ESG Report

2021

09

A message from our CEO

The world is at a crossroads. There is an obligation when building relationships with customers, vendors, partners, and suppliers to do so in a sustainable, ecological, and ethical manner. I believe that supply chains are not only the guiding mechanism at the heart of each of these relationships (and play a role in delivering an experience that delights stakeholders) but are also a catalyst in addressing a fundamental problem stemming from their business operations.

At o9 Solutions, we understand the deeply interconnected nature of sustainability, optimal supply chain performance, and technology. Supply chains are the biggest utilizers of the Earth's resources. Considering this, we believe that supply chain management and sustainability are not separate activities, rather they will become integral components of a common process. With that perspective in mind, our driving motivation has been to create a scalable, easy-to-use platform that exceeds customers' expectations while tackling some of humanity's greatest challenges. The o9 *Digital Brain* was engineered to provide the necessary visibility, traceability and accountability our clients need to engage in operations that reduces waste, protects workers, recycles materials, and uncovers risks across their supply chain.

The o9 *Digital Brain* platform enables companies to transform planning and decision-making processes across traditionally siloed enterprise functions and supply chain partners by transforming disparate data across the extended supply chain into real visibility and knowledge about sustainability impacts. At o9, we are well-positioned to ensure our clients transform their planning capabilities to place as much emphasis on sustainability goals as they do on financial goals. Enabling and accelerating this transition of planning capabilities to help improve the P&L and the planet simultaneously is an important mission for all o9ers.

Within o9, we also embrace Social Impact values through our participation in initiatives like Pledge 1%, our partnership with Tree-Nation allowing us to plant more than 10,000 trees to date (and remove 2,000 tons of CO2 from the atmosphere), and our ambitious long-term goal of achieving net zero emissions company wide well before 2050.

o9 is committed to deepening our commitment to Social Impact and Sustainability through the o9 *Digital Brain* platform and our organization's initiatives. The goal of our inaugural ESG report is to set a baseline of accountability that will allow our organization to measure our progress and develop ongoing key performance indicators (KPIs) for our continued Social Impact initiatives in the years to come.
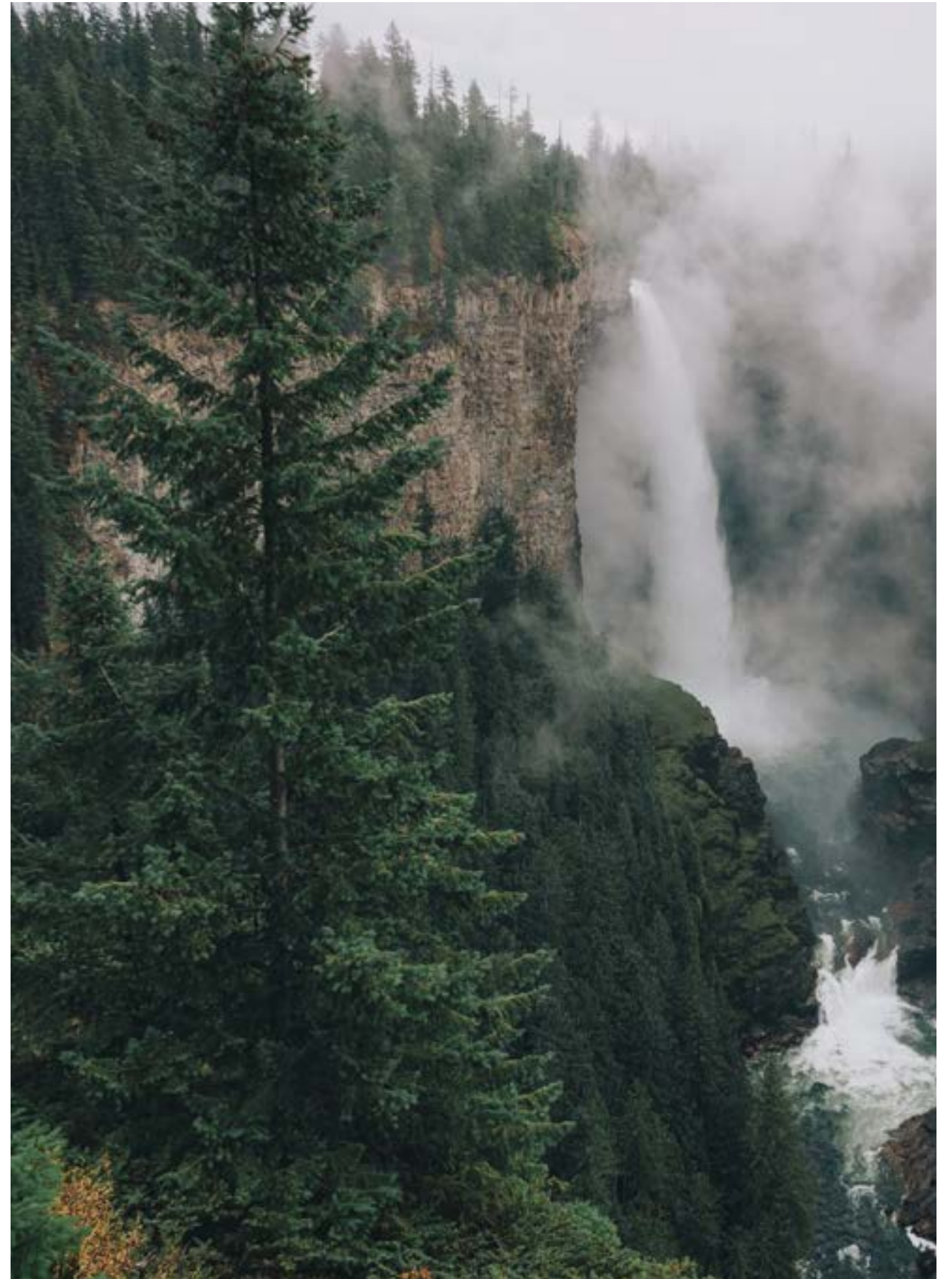
→ **Chakri Gottemukkala**
CEO of o9 Solutions

I hope that you find the information in this report valuable and all of us at o9 look forward to continuing to create solutions that empower enterprise companies to create more sustainable, resilient supply chains and to become better stewards of our Earth's resources.

Introduction to o9

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o9 Solutions is a leading AI-powered planning, analytics, and data platform for driving digital transformation. Our platform, the o9 *Digital Brain,* helps companies across industry verticals transform traditionally slow and siloed planning into smart, integrated planning and decision-making across the core supply chain, commercial and financial functions.

Our founders Sanjiv Sidhu and Chakri Gottemukkala had a vision for o9 to become the leading provider of planning and decision support solutions for enterprises. By enabling better operational planning, companies can manage their resources more efficiently, which is of great importance in times of demand volatility and supply uncertainty. o9's platform and solutions were created to empower decision makers in their day-to-day responsibilities in managing supply chains. Our goal is to create positive impact at scale by providing our customers with the technology necessary to unlock insights, make better decisions, and achieve great outcomes. Our solutions help automate complex processes and transform data into actionable insights that empower innovators to improve their supply chain.

For the first few years, the o9 team consulted with global enterprises to really understand the challenges they faced in transforming planning and decision-making. There were fundamental processes, adoption, data and change management issues that needed to be solved. Solutions needed to be much more flexible to cope with rapid changes in business models. Once the o9 teams fully internalized the challenges, they set about developing the o9 platform, which was launched in late 2014. o9 has since become the platform of choice for powering digital transformations at leading companies across industry verticals and is able to compete with established software companies. This is a testament to the innovations that went into the platform and the quality of the team at o9.

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For us, it is of critical importance that the o9 Digital Brain platform can offer game-changing improvements in quality of data for our clients. They possess the ability to detect demand and supply risks and opportunities earlier, forecast demand more accurately, evaluate "what-if" scenarios in real-time, match demand and supply intelligently and drive alignment and collaboration among customers, internal stakeholders, and suppliers across the integrated supply chain.

We cater to different industries and our products and services are applicable in various sectors. Our client base is quite broad, and we cover the following sectors:

- Consumer Products
- Retail
- Industrial Manufacturing
- Automotive
- High Tech and Semiconductor
- Energy, Resources and Chemicals
- Telecommunications
- Life Sciences

From the beginning, o9's mission has not only been contributing to society and the environment through software solutions, but also through employee engagement and community actions. Since the launch of our Social Impact program in 2021, we've strived to bring sustainable value creation to all of our stakeholders through meaningful initiatives. As a software technology company, we are working to achieve carbon neutrality in 2022 and aspire to become a net zero organization. This is a critical milestone because in the coming decade, the decarbonization across industry sectors will steadily increase

in importance. o9 will continue to build a purposeful company and accelerate our journey towards becoming a leading sustainable software company.

→ **About this report**

o9 relies on the strong value we provide for our stakeholders. The need to communicate our ESG actions and strategies to our stakeholder network is significant to us as a company. Laying out our ESG priorities in this report provides visibility to employees, clients, partners, investors, members of the aim10x Innovators Network, academics and many more.

Supporting our clients on their journey to reduce their supply chain's carbon footprint emissions is a part of our DNA. By implementing better integrated business planning (IBP), our clients can make accurate predictions of their stocks and replenishment plants, which can be profitable for limiting waste levels on a large scale. Small business units can accurately

Did you know?
o9 stands for optimization to the highest singular number (9) and our founding year, 2009.

predict and plan for the future and take into account important market knowledge drivers due to the o9 Digital Brain, such as weather data and unexpected events. The o9 platform also enables employees to concentrate on core tasks, which is better for their well-being. In summary, creating digital solutions that can optimize carbon emissions reduction, minimize climate impact, and achieve sustainable supply chain transformation is important for our future growth.

We believe in the importance of sharing our own journey of environmental, social, and governance (ESG) transformation. We strive to become a sustainability champion among our peers and the efforts we have made to date are

showcased in this report. Our inaugural Global Impact Report features ESG strategies, activities, progress, metrics, and performance in calendar year 2021. The information included reflects the commitment of o9ers towards an impactful and sustainable contribution to society.

This report is a stepping stone for our future strategy towards becoming a net zero company. It will serve as a guiding principle for our work in reducing carbon emissions within our operations and supporting our clients to do so successfully within their supply chains using our o9 Digital Brain platform. This overview will help us strengthen our ESG strategy and help us to achieve our commitment to achieving our net zero goals.

We are continuing to make progress on our overall strategy, we have also evaluated various standardized reporting frameworks. This year, we have aligned our reporting to the Global Reporting Initiative (GRI) as it reflects our strategy, approach, and key metrics related to ESG reporting. Worldwide, these are the most commonly applied reporting guidelines. GRI is based on the principle of materiality and requires organizations to disclose their management approach to their most material topics. For further details about these guidelines, please refer to the 'GRI Content Index' section in this report. General information about GRI can be found at GlobalReporting.org. We are also working alongside an external expert consultancy company supporting us in creating this inaugural ESG report.

→ **EcoVadis**

In addition, our first EcoVadis assessment, submitted in 2021, seeks to measure long-term enterprise value creation for all stakeholders, encourage companies to integrate sustainability into their core strategy, and promote the convergence of corporate non-financial disclosure standards. EcoVadis allows us to map the performance of our activities and gives an overview of where to reduce our footprint. It also gives us guidance on what policies should be integrated in our daily operations to enhance employees' wellbeing.

We are now in the process of revisiting our initial EcoVadis assessment, which will also reflect our rapid company growth. The new assessment process also includes reviewing new company policies that have been created and need to be created, setting targets for these policies and executing internally on these.

→ **Core values**

Our vision lies in our ability to transform supply chains and help organizations to become better stewards of both their own and the Earth's resources. It is our mission to earn the Most Valuable Partner (MVP) status of each of our clients. We do this by educating, engaging and transforming their organizations to successfully embed AI-based digital transformation technologies into their decision-making, so that they may offer their customers the best possible products and services.

Our culture is the operating system of the company, and our values underpin that culture. At the center of our organization are our inspired o9ers. Our values were created to not only help shape our culture but also to assist with our everyday decision-making. For each of our employees we have been offering educational videos and also we have been conducting personalized value sessions in small and large group settings with the goal to nurture discussions about our values.

Five main corporate values guide o9's goals, actions, and decision processes. They are central to the way we operate as a company and are part of our DNA:

1. Client Value:
   This is our no. 1 priority—do what is right. We focus on what drives real value for our client and we understand our clients' business as well as they do. We aim to delight our users and sponsors to make them advocates. We are proactive in fixing issues and transparent with clients. We build long-lasting and strategic relationships with every client.

