

Jeeves Information Systems AB

Sustainability Report 2021

About Jeeves

Jeeves is a provider of software services to the industrial midmarket of Europe. In marketing communications, Jeeves acts under the name “Forterro” (www.forterro.com).

.01 Business Model

Our Strategy

Forterro is better because of its curated selection of products, and our products are better backed by Forterro. Forterro’s strategy is, in part, realized with the operational balance of which operations must be local and product-specific and which must be global and centralized.

Forterro’s industrial products are ideally suited for the midmarket because they come with a high degree of high functional fit and depth out of the box, with the ability to be further customized or configured to align with the competitively unique business processes of our customers. Once implemented, our systems are supporting complex, integrated, enterprise-wide processes. They often serve as the beating heart of our customers’ businesses and are therefore mission critical. For these reasons, Forterro’s strategy never has been—and never will be—a race to a single product. We celebrate each brand, and we protect its ability to continue serving its niche market. Within each product business, we invest in and optimise operations that need to remain close to the customer. Retaining local, talented, knowledgeable product experts is paramount to maintaining the functional fit and depth of our products as well as the quality of the services and support surrounding them.

Forterro’s strategy also aims to leverage the power and infrastructure of the group to help its product lines attain higher market share, improve business performance, and enhance product and service offerings for customers. When product lines are able to leverage group resources, they move forward much faster than they would have been able to when they were a small company. Roadmaps become supercharged, because the expertise, functionality, and tech that is needed is readily available within the group.

While product-level teams are driving roadmaps based on what their customers need and want—at the group level, it is Forterro’s strategy to push innovation when the time is right. For this reason, Forterro has a global cloud platform cloud strategy that will drive real, tangible benefits for end users (including reducing their energy consumption), while simultaneously making Forterro a more efficient and effective service provider. Forterro’s strategy to transition as many of its customers and products to the cloud as possible will further bolster the stability of the group with a higher percentage of recurring revenue.

Forterro’s strategy is proven. Our strong financial performance and growth track record underpins our leadership position as the only provider of software and services focused on industrial companies in the European midmarket.

.02 Materiality

Amid rapid growth and a recent strategy and management change, Forterro has not yet had the opportunity to conduct a consultation and risk assessment amongst its various stakeholder audiences to assess which ESG matters are most impactful. However, our deep knowledge of our customers and markets leads us to conclude now, that from a value chain perspective, both economic and environmental topics will be of the highest importance.

To illustrate this, we will explain the typical (heroic) story of nearly every Forterro customer.

Once upon a time, an entrepreneur had a big idea and the wherewithal to build a business around it. A part. A patent. A chemical mixture. A process. A machine. Regardless of what the big idea was—it mattered. It made people safer, warmer, healthier, happier, or more productive. It filled a niche gap in the market, and a small but growing company was born.

We often call our customers the “hidden champions” because of the microeconomic impact they have on the global supply chain. As they ambitiously build their products—even when they are the smallest cog in the value chain of a world class brand—they are creating quality jobs and driving economic growth in their own nations and beyond. Supply chain resilience and technology go hand in hand.

As manufacturers, Forterro’s customers also have a tremendous influence on environment. The UK’s current green business campaign is aimed at all small organisations, but it’s particularly relevant for manufacturing. Back in 2019, the industry was named one of the top four contributors to greenhouse gas emissions, along with transport, energy and households. ¹ Sustainability and technology go hand in hand.

Tens of thousands of small and medium sized industrial companies rely on Forterro as their technology partner, because our products and services help these companies be lean, agile and competitive as they navigate challenges such as labour shortages, succession planning, regulation, decarbonization, and future black swan events.

Forterro aims to undertake a bottoms-up assessment of all stakeholder audiences, including employees, prior to publishing its next sustainability report.

.03 Environmental Factors

Value Chain Influence

Forterro’s customers depend on our products and services to run their businesses and, without them, would be unable to impact global sustainability issues. By virtue of developing, selling, and supporting ERP solutions, Forterro is making a significant contribution to environmental matters further down in the value chain.

