

**FORTERRO**  
**SUSTAINABILITY REPORT 2023**

**EXECUTIVE FOREWORD**

In the year ending 2023, we reflect on a period of significant challenges and transformative growth for Forterro.

The past year has been marked by unprecedented obstacles that tested the resilience and adaptability of our industry and our organisation. Companies like Forterro faced a confluence of challenges, including economic volatility through fluctuating energy prices and inflationary pressure, supply chain disruptions, escalating regulatory demands, coupled with the lingering effects of the global pandemic resulting in a delayed slowed down on transactions and ongoing geopolitical tensions created a complex operational environment. Additionally, the escalating urgency of climate change and the European Union's stringent sustainability mandates placed further demands on our sector.

Additionally, the rapid evolution of technology and the rising expectations for digital transformation required us to be agile and forward-thinking. It has therefore also been a year of remarkable innovation and progress, underscoring the critical importance of sustainability in our customer's operations and, as a result, our strategic planning to support our customers.

Despite these challenges, Forterro showcased remarkable resilience. Forterro's ability to pivot and adapt to rapidly changing conditions, while maintaining a customer-centric focus, was instrumental in overcoming the obstacles of 2023. By prioritising adaptability, flexibility, and strategic partnerships, our organisation not only navigated the year's complexities but also laid a robust foundation for future growth and success.

Talent acquisition and retention emerged as a critical issue amid a competitive job market and evolving workforce expectations. Forterro responded by fostering engaging work environments, investing in employee development programs, and promoting a hybrid working model. These initiatives not only seek to attract top talent but also ensured a motivated and capable workforce ready to drive innovation and customer success.

One of the primary challenges was the need to enhance cybersecurity measures amid increasing cyber threats. To overcome this, our company invested heavily in advanced security protocols and partnered with leading technology firms to safeguard data.

Another significant hurdle was the drive for digital transformation within a compressed timeframe. The demand for more integrated, user-friendly ERP solutions surged as businesses sought to streamline their operations and enhance efficiency. In response, we targeted and accelerated our strategy focus, incorporating cutting-edge technologies such as artificial intelligence to offer smarter, more adaptive solutions.

Environmental sustainability was also a critical focus area. Recognising the impact of our industry on the environment, we committed to reducing our carbon footprint and promoting sustainable practices across our operations. As a result, we undertook our first greenhouse gas accounting exercise focussing on core business operations, and considered initiatives included transitioning to renewable energy sources for our locations where we are able to do so, managing recycling programs, and developing efficient software solutions intended to streamline our customers' operational processes. These efforts were part of our broader strategy to contribute to a more sustainable future.

Throughout these challenges, our commitment to our core brand values — ***Drive Impact, Champion Difference, Achieve Together, Drive Forward*** — remained unwavering. We cultivated a culture of continuous improvement and collaboration, empowering our teams to develop solutions that address the pressing needs of our clients, in support of the environment.

As we look ahead, we remain dedicated to achieving sustainable growth and creating long-term value for our stakeholders. The lessons learned in 2023 have strengthened our resolve to navigate future challenges with resilience and foresight.

We are proud of the progress we have made and are confident in our collective ability to meet the challenges and opportunities that lie ahead.

Thank you for your continued support and partnership. Together, we are building a sustainable future for our company, our clients, and our planet.

Headquartered in London and backed by the investment of Partners Group, Forterro operates product companies that are headquartered in Germany, France, Sweden, Switzerland, Poland, and the UK, as well as regional service hubs and development centers around the world. Employing over 1,700 employees across 11 countries, Forterro serves over 13,000 customers globally.

Sincerely,



Dean Forbes  
Chief Executive Officer  
Forterro Jeeves AB

## 1. Summary

This sustainability report outlines the efforts of Forterro in improving, promoting sustainability and environmental responsibility during 2023.