2. Leadership:
   Think like a CEO—make it happen. We work around initiatives not by hierarchies and we take ownership for our initiatives and roles. We solve constraints proactively and we give and receive constructive feedback across all levels of the organization. We are empathetic, trustworthy and ethical and we inspire and lead by example. We are knowledgeable of the domain we lead.

3. Execution:
   Do the little things right—every day, every step. We communicate decisions clearly and effectively and we take quick and decisive actions. After each initiative we highly value constant learning and improvement and we do post-games constantly.

4. Innovation:
   Aim 10x in every process—improve every day. We measure our processes and set high benchmarks. We try to see beyond the obvious. We share insights and knowledge proactively. We use systems to be faster, smarter and more efficient.

5. Social Impact:
   Be a force for positive change—contribute actively. We strive to serve our communities with time and resources. We encourage sustainable practices that help our planet. We look to give opportunities to talented people that need a little help.

While Social Impact has been one of our values since the company's inception, in 2021 we embarked on a program to bring to life a company-wide Social Impact strategy, extending beyond product functionality to improve our clients' sustainability metrics and to inspire and enable our employees to take actions that improve their local communities and the world. The Social Impact initiatives are sponsored and supported by the o9 leadership team. Whether it's a Social Impact program that gives back to those in need or a sustainability project that seeks to preserve our world, the importance of being a steward of our planet is front and center in everything we do. Both domains of Social Impact and Sustainability are aligned with our deep personal commitment, engagement, and passion. In 2021, we established a dedicated leadership and values team to cultivate and scale the culture of our organization as we grow.

→ **o9 operations and workforce**

In the early years of existence, the company focused on research and development and saw rapid growth after 2014. The U.S. headquarters in Dallas, Texas—our homebase— together with our largest office in Bangalore, India formed the core of the company. o9 Solutions is an incorporated entity and our core executive team (CEO, COO, and CFO) are all based at our U.S. headquarters.

In 2019 we opened our first office in Europe in Amsterdam and scaled our operations to other European cities: Barcelona, Paris, Frankfurt, London, Madrid, as well as in Asian cities: Tokyo, Shanghai, and Seoul.

At the end of 2021, we were proud to have 1649 o9 employees across the globe, an increase of 150% over the prior year.

Due to the rapidly growing interest in our products and services, we are further expanding our reach to South America and Australia.
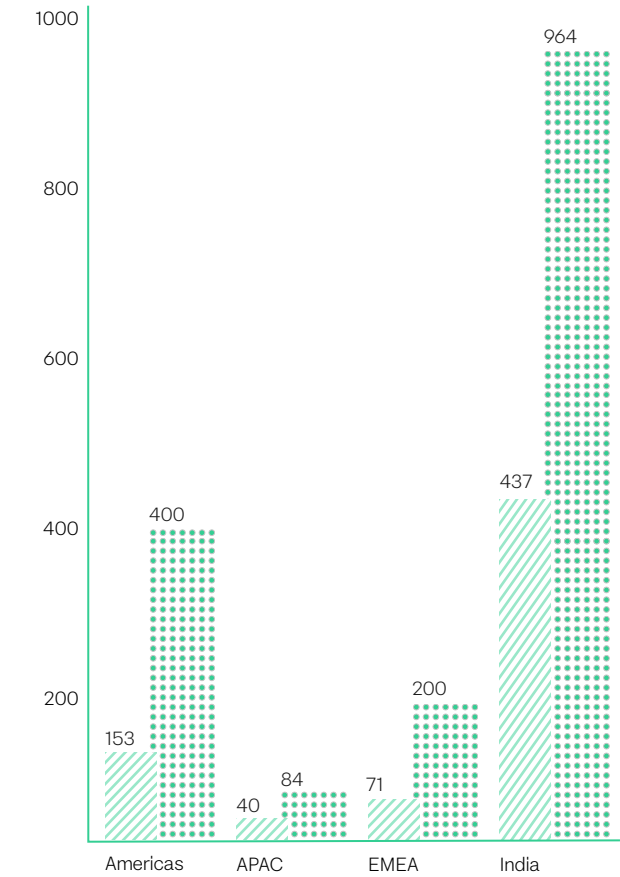

Figure 1: o9 employee growth

→ **Recognition and awards**

As we embarked on our journey to become a net zero company, we have also engaged and joined different organizations to gain more insights and become part of a worldwide community of businesses striving to do good for the planet, our employees, and the communities they operate in.

In February 2021, o9 was awarded the **Bronze medal in Sustainability from EcoVadis** and is currently working on improvement areas, including the measurement and improvement of environmental practices and the creation of social and environmental policies. Though a bronze medal indicates good practices, shortly after receiving our score we launched a cross-functional EcoVadis improvement program.

Highlighting our commitment to the environment and mitigation of the climate crisis, o9 has signed the Business Ambition for 1.5°C pledge as part of the Science Based Targets initiative (SBTi). By doing this, o9 demonstrates its commitment to take concrete steps to reduce its environmental impact. o9 is currently gathering data on its environmental footprint in order to establish the baseline (for example regarding energy usage, travel and other commute-related footprints) for its ongoing reporting efforts. o9 will then set a science-based target by no later than May 2023. In undertaking the journey to net zero emissions, we understand the challenges our clients face in their own transition and aspire to be a valued partner in their climate action journey.

o9 has also been recognized by the World Economic Forum as a New Champion in 2021. As such, we are part of a community of dynamic high-growth companies that are championing new business models,

emerging technologies, and sustainable growth strategies in the Fourth Industrial Revolution. New Champions are mindful of their impact on society and aspire to participate in building a better future. In June 2021 o9 joined Pledge 1%, a movement dedicated to empowering companies to donate 1% of their efforts back to the community. Spearheaded by companies like Atlassian, Rally, Salesforce, and Tides, Pledge 1% encourages companies to donate 1% of their resources to improve communities around the world. o9 Solutions is pledging 1% of its time and 1% of its product (technology) to give back to the community. We are focused on volunteer and pro-bono consulting efforts to help social enterprises in their mission to build better communities.

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Sustainable supply chains →
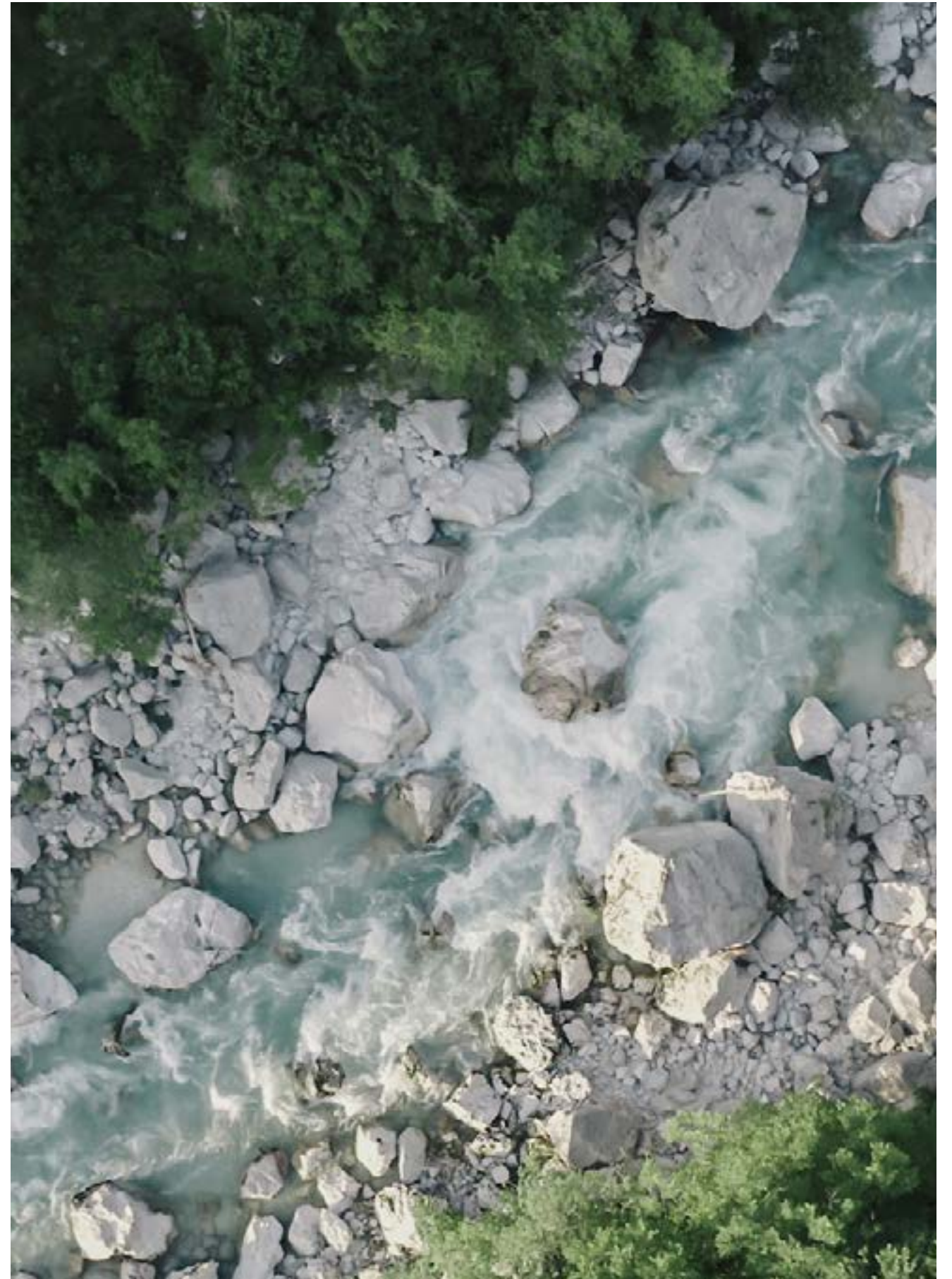
The COVID-19 crisis has exposed significant weaknesses in how organizations manage their value chains today. Consumers' awareness and interest in the environmental and social impact of supply chains has been growing due to concerns over climate and human rights related events.

New regulations such as the European Green Deal are examples of the increasing influence governments will have on social and environmental supply chain compliance. In a recent report by CDP in collaboration with BCG it was found that:

"A company's supply chain is responsible for substantial environmental impacts. Last year, CDP found that GHG emissions in a company's supply chain are, on average, 11.4 times higher than its operational emissions."

The need for more sustainable supply chains is becoming clearer with each year. With rising pressure from investors and other stakeholders such as consumers, clients, and partners, companies face the biggest challenge, a lack of visibility to the environmental and social impact risks and opportunities within their supply chains. o9 can help clients transform their supply chains into sustainable operating models by extending how they currently use the o9 *Digital Brain* platform within their planning processes. Expanding our product portfolio to offer capabilities for tracking and managing ESG metrics and KPIs is a logical step in our product evolution.

ESG-enabled supply chain planning allows companies to act and reduce their environmental impacts since supply chains contribute an important percentage of such. o9 has identified 5 important capabilities that ESG-enabled supply chain planning should have:

1. An accurate measurement of the enterprise's environmental impact such as carbon footprint to monitor target adherence and provide the best actionable opportunities to mitigate such impacts.

2. A clear visualization and traceability of the end-to-end supply chain, which can be attained by leveraging our patented o9 Digital Brain through a real mapping of the company's supply chain digital twin.

3. A timely monitoring and assessment of the risks within the supply chain as well as scenario planning to mitigate those risks.

4. A comprehensive analysis for supply chain sourcing that will allow the companies to evaluate trade-off between cost and ESG KPIs.