¹ Source:

www.ons.gov.uk/economy/environmentalaccounts/bulletins/ukenvironmentalaccounts/2021#:~:text=Greenhouse%20gas%20emissions,-The%20data%20for&text=Households%20and%20the%20energy%2C%20manufacturing%20and%20transport%20sectors%20were%20the,total%20emissions%20for%20the%20UK

Any small or medium-sized manufacturers who want a blueprint for sustainable practices could look to the OEMs further up the supply chain. Around a fifth of the globe's biggest 2,000 corporations are also committing to net zero, and many more will follow in the coming years. For any business to truly reduce its emissions, the full supply chain also has to be on board, and Forterro's customers will be increasingly pulled by their supply chain partners to tackle sustainability initiatives. Ensuring compliance is certainly one motivation, but so is the demand from their partners and end consumers.

Whether you need control over utilities or entire back-end systems, a lack of insight into the function of your factory will make it difficult to identify where efficiencies could be made. This is where scalable ERP systems come in. Many manufacturers use the technology to help them make critical decisions. With a transparent oversight into stock, resources, orders and forecasts, wastage can be prevented while models for sustainable switches can be tested before being put into action. As well as increasing cost efficiencies, doing so can also boost eco-efficiencies, both directly and indirectly.

Investing in a good ERP system is the single most effective change that all manufacturers can make in order to hone in on what's needed to create a more sustainable ecosystem within a business. Everything from production to forecasting is streamlined - in addition to the environmental benefits, this makes organisations more agile and open to opportunities for innovation and increased profit, instead of being held back by excess processes, stock or materials.

One of the key benefits of ERP software is its ability to dramatically reduce waste. ERPs 'plug in' to almost every department, so information from sales, accounting, manufacturing and marketing can be combined to reveal new insights.

This joined-up approach makes it far easier to spot overproduction, excess inventory or materials. By linking up sales and supply chain data, for example, manufacturers can predict when they're most at risk of procuring surplus materials, and make instant changes that reflect the actual demand for a product. In addition, with every function logged and stored in a central database, traceability is dramatically increased - essential for showcasing credentials to customers, investors and auditors.

Another way ERPs can help businesses toward decarbonisation is by highlighting which processes add the most value, and which are unnecessary, facilitating a 'lean manufacturing' mindset. Removing expendable steps in the supply chain could soon have knock-on effects on everything, from stock and materials usage to transportation of items and freight expedition.

The UK's net zero commitment and the European Industrial Strategy are recent campaigns, but every week, month or year there are new targets and guidelines set out by policy makers. With the increased agility offered by using ERP software, keeping up with the newest sustainability practices, or simply reacting to the changeable business environment, is simple.

Internal Initiatives

Forterro itself is committed to decarbonization, and has launched several initiatives to reduce our carbon footprint.

First, many of our businesses have company fleets, which were once offered as a perk for traveling employees. We have already begun the process upgrading our fleet with greener models. Over 10% of Forterro's global fleet made up of hybrid or electric vehicles.

In addition to our fleet, Forterro is committed to upgrading its facilities to be more environmentally friendly when renovations are required. Our recent project to upgrade our office in Albi, France focused, in part, on the building's ability to more efficiently use energy.

In the wake of COVID-19, Forterro has also shifted its business model to include a stronger balance of in-person and remote working—particularly for certain functionals and roles. This balanced model, which saves our staff from commuting to work, has a positive economic impact for employees, while simultaneously reducing CO2 emissions. The impact is particularly compelling among our professional services employees—who, up until the pandemic, were largely regarded as customer-facing employees who could only conduct in-person work. Over the past two years, the percentage of services Forterro is now able to deliver has dramatically increased, with many of our products delivering 50 percent of their service engagements remotely.

