations usage data was impossible to get, and we used an average number based on known emissions per employee in the same country.

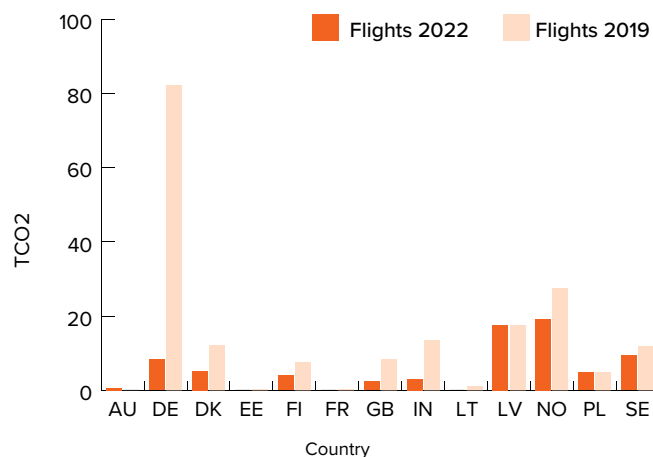
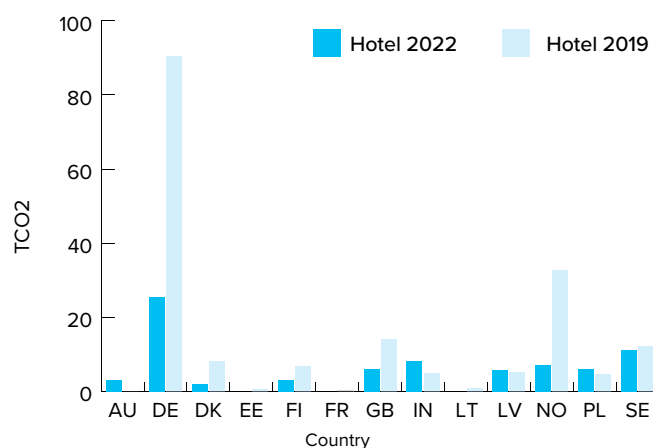
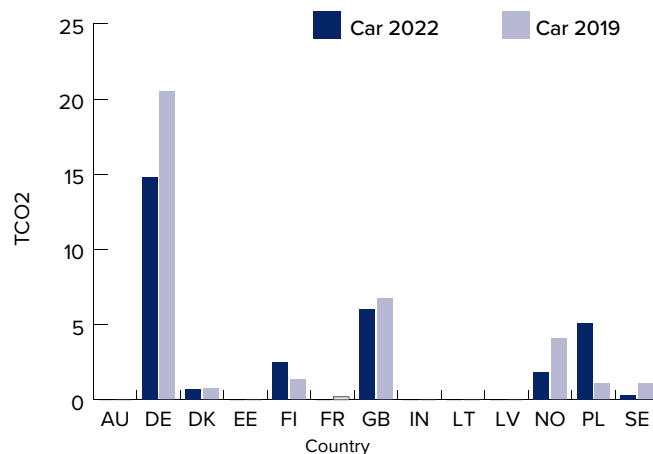
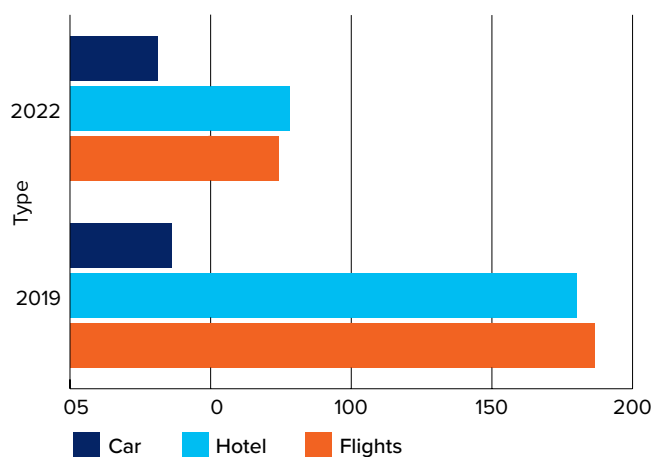
Travel (Scope 3)

As an IT and consulting firm, Zalaris has employees who must travel domestically and internationally to provide services to our clients, attend meetings, etc. This travel can be by air, car, or other modes of transportation and does result in CO2 emissions.

For Zalaris, travel is a significant contributor to CO2 emissions. In 2022, by our calculations, our CO2 emissions from travel were the single most important contributor to our footprint, with 189 tCO2.

Due to ongoing Covid restrictions well into 2022, we do not consider the travel data for the year representative for a year of normal operations. Hence the data from 2019 was mapped to indicate what would be expected in a “normal” year. The 2019 emission from travel is estimated to be 402 tCO2 (869 Employees). This is the baseline for our commitment to emission reductions moving forward.

Travel relates emissions 2019 vs 2022



Data centers (Scope 3)

It has proven difficult to get numbers on power consumption from our three major data center suppliers. They all confirm that their centers run on renewable energy, so the CO2 footprint should be nominal. Our goal is to get actual power consumption data for next year's report.

Climate risk

Greenhouse gas emissions are changing our climate at a rapid pace. These changes come with some risks. Flooding, heat waves, and wind may influence and affect operations. But it may also affect how we run our business moving forward.

Zalaris's target of becoming Net Zero by 2040 demonstrates our commitment to reducing our carbon footprint. Even as a provider of HR and payroll services, Zalaris has an impact on the environment through our operations. By becoming Net Zero, we can contribute to the global effort to mitigate climate change. Additionally, by setting a target to become Net Zero, we are sending a message to our stakeholders that we take environmental responsibility seriously and are willing to take action to address it.



Zalaris Net Zero by 2040

Focus	Ambition	Indicator	Scope
Renewable Energy	Purchase 100% of the electricity needed for our offices from guaranteed renewable sources.	In place by 2025	2
Business travel	Lower emissions by 25% in 2025 and 40% by 2030	In place by 2025 and 2030	3
Equipment	100% circular use or recycling of all equipment used in our offices	In place by 2030	3
NET ZERO	Reduce the Zalaris footprint across all scopes by emission reductions and participation in carbon removal programs	By 2040	1, 2 & 3

04.

Social

Human resource development
Human rights
Equality
Employee turnover
Absenteeism and injury reporting
Training and education
Life-Work balance



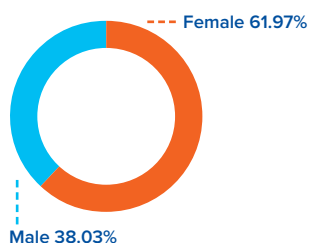
**Zalaris aims to be a workplace
free from discrimination.**

**No direct or indirect
discrimination shall occur
based on race, colour,
gender, sexual orientation,
age, disability, language,
religion, employee
representation, political or
other opinions**

Human resource development

Zalaris aims to achieve sustainable development by balancing financial results, value creation, sustainability, and corporate social responsibility (CSR). The company's primary goal is to reduce its impact on the environment while maximizing its positive effects on society, working conditions, and customer satisfaction. Additionally, Zalaris strives to assist its customers in tracking, promoting, and managing their sustainability efforts.