5. A complete carbon footprint assessment of products leveraging supply chain data.

With the innovative o9 Digital Brain platform we aim t**o serve as a foundational enabler of our customers' journey in sustainable supply chain transformation. We are currently developing** new capabilities of the platform, which will guide customers as they progress through the stages of maturity in the transformation process, from gaining basic situational awareness, to intelligent network
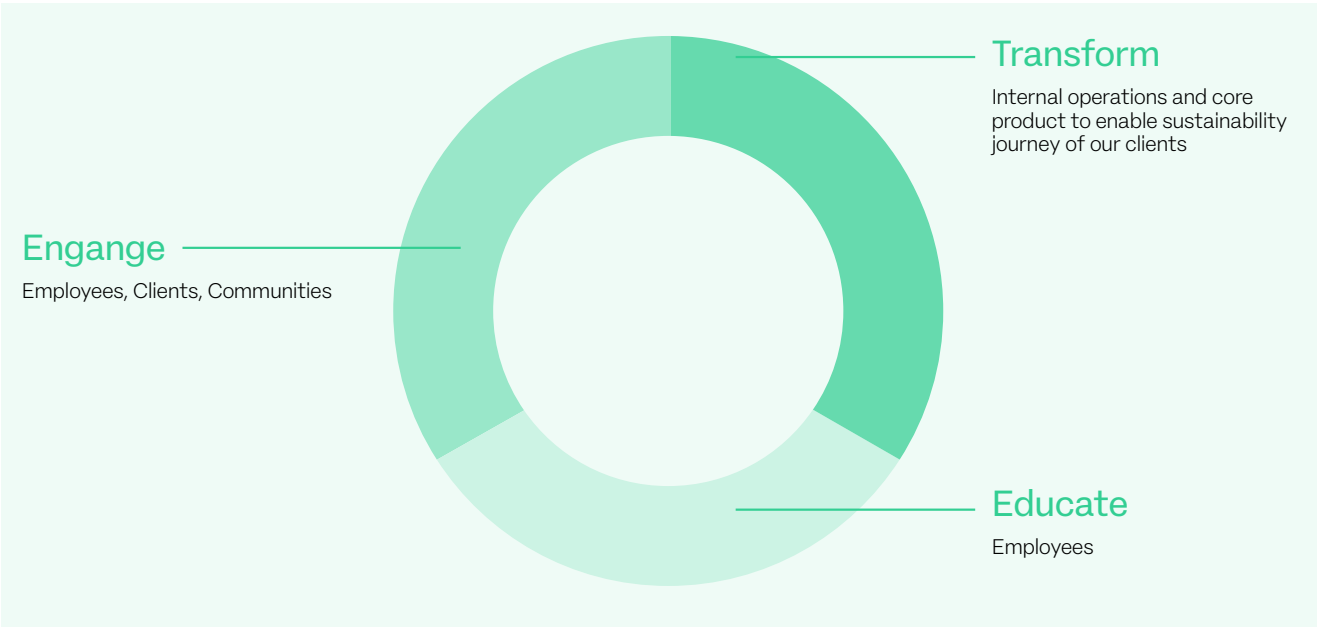
analysis and design and—ultimately—to end-to-end supply chain visibility, collaboration, and circularity. Environmental and social sustainability attributes and measures will be embedded in all core processes in the o9 platform, leveraging the Enterprise Knowledge Graph (EKG), analytics, AI and market intelligence capabilities to create high-impact use cases with some of our existing clients. o9's modeling capabilities will enable **rapid assimilation and deployment of new sustainability standards and metrics as they continue to evolve.** o9 will build out these capabilities and engage with high-profile customers and partners in creating environmentally and socially sustainable supply chains that will benefit all of humanity.

Supply chains are one of the most resource intensive processes in any company today. From that perspective, more effective and efficient supply chains are going to have an impact. We've seen a lot of companies moving towards activities to get to net zero in terms of greenhouse gas emissions. That is going to take a long time and it's a very complex and difficult problem to solve, but it's great to see that it's becoming top of mind for consumers, for management, and for boards of directors of these companies.

—Igor Rikalo
    COO & President

We are guided by our core values of Client Value, Leadership, Execution, Innovation, and Social Impact. We strive to provide a transparent and inclusive environmental, social, and governance (ESG) overview of our business activities for our stakeholders. In 2021, we performed our first ESG materiality assessment, which identified key topics that are most important to our stakeholders and our future success as a business.

The aim of the assessment was to validate and communicate our ESG strategy and approach to ESG governance and reporting. The materiality assessment process included an evaluation of top business drivers and sustainability impact areas as well as industry benchmarking. Furthermore, we identified the key Sustainable Development Goals (SDGs) areas which are most relevant to us and our stakeholders, which also play a central part in our ESG strategy.

After launching our first initiatives in 2020, we identified three main categories to serve as our main themes: engage, educate, and transform.

Transform
Internal operations and core product to enable sustainability journey of our clients

Engange
Employees, Clients, Communities

Educate
Employees

An overview of the three social impact pillars is provided below and it also shows how they are aligned with the Environmental (E), Social (S), and Governance (G) topics:

- We seek to **Engage (E,S)** with employees, and many of our efforts thus far have focused on increasing the level of engagement for Social Impact initiatives among o9ers. Across o9 there are more than 100 Social Impact champions. We also seek to engage with clients and their communities. As o9 matures its delivered value to our clients, this engagement will become even stronger. Collectively, we also contribute to environmental activities that address climate challenges such as collecting litter and tree planting initiatives. These campaigns raise awareness about the importance of mitigating climate change and how individuals can help minimize carbon emissions by individual actions.

- As part of the **Educate (E,S)** pillar, we seek to educate o9ers on Sustainability and Social Impact topics and share examples of how these two concepts are embedded in their everyday work. Through various education activities, we strive to show employees how behavioral change can have a great environmental impact. We do this by organizing activities such as o9 Cleans and the Sustainable Food Campaign. Furthermore, we aspire to be a market leader in the sustainable supply chain domain and educate external stakeholders on the synergies between sustainability and supply chain. This is accomplished through blog posts, hackathons, podcasts, and external roundtable discussions.

- The **Transform (E,G)** pillar has a certain degree of complexity, which involves accelerating systematic change with an outside-in, holistic view approach. We strive to transform our internal operations to become best-in-class in terms of sustainable operations, social, and governance practices. This will be achieved externally through expanding our platform capabilities to clients to help transform their decision-making relative to environmental and social sustainability actions. This requires extensive cross-team collaboration and commitment to working hand-in-hand with HR, Finance, Legal and Office Managers to execute, with our number one goal to become a net zero company within a decade. To match our aspirations to become a net zero company as soon as possible, we are working towards setting a baseline in accordance to the science based targets.
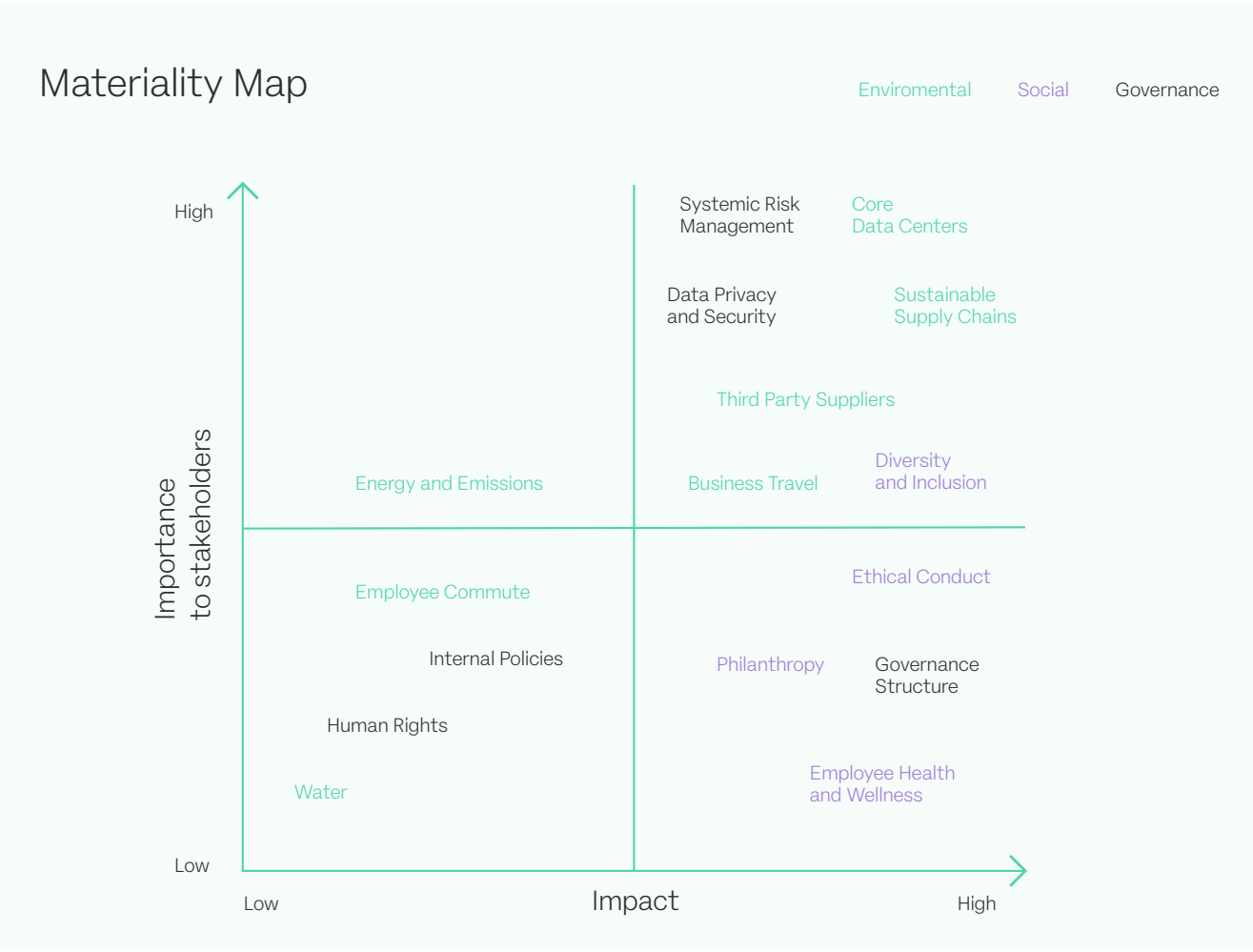
→ **Materiality and stakeholder engagement**

Last year a materiality analysis was completed, enabling the prioritized evaluation of corporate activities. The results will serve as the basis for future materiality analyses. In 2021, we mapped different groups of stakeholders in order to create an overview of the most material topics to them and to o9. We conducted a series of qualitative interviews and asked what is most important to them and what they value as a high priority when looking at o9. The answers were documented and evaluated to help us shape our materiality map, based on examples provided by GRI and SASB, to help us focus on the most important topics for us. The list of external and internal stakeholders is quite broad and can be summarized as follows:

Internal stakeholders	External Stakeholders
Employees	Investors
Social Impact Champion Community	Customers
Board of Directors	Communities around offices
CEO, Chairman of the Board	Suppliers
	Business partners
	Social Impact partners
	Environment
	Prospects
	aim10x Innovators Network
	Candidates
	Academic world
	Sustainability and Impact networks
	NGOs

The results obtained are highlighted in the materiality graph, which is designed in accordance with Global Reporting Initiative (GRI) guidelines.

As an integral part of o9's journey to become a public company, we are deepening our commitment to best-in-class ESG performance, and aspire to exceed stakeholder expectations.

Materiality Map

Enviromental   Social   Governance

Importance to stakeholders (High / Low) vs Impact (Low / High)

- Systemic Risk Management
- Core Data Centers
- Data Privacy and Security
- Sustainable Supply Chains
- Third Party Suppliers
- Diversity and Inclusion
- Energy and Emissions
- Business Travel
- Ethical Conduct
- Employee Commute
- Philanthropy
- Governance Structure
- Internal Policies
- Human Rights
- Water
- Employee Health and Wellness

→ Sustainable Development Goals alignment

We examined how our business activities and key priority areas align with the 17 United Nations' Sustainable Development Goals (SDGs). Since 2015 the UN SDGs have become a framework for common action for businesses and governments. At o9, as a collective corporate citizen, we have reflected on which of the 17 SDGs are the most material and relevant to us as a business, and determined where we can move the needle to achieve the most positive impact.
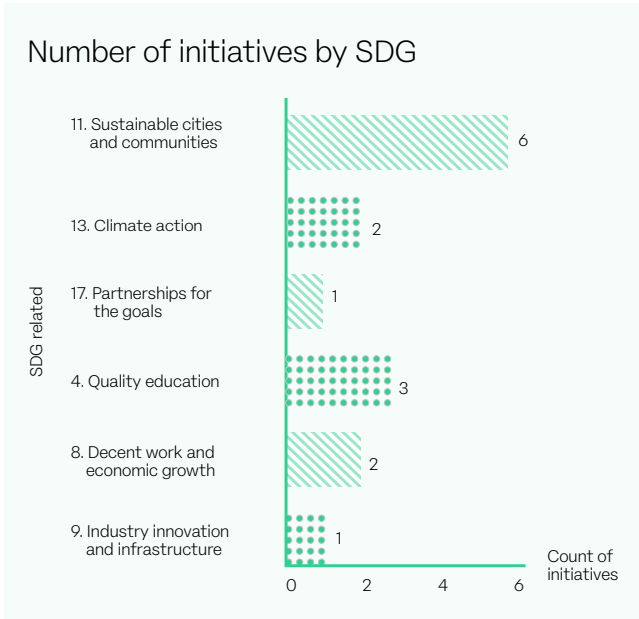
You may see examples of Initiatives that confirm this selection below:

- SDG 4 Quality Education (Educate) Transforming Lives Mentorship Program in India with Foundation for Excellence, Girls Inc. Panel in North America

- SDG 8 Decent Work and Economic Growth: (Educate & Engage) Singa Mentorship Initiative in Spain

- SDG 9 Industry, Innovation and Infrastructure (Educate & Engage): NITIE University partnership in India

- SDG 11 Sustainable Cities & Communities: (Engage) COVID Relief initiatives in India

- SDG 12 Responsible Consumption & Production (Educate & Engage): Sustainable Food Awareness Campaign, Sustainability Workshop, o9 Cleans

- SDG 13 Climate Action (Educate & Transform) o9 Forest, Sustainable Operations initiatives, o9 Climathon

- SDG 17 Partnerships for the Goals: (Transform) WEF New Champions, o9 Climathon and Climate KIC, Pledge 1%, Science-Based Targets, all NGOs we have partnered with so far to realize our initiatives

As an upcoming action, we are setting measurable targets to evaluate the impact of these initiatives and we are performing a post-activity analysis to plan future activities and events.