As a software company, Forterro has also always been focused on investing in systems and tools that reduce the amount of paper being used to conduct business, thereby helping to prevent deforestation and reduce pollution and waste. As a whole, Forterro releases very little paper to its employees, customers and business partners. Everything, from accounting and communication to documentation and compliance, is all handled electronically. Forterro remains committed to being as paperless as possible as it continues operating.

Because our products help our manufacturing customers become increasingly paperless, preventing deforestation and offsetting our carbon footprint has become one of Forterro's key Corporate Social Responsibility (CSR) initiatives. In France, we have kicked off the ability for employees to make direct donations to deforestation initiatives with their lunch card. Even more exciting, over the past several years, Forterro France has sponsored the planting of 313 trees to support projects in French forests.

.04 Social Factors

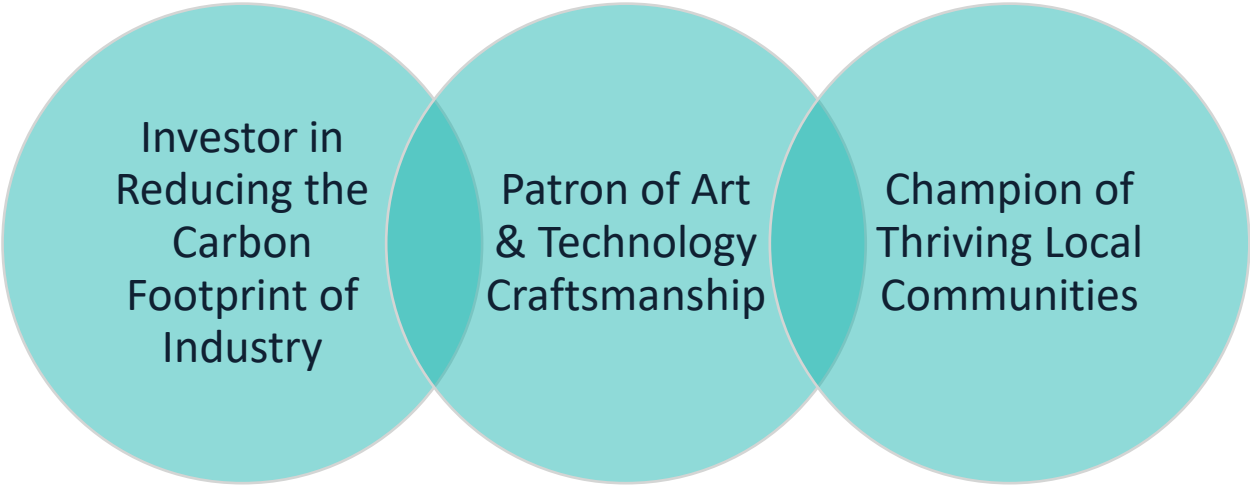
Corporate Social Responsibility

In addition to our dedication to preventing deforestation and reducing the carbon footprint of industrial companies, Forterro's Corporate Social Responsibility (CSR) initiatives reveal themselves in two other primary categories throughout Europe: helping to create thriving local communities and sponsoring organizations dedicated to the idea of craftsmanship.

Part of Forterro's strategy is about about how to balance local product expertise and service with corporate and shared resources. Unlike other large software groups, we don't disinvest in what must remain local and close to the customer. Our customers value what is local, and so do we. For this reason, Forterro invests in the local communities that surround large percentages of our employees and customers. In Poland, Forterro works with the Guardian Angels House to help equalize the development opportunities for young children in Katowice—home to hundreds of BPSC product employees. In the same community, Forterro sponsors an animal adoption organization—and is the proud benefactor of Gala—a horse that was destined for slaughter. In Germany, we matched employee donations toward helping those impacted by the 2021 flood catastrophe in western Germany.