## 2. Company Overview

Founded with the acquisition of Jeeves Information Systems ab in 2012, now, Forterro Sweden ab, focused on providing enterprise resource planning (ERP) solutions for midmarket manufacturing companies, Forterro's inception was driven by the vision of offering configurable software solutions that could address the specific needs of diverse industrial manufacturing sectors across Europe.

The company quickly set out to acquire and integrate local ERP providers to build a robust portfolio through acquisition. Each acquisition was strategic, aimed at strengthening Forterro's presence in key markets and expanding its product offerings. These acquisitions allowed Forterro to offer a broad spectrum of ERP solutions tailored to various manufacturing sub-sectors, thereby addressing the specific needs of local markets while leveraging synergies across its portfolio.

Post-2018 to 2021, Forterro focused on consolidating its acquisitions and integrating the various ERP systems under a unified strategy. This period was marked by significant focus in R&D and services on enhancing its software solutions and improving its service offerings.

In 2022, Forterro continued to strengthen its market position through both organic growth and further strategic acquisitions. The company expanded its services to include analytics, cloud-based solutions, and integrations, staying ahead of technological advancements and evolving customer needs. Forterro also began to invest heavily in cloud technologies, recognising the shift towards cloud-based ERP systems. This transition aimed at providing more flexible, scalable, and cost-effective solutions for its growing customer base.

Today, Forterro considers itself a leading provider of ERP solutions for the midmarket manufacturing sector in Europe. The company serves thousands of customers, offering a diverse range of products tailored to specific local industry needs. Forterro's ongoing vision is to empower manufacturing companies with robust, flexible, and innovative ERP solutions that drive efficiency, growth, and competitive advantage.

Forterro offers software products and services designed to help industrial businesses strengthen operational efficiency and business performance, including warehouse management systems, point of sale, production planning and scheduling, enabling manufacturers to optimise resources and improve productivity. These functions include inventory management, supply chain management, which ensures seamless coordination and optimisation of the supply chain and financial management, in each case whilst enhancing data visibility.

Looking ahead, Forterro aims to continue its growth trajectory by exploring new markets, investing in cutting-edge technologies, and maintaining its commitment to customer satisfaction and industry leadership. The company's focus remains on delivering solutions that not only meet but exceed the expectations of its diverse and dynamic customer base.

### 3. Commitment to the Environment and Sustainability

Enterprise resource planning (ERP) software solutions have the ability to support a customer’s sustainability initiatives by streamlining and optimising various business processes. By integrating and automating core functions such as supply chain management, production planning, and resource allocation, ERPs enhance operational efficiency and reduce waste. ERPs facilitate the implementation of sustainable practices by providing data analytics and reporting tools that help identify areas for improvement and measure progress toward sustainability goals. Additionally, Forterro continues on its cloud journey, optimising certain products in a cloud environment, targeting data security, consistency and integrity, providing flexible scalable solutions for its customers.

By offering a comprehensive view of a customer’s operations, ERP systems empower businesses to make informed decisions that align with both economic and environmental objectives.

Whilst such software is used in Forterro’s own operations, it is necessary to consider what we can do further to improve our efforts in sustainability - In 2023, Forterro undertook its first greenhouse gas accounting assessment.

In consideration of the widespread and unconsolidated data repositories within the group, Forterro targeted its approach towards operational control for the organisational boundary, including in scope such trading, customer facing entities in which Forterro Sweden AB held, at the time of undertaking the exercise, 100% of the shares.

The above approach resulted in 15 operational or trading entities being included in scope in Sweden, UK, Bulgaria, German, USA, Poland, France and Switzerland across 32 sites. Under the operational control approach, and for operating leases, the GHG protocol prescribes emissions associated with leased assets to fall under Scope 1 and 2 and were therefore in scope.

As it relates to the operational boundary, Scope 1 (onsite stationary combustion from heaters, mobile consumption from company vehicles, and leakage of fugitive emissions of air conditioners) and Scope 2 (location based emissions from third party supplied electricity across relevant sites) we considered. All sites and vehicles own by Jeeves Information Systems AB or under operating leases were considered as part of the exercise.