Headcount by Gender in %



The number is based on 1036 employees at the end of 2022

Human rights

Corporate ethics are about how we behave towards each other and the world around us. It relates to human rights, employee rights and social matters, the external environment, the prevention of corruption, the working environment, equal treatment discrimination, and environmental impact. Everyone associated with Zalaris shall comply with the rules and guidelines based on Zalaris' fundamental values. At Zalaris, we want everyone to contribute to a good corporate culture. Zalaris has defined a Code of Conduct, which is the foundation of our corporate culture and represents the core principles and ethical standards by which we create value in our Company. The Code of Conduct valid for the Company and its subsidiaries is available on our [website](#).

Zalaris aims to be a workplace free from discrimination. No direct or indirect discrimination shall occur based on race, color, gender, sexual orientation, age, disability, language, religion, employee representation, political or other opinions, national or social origin, property, birth, or other. Zalaris aims to provide the physical environment necessary not to exclude persons with a physical disability from performing the business' various functions.

Zalaris' personnel policy is based on equal pay for the same work. This means that women and men receive the same pay for the same position, given that all other applicable circumstances are the same. Zalaris ASA will continue to strive for gender balance in the Group's management and board of directors.

Zalaris aims to have a balanced representation of gender, age, ethnicity, and religion. Zalaris had 1036 employees across ten countries at the end of 2022 (2021: 876), and women are well represented in all the Group's companies and units, comprising 60% (56%) of the workforce. The Group's executive management team was represented at the end of the year with 10% female. The Company aims to increase female representation by actively seeking and developing female talent. The chairman of the Zalaris board of directors is female, and the board consists of three males (60%) and two females (40%).

Equality

Zalaris promotes the benefits of equality and aims at being gender and "background" neutral. The Company shall be a professional workplace with an inclusive working environment and respect for the International Labour Organization's fundamental conventions.



The board consist of:
60% **40%**
 Males Females

Absenteeism and injury reporting

The long-term business success of Zalaris depends on our ability to live up to our values of “Service Excellence, Quality-Focused Processes and Employees – our key assets.” The Company wants to continuously improve the quality of its services while contributing to a positive working environment for its people.

Zalaris requires an active commitment to and accountability for health and safety from all employees and contractors. Line management has a leadership role in communicating, implementing, and ensuring compliance with these policies and standards.

We are committed to:

- Protect and strive to improve our people’s health, safety, and security at all times to eliminate “health and safety” (HS)-related accidents.
- Set HS performance objectives, measure results, assess and continually improve processes, services, and product quality through the use of an effective management system
- Work with management, employees, and employee representatives to create a positive physical and psychological work environment that maximizes the motivation and teamwork of all impacted people
- Plan for, respond to, and recover from any emergency, crisis, and/or business disruption
- Develop services that can help our customers monitor and act upon HS issues
- Communicate openly with stakeholders and ensure an understanding of our HS policies, standards, programs, and performance.

Absences due to sick leave averaged 3.7% (2.7%) in 2022. No incidents of injury or accidents in the workplace were reported during 2022.

Training and education

Education and training are essential for any organization, particularly in the IT software, services, and consulting industry. Here are some of the reasons we think are essential.

1. Enhancing employee skills and knowledge.
2. Improves employee morale and job satisfaction.
3. Keep up with industry changes.
4. Attract and retain Talent.

By investing in your employees’ education, we get a more skilled and motivated workforce better equipped to deliver quality services and solutions to clients.

Registered training in Zalaris in 2022.

Description	Hours
Certification (SAP)	4157
Self-development and upskilling	18602
Trainee Training - For juniors from college or intern	15200
General Training	25315
	63275

This gives an average of approximately 36 hours (2%) of training on average for every employee.

All employees are encouraged to improve their skills and knowledge regularly. This is part of our annual review with our staff.

3.7% Absence due to sick leave in 2022

36h Average of training for every employee

Retention

In 2022 we had 217 people leaving Zalaris. In the same period we had 372 that joined.

Group (Jan'22 - Dec'22)



Life-Work balance

Zalaris strives to make it possible for employees of either gender to combine their work and private life and therefore offers leave arrangements, home office solutions when possible, part-time positions, and other flexible work arrangements to support this objective.

The Company organizes programs to motivate its employees to stay physically active while ensuring the availability of healthy food in our canteens.

Zalaris' solution helps customers and their employees easily track work hours, overtime, and leave through effective mobile-based solutions. Our workforce planning solutions are used to secure optimal staffing over the year – building the foundation for a sound life-work balance.

Our analytics solutions for reporting and analyzing absence and sick leave allow for early detection of potential issues and documentation of management's responsibility in getting colleagues with health issues back to work.

Our mobile and portal-based solutions delivering wholly digital payroll and HR processes fully support flexible work arrangements and working from home. This became particularly evident during 2020 and 2021, with the Covid-19 pandemic, where most of the workforce worked from home for a large part of the year. Our efforts in managing the Covid-19 pandemic were recognized by our employees, resulting in high employee engagement scores across all countries.

Zalaris believes that by locating our service centers outside high-pressure areas – where our presence is noticed and welcomed – we can combine good business with good environmental practice enabling people to work where they want to live. Our secure, centralized IT infrastructure enables us to rapidly establish cost-effective service centers independent of the end customer's location.



05.

Governance

Zalaris ASA is committed to an environment where open, honest communications are the expectation, not the exception



Code of Conduct
Risk
Suppliers
Modern slavery
Whistleblowing channel
Stakeholder engagement
Material topics
GRI framework
Preparing for CSRD

Code of conduct

The Code of Conduct is an integral part of the formal governance regime in Zalaris. This Code defines the core principles and ethical standards that form the basis of how we create value in Zalaris. Such principles and standards are further incorporated into other governing documents as appropriate. This Code shall apply to Zalaris ASA and any subsidiary in which Zalaris, directly or indirectly, owns more than 50% of the voting shares. The Code of Conduct applies to members of the board of directors, managers, and other employees, as well as those acting on behalf of the Company.

This Code does not apply directly to the Company's business partners. However, Zalaris does not want to be associated with business partners that do not have appropriate ethical standards.

Everybody associated with Zalaris shall comply with the rules and guidelines. Failure to perform can be excused, but we can never compromise our integrity. This is the way we shall conduct business in Zalaris and the way we shall create value for our customers, investors, staff, and anyone benefiting from the services we provide.

The Code influences how we think about our actions and what we should and should not do. Every employee shall have an understanding of how this Code affects their daily work and the ways to act accordingly. It is the personal responsibility of each employee to adhere to the applicable standards.

Line managers shall understand this Code as a platform for business decisions. They shall also understand their role in implementing, overseeing, assessing, and following up that an ethical atmosphere is created consistent with the requirements of this Code.

We shall comply with applicable laws and regulations. If there are differences between such laws and regulations and our Code of Conduct standards, the highest standard consistent with applicable local laws shall be applied.

Although the scope of this Code has been set to cover relevant ethical areas of conduct, there will be

situations where this Code does not provide explicit guidance. In such cases, the guiding principles shall be to act in the best interests of Zalaris and to consult with the Zalaris management team when in doubt about how to act.

Any questions on how this Code shall be interpreted or applied shall be addressed with the line leader or applicable staff functions. Any unresolved questions shall be addressed to Zalaris' Group Compliance Officer.