Below is a summary of the initiatives we organized in 2021 and the SDGs they are related to.

Number of initiatives by SDG

SDG related	Count of initiatives
11. Sustainable cities and communities	6
13. Climate action	2
17. Partnerships for the goals	1
4. Quality education	3
8. Decent work and economic growth	2
9. Industry innovation and infrastructure	1

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→　**ESG initiatives**

In 2021, we organized a wide range of activities around the three pillars to spur employee engagement, but also to raise awareness about environmental and social topics among our employees. Furthermore, we partnered with various external organizations on our way to action.

→　**o9 Walks**

The beginning of 2021 was marked with a new wave of increasing pandemic numbers and our employees had to work from home. For this reason, we kicked off our social impact activities with o9 Walks. 320 o9ers around the globe decided to collectively reach 50 million steps with the idea of "circling the Earth." Thanks to an incredible team spirit, we achieved our ambitious goal in 30 days. Upon reaching this goal, o9 Solutions donated $20,000 to Tree-Nation, funding the growth of 6,000+ trees in nine countries across four continents.

The collaboration has now expanded to a long-term

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partnership. In 2021, for each new-hire and work anniversary, o9 plants a tree. Moreover, o9 compensates for all emissions generated by the traffic on o9's website and we adopted tree-gifting to show gratitude to customers and partners for their collaboration with o9. In addition, several initiatives are planned to raise awareness for the problem of deforestation and collect funds to plant more trees around the world. Why not pay a visit to the o9 virtual forest?

Igor Rikalo, COO "As social impact is one of o9's core values, the mission of Tree-Nation is very much aligned with our vision of helping enterprises plan better, so they can make better use of Earth's resources. Tree-Nation's mission also helps mitigate the global warming effects of climate change, and we are more than happy to contribute to this cause."

→ ↺ **Cleans**

During the month of September, we launched ↺ Cleans, a global challenge to help clean up the planet. Combining the power of AI-technology and our ↺ community, we managed to collect, tag, and dispose of 29.000 pieces of litter in 17 different countries. The o9 Cleans initiative also supported World Cleanup Day 2021. This event helped raise awareness among our employees and other stakeholders about the importance of cooperation and collaboration when it comes to tackling global environmental issues such as waste management.

For this challenge, we partnered with Litterati, an app that allows users to measure and monitor the objects, materials, and packaging littering their streets. The AI tool then builds a litter database to inform policy, influence packaging, and inspire personal responsibility.

→ **o9 Bikes**

From September 20th until 17th October 2021, our EMEA-based cycling enthusiasts participated in the ↺ Bikes initiative! During the 30 days, we collectively cycled 2,162.2km, spent a total of 119 hours on our bikes, and climbed more than 6,881m, all while avoiding harmful emissions. For ↺ Bikes, our top cyclist made a donation to Cure Alzheimer's Fund. ↺ Bikes winning participant: "Internal competitions where we focus on our wellbeing are very exciting to me. While ↺ Bikes focused on physical activity, being active for me has a strong relationship to mental wellbeing as well. I am glad we pay so much attention to this at ↺."

Based on a survey sent to all ↺ers, we have collected feedback from each of these initiatives to help us create impactful activities for 2022. As some of the activities were very successful, we will repeat these and add in a few new suggestions that ↺ers would like to do in the upcoming year. We strive to not only facilitate social and environmental projects, but also increase employee engagement.

As social impact is one of o9's core values, the mission of Tree-Nation is very much aligned with our vision of helping enterprises plan better, so they can make better use of Earth's resources. Tree-Nation's mission also helps mitigate the global warming effects of climate change, and we are more than happy to contribute to this cause.

—Igor Rikalo
  COO & President

Environmental

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As a supply chain technology provider, it is our mission to support companies in their efforts to track and reduce carbon emissions in their supply chain. We also recognize the need for our organization to be proactive in light of the current climate crisis. As a result, our initiatives involve taking action to protect the future of our planet. o9 will achieve carbon neutrality through the purchase of offsets this year. At the same time, we are now in a process of setting the baseline for science-based targets with the aim to become a net zero company as soon as possible.

As a technology company, our carbon footprint is relatively smaller than businesses in more carbon-intensive industries such as manufacturing or retail, but we still aim to limit our impact on the environment. As a cloud-based platform the Scope 1 emissions are quite small and these relate to the gas used for our leased offices. The majority of our emissions lie in Scope 3. As a result, we will be reporting on Scope 2 and 3 emissions. Our report focuses on these key environmental topics we believe are significant for our growing company: Energy and Emissions, Water, Employee Commute and Business Travel, and Data Centers.

→ **Energy and emissions**

With this first report we would like to set a baseline for energy and emissions. Although the pandemic does not reflect the full reality of used energy when all employees go back to offices, we will make assumptions for the post-COVID era.

Working remotely has impacted the energy usage in the places where we work, as the majority of our employees were working from home. For almost 30% of the year our biggest offices in Bangalore, Amsterdam and Dallas were closed.

Our energy usage comes primarily from our rented offices and from the data centers. When looking for the right office, our team investigates if building management has an environmental policy and what actions they take to reduce environmental impact. For example, our office in Amsterdam has energy-saving lights. When choosing co-working spaces, we are also mindful that they pass necessary certifications and are LEED-certificated. Considering the flexibility we want to provide to our employees, we will continue leasing office spaces in easier to reach locations for local employees while also supporting remote employees in establishing a comfortable working environment at home.

The following table is an overview of the carbon emissions measured in tons CO_2 for electricity consumption in our biggest international offices in Amsterdam, Bangalore, Dallas, Tokyo, and Seoul. We are planning to set additional science-based targets, and make plans on how we will reduce carbon emissions toward our net zero objective.

Emissions type	Co_2 emissions in tons
Electricity	270.77
Gas	2.20

→ **Water**

Although water is not material to us, we will report the water usage in our leased offices. Given the nature of our digital business, we consume relatively low volumes of water and the COVID-19 pandemic decreased our water use even further. Returning slowly to offices will impact

our consumption. We expect our teams to continue to identify additional efficiency and conservation opportunities.

Emissions type	Co_2 emissions in tons
Water	0.82

→ **Waste**

Information on our waste consumption was only available from our office in Amsterdam. Within this location we were also able to receive information on the paper waste, which comes from hardware packaging and merchandizing. However, in the upcoming years we expect to receive detailed information from our other offices, which can be broken down into different categories. Each office is also taking different measures to minimize waste, i.e. using printers only when necessary, using reusable bottles and separating waste.

Emissions type	Co_2 emissions in tons
Waste	0.15
Paper	0.01

→ **Business travel and employee commute**

Business travel:
Given travel restrictions in 2021 during COVID-19, there was a small amount of Scope 3 business travel emissions. The business travel emissions are presented in the table below and they reflect business travel in our global offices. The amount of emissions is small in comparison to what it will likely be in 2022 when travel restrictions are eased

and international travel is possible again. Considering the high growth of our company and interest in our products from potential clients there is a greater need for customer meetings. However, we encourage employees to continue engaging in virtual meeting settings. We advise our teams to travel for important client meetings only when necessary and to do so in a sustainable way by using low carbon emissions transportation options.

Emissions type	Co_2 emissions in tons
Business travel	86.46

However, our offices in Europe are well connected by train which enables our employees to use this form of transportation when visiting clients, which has a big impact on carbon emissions. As of 2022, we are introducing TripActions, an online tool to streamline and track all business travel, which will provide a precise overview of all carbon emissions. We also launched a business travel policy that includes sustainability measures to be considered when traveling on business. Some of the recommendations we share with our employees are included here:

1. Use car sharing and public transport (trains) if possible.

2. Consider booking direct flights that have less emissions than connections.

3. Lease hybrid/electric cars.

We also encourage the below sustainable behaviors while traveling:

1. Don't print tickets.

2. Deny housekeeping in hotel stays of 5 days or fewer.

3. Reuse towels during hotel stays of 5 days or fewer, including pool or spa towels.

4. Choose airport food with minimal plastic packaging.

5. Choose restaurants with compostable or reusable packaging and utensils.

6. Bring a reusable water bottle and utensils.

7. Use eco-friendly toiletries like shampoo bars, rather than small plastic bottles.

8. Choose walking and public transportation when possible.

9. Bring reusable bags when shopping for food or other items.

Employee commute:

We have a flexible working from home policy, which grants our employees the freedom to decide on which days to visit the main offices. During 2021 the majority of our offices were closed and many employees were working from home. Through an employee survey we estimated the travel habits of our employees in the offices in Amsterdam, Bangalore, Dallas, Tokyo and Seoul during the 2021 year, which was impacted by the pandemic. The outcome of the emissions presented in the graph below are calculated by adjusted averages from the survey. On average 25% of all employees go to the office regularly. Given the office closure and flexible working policy75% of our employees prefer to work from home. It is important to note that many of these employees don't live in a close proximity to an office, thus working from home is necessary. Comparing the five regions, we observed that the preferred mode of transport in the Netherlands, Seoul, and Tokyo is via train. Employees prefer to travel by motorcycle in Bangalore and by car in Dallas.

Office	Preferred transport mode
Amsterdam	Train
Bangalore	Motorcycle
Dallas	Car
Seoul	Train
Tokyo	Train

While the majority of commuting was done by public transport, we also observe many trips taken via car, which results in high carbon emissions. Among the trips made by car, we also asked about trips made via hybrid vehicles. In the table below you can see the total adjusted emissions based on our survey among all employees.

Emissions total (adjusted)	
Emissions	5450.53 kg CO$_2$e

As we return to offices globally, we expect to have more employees commuting in the upcoming year. We are establishing a system to accurately track employees' commutes in each of these main offices, so that we can have an accurate number for upcoming reports.

We encourage o9ers to choose public transport as a preferred mode of transport when going to the office or make use of different low emission vehicles. To support this, we have bike initiatives employees can make use of.

→ **Bike to work scheme**

Employees living in Amsterdam have the opportunity to make use of a bike scheme with electric bikes provider VanMoof. Similar to this initiative, employees in our London office can make use of the bike to work scheme. In doing so, we're encouraging employees to cycle to work and avoid public transport and car commuting. This also has many benefits for employee health and wellbeing. As our workforce grows beyond the three main offices, we strive to offer such schemes to employees in other European offices as well.

In the future, we aspire to convert our offices into meeting spaces and places for inspiration, rather than using them solely as workspaces. One of the lessons learned during the pandemic is the importance of asynchronous work. Therefore, we aim to join co-working spaces in our new locations, rather than purchasing or building office spaces. Through this approach we aim to minimize our carbon and environmental footprint.

→ **Events**

Due to the pandemic, we participated virtually in external events in 2021, with the exception of one company-internal event in Amsterdam and one in Dallas. Given the travel restrictions at the time the number of attendees did not exceed 100 people.

Our Events team is also taking action to make events more sustainable in the future, choosing sustainably minded providers when organizing events. For example, this includes reducing waste such as paper and food, and ensuring people are traveling in a sustainable way to the venue.

We are also committed to making items that our employees and external stakeholders can use for life: water bottles, good quality bags, and reusable pens.

Since 2020 due to the pandemic, we have embraced the idea of hybrid events, where a majority of participants are able to join virtually without needing to travel, thus minimizing additional carbon emissions where possible.