Data sources included monthly utility bills, fuel purchase invoices, vehicle mileage and where data was not available certain assumptions were made including, amongst others, that all sites consume natural gas, and that all sites have air conditioning. Where data was not available, an estimation approach was taken and emission factors were taken into account from U.S. DoE and EF from EPA (for the USA), DEFRA (UK) and IEA (other regions), in each case as applicable and relevant to the scope and data type.

Activity data was assessed as follows:

Scope	Data Type	Data Collected
Scope 1	Stationary	Partial data for natural gas consumption was made available; certain data proved problematic to collect.
Scope 1	Mobile	Fuel consumption was assessed for vehicles based on mileage travelled.
Scope 1	Fugitive	Estimation basis only.
Scope 2	Location	Partial data for electricity consumption was made available; certain data proved problematic to collect.

The assessment calculated emissions for the year 2023 were as follows:

- Scope 1: 551 tonCO<sub>2</sub>e
- Scope 2: 601 tonCO<sub>2</sub>e

The top five emitting sites are occupied by abas Software GmbH, Forterro France SAS, Buiro Projektowania Systemow Cyfrowych Sp s.o.o, Wise Software (UK) Limited and Forterro Sweden AB. The reason for this largely results from these companies house our core operations and a significant number of employees.

We continue to monitor our physical footprint, seeking to dispense with office locations where we are able to do so and initiatives form part of our M&A integrations strategy. However, we acknowledge that our employees value actual facetime with cohorts in a conducive working environment and we therefore need to focus on how we can further reduce our consumption of resources and utilities, including replacement with more sustainable resources.

Whilst it remains a challenge given the history of our organisation, sustainability and reduction on environmental impact remains a key focus. It is our intention to use the output of the 2023 report to form our strategy for carbon emissions reduction and **drive impact** towards reducing our overall impact on the environment. Additionally, in 2024, given the recognition of the quality of the data and impact on the exercise, specific to GHG accounting we look to:

- expanding reporting to include more entities in scope;
- improving data collection, with a focus on accuracy, quality and fullness;
- engage in a targeted review of factors affecting the top five emitting sites;
- review opportunities for replacing existing utilities with more sustainable resources.

## **4. Commitment to Social Responsibility**

Forterro is committed to transparency and accountability in its social and employee-focused initiatives. Forterro routinely measures and reports on progress, sets goals, and strives for improvement. By engaging in open dialogue with stakeholders, and implementing a periodic regime of employee surveys, Forterro seeks feedback and insights that help shape initiatives and ensures relevance and effectiveness, and ensure its employees support the shaping of its socio-economic roadmap.

By prioritising the well-being of our employees, supporting their needs, ensuring diversity and inclusion, and promoting social engagement, Forterro remains dedicated to creating a sustainable and socially responsible business model. Forterro firmly believes that these initiatives benefit our employees and stakeholders but also contribute to the long-term success and resilience of our organisation and further, our contribution to the wider society.

2023 fostered a year of change in our workplace; focus placed on regionalisation, consolidation and harmonisation required as a result of clean up required following on from both historic and recent acquisitions in order to improve our operations, workflows and communications, highlighted challenges in the employee journey and employee engagement throughout the organisation.

As a result, Forterro invested in enhancing social responsibility within the workplace, focusing on initiatives intended to foster a supportive, inclusive, and engaging environment for all employees.

These initiatives are part of our broader commitment to creating a thriving workplace culture.

### **4.1. Social Initiatives**

The following key initiatives highlight our progress in 2023 and the impact of such initiatives on the organisation:

#### **4.2. Development of an Onboarding Solution**

To seamlessly integrate new employees into our organisational culture, we developed an engaging onboarding solution. This program ensures that both existing and new hires are well-versed in our core values, business practices, and workplace ethos from the outset. As a result and over time, we expect to see an increase employee retention rates, and new team members are more quickly assimilating into their roles, contributing to higher productivity and job satisfaction.

