

## Sustainability report 2022

### 1. [CEO statement](#)

Dear readers,

Driving a sustainable business is a key priority at Struct. With this report as a starting point, we will annually report on sustainability.

Our main software product, Struct PIM, is developed and sold with an aim to structure the product data of large corporations on a worldwide scale.

In our work with sustainability, we focus primarily to ensure continued good working conditions for our employees, to ensure a high level of business ethics and limit our climate and environmental impact.

Being a small company with 20 employees, it would be easy to state that there is only little we could do to improve actions regarding social, ethical, and environmental impact. However, there are some key factors that would make sense for our company to focus on, and we strive to be better on these matters.

This report contains our views and policies regarding ESG matters including hard figures specific for our company.

Odense, DK, January 2023

Jacob Kruse, CEO.

### 2. [Business model](#)

Struct develops and sells technology for handling and managing companies' product data based on the software product Struct PIM.

Struct PIM is distributed through a network of partners worldwide as a subscription-based license agreement.

Struct does not sell any physical products so every output from the company is distributed through the cloud. Our company is headquartered in Odense, Denmark which is our only physical representation and our product is sold through a network of partners in The Nordics, UK, Benelux and in the USA.

### 3. Sustainability strategy

To ensure that our company follows a sustainable business strategy we have chosen to focus our actions and limited time resources on the following matters:

- Regarding environmental impact, we continuously monitor our consumption of energy. We strive to optimize – and minimize – the need for energy consuming “cloud power” in our software solutions and in the server hosting environment.
- We strive to minimize the need for physical meetings and air travel.
- We strive to run a responsible business choosing business partners in accordance with ethical business practices and in accordance with our policy regarding these matters.
- We focus to ensure continued good working conditions for our employees in a diverse working environment.

### 4. Environment

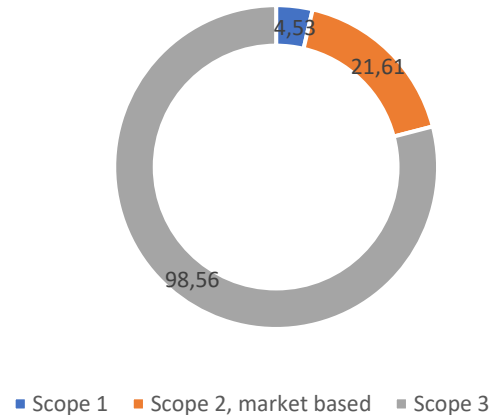
Generally, the software industry is not among the worst to leave a larger climate footprint.

However, a cloud-based software solution consumes a lot of energy and therefore it makes sense to choose the right data center as a supplier. For that purpose, we use Microsoft Azure having an agenda to work towards a net zero-emission policy.

Another important focus are the emissions that come from company travel. Travelling days – especially air travel days - have now been minimized in the aftermath of Covid-19 – and this pattern seems to be permanent.

We urge our employees to consider whether virtual meetings would be a substitute for a physical meeting before setting them up.

Total emissions, tonnes CO<sub>2</sub>e



As seen on the chart most of our emissions are found in the Scope 3 category of which data storage and business travel are the most significant volumes in the use of Tons of CO<sub>2</sub>.

Scope 1 emissions originate from Struct's company cars. Management will be urged to replace fuel driven cars with electric cars latest by 2023.

Scope 2 emissions originates from our company's use of electricity and district heating.

About one fourth of our Scope 3 emissions are related to business travel and three thirds to data storage.

## 5. Social

It is important for Struct to focus on our social offerings continuously to be able to attract the right employees and maintain an attractive working environment. We strive to create an environment where it should be possible to develop and maintain a safe and sound work-life balance partly by making extensive use of possibilities to working from home.

Our employees are by far our most important and valued asset. Without employees there would be no Struct. Therefore, we continue cultivating a culture of integrity that holds Struct and its employees accountable to the highest ethical standards. We empower employees to pursue rewarding careers while also prioritizing their wellness, health, and safety. We treat each other with respect, and we are committed to being an employer with proper terms of employment and working conditions.

Up till now we have been a very non diverse organization in respect to gender.

At the current state our workforce of 20 employees only consists of male employees.

However, this is a key focus to improve over the coming years. The fact that we are only employing men has never been a strategy or an intended purpose. We are operating in a very male dominated industry in which the vast majority are male software engineers

We receive little or no applications from female candidates which is a consequence of the fact that the same gender ratio is reflected in the local educational institutions where the majority of students (up to 90%) are male. There is little to do about this in the short run.

However, Struct is growing. In the future we will employ skilled people on positions we have never had established inhouse before: marketing positions, sales people , partner responsible persons. All positions that could be well positioned by women.

We will never discriminate on the background of gender, and we will always aim to hire the best in class. Our focus will be steered actively and deliberately to include women in the process.

In 2022 we have continued to focus on our employee's health and wellness. The employees have established a runner's club supporting it with funds as we will encourage our employees to a develop a healthier lifestyle choosing a quality food supplier for our canteen.

10% of our employees have a non-Danish background. We intend to increase that number going forward to ensure a diverse team

In 2022 we have had an employee turnover of 9,5%. We will aim towards that this figure should drop close to zero in the year to come.

From late 2023 the above topics are intended to be supported by employee satisfaction surveys.

## 6. Governance

In a globalized world we strive to do business following a high ethical standard.

Struct is doing business internationally and does not engage in any corrupt business nor accepts any form of bribery. In its nature software is never sold in acceptance of cash and we do not engage in any form of money laundering.