Forterro is a group of specialised software solutions for industrial companies—each one tackling a unique and segment of the market. Our specialisation—how well our products fit out of the box, how deeply our solutions can be customized, how local and knowledgable our people are—these are all measures of quality that can only be achieved by true craftsmanship. We revere our products in the way one would revere any form of art— noticing the passion, patience, and craftsmanship with which they were made. For this reason, Forterro is an active sponsor of both art and technology organizations throughout Europe, promoting the idea of craftsmanship—whether the medium is canvas, wood, or 1's and 0's. In Sweden, Forterro supports the

organization “Kodcentrum,” which teaches kids programming, as well as the value and impact of our digital society. In Poland, Forterro has been committed to the idea of supporting and promoting young, emerging artists. As part of this cooperation, we fund annual awards for the best graduates of the Academy of Fine Arts in Katowice; we subsidize the organization of exhibitions; and we purchase selected works of graduates (BPSC’s collection consists of more than 30 paintings and graphics).



Respecting and Developing Human Capital

At Forterro, we believe that all value is created by people. When you look at our offering to the European industrial midmarket, every part of it is powered by people. Our software is built by world-class developers and implemented by consultants with deep industry expertise. Our customers are supported by highly trained support agents who know our products inside and out, and by account managers who take pride in deeply understanding each of their customers’ businesses. And our business keeps growing, reinforced by IT professionals who maintain our systems and data, financiers and administrators who ensure operations are running efficiently, and sales people and marketeers who bring in new clients.

Because our business is powered by people, we invest in that power. From our internships and support of local university curriculum to our onboarding and competency center programs, the continuous professional development of our employees is critical to our success. We also work hard at building a culture and working environment that will help our employees become their best selves. Because we want them with us, for the long haul.

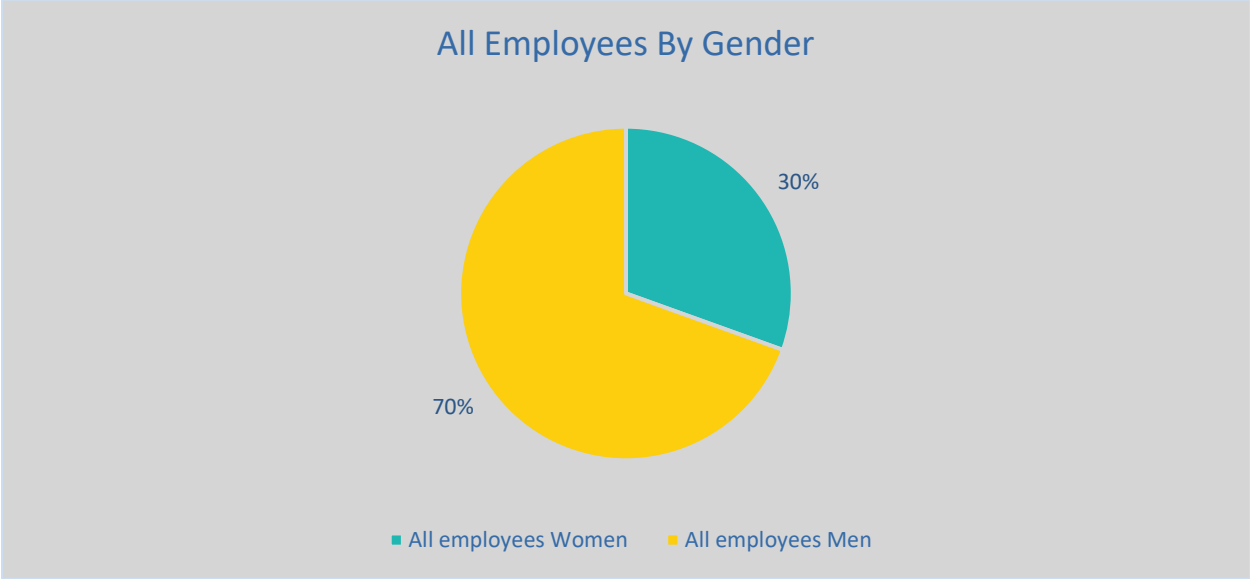
Culture

At Forterro, we see values as one of our most strategic tools. We have chosen four corporate values that both link to and support our business strategy—and we work diligently to implement a global set of business values that are shared by every single Forterro employee. We believe passionately that our values help create us create a strong global business culture; that this culture guides the behavior of our employees; and that these behaviors will drive high business performance.