#### **4.3. Development and Implementation of a Careers Framework**

We introduced a structured careers framework designed to provide clear pathways for employee growth and development. This framework helps employees understand potential career trajectories within Forterro and the skills required to advance. The implementation of this framework has empowered employees to take charge or ***drive forward*** their career development, leading to increased motivation and a more skilled workforce.

#### **4.4. Launch of Viva Engage**

To enhance social interaction and engagement among employees, we launched Viva Engage, a platform aimed at bringing people together. This tool facilitates open communication, collaboration, and social connections across all levels of the organisation. The introduction of Viva Engage has

fostered a stronger sense of community, improved cross-departmental collaboration, and increased overall employee engagement.

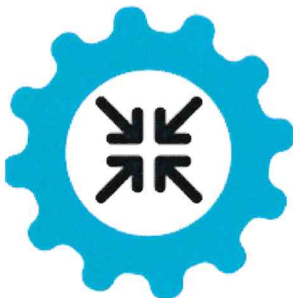
#### 4.5. Launch of Our Employee Listening Strategy

Understanding and responding to employee feedback is crucial for maintaining a positive workplace environment. In 2023, we launched an employee listening strategy, incorporating a regular survey cadence to gather insights on employee satisfaction and concerns. This initiative has enabled us to make data-driven decisions, address issues proactively, and continuously improve the employee experience.

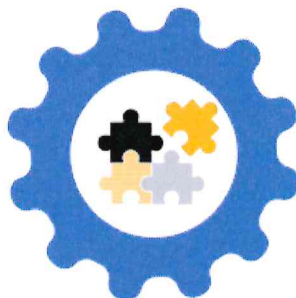
#### 4.6. Introduction of Forterro's Four Values

We articulated and launched our four core value statements, which serve as the foundation for our organisational culture. These values guide our behaviours, decision-making processes, and interactions both within the organisation and with external stakeholders. By embedding these values into daily operations, we have seen a more cohesive and aligned workforce, with employees embodying these principles in their work.

### OUR VALUES



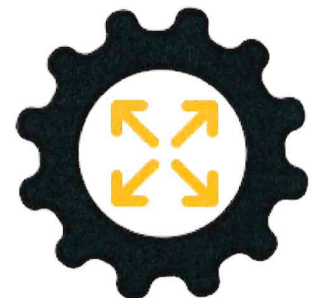
**DRIVE  
IMPACT**



**CHAMPION  
DIFFERENCE**



**ACHIEVE  
TOGETHER**



**DRIVE  
FORWARD**

#### 4.7. Women in Leadership Initiative

Our Women in Leadership initiative, sponsored by our CEO, aimed at **championing difference** and further lead by the female members of our executive team, was launched to support and promote gender diversity in leadership roles. This program includes mentorship, leadership development opportunities, and targeted initiatives to address the unique challenges faced by women in the workplace. With such initiatives in place, we hope that 2024 sees a year of focus and consolidation on the strategy with a drive towards focus on the gender balance across the organisation as a whole and women in leadership positions within Forterro.

#### 4.8. Impact on Forterro

The initiatives undertaken in 2023 have generated a highly positive response in our organisation; and we hope that over time – and we do acknowledge that it may take some time, we will see the positive effect within our organisation, which we are measuring through employee engagement surveys.

By fostering a culture of inclusivity, engagement, and continuous improvement, we have sought to enhance employee satisfaction and retention but also seek to strengthen our overall organisational performance by ***achieving together***. These efforts confirm our commitment to social responsibility and sustainability, with the intention of positioning us as a leader in our industry, creating a supportive workplace for all employees.