Our biggest international event aim10x global 2021 was a very successful conference held in a virtual setting. Having seen the results of that virtual conference we aspire and plan to continue to hold such events virtually in the future.

→ **Merchandise**

As part of our commitment to environmental actions, we are sourcing our merchandising materials responsibly. For example, we choose to work with providers who are environmentally conscious. For our company-branded socks and t-shirts, we source from a company who uses sustainably grown cotton. When shipping merchandising materials we evaluate the most climate-friendly option and ship materials long-distances only if they can't be sourced locally.

To show our appreciation to the clients and many stakeholders we work with, such as participants in our Social Impact program activities, we send cards made out of growing paper, which they can plant and reuse.

→ **Data centers**

We have collated data from our cloud providers on usage and carbon emissions over the past year. As our solutions are cloud-native, the energy usage information coming from the data centers is very important to us. o9 makes use of Google Cloud, Microsoft Azure and AWS. Currently Google uses 100% energy from renewable sources, whereas Microsoft and Amazon AWS have both set high targets to transition the energy consumption to renewable energy by no later than 2030.

The energy usage of our data centers is of critical importance for us, and our cloud service providers emissions reduction targets will be substantially reflected in our Scope 3 emissions profile over the coming years.

The table below shows the carbon emissions from all data centers and the picture illustrates an example of

the carbon emissions from our Google Data Center. Similar dashboards were prepared by the other two data center providers.

Overview of energy used in the data centers:

Emissions type	CO_2 emissions in tons
Microsoft Data Center	289
Google Data Center	236
Amazon Data Center	33

As o9 scales its client base, we expect to see a slight increase in carbon emissions coming from the data centers usage. We are working continuously with our development and data center provider teams to look for new ways of minimizing carbon emissions in the future.

→   **Future environmental outlook**

The pandemic helped us rethink and reimagine what a post-COVID healthy working environment will look like. Evaluating our carbon emissions from our operations, we believe in the potential for a green recovery. We are already talking to our landlords on how to optimize the spaces that we lease, and we are taking actions to reduce plastic and waste in our offices globally.

Furthermore, we will monitor our overall emissions on a quarterly basis and act upon significant increases in carbon emissions. With new business travel policies, we will encourage our employees to adopt conscious and sustainable travel practices.

And, finally, by establishing science-based targets, we will be fully and transparently committed to our net zero path.

Social

→

With the increasing need for social change and in response to the climate crisis we understand the importance of engaging and acting on important social issues. Different stakeholder groups including customers, employees, and investors are demonstrating a growing interest in companies' initiatives towards socially and environmentally friendly products, services, and operations.

Establishing the social impact team is indicative of o9's belief in creating social impact through business operations, which immediately leads to business opportunities. Consistent with our Core Values, we are working to enhance our social impact by nurturing a collaborative, diverse, and inclusive culture that enables employees, suppliers, and communities to thrive.

→ **2021 highlights**

- 85% of employees are satisfied with our culture and executive leadership

- 954 new-joiners onboarded

- 17 social impact initiatives

→ **2022 outlook**

- Launch of Deed, an employee online platform for Social Impact activities

- Launch mental health and stress management employee program

- Streamlined internal educational activities on social impact, environment and well-being

- Launch of NL Work Council

o9's Core Values are the cornerstone of our culture, which guide our employees in setting clear expectations. Our onboarding team ensures that all new joiners are working towards common goals. It also provides guidance on how we work as a team, with our customers, and the communities that we serve.

→ Talent attraction and retention

o9 has witnessed rapid growth over the last couple of years. We opened offices in various different locations in EMEA and APAC, and also on-boarded our first employees in Australia and Brazil at the end of 2021. This fast-scaling environment requires strong teams to accelerate even faster in the very competitive technology industry. Our employees are a crucial component and stakeholder in our operations and therefore our success relies on the talent we attract and retain. We work at the intersection of IT and supply chain and we face fierce competition to attract talent in both of these industries. Our hiring teams have a great presence on LinkedIn and are supported by our social media marketing team to ensure a broad outreach when attracting candidates. We create compelling videos and stories which can be found on LinkedIn so that we can reveal and give a sense of the life within o9. We have introduced an employee referral system, so that we can reach talent faster. Furthermore, our teams regularly attend university job fairs and presentation evenings especially focused on the subject of supply chain management and IT to scale our outreach and use it as an awareness tool to attract talent directly from universities. We are also running test programs for universities' MBA tracks and special employment journeys for their specific studies.

We have a range of specific roles and we carefully select candidates from various backgrounds which are a proper match not only for open positions but that also are a good fit and understand our Core Values.

In order to retain talent, we offer attractive benefit packages and have a strong employee buddy program, so that new hires can get support along their journey. We offer many possibilities to young hires, especially for our team in Bangalore where a special hiring program for interns has been adopted. Furthermore, we are striving to become a more diverse place to work and we are setting up different internal initiatives to attract wider groups of talent.

The Great Resignation and the influence of COVID-19 on hiring talent, especially in tech, has also impacted our hiring processes. We have incentive programs to support new hires and retain employees. We've launched a specially designed tool kit for team leaders and the program is part of the Leadership Development Training. Moreover, we are looking into reviewing and leveraging our employer branding on places such as Glassdoor. Last year we had several wellness campaigns, but we are working on further offerings to increase visibility about what it is like to work for o9.

Our turnover number is around 14% and it is aligned with the market average, which is between 10-15%. We are working on an ongoing basis to improve retaining talent and keeping them engaged.
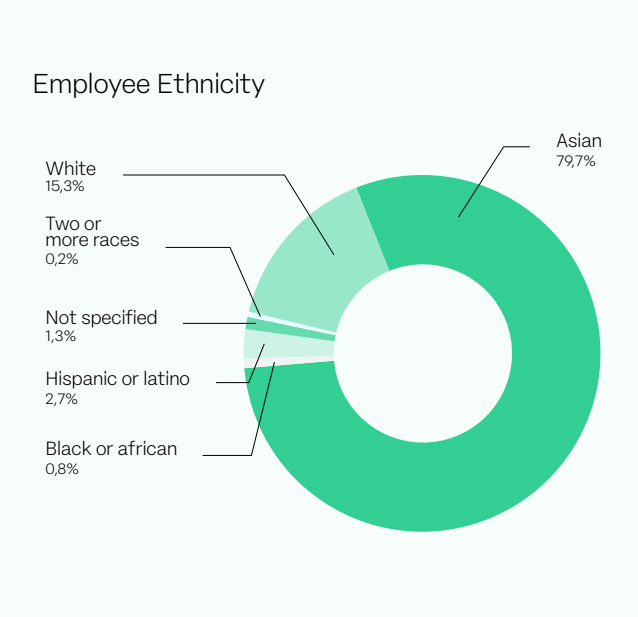
→ Employee engagement and culture

o9ers come from different backgrounds and this is embedded in our culture, we support and appreciate each other and we love that we come from various cultures. To celebrate this, we kicked-off cooking classes organized by employees where we collectively cook dishes from our own country of origin to connect with one another. Our employees go through an onboarding process to help get the needed support in their first days. The dedicated buddy program has helped all o9ers accelerate and grow in their career. In the future we are looking at expanding this program.

Furthermore, we are an equal pay employer and this is reflected in our values and benefits. At the moment, we don't offer part-time positions and all of our employees have a full-time role.

We are very proud to welcome employees from all over the world. As shown in the graph below, you can observe the different cultures represented among our employees.

Employee Ethnicity

White 15,3%
Two or more races 0,2%
Not specified 1,3%
Hispanic or latino 2,7%
Black or african 0,8%
Asian 79,7%

Our culture is based on our values, but first and foremost we value entrepreneurship in our day-to-day work. Our culture is built on transparency, honesty, and collaboration. Our employees have the possibility to own and manage their projects. At the end of 2021, we have also started applying leadership principles in accordance with our values. o9 is an initiative-centered organization. The goal of this structure is for employees to:

- **Be inspired:** Feel empowered to make things happen.
- **Be agile:** Flexible and adaptable to the market needs and the changing priorities of the organization.
- **Be focused:** Laser-focused on specific outcomes to be achieved in a specific time frame.
- **Be accountable:** Seek constructive feedback and course corrections all the time.

In 2021, we have also conducted an employee survey and we received positive feedback:

- **85%** of our employees approve of the Executive leadership.
- **85%** of our employees approve our culture.

The survey will be carried out regularly in the future to help us further improve some areas such as wellbeing and career development and support our employees. The Social Impact and HR Teams are jointly continuing the work around understanding the needs of employees and improving their well-being. We strive to be a workplace where individuals thrive and continue feeling supported. HR Leads are also continuing the regular collaboration and exchange with Team Leads and providing coaching on how to be better people managers and support their teams as needed.

o9

→ **COVID-19 response**

The COVID-19 pandemic impacted not only our business operations, but also the way we worked. The majority of our employees made working from home the norm, in order to protect themselves and their families. Since the beginning of the pandemic, we have focused on the safety and well-being of our employees and their families. All of our offices around the world were closed in the beginning of 2021 and our employees had to work remotely to minimize risk and to protect their health and safety. Business travel and employee commuting were paused, which significantly reduced mileage. Our company leaders regularly updated employees on COVID-19 and the state of business through company-wide emails and quarterly All Hands meetings. Offices also implemented social distancing protocols when employees were returning to work.

Our HR teams facilitated working from home for all employees across the globe and all of our global customers had uninterrupted service and support.

In April 2021 a COVID surge affecting India was taking a high toll of more than 350,000 cases per day and our largest office located in Bangalore was impacted. Countries such as the U.S. and Germany were sending medical equipment, vaccines, and raw materials to help with the nationwide shortages. The majority of our *O9* colleagues and their families are situated in India, which called for immediate action.

We launched a fundraising campaign to contribute to the India COVID-19 operations of Doctors Without Borders (MSF). Doctors Without Borders have a direct mandate with the Indian Ministry of Health and they provided a dedicated donation page. In addition to that the

admin fees were very low, which enabled the funds to go directly to those in need.

The target amount of the campaign was set to **15,000 USD** and the donations were matched by *O9*. By the end of the two-week fundraising campaign, our employees donated **32,000 USD,** which was matched by our company and donated to the MSF operations on the ground.

→ **Benefits**

At *O9*, people are at center stage and keeping employees engaged is one of our highest priorities. This includes fair compensation and benefits across all international locations. As we are spread across various countries worldwide, our benefits packages vary from country to country. However, our legal and hiring teams ensure equal policies and wages across all teams and locations.

In addition, *O9* provides unlimited vacation days in Europe and the U.S. We fundamentally trust our people to do the right thing in any given situation, and all *O9* policies are based on that trust-first principle.

Other benefits depending on the various regions are health benefit allowances.

During the pandemic, *O9* granted all employees working from home allowance and support so that all our customers could get the needed support and onboarding.

→ **Learning and development**

Learning and Development is also a main focus within *O9*. Our employees' career growth and development is very important. In September 2021 all full-time employees were offered access to LinkedIn Learning to take different courses and certifications.

By the end of 2021, **598** hours of LinkedIn Learning courses have been streamed by 521 employees worldwide. **298** courses have been fully completed. This initiative is continuing in 2022 and it will be an official practice for all employees in the future.

The top 5 courses our employees have attended in 2021 are:

- Learning Python
- SQL Server Integration Services
- Supply Chain Fundamentals
- Python Essential Training
- Microsoft Server Essential Training

In addition to LinkedIn Learning we also offered access to Coursera for our employees. Throughout the year 186 active learners spent on average 10.83 days learning on the platform and on average they spent 24 hours. The learners could opt between business, computer science and data science courses. The most visited were Supply Chain Planning, SQL for Data Science and Python Basics.

→ **Internal educational initiatives**

We also offer a long list of internal education initiatives, as we value the importance of continuous learning especially in the domain of sustainability and social impact. We are hopeful that by sharing learnings around these topics, *O9*ers will not only gain valuable knowledge, but feel inspired. An overview of all past initiatives is given here:

- On a regular basis we organize Social Impact Talks (examples include: Tree planting as a tool to carbon capture, Creativity and Social Impact, Sustainable Food, Waste Management).

- In May 2021, we hosted a company-wide Sustainability Workshop where approximately 300 *O9*ers exchanged on how to live a more sustainable lifestyle.

- We devoted the whole month of June 2021 to run the Sustainable Food Awareness campaign with weekly communications. To keep the level of our Social Impact Champions Community high, we share a weekly email with relevant information about social impact topics related to recent world news.

- On a monthly basis we share the Social Impact NewsBites with the latest information about our activities.