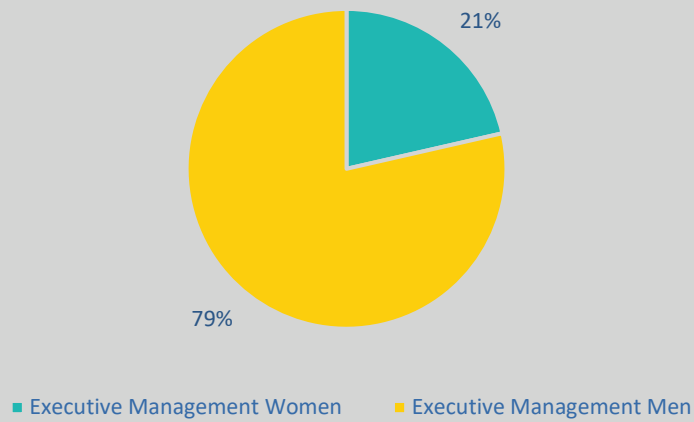
One of Forterro’s four core values is diversity. Forterro’s strategy depends on its ability to develop specialized products and take care of customers in a knowledgeable, direct, and local way—while still benefitting from the scale and power of a group. The value of diversity asks our employees to defend our “secret sauce,” and it demands that every endeavor is working to strike the right balance—whether it be an organization design balancing what should be local and what should be centralized, or a product roadmap balancing what should be built and what should be borrowed.

The diversity of our products is what makes us special, and so does diversity of our people. Valuing diversity also means we hold an unwavering belief that the greater our diversity, the greater our perspective, and greater our outcomes. Inclusion is our natural organisational reflex and leveraged every day to unleash the power of our collective difference.

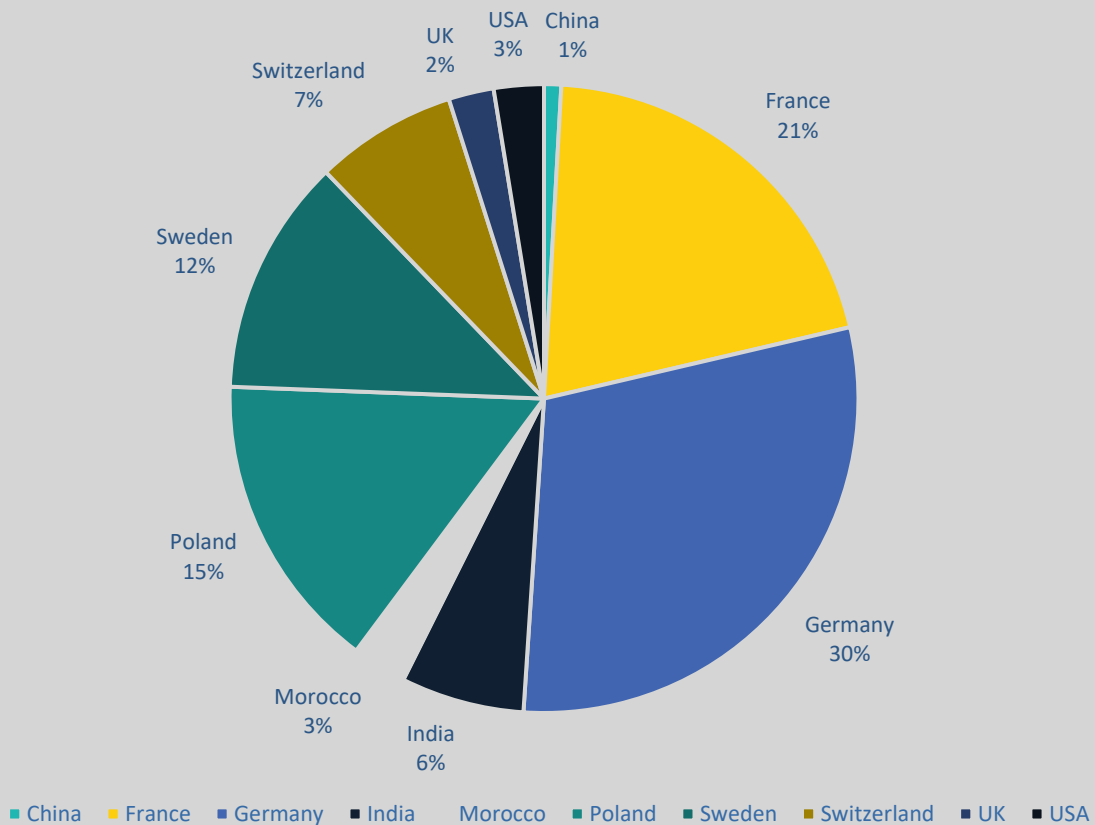
Diversity and inclusion will be a key aspect of our business’s ESG strategy. We already actively manage our diversity and pay gap reporting in Sweden, and these obligations are expected to increase in several jurisdictions. Building on this idea, Forterro is launching a global job leveling program, which will allow us to better equalize pay, benefits, titles, training, and communication across job levels, types, and geographies. Our job leveling initiative will help us give equal treatment and create equal opportunities for all employees, regardless of their gender, race, ethnicity, religion, sexual orientation, or any other potentially discriminatory quality.