[Community policy.](#)

[Relationships policy.](#)

[Assets policy.](#)

[Handling infringements policy.](#)



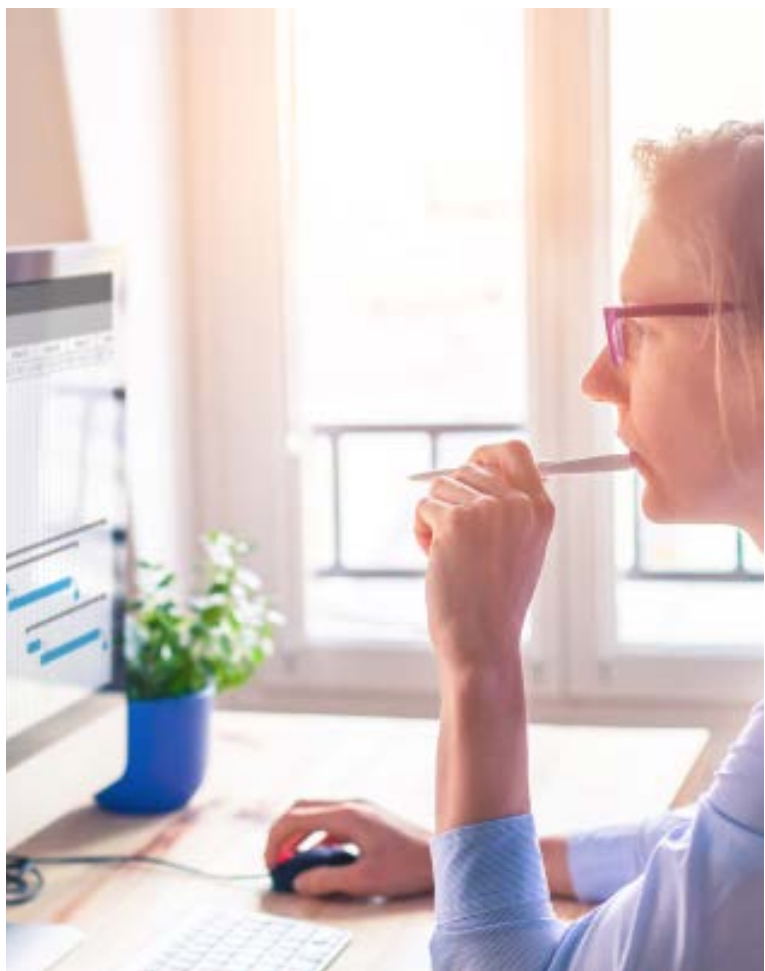
Risk

Risk management is at the core of the IT operations and development in Zalaris. The below aims to explain on a high level the primary approach to risk management.

When performing a risk assessment, the objective is to evaluate the alignment and coordination of risk management and internal control activities and their effectiveness in mitigating the key business risks impacting Zalaris' ability to achieve its business objectives. The goals of the risk assessment activities are to:

- Assist management with the identification and assessment of key business risks
- Provide executive management with a prioritized view of their evolving risk profile
- identify and prioritize the risk areas of primary focus for improvement and monitor activities

Effective governance is achieved by, among other elements, knowing the organization's risks and by governing thereafter – hence, effective risk management is critical to achieving strategic goals and should therefore be an integrated part of the management's decision-making processes.



ISO 9001:2015

Although not directly related to information security – the Zalaris Quality systems are still a crucial part of Zalaris' efforts to adhere to best practices, policies, and procedures.

ISO/IEC 27001

ISO/IEC 27001 is an information security standard, part of the ISO/IEC 27000 family of standards. ISO/IEC 27001 specifies a management system intended to bring information security under management control and gives specific requirements. Organizations that meet the requirements may be certified by an accredited certification body following the successful completion of an audit.



Suppliers

Our suppliers are essential to our ability to operate and provide products and services to our customers. As Zalaris will be associated with its suppliers, their conduct may impact Zalaris' reputation.

Suppliers shall be treated fairly and equally. Suppliers in competition for contracts with Zalaris shall be able to trust Zalaris' selection processes. Suppliers to Zalaris shall adhere to Zalaris' principles for supplier conduct.

When selecting suppliers, we shall follow the established guidelines and procedures. We shall help our suppliers understand Zalaris' principles for supplier conduct. We shall also be alert to activity by suppliers that may breach our principles for supplier conduct and report accordingly.

Modern slavery

Zalaris holds a zero-tolerance approach to modern slavery and is fully committed to preventing slavery and human trafficking in our operations and supply chain. We have taken concrete steps to tackle modern slavery, as outlined in our statement. This statement sets out the actions that we have taken to understand all potential modern slavery risks related to our business and to implement steps to prevent slavery and human trafficking.

We establish a relationship of trust and integrity with all our suppliers, which is built upon mutually beneficial factors. Our supplier selection and onboarding procedures include due diligence in reviewing the supplier's reputation, respect for the law, compliance with health, safety, and environmental standards, and references. We have not been made aware of any allegations of human trafficking/slavery activities against any of our suppliers. Still, if we were, then we would act immediately against the supplier and report it to the authorities.

Whistleblowing channel

The Zalaris Whistleblowing Channel is hosted on EthicsPoint's secure servers and is not part of the Zalaris ASA website or intranet.

Our Commitment

Zalaris ASA is committed to an environment where open, honest communications are the expectation, not the exception. Zalaris wants all employees to feel comfortable approaching their supervisor or management when they believe violations of policies or standards have occurred.

When employees prefer to place an anonymous report in confidence, the information provided will be sent to Zalaris by EthicsPoint on a confidential and anonymous basis. Zalaris guarantees that all comments will be heard.

[The Zalaris Whistleblowing Channel can be found here.](#)



Stakeholder Engagement

Engaging with stakeholders like employees, customers, suppliers, and public institutions is essential for the success and sustainability of any business, including Zalaris. The priorities of our stakeholders are constantly changing, and it's vital that we continually evolve to meet expectations.

Engaging with employees is critical to maintaining a positive workplace culture. Engaging with customers is vital for building strong and lasting relationships. Engaging with suppliers is crucial for ensuring a reliable and sustainable supply chain. Engaging with public institutions, such as government agencies and regulatory bodies, is essential for compliance, risk management, and reputation. Engagement in all these areas is, to a great extent, business as usual.

Regarding what stakeholders to actively engage with regarding sustainability in general and materiality in particular, we have started. Still, have a way to go before we have involved all that should have a say in this work.

The Zalaris Board of directors are dedicated to our sustainability activities and has initiated several of them. Likewise, our senior management team is committed to building sustainability as a core value in the Zalaris organization.

As much as we would like to see all stakeholders involved immediately, we realize that it will take time, and there is still work to do on this in the weeks, months, and years to come.






Material topics

Material topics refer to the most significant sustainability issues an organization faces based on their potential impact on the environment, society, economy, and stakeholders' concerns. Material topics can vary depending on the organization's sector, size, geographic location, and the perspectives of stakeholders such as investors, customers, employees, and civil society groups. Identifying and addressing material topics is a critical component of sustainability reporting. It helps organizations prioritize their sustainability efforts, improve environmental and social performance, and build stakeholder trust. A well-mapped list of material topics can help us in several areas, including reputation and risk management, meeting customer expectations, compliance with regulations and standards, and identifying opportunities for innovation and growth.