- For the Social Impact Champion Community, we share weekly communications on a variety of topics that are relevant. We are always looking to innovate on the topics we are communicating and are doing regular post-game sessions to learn from our experience.

"I have always envisioned myself playing an effective role in bringing positive change and making a significant difference in the world we live in. Volunteering to help communities, to help preserve what is left of our Environment, is something I have been doing personally, to date, in the best way possible, because I truly believe that even the smallest of efforts go a long way. When I joined o9 back in 2020, and came across the opportunity to be part of our Social Impact team, I knew I had to take it! Each person in the team inspires me to keep doing my absolute best to contribute and do justice to our Social Impact vision and mission. I've had the pleasure to engage both directly and indirectly in our Social Impact initiatives that have happened so far, along with having the privilege to lead and drive one of them. Each initiative has been fulfilling in some way. I'm more than looking forward to the many more that are to come in the times ahead."

—Shravya Srinivas,
  Social Impact Champion Leader, India

"My career in apparel and footwear has shown me firsthand the positive impact we can have through our supply chains, from factories around the world to right here at home. That's why I jumped at the chance to join the champions community, participate in organized Social Impact activities, and promote supply chain sustainability. I appreciate that from leadership down it's more than simple talk, it's real action making ESG a focus of o9 culture."

—Todd VanSelus,
  Social Impact Champion

→ **External educational initiatives**

In addition to internal education initiatives, we are looking to establish quality mentorship initiatives externally, as we know that o9ers have great knowledge and talent that they strive to share with communities in need. As such, we ran a mentorship initiative with Singa Spain to mentor migrant entrepreneurs to launch their business ideas. We did a panel with Girls Inc. in North America to share insights with girls to build a path in the STEM field. We are mentoring young engineering students in India on soft skills in collaboration with Foundation for Excellence. For this reason, we are constantly thinking of new mentorship opportunities to engage in.

One of the initiatives we conducted was the first o9 Climathon, a 24-hour community led ideathon initiated by the European Commission's main climate initiative, Climate KIC. Participants from different o9 locations came together during a 12-hour virtual event to work on the topic of Circular Supply Chain. A variety of participants from outside o9 worked together with o9ers on a common goal. The event started with presentations of six industry experts such as Too Good To Go, The Climate Choice, Pangaia, Aloneers, Circular City, and Closing the Loop.

o9 employees were also mentors to all participants. This initiative helped us gather ideas around some of the sustainability challenges in the supply chain domain and deepened our knowledge and expertise in the field of circular supply chain.

The runner up in the competition was an idea dedicated to circular fashion and online repair service.

The winning team Retube came up with an idea of fighting single use plastic and introducing reusable packing that can be returned to grocery stores. The team is still continuing working on their idea and getting continuous support from their o9 mentors.

In 2021, we also launched a successful PhD support program with NITIE in India where two post-doctoral students worked on "Large-scale Time Series datasets using Machine Learning." This effort was designed to expand our current research and support further product development.

In 2022, we are exploring test programs with universities introducing the o9 Academy in their curriculum and we are aiming to create an online course on sustainable supply chains for external learners. Furthermore, we are expanding our offering to educate future supply chain practitioners about sustainable supply chain solutions and how they can improve their carbon footprint with better planning decisions by embedding this in our university curriculum.

"Our idea wouldn't be where it is today without the o9 Climathon. We started as a team of strangers with nebulous ideas about how to address the issue of plastic waste and finished the weekend with a concrete and actionable business idea. We're still in contact with the mentors that helped us that weekend and the project is still going strong."

— Dana Kiel
   Winning Team Retube

→ o9 **Academy**

Education is one of our core pillars within Social Impact and therefore we also educate our clients and partners on the o9 platform through a range of instructor-led courses, so that they can seamlessly drive transformation in their organization. These courses are offered on the o9 Academy.

The courses offered on the o9 Academy also help our employees for their further learning and development. In total, 1042 o9ers took courses through the academy last year.
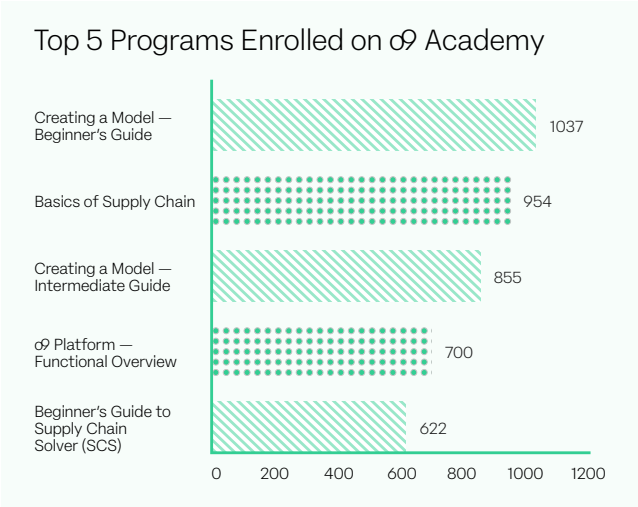
- 55 programs published
- 113 hours content

Programs under categories:
- Solutions = 26 programs
- o9 platform/technology = 15 programs
- o9 metholodgy and best practice = 14 programs

- Learners enrolled to o9 Academy = 1879
- o9ers enrolled to o9 Academy = 1042
- Partners enrolled to o9 Academy = 671
- Customers enrolled to o9 Academy = 166

- Credly Badges issued = 2,554
- Credly Badges issued to o9ers = 1,502
- Credly Badges issued to partners = 987
- Credly Badges issued customers = 65

Top 5 Programs Enrolled on o9 Academy

Program	Value
Creating a Model — Beginner's Guide	1037
Basics of Supply Chain	954
Creating a Model — Intermediate Guide	855
o9 Platform — Functional Overview	700
Beginner's Guide to Supply Chain Solver (SCS)	622

Each o9 employee attends a special training on the o9 system and in addition to three days of technical training on the o9 Academy with an instructor. The courses are very popular and are part of the onboarding process, as it helps new joiners understand our core product.

- 3,346 attendee globally
- 1,650 o9ers
- 777 partners
- 919 customers
- 201 workshops conducted globally

In 2022, we will be offering an o9 Academy course on social impact and sustainability. This training will be part of the onboarding of new employees and will help them understand our commitments to science-based targets, Pledge 1% and get an overview of how sustainability and supply chain intertwine.

"It takes a huge heart and perseverance to shape different minds to think and then act! For me teaching is equivalent to making the minds think before they act."
—Gayathri Rajagopal,
    Senior Director, Education Services

→ **Diversity, equity, and inclusion**

o9 is committed to creating and maintaining a workplace where all employees have an opportunity to participate and contribute to the success of the business and are valued for their skills, experience, and unique perspectives.

o9 is dedicated to the achievement of equal opportunity for all of its employees and applicants for employment. We have strong policy that not only prohibits discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity, age, national origin, disability, veteran status or any protected category under law, but also ensures that qualified individuals will be given the opportunity to join and progress within the company in accordance with their own abilities.

Employee information			
Age group	<30	30-50	>50
Employee percentage	50%	44%	6%

At the end of 2021, we could observe that our employee demographics were 76% male versus 24% female. We offer equal opportunities for all of our employees and we are supporting future female candidates. This made us also rethink how we nurture STEM careers and education in our communities.

Within o9, supporting gender equality is a significant priority and in 2021 we supported an initiative for girls in STEM education.

→ **Girls in STEM**

North American o9'ers hosted a virtual panel with Girls Inc., an organization that empowers and coaches young women through mentorship and programming. As part of the introductions, participants shared their goals, which included helping people, breaking into the STEM field, getting a job at NASA, and finishing college. From there, the o9 team dove in to share their personal stories to help the girls envision the art of the possible for their lives.

Seven female o9'ers from different functions (Client Management, Education Services, Product Marketing, Delivery, Client Success, and Alliances) shared their personal career experiences in the STEM field with the attendees. They talked about their educational journeys, how their career paths have

evolved over time, work life balance, and the best career advice they've received.

→ **Disability accommodation**

o9 is committed to ensuring equal opportunity in employment for qualified persons with disabilities. We have established policies within our HR department that give equal rights for people with disabilities to join, thrive, and grow within our organization.

As of the end of 2021, we have also hired a dedicated manager to lead our DEI activities globally and we have planned more initiatives to support this field in 2022 onwards.

→ **Employee health, safety, and wellness**

Within o9 we have a well-established working from home policy from the very beginning of the pandemic, which also contributes to employees' wellness and it helps them save hours of commuting and devote more time to their families and hobbies. We have various working tools to facilitate online team collaboration, which showed great success in the past year.

Due to COVID-19 restrictions, our year end get-together was held in a virtual setting, where each employee received a Christmas budget lunch.

Working from home also carries its burdens and can have a toll on mental health. To spur collaboration and wellbeing for our employees, we held initiatives to bring people together online, but also in person. We introduced meeting-free Fridays at the end of each month and weekly Friday employee virtual networking sessions. In the U.S. the new hires had the New Hires Breakfast with our COO Igor Rikalo to give them the chance to meet with leadership and also ask questions.

Employees worldwide were given two additional floating holidays and the last two weeks of December we introduced two weeks of no meetings. In APAC, employees also received extra vaccination leave.

Since the beginning of 2022, our HR teams have been offering mental health, wellness training, and additional courses on stress relief and stress management.
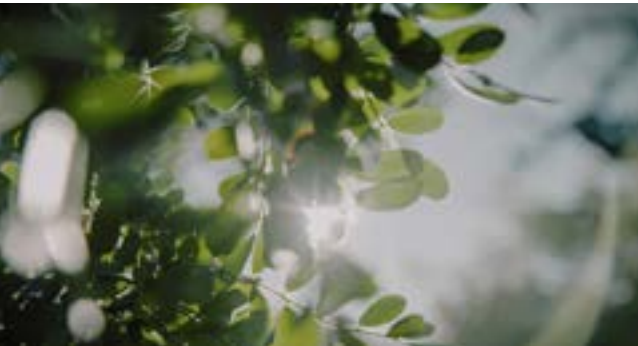
→ **Human rights**

Respect for human rights is deeply rooted in our operations. As an employer we provide fair working conditions and in 2021 we have worked on our Human Rights policy, which is actively in place for all our employees as of February 2022.

The policy proactively describes our commitment to acting ethically and promoting a workplace and supply chain that are free from modern slavery and human trafficking. We recognize that our approach to human rights is an evolving process, and we will continually strive to advance our practices and manage risks in this area.

→ **Philanthropy and volunteerism**

In May 2021, we became part of the Pledge 1% community, an ecosystem of forward thinking company leaders that was founded by Salesforce, Atlassian, and Rally. As part of pledge 1%, o9 has committed to donating 1% of our time in the form of mentorship and 1% of our technology back to communities and NGOs around the world, who can optimize their supply chains for a great cause.

As of July 2021, we joined forces with companies who also committed to Pledge 1% and became a member of WePledge 1%, a community of forward-thinking tech companies that want to take their employee impact to the next level, which has been started by Twillio. By joining WePledge 1%, we were given access to a toolkit, ongoing support, and a practitioner network that makes it easier to initiate or improve employee engagement impact programs.

Being in the same cohort with companies such as Asana, Headspace, and others, we have gained knowledge and best practices on how to scale our employee impact. More traditional employee engagement programs only looked into company-wide initiatives. Through this program, we will encourage individual initiatives and campaigns that will support our Pledge 1%. The cohort meetings brought many learnings and best practices from leading tech companies.

We are proud to have few examples where our employees dedicated their time to support philanthropy organizations.

- One of our employees participated in a running race at the end of September 2021. The race consisted of 120kms over four days. For our employee, preserving the earth's resources is very important and for every km he ran we planted a tree.

- Employees in North America hosted a volunteer initiative with Achieve DFW organization that empowers adults with disabilities through workforce and life skills training. The group interacted with the "Achievers" by playing bingo and working in the community garden.

- Transforming Lives in India We ran a mentorship program with Foundation for Excellence, which gives talented, but financially challenged children the education they need to become employment ready. o9ers in India have been sharing invaluable guidance in building both hard and soft interpersonal skills within the students. The Program is ongoing.

- ICF Initiative The o9 Social Impact Champions visited the Gubbala Government School to support children from underprivileged backgrounds.

- Laptop Donation Another collaboration was with two NGOs (Diya Ghar and Bal Utsav) to donate laptops to facilitate a seamless education process. We supported 30+ teachers and 1000+ students with this donation. The initiative helped reduce their challenges in the virtual education process.