**5. Key Performance Indicators**

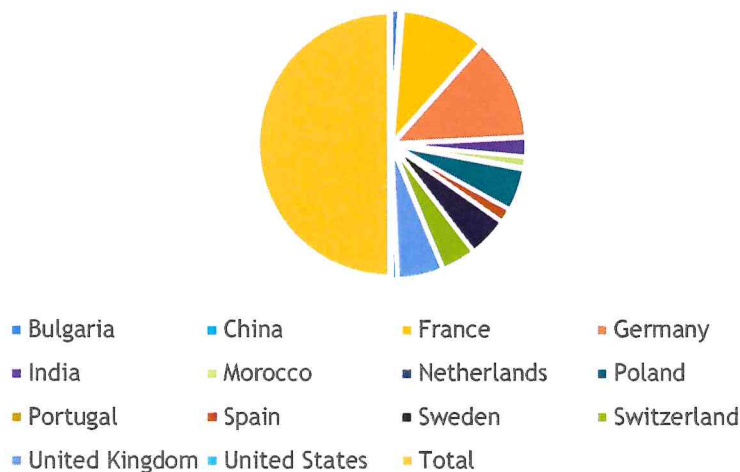
In 2023, we invested in and implemented a new global HRIS platform; with a focus on security of employee data, management of the employee journey, and having access to data enabling us to support career development, we significantly improved our ability monitor key performance metrics in support of our strategic initiatives, including those forming part of our commitment towards sustainability.

Year on year, indicators were as follow:

- Our employee base grew by nearly 13 percent through a combination of organic and inorganic growth; securing strong leadership talent – either through recruitment activity or targeted retention initiatives for key employees;
- There was a reduction in respect of women in leadership roles, identified over the course of the year, and prioritised for response and reaction to redress the balance. Fulfilment of several senior key roles requiring best-in-class talent acquisition resulting in male candidates being appointed.
- As an aggregated average, the hourly rate increased by 26.5%, largely driven as a result of the recruitment of senior key roles.

Split of headcount per country remained stable, building on and improving hiring practices, ensuring diversity through the recruitment channels, employee resource groups, and ongoing training, Forterro continues to seeks to promote equality regardless of gender, race, ethnicity, religion, sexual orientation or any other form which may be perceived as discriminatory.

**Head Count by Country**



## **6. Commitment to Governance and Compliance**

### **6.1. Corporate Governance**

Our organisation is committed to maintaining a robust governance structure that promotes transparency, accountability, and ethical conduct, to ensure that the company operates in the best interests of its shareholders and other stakeholders. The Board is composed of a diverse group of individuals with relevant skills and experience. This diversity enables the Board to provide strategic guidance to the organisation.

### **6.2. Ethical Practices & Guidelines**

Our commitment to ethical business practices is foundational to our corporate identity. We have established ethical guidelines, anti-corruption measures, and a set of relevant compliance policies to be built on over time to ensure that our operations adhere to high standards of ethical practise.

Our Code of Conduct covers areas such as conflict of interest, confidentiality, and fair dealing and applies to all employees. Training sessions are conducted to ensure that all employees are aware of and understand our ethical standards and guidelines.

### **6.3. Anti-Corruption, Whistle Blowing and Other Compliance Measures**

We continue to maintain a zero-tolerance policy towards bribery and corruption. Any allegations of breach are met with investigation and where appropriate, strict disciplinary action, including – if deemed sufficiently serious - termination of employment. We have established a whistleblower policy that provides a safe and confidential channel for employees to report unethical behaviour or compliance violations without fear of retaliation.

In the twelve (12) months leading up to 31<sup>st</sup> December 2023, no notification has been received of any infringement.

### **6.4. Stakeholder Engagement**

Engaging with our stakeholders is essential for building trust and ensuring the long-term sustainability of our organisation. We are committed to maintaining open and transparent communication with all our stakeholders, including customers, employees, investors, regulators, and the communities in which we operate.

We maintain regular communication with our investors through quarterly earnings calls, annual reports, and investor meetings. This ensures that our investors are well-informed about our financial performance and strategic direction.

