



# Sustainability Report

## Lumera

Classification: Public

## Contents

<b>Sustainability Report</b>	<b>3</b>
<b>Lumera and sustainable development - history</b>	<b>3</b>
<b>Lumera and sustainable development today</b>	<b>4</b>
<b>Our areas of focus</b>	<b>5</b>
<b>Our prioritized SDGs</b>	<b>5</b>
Affordable and clean energy	5
Decent work and economic growth	6
Responsible consumption and production	6
<b>The effect of the pandemic for Lumera and its employees</b>	<b>7</b>
<b>Earlier publications and reference material</b>	<b>8</b>

## Sustainability Report

This Sustainability report pertains to the fiscal year 2020 and covers the Lumera parent company's Swedish operations.

We plan to incorporate Lumera Norway into our sustainability reporting in the near future.

The purpose of this report is to show Lumera's position on sustainability and to emphasize the importance of sustainable development to our business as well as our stakeholders. There are currently no legal requirements for sustainability reporting for Lumera.

## Lumera and sustainable development - history

Sustainable development has always been a high priority at Lumera. We prefer to ride bicycles, walk, or commute with public transportation to work. Similarly, using resources economically, sorting waste, and being socially responsible are naturally integrated into the company's DNA.

During the early years of Lumera's history, a number of CSR (Corporate Social Responsibility) activities were initiated.

In 2011, Lumera decided to give long-term support to Kamuzu Central Hospital in Lilongwe, the capital of Malawi. In addition to donating computers to the IT-department, money donations were made to support the hospital's emergency room.



Another example worth mentioning is a team-building activity performed during a corporate conference in 2013 when our employees assembled bicycles in teams, which were then donated to an initiative "Give a Child a Smile" for support to less privileged children.



These first steps mentioned above were our start in formalizing our initiatives in environmental and social responsibility. Thereafter, we started to work in a more orderly manner to establish a management system which resulted in our first ISO 14001 certification for the

Environment.

Similarly, a management system for Social Responsibility was built, following the ISO 26000 standard for Social Responsibility. The work, including our self-declaration, has since been verified annually by an external party.



Lumera's business is grounded on a high level of digitalization. We like to be at the forefront of digitalization and cost-efficient processes for our customers, as well as, for ourselves. We also do this to support the environment, to be a sustainable employer, to

provide a good place to work, and to offer a secure and profitable investment to our stakeholders.

Last but not least, our customers' businesses are critical to our society. This makes our delivery equally critical. Therefore, it is crucial that we use sustainable methods and provide high-quality future proof solutions. We believe that this enables us to cut costs to the end client and assurance of stable pension payments.

## Lumera and sustainable development today

During the past year, one of our goals has been to maintain our certificates and to embrace and support the UN Sustainable Development Goals (SDGs) as well as, the principles for UN Global Compact. In December 2020, we became affiliated with the UN Global Compact via the United Nations Global Compact Network Sweden



Furthermore, we have supported the Swedish Society for Nature Conservation during the past years, and we plan to continue to support and follow their important work. The Swedish Society for Nature Conservation is the largest environmental organization in Sweden with the strength to transform, spread the knowledge, outline environmental risks, present and communicate solutions and influence decision makers locally, nationally and internationally.

Additionally, The Swedish Society for Nature Conservation is the founder of the Swedish eco-label "Good environmental choice" and acts for sustainable consumption, which is in harmony with our own goals for how we consume.



Beyond these affiliations and co-operations, we have put increased focus on sustainable development internally. A sustainability manager has been appointed and the sustainability board has been extended to representatives from different departments to broaden the knowledge base and increase the engagement for sustainable development throughout the organization.

Awareness of sustainability is important, and all new employees participate in a training course for environmental and social responsibility. In addition to these training courses, various company-wide sessions covering corporate risks, goals and planned activities with regards to sustainability are carried out.

Our long-term relationships (usually years, sometimes decades) with our customers, suppliers and vendors provide great opportunities for co-operation and knowledge sharing to further embrace sustainable development.

Finally, Lumera is in the midst of a planned international expansion with great opportunities. However, there are risks connected to both environmental and social aspects that need to be dealt with. Sustainability is, accordingly, an essential part of our strategy for new markets.

## Our areas of focus

Lumera has assimilated the Sustainable Development goals ("the 17 SDGs") and reviewed them in detail, as well as considered the impact of the pandemic. All 17 are important, but based on our area of business, geographical location and overall strategy, we have chosen to prioritize three of them and to tie them to goals and activities that are realistic for our organization.

## Our prioritized SDGs



### Affordable and clean energy

As renewable sources of energy become more affordable, efficient and reliable, we are in a better position to contribute by the way we consume energy.

A big part of the emissions of greenhouse gases come from the way we extract, transform and consume fossil energy. As an organization, we believe we can make a difference. One way is to verify the source of energy used for producing the electricity we use in our daily operations, as well as, in the data centers used for our own servers and those used for the cloud services we offer to our customers.

Another important aspect is to take measures to use less electricity. So far, we have been able to reduce our use of electricity by 50% per person in our Stockholm office space. This has been achieved through rather simple measures like changing to more modern IT equipment, such as energy-efficient data screens, changing to low energy lighting, and introducing automatic and sensor-based light switches.