- Holiday Shoeboxes Our office in North America donated holiday shoeboxes with personal items for the homeless in Dallas around the Christmas holiday season.
- Protect Our Winters Employees participated in a holiday raffle and donations were made for POW, an activist organization brought to life by athlete Jeremy Jones.

All these initiatives had a positive impact on our employees, and it enhanced their overall experience at o9. Being part of the initiatives not only brought o9ers together, but it brought a lot of learnings with it. Going forward we aspire to offer other great initiatives in the next year and repeat the ones that were a great success last year. End of the year, we also organized a company-wide survey and asked o9ers to share their preferred activities. We have incorporated our employees' preferences into our planned Social Impact activities in 2022.

→ **Partnering with universities**

We strongly support different educational activities, but we are also committed to supporting the next generation of supply chain leaders on their path to success. We partner with some of the world's leading business schools and provide support by offering guest lectures for different levels of students. We also engage in case study competitions and challenges where, through hands-on exercises students can learn and apply knowledge to the latest technology and solve supply chain challenges.

Last year, we held more than 30 guest lectures at different universities: IMD, INSEAD, ESCP, WHU, Georgia Tech, IESE, RSM, IE, LBS, and more. We strongly believe that academics and research in the supply chain domain can drive significant change in paving the way for the next

generation of supply chain leaders. Universities are the cradle for accelerating new technologies and fostering and nurturing these partnerships is of great value for o9.

We actively engage with the students and they have the opportunity to join industry webinars, interact in the aim10x network of practitioners and develop further their skills in the subject. aim10x is a unique community created to support innovators, academics, and leaders in business planning and decision-making. The aim10x Innovators Network was launched in 2021 to gather supply chain practitioners and since then it grew its member base to 1000 members across the globe. Under the aim10x network there is the Masters of Digital Transformation podcast, which also features some of the top senior leaders in the industry.

"We spend a lot of time in front of a computer and focus on our own problems, so it's good to step away once in a while to be reminded that we're fortunate and that there's still a lot out there to be done. I like being a part of the Social Impact Champion Community to help bring people together and give back to the local area while having fun. "

—Melody Ng
 Social Impact Champions Leader
 North America

o9

Governance

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O9 stands for excellence and we have high standards for execution embedded in our work culture and we drive this by a humble and genuine approach of our employees towards our clients, suppliers, and partners. We have created various policies for our stakeholder groups to ensure a high level of trust and collaboration.

The creation of these practices took place in 2021 as a result of our materiality assessment and to help us with our compliance, risk, and governance practices. These guiding principles are also fundamental for our business operations and sustaining our success.

Throughout all facets of our business we act with integrity, from the Executive Board and senior leadership team to our employees and partners. Our high standard for security in our business operations ensures our customers' trust. Part of it includes our policies in data privacy and cybersecurity. This is especially important, as our software is based in the cloud and during the pandemic our teams had to work remotely in a safe and secure environment and provide the best service to our customers.

O9 Solutions is a private company and in April 2020 received a minority equity investment from KKR that valued the company at over a billion dollars. Further investments were announced in the beginning of 2022. General Atlantic's BeyondNetZero and Generation Investment Management joined KKR as investors in O9, valuing the company at $2.7 billion. The investors are highly engaged in companies showing sustainable business innovation solutions and this investment is also accelerating our growth and work in the field of sustainability and carbon emissions reduction.

O9

Jake Heller, Co-head of KKR's Technology Growth team in the Americas, said: "Sanjiv and Chakri are industry pioneers who have built a best-in-class team and technology platform with category-defining potential. Whether you look at trends in e-commerce and digitization, rapidly changing consumer habits, or the heightened uncertainty in the world today, all indicators point to the vital importance of faster, smarter and more dynamic planning capabilities for managing global supply chains and operations. We look forward to working closely alongside the o9 team to continue building on the company's tremendous momentum."

→ Ethical conduct

At o9 we value responsibility and integrity. We are committed to a work environment where open, authentic communications are the expectation. Our employees can easily approach the leadership team and feel comfortable in approaching and discussing topics such as ethics. These values and expectations are communicated in our Employee Handbooks in each location and each employee receives these at their onboarding training.

Our employees are also completing various online trainings covering topics such as anti-bribery, whistleblower protection, sexual harassment and others as part of the code of conduct training. In 2021 79% of all new joiners have completed successfully the training. As of 2022 we aim to have the training as a mandatory module of the new starters onboarding package. The training has been completed 100% by our executive board and senior leadership.

In addition to existing policies last year, we created additional specific policies:

- Environmental and Social Impact
- Gift and entertainment policy
- Human rights
- Sexual harassment
- Whistleblower protection

At the end of 2021, we opened the o9 Solutions Ethics and Compliance Hotline. The purpose of this hotline is to provide a tool to share any compliance or ethical concerns employees might have regarding the business, peers, leaders, policies or procedures. This hotline is completely anonymous and monitored by a third party. The hotline is globally operational 24 hours a day, 7 days a week, 365 days a year and is staffed by a third-party ethics partner with various language options to choose from.

→ Supplier code of conduct

In November 2021 we created for our suppliers the Supplier Code of Conduct which is also based on our core values and is in line with our environmental and social impact policies. The Supplier Code of Conduct goes beyond mere compliance with the law by drawing upon internationally recognized standards, such as the International Labor Organization ("ILO") and the Universal Declaration of Human Rights ("UDHR") to advance social and environmental responsibility. Furthermore, this Supplier Code of Conduct sets out the required Supplier conduct regarding human rights, environmental protection, and business ethics.

The Supplier Code of Conduct is available on our website for our suppliers, partners and clients to be able to access it.

→ Board diversity

Corporate governance is critical to executing our business strategy and driving long-term, sustainable value creation. Our Executive Board and leadership team engages on a high level with o9ers and demonstrates commitment to transparency, sustainability, and diversity and enables o9 to adapt to the dynamic, competitive environment in which we operate.

The Board of Directors comprises our two founders Sanjiv Sidhu (Chairman) and Chakri Gottemukkala (CEO), and representatives from our investors, KKR and General Atlantic. There are currently three open positions that will be filled with diverse board members in 2022. Furthermore, the Board is supported by the Executive Leadership team: COO, CFO and CSO (Chief Strategy Officer). In addition, we have a strong team of SVPs leading the main initiatives and portfolios within o9. The sustainability and social impact strategy is led by the SVP Sustainability Solutions with strong support from our CEO, COO, and Board of Directors. o9 is a flat organization, which enables a quick decision-making process and the executive team is very approachable to employees. Additionally, we have quarterly All Hands meetings where information about business decisions is provided and employees have the chance to ask questions about important decisions.

Board of Directors overview:

Board composition	No.	Age	Gender	Ethnicity
Board members	2	1(>50) 1(30-50)	Male	Asian
Independent board members	2	30-50	Male	50% Asian 50% White

Senior leadersip overview:

	Age	Gender	Ethnicity
Percentage	31%(>50) 69% (30-50)	90% Male 10% Female	62% Asian 38% White

The impact of the pandemic on hiring new talent especially in the supply chain software industry has been felt within our company. As part of our strategy towards diversity and inclusion, we strive to attract diverse expertise to our executive board and leadership team in 2022 and increase gender diversity. We are engaging with strong networks supporting female leaders in the supply chain and software industry and facilitate talks with senior diverse leaders to gain greater insights into best practices. Our goal for the upcoming year is to attract diverse talent to join the senior leadership team by nurturing initiatives such as Women in Tech.

→ Data privacy and security

o9 is committed to ensuring compliance with global and regional data processing standards and governance. We proactively review and audit our usage of customer and corporate data to build in our privacy controls from the ground up.

o9 has a strong data privacy and security team to help safeguard our operations and data. In addition to compliance and policies we share the latest trends and activities in a monthly newsletter. For us, safeguarding customers' data is our top priority. We have a range of security policies and controls in

place to help ensure their data remains safe. We also require our employees to take security awareness and compliance training.

Our Information Security Management System (ISMS) was recertified for calendar year 2021 to meet the ISO27001 standard requirements. This surveillance audit takes place every year to ensure our system security. Our ISMS defines a set of policies and processes that ensure confidentiality, integrity, and availability for all of the data that o9 handles.

A critical milestone for our business operations working in Europe is the GDPR compliance. This is an important step that demonstrates our commitment to data protection, privacy rights, and data compliance. The official audit was conducted at the end of 2021 and completed in February 2022, with receiving ISO27001 certification which is applicable for the o9 product.

We use BitSight's Cyber Security Posture Monitoring and Benchmarking service, which provides us visibility and control over our current cybersecurity and risk management programs.

At o9, we assess our security on a daily basis, allowing us to efficiently mitigate risk and avoid a potentially disastrous intrusion. In comparison to our competitors, we rank very high.