We have based our material topic list based on the recommendations from SASB². Using their topics for the Software & Information Technology Services industry, we have identified six areas under climate impact, people, and governance that we will focus on. We are still in the early stages of this process internally. Still, we have the commitment of our board and senior management to proceed with evolving a material topics list that is aligned with our key stakeholders' expectations.

Definition of materiality:

"Those topics that have a direct or indirect impact on an organization's ability to create, preserve or erode economic, environmental and social value for itself, its stakeholders and society at large!"

Area	Material topic	Why & how	SDG
Climate impact	Energy Management	Cloud hosting has been identified as one of the three areas where we have a significant power consumption. Using suppliers that provide data centers running on renewable energy will reduce the impact of the power consumption.	
	Travel	Travel is a significant contributor to CO2 emissions. For Zalaris it is the greatest. Focus on less and/or smarter travel will have significant impact on emissions (and economy)	
	Office power	In several of our locations our offices are powered from high emission grid electricity. Goal is to move over to certified renewable wherever possible	
People	A sustainable workforce	Employees are key contributors to value creation in our industry. Focus on diversity, retention, skills and training are key to succeeding.	
Governance	IT Security	As an IT company that handles large amounts of sensitive data, ensuring the privacy and security of that data is critical for Zalaris.	
	Managing Risk	Disruptions from programming errors or server downtime have the potential to generate systemic risks. Securing high performance internally, and selecting trusted vendors with proven track records externally mediates this risk.	

² SASB Material Topics Software & Information Technology Services industry
<https://www.sasb.org/standards/materiality-finder/find/?industry%5b0%5d=TC-SI>

GRI framework

The 2022 Zalaris sustainability report contains a GRI³ Content Index as an attachment. This means that Zalaris is following the guidelines and principles established by the GRI to prepare our sustainability report.

The GRI is an independent international organization providing a widely recognized sustainability reporting framework. It sets out a comprehensive set of sustainability reporting standards and guidelines organizations can use to report on their economic, environmental, and social performance. The GRI framework helps organizations identify and report on their material topics and provide a transparent and credible account of their sustainability performance to stakeholders.

By reporting in accordance with the GRI framework, we demonstrate our commitment to transparency, accountability, and sustainability. And to the best of our ability, we provide our stakeholders with a clear and standardized view of our sustainability performance.

Preparing for CSRD⁴

On 5 January 2023, the [Corporate Sustainability Reporting Directive \(CSRD\)](#) entered into force. This new directive modernizes and strengthens the rules about the social and environmental information that companies have to report.

To best prepare for CSRD, we will start by identifying gaps between our current reporting practices and the requirements of the new directive. This may involve reviewing existing sustainability frameworks and identifying areas where data collection, measurement, and reporting may need to be improved. We also need to start engaging more with stakeholders and understanding their expectations for sustainability reporting.



³ GRI - Home (globalreporting.org)

⁴ Corporate sustainability reporting (europa.eu)

06.

ESG Product Focus

In Zalaris, we are committed to building and adding functionality to our products to enable our customers and us to incentivize "right choices" and track and report on sustainability factors related to the workforce.

Appendix 1 - GRI content index
Appendix 2 -Statement of diversity, equity and inclusion



As sustainability reporting is being digitized, a multitude of platforms for ESG reporting have appeared. Platforms intended to solve the pains of ESG reporting, throwing an extensive net intended to catch everything ESG in an organization.

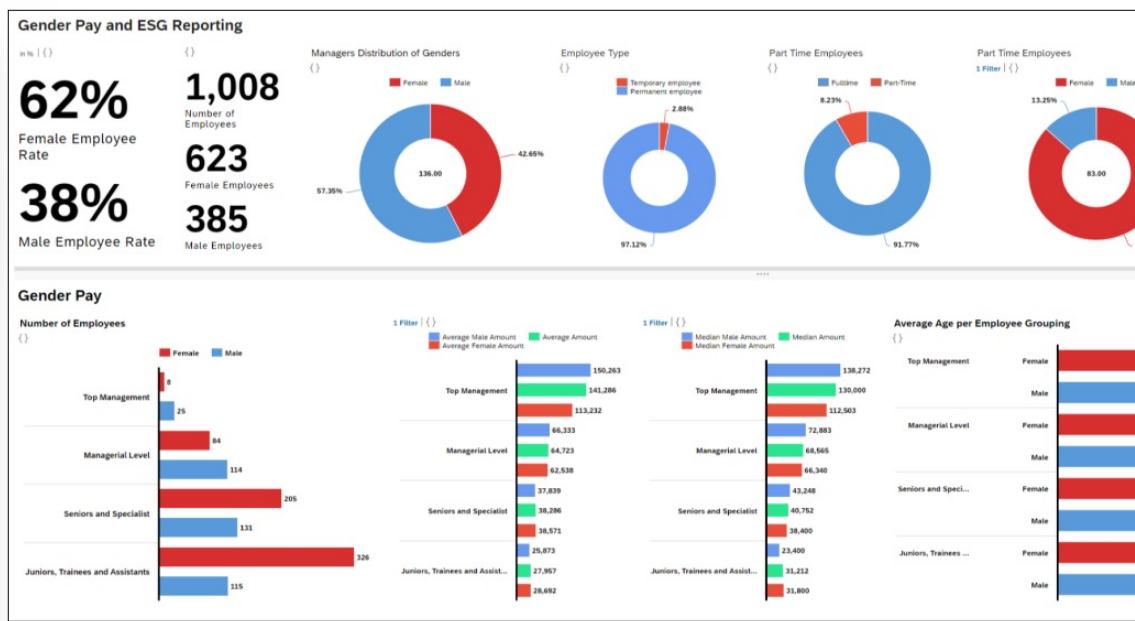
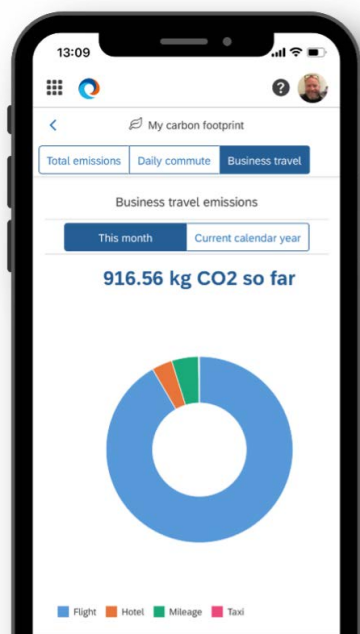
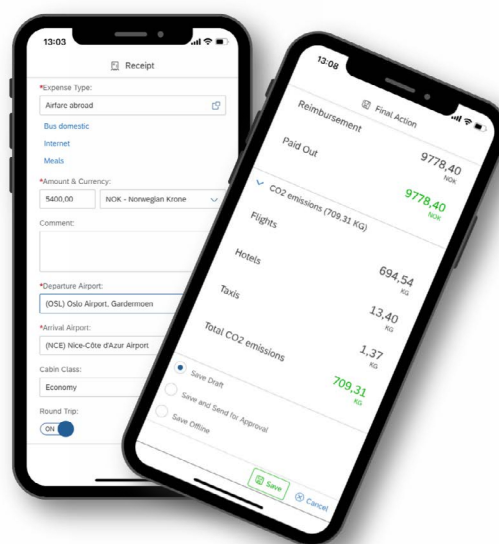
In Zalaris, we have taken a slightly different approach to what our ESG tools should do. We have focused on building tools where we have good data availability. For us, this means anything related to payroll or HR. We want to build tools to ease ESG reporting by building the tools to leverage existing data and, by that, reducing the need for additional data to report.