Executive Management By Gender



Employees By Country



Working Environment

From a strategic perspective, we would face reputational as well as supply risks if we would not take care of our workforce appropriately. It is our ambition to continuously reduce the number of complaints about working conditions and to improve our health and safety performance to the top quartile of our industry. As part of this

process, we work in collaboration with trade unions and other worker organisations to identify issues and how best to solve them. Specifically, Forterro has active works councils in Germany and France, representing well over 50% of our employee base.

Forterro manages another global process that seeks to capture working environment related concerns: the quarterly dialogue process. The quarterly dialogue meetings are facilitated via an automated system and interlinked, summarizing a year-long cooperation between employees and their managers. The discussions are meant to be informal, and cover a variety of topics—most importantly the employee’s performance, career path, and professional development. Each quarter, the process provides a set of open questions for employees to answer. In general, the spirit of these questions are to give employees the opportunity to bring up any topic that is pressing for them. One of those questions is specifically asks what additional support an employee might require at work, ranging from training and resources to the quality of his or her working environment. All quarterly dialogues are summarized by both managers and employees so that important themes can be escalated to HR and management for action.

Basic Human Rights

Every legal entity employing people within Forterro maintains an employee handbook that, in part, protects the basic human rights and fundamental freedoms of our employees and, in part, protects the rights of our employees relative to local employment law. Amid rapid growth and a recent strategy and management change, Forterro has not yet been able to publish a global employee handbook—which would help us standardize certain policies that pertain to all of our employees, as well as further ensure our employees are being treated equally and fairly. Some global policies protecting the basic human rights are currently in a draft status.

Whilst there is work to do in terms of documenting Forterro’s social policies in 2022, with the support of an online learning management system, Forterro has been able to deploy policy training and track the policy acceptance of several important global corporate compliance policies in 2021. These policies are covered in the governance and legal compliance section below.

.05 Governance and Legal Compliance Factors

Approach to Governance

At Forterro, there we think about both global and local governance. On top of any global standards we set, our local HR teams may decide to implement additional governance at the local or regional levels. In addition to complying with both global and local governing bodies, we also think about compliance with the many contractual agreements we have with our partners, customers, and different vendors. And finally, we impose a number of our own rules, policies, and procedures. These standards may be in place for a number of reasons, from protecting the quality of the employee working environment to ensuring operational efficiency.