In the past business year Struct conducted a series of internal workshops and we are now fully GDPR compliant keeping our customers and our employee's personal data safe. The latter in accordance with our privacy policy.

## 7. Sustainability key metrics

The report covers the business year 2021. We only have one representation in Odense, Denmark. As it is the first sustainability report issued for our company, we have yet no comparative data nor targets for the future yet. These will follow in the coming report for the business year 2022.

|  |  | 2021  | 2022   |
|--|--|-------|--------|
| <b>Environmental KPI's</b>                         |  |       |        |
| Scope 1 emissions (ton CO2 e)                      |  | 4,22  | 4,53   |
| Scope 2 location-based emissions (ton CO2 e)       |  | 6,11  | 5,47   |
| Scope 2 market-based emissions (ton CO2e)          |  | 13,43 | 16,57  |
| Scope 3 emissions total (ton CO2e)                 |  | 76,88 | 98,55  |
| Scope 3 – Category 1: Purchased goods and services |  | 31,35 | 35,19  |
| Scope 3 – Category 6: Business travel              |  | 25,91 | 26,01  |
| Scope 3 – Category 11: Use of sold products        |  | 19,62 | 37,35  |
| Total emissions – market-based (ton CO2e)          |  | 94,53 | 124,69 |
| Carbon intensity (CO2e pr revenue)                 |  | 4,18  | 5,04   |
| <b>Social KPI's</b>                                |  |       |        |
| Employee gender diversity %                        |  | 0     | 0      |
| Board diversity (%)                                |  | 0     | 0      |
| Management diversity (%)                           |  | 0     | 0      |
| Unadjusted gender pay gap                          |  | N/A   | N/A    |
| Employee turnover (%)                              |  | 15    | 9,5    |
| Sickness absence (Days/FTE)                        |  | 6,53  | 6      |
| Lost Time Injury Rate                              |  | 0     | 0      |

| KPI                                | Accounting practice (scoping, definitions, calculation methods etc.)  |
|------------------------------------|---|
| Scope 1 emissions                  | <p>Scope 1 emissions cover direct emissions from the use of diesel driven vehicles at the location in Odense, DK.</p> <p>The emission factors used for the calculation of scope 1 emissions derive from the Department of Environment, Food and Rural Affairs (DEFRA), 2022.</p>  |
| Scope 2 emissions (location based) | <p>Scope 2 emissions cover indirect emissions from the use of electricity and district heating at the location in Odense, DK.</p> <p>The emission factors used for the calculation of scope 2 location-based emissions for electricity usage in Denmark derive from Miljødeklarationen, Energinet 2022.</p> <p>The emission factor for the use of district heating is assumed to be equal to the emission factor related to electricity (location-based).</p> <p>The emission factors used for the calculation of scope 2 location-based emissions for electricity usage in Denmark derive from the Association of Issuing Bodies, 2021.</p>  |
| Scope 2 emissions (market based)   | <p>Scope 2 emissions cover indirect emissions from the use of electricity and district heating at the location in Odense,DK.</p> <p>The emission factors used for the calculation of scope 2 market-based emissions for electricity usage in Denmark derive from Generel Deklaration, Energinet 2022.</p> <p>The emission factor for the use of district heating is assumed to be equal to the emission factor related to electricity (location-based).</p>   |
| Scope 3 emissions                  | <p>Scope 3 emissions cover the material emissions within the value chain. For the reported scope 3 value the scope 3 categories, 1: Purchased goods and services, 6: Business travel, and 11: Use of sold products have been included.</p> <p>The scope 3 emissions have been calculated based on monetary data (spend-based) and kilometers driven for business travel in car, as reported in category 6.</p> <p>The emission factors used for calculating scope 3 emissions derive from the Department of Environment, Food and Rural Affairs (DEFRA), 2011, and the U.S. Environmentally Extended Input-Output (USEEIO) model, 2018. Emission factors have been adjusted regarding currency and development in the Harmonized Index of Consumer Prices (HICP).</p> |
| Carbon intensity                   | <p>Total scope 1, 2 and 3 emissions divided by Structs revenue for 2021 measured in Mio. DKK.</p>   |
| Employee gender diversity          | <p>Total number of female employees including FTE's (full time employees) and temporary employees divided by total number of employees including FTE's (full time employees) and temporary employees multiplied by 100.</p>   |
| Board diversity                    | <p>Total number of female board members divided by total number of board members multiplied by 100.</p>   |

|                           |   |
|---------------------------|---|
| Management diversity      | Total number of female managers divided by total number of managers multiplied by 100.<br><br>'Managers' are regarded as people in senior management and employees in leadership positions.   |
| Unadjusted gender pay gap | Reflects the difference between average gross hourly earnings of male employees and of female employees, shown in how many times the average female earnings is covered by the average male earnings. Calculated as the average gross hourly earnings of male employees divided by the average gross hourly earnings of female employees. |
| Employee turnover         | Total number of leaving employees (including employees who have quit (voluntarily) or been let go (involuntarily)) divided by the total number of employees including FTE's (full time employees) and temporary employees.  |
| Sickness absence          | Total amount of days where FTE's (full time employees) have not been able to work due to sickness divided by total number of FTE's (full time employees).   |
| Lost Time Injury Rate     | Number of work-related injuries (defined as a physical injury sustained on the job by an employee leading to a loss of at least one day off work) divided by total amount of workhours in 2021 multiplied by 200.000 (representing 100 employees working 40 hours a week for 50 weeks a year).  |