In 2022 this resulted in three new tools:

- The **CO2-tracker in Zalaris' Travel & Expense Solution** automates the process of calculating the footprint from a business travel. Alongside the financial calculation of a submitted travel expense, the solution will calculate the CO2 footprint. This is done by reusing the travel data gathered and mapping these to CO2 emission factors supplied by climatiq.io Reports can be generated at department, country, or corporate level.
- Zalaris' My Carbon Footprint Solution has two key functions. It is used to map an employee's commute pattern and to display the combined footprint from commute and business travel that an employee has.

- The third tool is a reporting dashboard where we use the combination of payroll and HR data easier to monitor gaps in gender, age, pay, etc. Hence simplifying reporting on these data greatly.

In Zalaris, we are committed to building and adding functionality to our products to enable our customers and us to incentivize "right choices" and track and report on sustainability factors related to the workforce.



Appendix 1 - GRI content index

Below we have published our GRI Content Index.
The Zalaris 2022 Sustainability Report is produced with reference to the guidelines and principles established by GRI.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Zalaris ASA
	2-2 Entities included in the organization's sustainability reporting	AR* About Zalaris
	2-3 Reporting period, frequency and contact point	2022 Annual Dag Oliver
	2-4 Restatements of information	None
	2-5 External assurance	AR Assurance by EY No sustainability report assurance for 2022
	2-6 Activities, value chain and other business relationships	AR About Zalaris
	2-7 Employees	SR** – Attachment 2
	2-8 Workers who are not employees	SR – Attachment 2
	2-9 Governance structure and composition	AR Corporte Governance
	2-10 Nomination and selection of the highest governance body	AR Corporte Governance
	2-11 Chair of the highest governance body	Adele Norman Pran - Chair of the Board
	2-12 Role of the highest governance body in overseeing the management of impacts	AR Corporte Governance
	2-13 Delegation of responsibility for managing impacts	In 2022 a Chief Sustainability Officer was assigned on group level.
	2-14 Role of the highest governance body in sustainability reporting	The Zalaris board reviews the sustainability report before publishing. There is no approval or audit process in place at this point.
	2-15 Conflicts of interest	AR The work of the board
	2-16 Communication of critical concerns	See https://zalaris.com/about-zalaris/whistleblowing-channel/

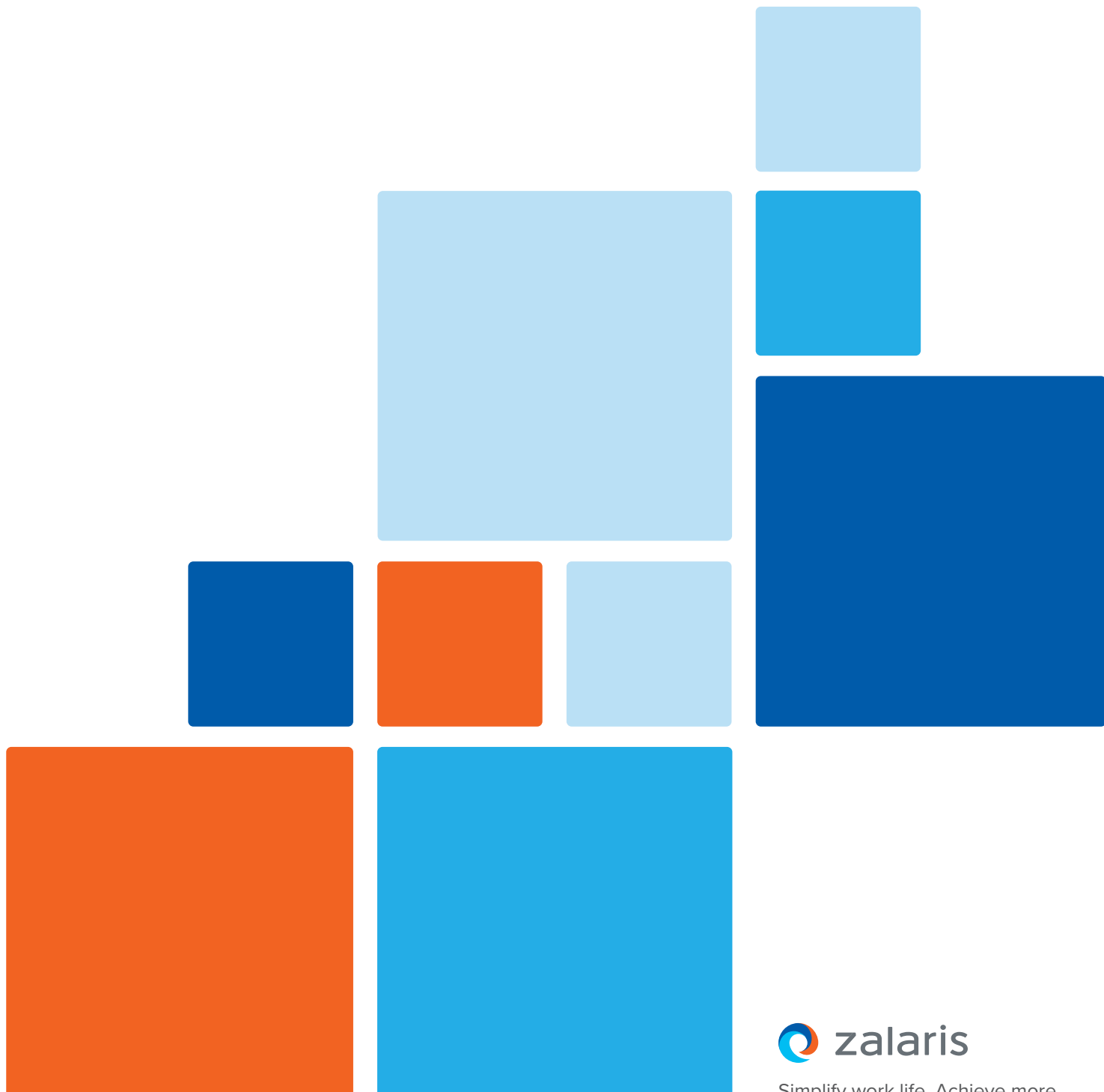
* AR - Annual report ** SR - Sustainability Report