As previously mentioned, Forterro has a system and processes in place that have allowed the company to implement policies in a few key initial areas: global compliance; data protection; anti-bribery & corruption; and trade restrictions.

Forterro also has several policies in draft, but not yet available, including: Code of Conduct and Business Ethics; Supplier Code of Conduct; Whistle-Blowing; and Anti-Slavery and Human Trafficking. Although these policies are not yet implemented at Forterro, to date, management has received no notification that there has been an infraction in any of these areas.

Current Policies

Global Compliance

The Forterro Group takes a zero tolerance approach towards non-compliance with sanctions and applicable anti-boycott rules. In addition to the U.S. Sanctions, the Forterro Group also has an obligation to comply with sanctions regimes maintained by wider jurisdictions in so far as they apply to any business relationship, contract or transaction. This includes (but is not limited to) sanctions regimes implemented and enforced by the United Nations; the European Union; the HM Treasury in the United Kingdom; the Directorate General of the Treasury in France; the Ministry for Foreign Affairs in Sweden; the Federal Ministry of Economic and Technology in conjunction with Deutsche Bundesbank, the Federal office of Economics and Export Control in Germany; and the State Secretariat for Economic Affairs in Switzerland.

Several countries are subject to broad economic embargoes or trade restrictions ("Restricted Destinations"). In practical terms, any activity by the Forterro Group involving these Restricted Destinations can be subject to restrictions, regardless of whether the project is connected to the U.S., E.U. or the U.K. Forterro maintains a list of countries that are considered restricted destinations. Any potential activity with, or involving, a Restricted Destination must be referred to the Group General Counsel prior to commencement of such activity, and no activity shall be commenced unless so approved by the Group General Counsel.

To date, Forterro has received zero notifications in regards to violation of this policy.

Data Privacy Policy

Every individual is entitled to protection of their personal integrity, which includes a number of rights and freedoms determined in various legal acts. The right to protection of the integrity of personal data is generally referred to as the right to data privacy. Each individual's right to data privacy is secured through a rigorous legal framework of rules and principles applicable throughout the entire lifecycle of the personal data; from the collection to the erasure of the personal data, regardless of the origin. Moreover, the legal framework protects and ensures certain rights granted to individuals so that the individual is in control of his or her personal data and that any measures taken with personal data is conducted in a transparent manner.

It is crucial to the Forterro Group that its business is conducted in an honest and transparent manner with high ethical standards. In regards to data privacy, it is of utmost importance to the Forterro Group that anyone whose personal data is processed by the Forterro Group can be reassured with the knowledge that the Forterro Group processes the personal data with a high standard of care and protection.

The purpose of Forterro's Data Protection Policy is to outline the Forterro Group's expectations on employees, stakeholders and other persons that may process personal data for or on behalf of the Forterro Group. Moreover, this Data Protection Policy describes how the Forterro Group protects and maintains the fundamental rights and freedoms pertaining to data privacy.

To date, Forterro has received zero notifications in regards to violation of this policy.

Anti Bribery and Corruption Policy

It is Forterro Group policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with

integrity in all our business dealings and relationships on a global basis. We endeavour to comply with all applicable laws relevant to countering bribery and corruption in all the jurisdictions in which we operate.

The purpose of Forterro's Anti-Bribery and Corruption Policy is to provide information and guidance to Forterro personnel on how to recognise and deal with bribery and corruption issues. In short, it is a criminal offence to offer, promise, give, request, or accept a bribe, with consequences of imprisonment and/or fines. As an employer, if the Forterro Group fails to prevent bribery, in certain jurisdictions, we can face unlimited fines, exclusion from tendering for public contracts, and damage to the Forterro Group's reputation. We therefore take our legal responsibilities very seriously.

To date, Forterro has received zero notifications in regards to violation of this policy.

This report applies to Jeeves Information Systems AB and its wholly owned subsidiaries (together, the "Forterro Group") and all Forterro Group directors, officers and employees. It applies in all countries in which the Forterro Group operates and in all circumstances.