→ **Risk management**

The primary objective of risk management is to ensure that effective controls or other risk mitigation activities are in place for all potentially large impact information security risks.
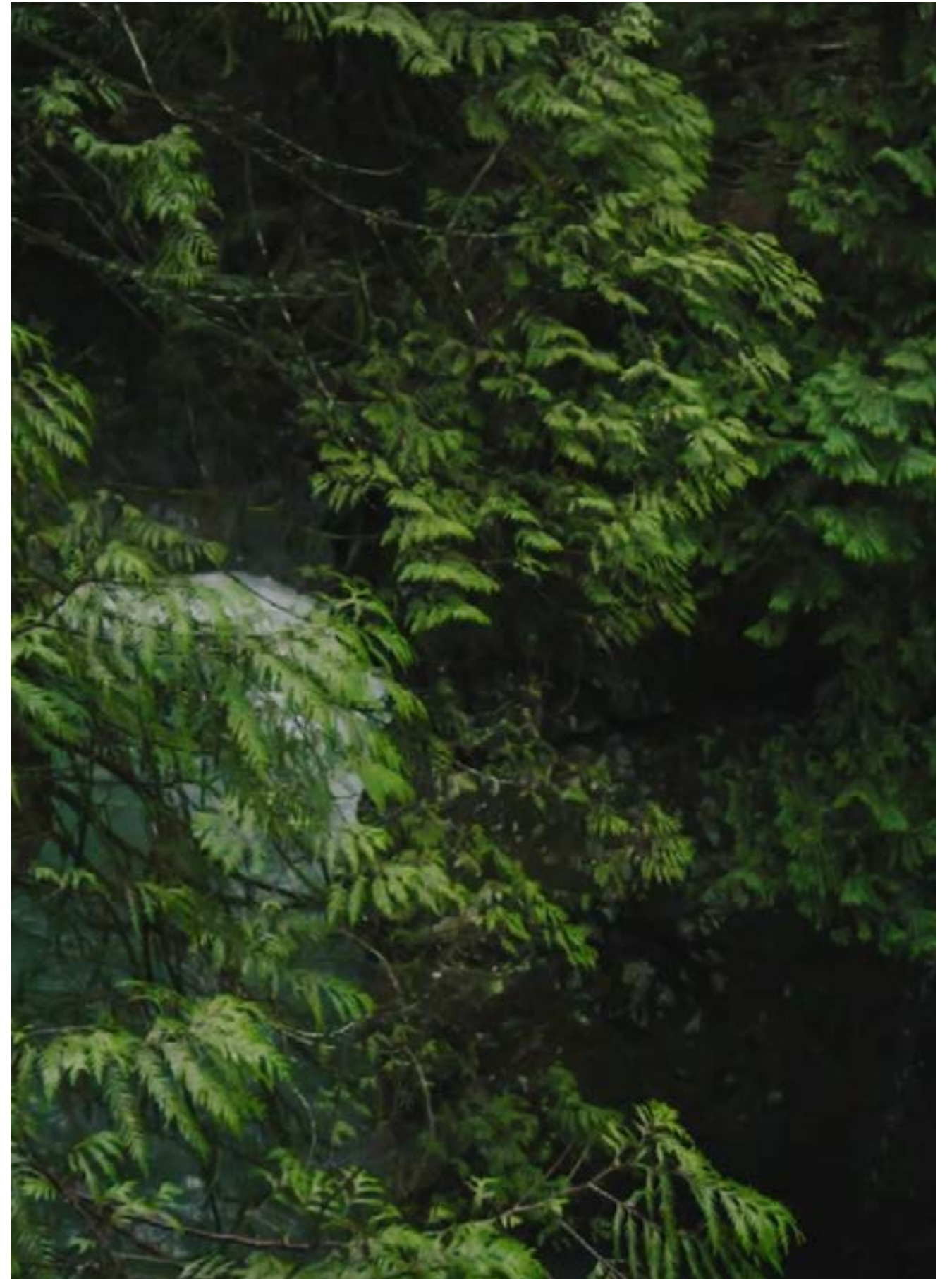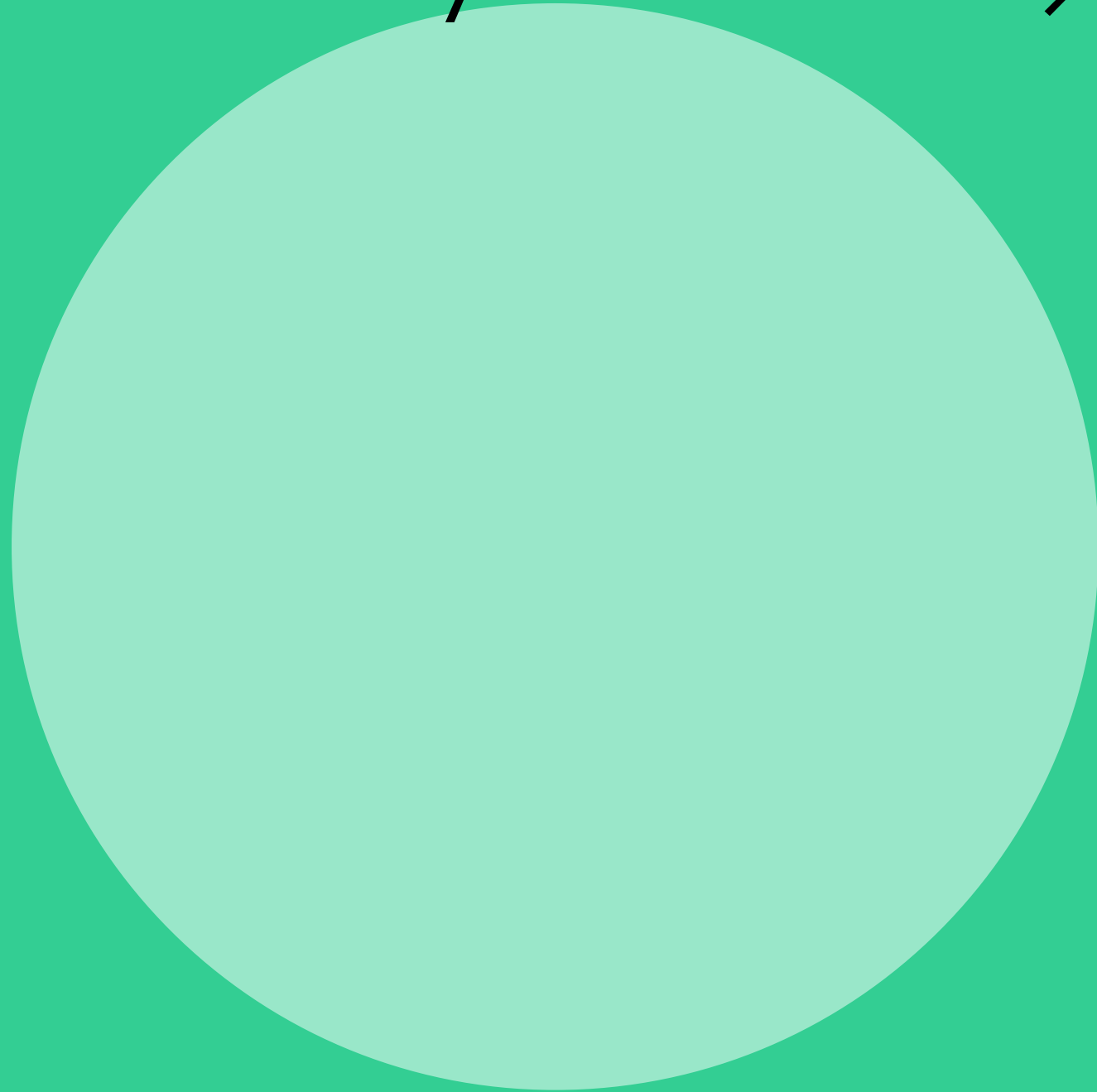
In place of detailed process requirements there are several mandatory characteristics that are essential for each department. These characteristics are grouped into:

- Risk identification
- Risk assessment
- Risk mitigation
- Risk monitoring and reporting
- Retained documented information of RMP

Our risk management program is implemented through various risk assessments, internal process reviews, external audits, and ongoing risk monitoring. We have policies and procedures in place to maintain a solid risk management.

Sustainability, social impact, and beyond →

Collectively, our society and planet have reached an inflection point in our efforts to mitigate climate change. It has never been more critical for organizations, communities, and governments worldwide to take action. Supply chains and sustainability have been observed as two separate disciplines for quite some time, but now we have reached a point where their intersection has never been more important. Companies' supply chain sustainability practices have been put under a microscope and increasing transparency and reporting on ESG has become the new norm. As a supply chain software provider, this was an important step to take and allowed us to have a closer look at our emissions and how we can achieve positive environmental and social impact.

This past year, we evaluated sustainability and diversity initiatives to determine what actions to take in the upcoming years. In 2022, we will set our carbon emission reduction targets based on the Science Based Target initiatives and take additional measures to monitor our carbon emissions through quarterly checks on energy consumption, employee commuting and business travel. We will work towards our goal to become a net zero organization as soon as possible.

To further accelerate our transition to becoming a best-in-class sustainable software company we will scale up our employee education initiatives with streamlined sustainability and social impact courses on the o9 Academy, as well as additional initiatives to drive employee engagement towards sustainability, diversity and climate action. Our efforts to increase diversity within o9 are also strengthened through employee led initiatives such as Women in Technology, supporting students in STEM education, and our new dedicated DEI Lead.

o9 is committed to helping enterprise clients build sustainable supply chain operating models by offering comprehensive solutions through the o9 Digital Brain. We're committed to advancing our social impact programs by continuing to develop social impact initiatives and sustainability projects that align with o9's ultimate goal of becoming a socially responsible, net zero organization.

We look forward to being a trusted partner in sustainability and social impact to our clients, investors, employees, communities, and the planet, now and in the future.

o9

GRI content
index

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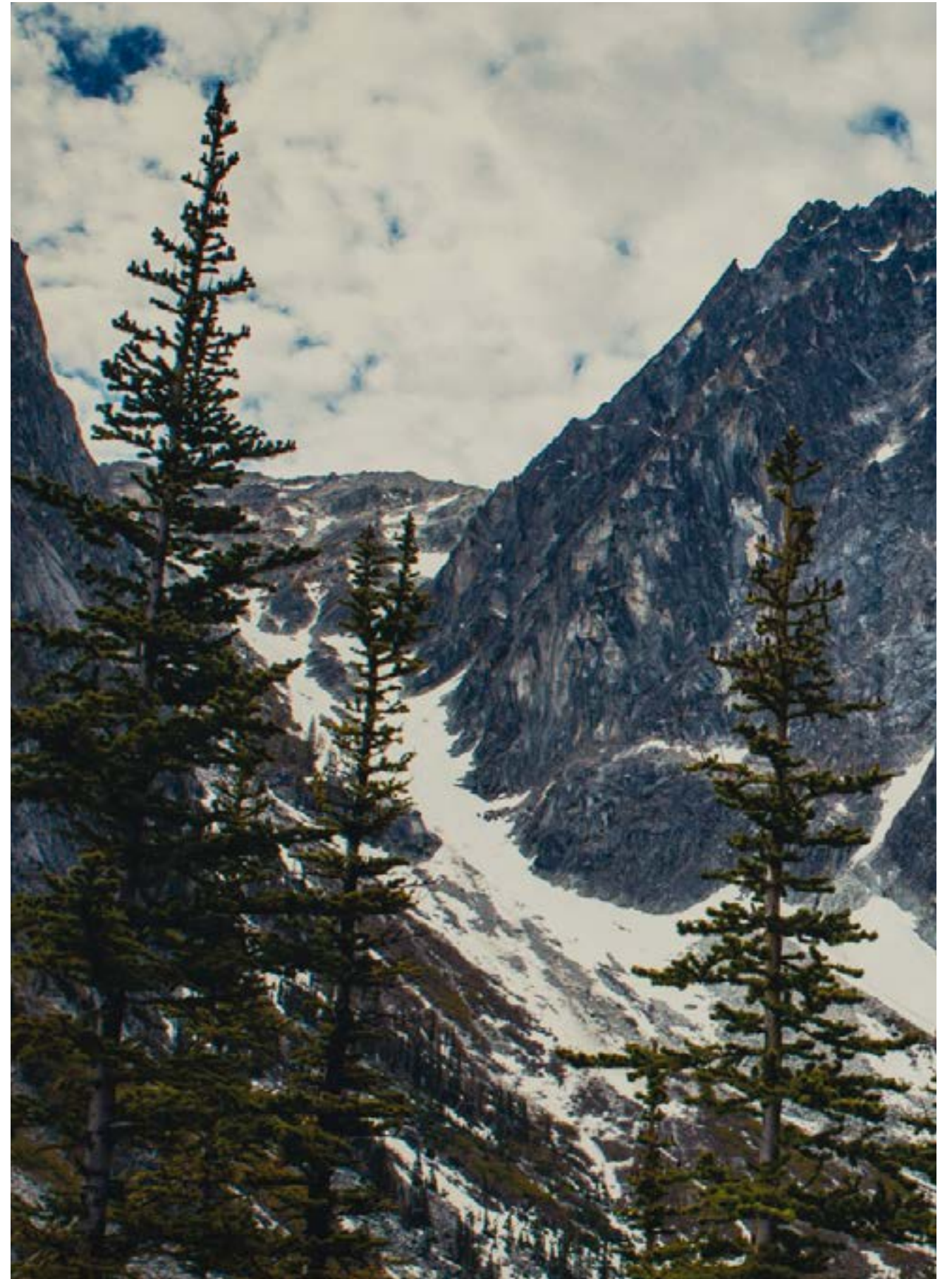
Indicator	Indicator	Reference
102-1	Name of the organization	Introduction to o9
102-2	Activities, brands, products and services	Introduction to o9
102-3	Location of the organization's headquarters	Operations and workforce
102-4	Number of countries operating	Operations and workforce
102-5	Nature of ownership and legal form	o9 Solutions Inc.
102-6	Markets served	Introduction to o9
102-7	Scale of the reporting organization	Operations and Workforce
102-8	Scale of the reporting organization	Operations and Workforce Employee Engagement and Culture
102-9	Scale of the reporting organization	Introduction to o9
102-10	Scale of the reporting organization	Governance
102-11	Scale of the reporting organization	Risk Management
102-12	External initiatives	Recognition and Awards SDG
102-13	Memberships of associations	N/A
102-14	Statement from senior decision maker	Message from our CEO
102-16	Values, principles, standards and norms of behavior	Core Values
102-18	Governance structure	Board Diversity
102-22	Composition of the highest governance body	Board Diversity
102-40	List of stakeholder groups	Materiality and Stakeholder Engagement
102-41	Collective bargaining agreements	Social
102-42	Identifying and selecting stakeholders	Materiality and Stakeholder Engagement
102-43	Approach to stakeholder engagement	Materiality and Stakeholder Engagement
102-44	Key topics and concerns raised	Materiality and Stakeholder Engagement
102-45	Entities included in the consolidated financial statements	o9 Inc, o9 B.V. and all o9 entities

Indicator	Indicator	Reference
102-46	Defining report content and topic boundaries	About this report
102-47	List of material topics	Materiality and Stakeholder Engagement
102-48	Restatements of information	About this report
102-49	Changes in reporting	About this report
102-50	Reporting period	01.01.2021-31.12.2021
102-51	Date of most recent report	This is the first ESG Report
102-52	Reporting cycle	01.01.2021-31.12.2021
102-53	Contact point for questions regarding the report	o9socialimpact@o9solutions.com
102-54	Claims of reporting in accordance with the GRI Standards	About this report
102-55	GRI Content Index	GRI Content Index
102-56	External assurance	About this report
205-2	Anti-Corruption	Ethical Conduct
303-5	Total Water Consumption	Environmental
305-1	Scope 1 GHG emissions	Environmental
305-2	Scope 2 GHG Emissions	Environmental
306	Waste	Environmental
401-1	New employee hires by region	Operations and Workforce
401-2	Benefits	Benefits
404-1	Average hours of training	Operations and Workforce o9 Academy
405-1	Governance Body gender and age group	Board Diversity
405-2	Ratio of the basic salary and remuneration of women to men	No difference
414-1	Supplier Social Assessment	Ethical Conduct

* This report has been prepared in accordance with the GRI Standards: Core option

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