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-19 Remuneration policies	See Remuneration Report https://ir.zalaris.com/reports-and-presentations/2022-2/
	2-20 Process to determine remuneration	See Remuneration Report
	2-21 Annual total compensation ratio	SR – Attachment 2
	2-22 Statement on sustainable development strategy	SR Letter from the CEO
	2-23 Policy commitments	See https://zalaris.com/about-zalaris/zalaris-code-of-conduct/
	2-24 Embedding policy commitments	See https://zalaris.com/about-zalaris/zalaris-code-of-conduct/
	2-25 Processes to remediate negative impacts	See https://zalaris.com/about-zalaris/whistleblowing-channel/
	2-26 Mechanisms for seeking advice and raising concerns	See https://zalaris.com/about-zalaris/whistleblowing-channel/
	2-27 Compliance with laws and regulations	See https://zalaris.com/about-zalaris/zalaris-code-of-conduct/
	2-28 Membership associations	Not applicable
	2-29 Approach to stakeholder engagement	SR Governance
	2-30 Collective bargaining agreements	See https://zalaris.com/about-zalaris/zalaris-code-of-conduct/
GRI 3: Material topics 2021	3-1 Process to determine material topics	SR Governance
	3-2 List of material topics	SR Governance
	3-3 Management of material topics	SR Governance
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	AR Key figures, Financial Statements
	201-2 Financial implications and other risks and opportunities due to climate change	AR Operational and Financial Risk ESG: Risks
	201-3 Defined benefit plan obligations and other retirement plans	Note 17 – Pensions
	201-4 Financial assistance received from government	None received in 2022

GRI STANDARD	DISCLOSURE	LOCATION
GRI 302: Energy 2016	302-1 Energy consumption within the organization	SR Office power.
	302-2 Energy consumption outside of the organization	SR Data centers and travel.
	302-3 Energy intensity	SR Environement.
	302-4 Reduction of energy consumption	Under implementation
	302-5 Reductions in energy requirements of products and services	Under implementation
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	None
	305-2 Energy indirect (Scope 2) GHG emissions	SR Office power.
	305-3 Other indirect (Scope 3) GHG emissions	SR Data centers and travel.
	305-4 GHG emissions intensity	SR Environement.
	305-5 Reduction of GHG emissions	Under implementation
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	SR Traning and education.
	404-2 Programs for upgrading employee skills and transition assistance programs	SR Traning and education.
	404-3 Percentage of employees receiving regular performance and career development reviews	SR Traning and education.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	SR – Attachment 2
	405-2 Ratio of basic salary and remuneration of women to men	SR – Attachment 2
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	SR – Attachment 2
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	None reported

Statement of diversity, equity, and inclusion.

Sustainability report Attachment 2



At Zalaris, we celebrate diversity and strive to create an inclusive workplace where every individual is valued and respected. Regardless of gender, ethnicity, religion, sexual orientation, functional impairment, or other personal characteristics, we believe your knowledge, competencies, and strengths genuinely matter.

That's why we're proud to uphold one of our core values - 'Everyone Matters' - which reminds us that everyone is equal and no one is superior to anyone else. We don't care about how you look or whom you love. We care about your determination, expertise, and willingness to work collaboratively with the team to achieve success.

So, join us at Zalaris and build a workplace where everyone feels valued and inspired to be their best selves!

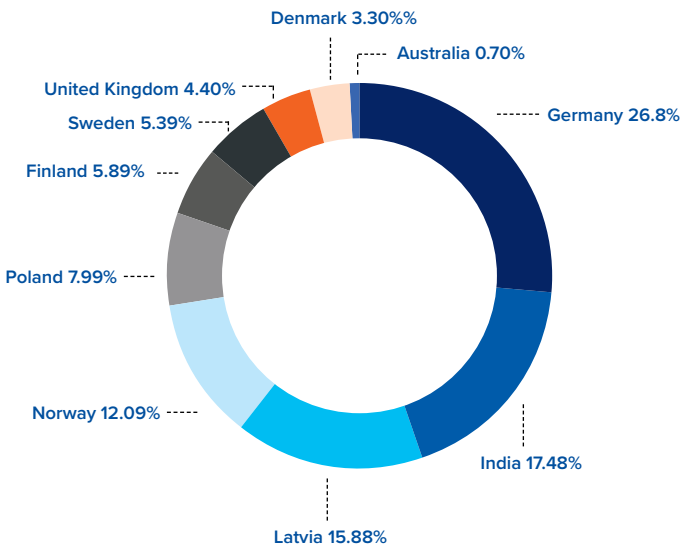
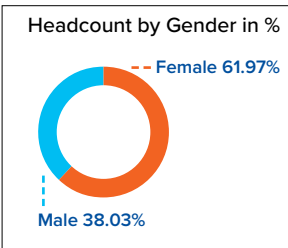


Figure 1 Workforce distribution by country.

Part 1 Gender equality status

This report provides an overview of the Zalaris Group's employee headcounts and salary analyses for the Norwegian entity, focusing on ensuring fair comparisons despite currency fluctuations. At the end of 2022, Zalaris had 1036 employees across 12 countries, representing 20 nationalities, and women accounted for 62% of the workforce and 46% of managers.

Zalaris is committed to providing a flexible and attractive work environment that meets the individual needs of employees, including flexible work hours, work location when possible, and part-time work arrangements. While full-time positions are the norm, as of 31 December 2022, 6% of employees worked part-time. We conduct an annual review process where employees can update their preferences for full-time or part-time work, and no involuntary part-time positions were identified in 2022.



Temporarily employees		Part-time employees		Involuntary part-time employees		Parental leave (avg. numbers of weeks)	
Female	Male	Female	Male	Female	Male	Female	Male
14 (48%)	15 (52%)	82 (83%)	17 (17%)	0	0	9.86	2.6

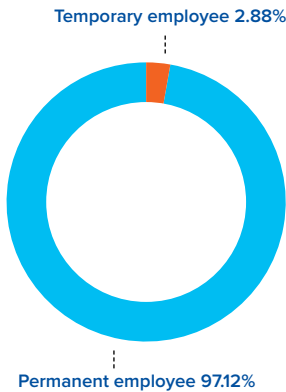


Figure 2 Temporary vs. permanent employees.

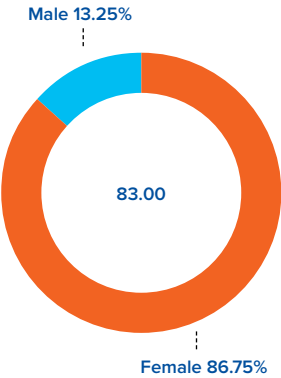
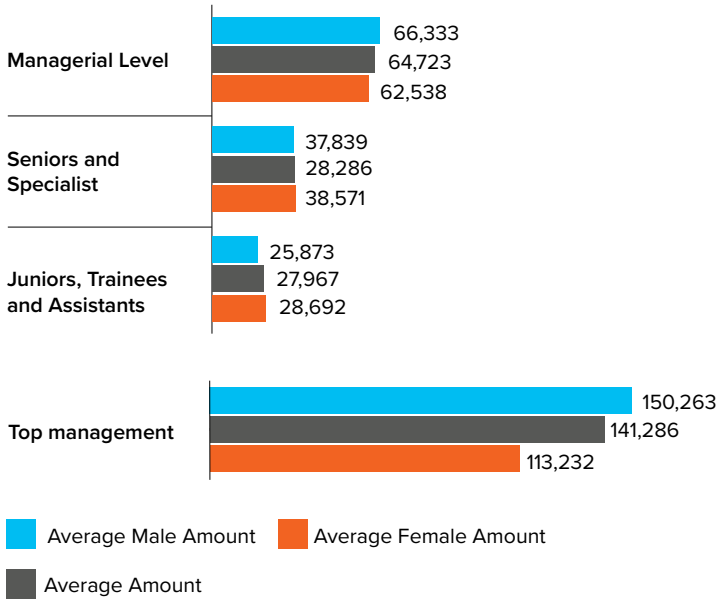


Figure 3 Gender composition, part-time employees

In 2022 Zalaris contracted 196 FTE consultants. The majority of these were IT specialists assisting in major projects.