### **6.5. Customers**

We actively seek feedback from our customers through surveys, focus groups, and direct communication channels. This feedback helps us to improve our products and services continuously.

Through these efforts, we aim to build strong, lasting relationships with our stakeholders, ensuring that our business practices are aligned with their expectations and contribute positively to society.

## 7. Commitment to Risk Management

### 7.1. Summary

Effective risk management is a cornerstone of our corporate strategy, overseen by a risk and audit committee comprised of Board, Executive and senior leadership team members, and seeks to ensure that we can navigate and mitigate potential challenges while maintaining operational resilience.

In 2023, we have enhanced our approach to managing risks, particularly focusing on data privacy, cybersecurity, and business continuity. Our measures aim to safeguard our assets and ensure smooth operations despite environmental and social disruptions.

### 7.2. Data Privacy and Security

Protecting data privacy and ensuring robust cybersecurity are critical to maintaining trust and compliance in our digital operations. Our approach includes a range of measures designed and intended to secure sensitive information, including personal data, from loss of confidentiality, availability and integrity.

### 7.3. Measures for Data Protection

**Encryption:** We use encryption technologies to protect personal and sensitive data both at rest and in transit, ensuring that such data is shielded from unauthorised access.

**Access Controls:** We implemented stringent access controls, including multi-factor authentication (MFA) and role-based access control (RBAC), to ensure that only authorised personnel can access relevant data.

**Regular Audits:** We conducted audits and assessments to identify vulnerabilities and ensure compliance with data protection regulations such as GDPR.

### 7.4. Cybersecurity Protocols

**Incident Response Plan:** Our incident response plan was formulated and outlines clear procedures for detecting, responding to, and recovering from cybersecurity incidents. Periodic drills and simulations have been and will be conducted to ensure preparedness.

**Advanced Monitoring:** We employed advanced monitoring tools to proactively detect and respond to potential threats.

### 7.5. Business Continuity Planning

**Risk Assessment:** Risk assessments were undertaken to identify potential threats to our operations. These assessments inform our continuity strategies and prioritise areas for action going forward.

**Business Impact Analysis (BIA):** We conducted BIAs to understand the critical functions of our business and the potential impacts of disruptions. This analysis will guide our recovery strategies and resource allocation to ensure minimal disruption.

### 7.6. Continuity Strategies and Solutions

**Disaster Recovery:** Our disaster recovery plans are designed to quickly restore IT systems and data after a disruption. This includes regular data backups, off-site storage solutions, and failover systems to ensure minimal downtime.

**Flexible Work Arrangements:** In addition to any social benefit, to address social disruptions or health crises, we have established flexible work arrangements, including remote work capabilities and virtual collaboration tools. These measures ensure that our workforce remains operational and productive.

### **7.7. Training and Testing**

**Plan Testing:** We routinely tested our business continuity plans through simulations and tabletop exercises. These tests help us identify gaps and refine our response strategies, ensuring our plans are effective and current.

### **7.8. Stakeholder Communication**

**Crisis Communication Plan:** We have a crisis communication plan in place to keep stakeholders informed during disruptions. This plan includes predefined communication channels and protocols to ensure timely and accurate information dissemination to employees, customers, suppliers, and regulators.

By implementing these comprehensive risk management measures, we are committed to protecting our data, ensuring business continuity, and enhancing our resilience against a wide range of risks. Our proactive approach not only safeguards our operations but also supports our long-term sustainability goals, enabling us to continue delivering value to all our stakeholders.

## 8. Applicability

This Sustainability Report for the period from 1<sup>st</sup> January 2023 to 31<sup>st</sup> December 2023 applies to Forterro Sweden AB (formerly Jeeves Information Systems AB) and its wholly owned subsidiaries (“Forterro”) and all Forterro directors, officers and employees. It applies in all countries in which the Forterro Group controls and operates, and in all circumstances.