Our ambition is to reduce the environmental footprint of the services we use and offer to our customers, and we follow the debate about the positive environmental impact resulting from cloud services. According to studies made in this area, the dynamic allocation of capacity, shared infrastructure, and energy-efficient data centers may reduce the negative environmental impact for services related to IT-Operations.

During the pandemic, our business has almost entirely been operated digitally, and the use of electricity in the office space has been moved to the home offices. As a result, it is important to increase the awareness among our employees about how electricity is produced, what choices we have, and what measures can be taken to decrease the electricity usage in a home environment. The aspects have been communicated as tips on Intranet and training courses for employees.

### Lumera has set the following goals for SDG 7, Affordable and clean energy:

- The electricity we use in our office spaces shall be produced from renewable sources.
- Our electronic equipment shall be modern and energy-efficient.
- We shall offer energy consultation to our employees.

- We shall extend the use of automatic and sensor-based light switches and shut down electronic equipment as long as it does not disturb our operations.
- The electricity used in our data centers, for our own purposes as well as for our customers, shall be produced from fossil-free sources, and if possible, from renewable sources.

### **Decent work and economic growth**

Lumera is a knowledge-based company, and our employees are our most valuable asset. This alone is a good reason to choose decent work and economic growth as one of our focus areas. We believe that decent work conditions will breed to sustainable economic growth in the long run. We also want to be responsible for the entire value chain and do what we can to verify that decent work conditions have been applied all the way to the end of the value chain.

As a step in this direction, we have chosen to concentrate our purchases of electronic equipment like computers, data screens and mobile phones to a supplier with a clear and transparent sustainability strategy and public reporting of it. By frequent factory inspections, a supplier can verify that decent work conditions are in place and that no child labor exists.

#### **Lumera has set the following goals for SDG 8, Decent work and economic growth:**

- Put policies in place for social responsibility, equal opportunity, work environment, and harassment/victimization.
- A collective agreement for labor rights in place, active local representation for trade unions and a well-functioning cooperation between the local trade unions, the management board and Human Resources.
- A Code of Conduct in place and compliant, including a possibility to report deviations without risk for retaliation.
- Offer our employees the possibility to engage in projects to support sustainable development.
- Initiate cooperation with branch groups and industry organizations to support activities for sustainable development.
- Meet the following targets for our work environment:
  - Reduce long-term sick periods compared to the previous year.
  - A minimum of 70% utilization of the wellness allowance provided by the company.
  - Work environment training for all employees in management positions.

### **Responsible consumption and production**

We need to understand that sustainable development requires that we reduce our ecological footprint by changing the way we produce and consume commodities and resources. Our goal is that all consumer goods we purchase shall be eco-labeled. We have reviewed the available eco-labels and decided to use the ones that in our view are not established and reliable.

As our business requires modern and, in certain areas, high-performance computers, we have a goal to use functioning computers for other purposes once they have served their purpose for us. For non-functioning equipment, we make sure that the waste disposal is done environmentally friendly so that any hazardous materials are handled correctly.

As approximately 30-40% of food in developed countries goes to waste, we have changed the way we make our orders and tried to optimize the amount we order to avoid waste.

From a broader perspective, sustainability is an important factor in long-term savings and pension plans. There is a big chunk of capital involved that can be redirected to more sustainable alternatives. We have carried out a lecture to inspire our staff in how to choose sustainable investment alternatives for their occupational pensions. We plan to continue this path. Furthermore, we have ongoing cooperation with our customers in how to handle the regulated ESG-reporting and the adaptations that might be required in the Lumera-product to support the reporting.

**Lumera has set the following goals for SDG 12, Responsible consumption and production:**

- Minimize food waste.
- Sustainable purchases following established eco-labeling.
- Recycling program for electronic equipment.
- Criteria for selecting sustainable vendors and suppliers.
- Training in sustainable investments for our employees.

## **The effect of the pandemic for Lumera and its employees**

Fortunately, Lumera has maintained its profitability during the pandemic. The company has not suffered financially as a direct result of Covid-19. However, certain negative psychosocial and work environment-related consequences have been reported, upon which both reactive and proactive measures have been taken:

- Office furniture and electronic equipment, such as computer screens, have been delivered to the employees in an attempt to improve the ergonomic work environment at their home offices.
- Counseling for both work-related and private matters have been offered, anonymously and free of charge.
- Various wellness programs have been carried out. The activity-based programs generated points based on joint performance and raised money for charities in Sweden and in Norway.
- Clear information has been communicated regularly about the company's take on the pandemic. Several surveys have also been carried out with the purpose of collecting information about the state of wellness of our employees.
- Our employees have been encouraged to use their wellness allowance, as well as the dedicated time (optional) for exercise during office hours. In addition, wellness tips have been continuously communicated on our Intranet.

## **Earlier publications and reference material**

ISO 14001 Lumera Environmental certificate

ISO 26000 Lumera statement and self-declaration for Social Responsibility

ISO 26000 Statement for Lumera issued by Research Institutes of Sweden (RISE) for Social Responsibility SIS/TS2:2021