We firmly commit to gender equality at the managerial and senior/specialist levels. Our strategy includes attracting and training junior employees to build their careers at Zalaris. End of 2022, 24% of the Top Management category were held by women (the two highest grade levels positions) with a clear ambition to increase. See the illustration below. The Zalaris Executive Board has set a long-term goal of achieving at least 40% of women in top management positions.

We constantly monitor and analyze fair and equal pay as a part of our available analytical tools and focus. In addition, we do structured pay reviews for each country as a part of our yearly group remuneration process. Our analysis includes possible discrimination based on gender, age, or seniority to ensure equal pay for equal jobs. No gender discrimination was identified in our 2022 review. The salary gap between genders among top management was primarily due to different positions and the inclusion of the CEO's salary in the male data.



Note: On both junior and senior level the average salary of women are higher than men. The reason for the lower average salary at the top level is that the CEO is included in the male number as well as some of the women are placed in lower cost countries.

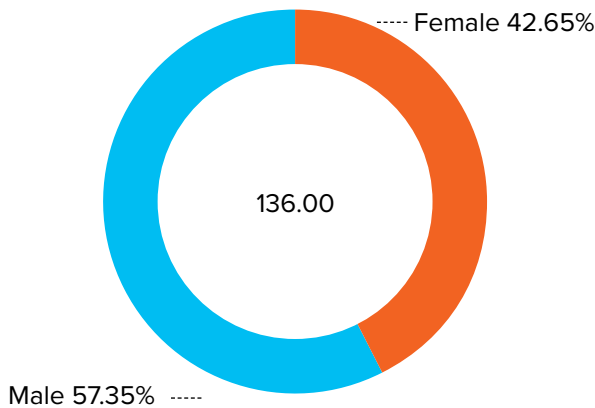
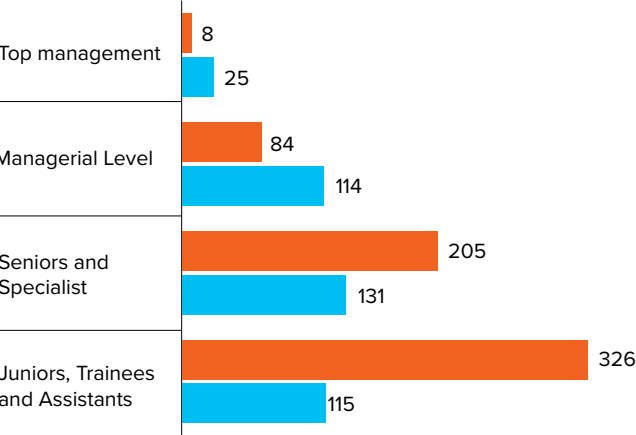
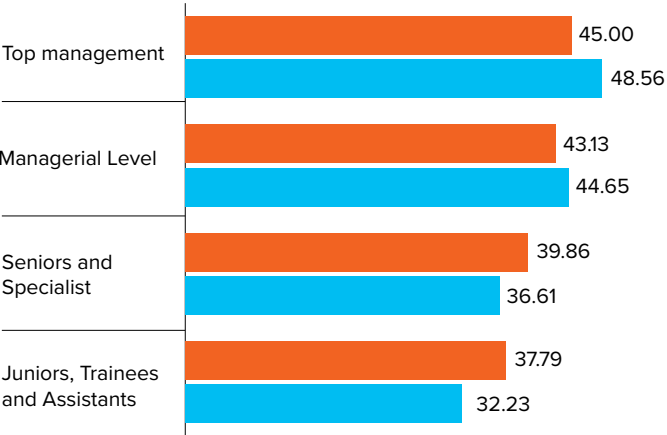


Figure 4 - Managers, gender distribution.

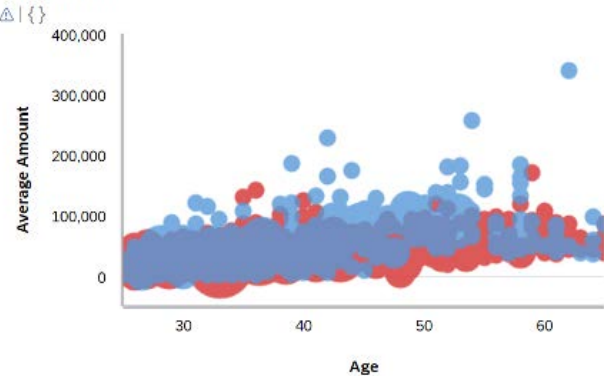
Number of employees



Average Age per Employee Grouping



Salary per age



Salary Progression per time in Zalaris

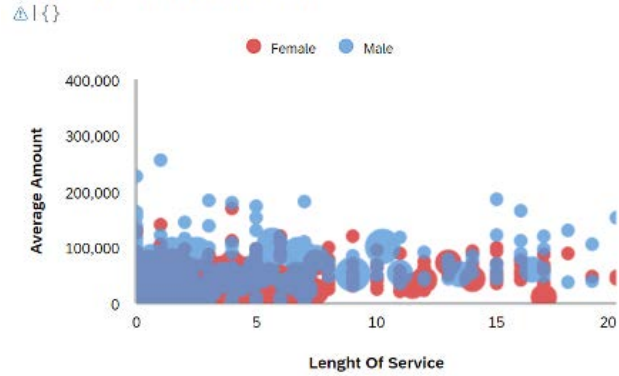


Figure 7 The salary progress graph shows an even pay distribution between genders taking age and seniority into consideration.

Part 2 – Work to promote equity and combat discrimination

Principles, procedures, and standards for equality and anti-discrimination

At Zalaris, we are committed to building an inclusive corporate culture where everyone is treated equally. We strive to foster diversity within our organization, as it generates new ideas and perspectives. We want our employees to be able to balance their work and personal life and provide them with the necessary support to achieve this balance. We expect all employees to be respectful and considerate towards their colleagues, competitors, customers, and others. We can achieve our goals by being inclusive and engaged with each other. Discrimination

and harassment will not be tolerated in any form, and we take any complaints seriously. We have established clear guidelines to prevent unwanted sexual attention, which include regular measuring and a clear reporting structure. Our principles and procedures for equality and anti-discrimination align with the company's HR strategy, personnel policy, and ethical rules (Code of Conduct) for all aspects of employment.

Our efforts to ensure equality and non-discrimination in practice and identify risks.

At Zalaris, we conduct regular surveys to identify any discrimination or harassment/bullying issues, which is a part of our engagement survey. We also promote our external whistleblowing channel regularly to ensure that employees have an anonymous

reporting alternative available. Any reported cases of discrimination or harassment/bullying are addressed promptly, and we collaborate with local employee representatives to develop action plans. Additionally, we conduct regular awareness campaigns and training sessions for all employees on harassment/bullying.

Our HR processes are fully digitalized, ensuring transparency and equal employee treatment. We conduct specific analyses before our yearly salary review process to detect any possible discrimination based on factors such as gender, age, and seniority. We address any identified issues to ensure fair and equal treatment for all employees.

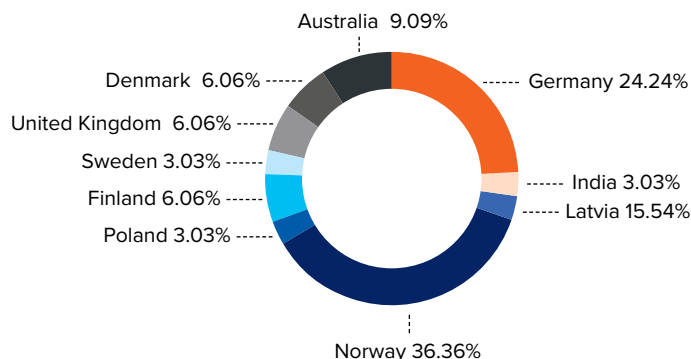
#teamZalaris Engagement Panel, established in 2020, has involved employee representatives

from all countries in creating a platform for open discussions on developing the best conditions for Employee Engagement across our company. In 2023, as an extension of this panel, we will establish Zalaris Diversity & Inclusion program, focusing on building awareness of diversity and ensuring that structures and processes are designed to promote fair treatment and create a culture in which individuals feel they belong in the organization.

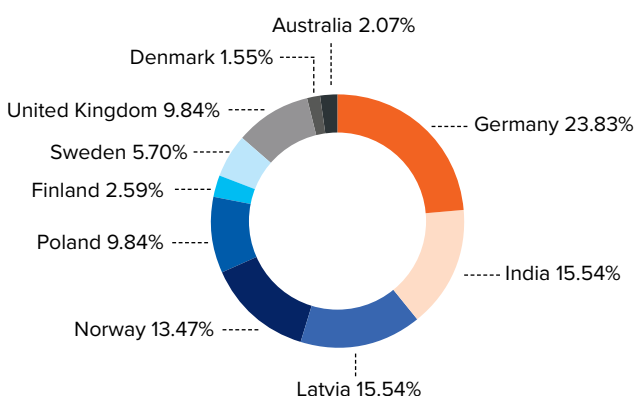
Workforce by country:

Zalaris is proud to have a diverse workforce evenly dispersed around in the countries where we are located.

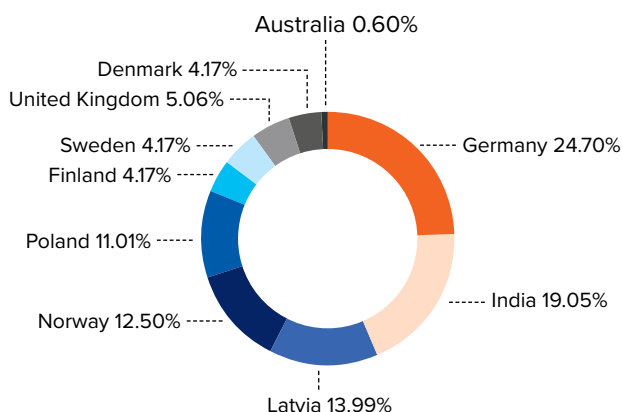
Top Management



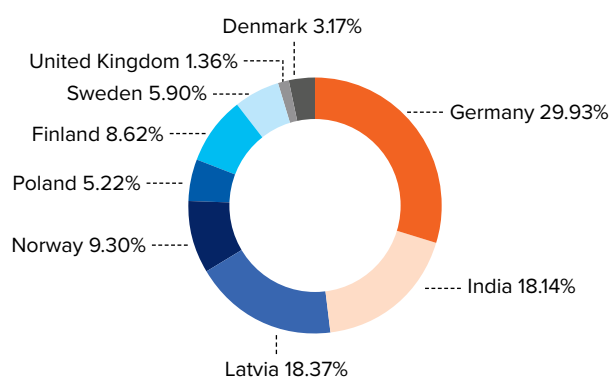
Managerial level



Seniors and Specialist



Juniors, Trainees and Assistants



Source Of Information

Zalaris provides various solutions to support ourselves and our customers in setting and achieving corporate social responsibility (CSR) targets. We have several core solutions, including a recruiting solution that facilitates standardized and effective recruitment and evaluation processes that are anonymous and do not discriminate based on gender or race. Zalaris also offers a global HR master data solution that allows customers to document personnel data according to their requirements. Our payroll solutions ensure compliance with all local tax and reporting

regulations. By utilizing one common IT solution for payroll across multiple countries and a global HR solution for master data, data can be compared and benchmarked without regard to location.

Additionally, Zalaris Analytics and Data Management solutions help customers visualize personnel data, identifying potential issues related to equal rights, such as race, gender, and pay levels. This helps to address any issues and maintain compliance with regulations. Most of the graphics in this report have been pulled directly from our HR Manager Dashboard in SAP Success Factors.

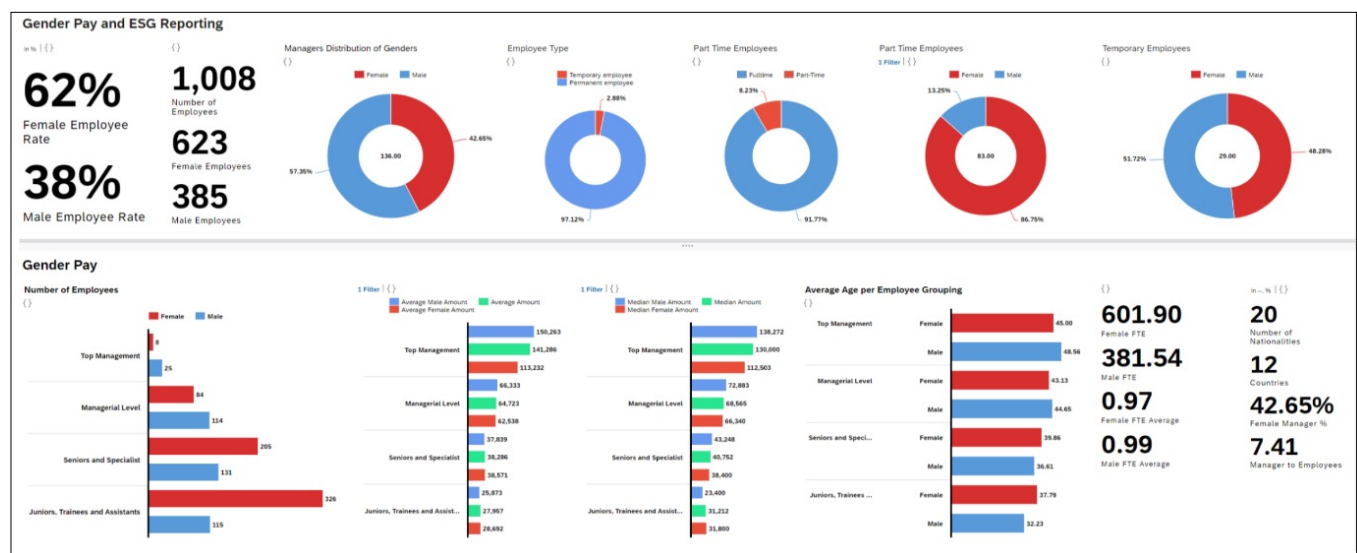


Figure 8. Zalaris HR Director dashboard for equity and ESG