



# Sustainability report 2024

Adtraction's ambition is to report its sustainability work in accordance with The Annual Reporting Law (ÅRL) and the Greenhouse Gas (GHG) Protocol. The report is based on the European Sustainability Reporting Standards (ESRS).

# Sustainability report

The report covers the reporting period of 2024 and includes all companies within Adtraction Group AB. The Board of Directors has the ultimate responsibility for Adtraction's sustainability work. Adtraction's overarching sustainability goal is to create the conditions for long-term value creation. For Adtraction, this means growing as a company, managing risks, and identifying opportunities while respecting the impact on people and the environment.

## Double materiality analysis<sup>1</sup>

The company has carried out a double materiality analysis to identify critical sustainability areas, focusing on financial impact, risks and opportunities. Based on guidance from the ESRS framework, the assessment prioritised two areas: stakeholder relevance (management, employees, board, customers, suppliers, environment) and Adtraction's potential impact in the listed areas.

Climate, workforce (employees), employees in the value chain, and corporate governance were identified as key areas in terms of both stakeholder relevance and the company's impact. A risk and opportunity analysis was later on performed to evaluate each area based on the likelihood of occurrence and potential impact. Areas were categorised as high, medium, or low risk. The method highlights the following risks and opportunities.

## Risks

### Low risk

Low-risk areas include: limited overview of working conditions among brands connected to the platform, where Adtraction has limited insight; diversity risks that may lead to group thinking; potential IT security issues related to specialised competence loss and insufficient internal system updates. Environmental risks are considered low, primarily due to Adtraction's limited direct environmental impact.

### Low/medium risk

Identified areas of low/medium risk include changing employment conditions and work environment, which can lead to increased staff turnover, loss of competence, higher recruitment costs, lower employee engagement, reduced performance and higher

absence rates. Increased digitalisation also poses a risk of data breaches and fraud.

## Opportunities

### Key opportunities

Key opportunities identified include: unified internal competence development; increased knowledge exchange across departments and markets.

### Medium opportunities

Implementing more comprehensive supplier evaluations (e.g. sustainability assessments) is considered a long-term opportunity. New reporting requirements create an opportunity for Adtraction to strengthen its competitive edge by being more transparent about sustainability, helping the company stand out from competitors.

## About the report

Adtraction's sustainability work is guided by the above materiality analysis and the UN Sustainable Development Goals (SDGs). To ensure clear and focused reporting, the work is structured around three main areas: social sustainability, environmental impact, and responsible corporate governance.

The ambition is to prioritise areas where the company has the greatest opportunity to make a positive contribution and drive long-term change. The selected focus areas are:

- Work environment, health and safety
- Gender equality and diversity
- Environmental and climate impact
- IT security and business ethics
- Sustainable business model and value chain

These areas are linked to the UN's global goals 5 (Gender Equality), 8 (Decent Work and Economic Growth) and 13 (Climate Action).

Based on these focus areas, the company's sustainability report is structured as follows:

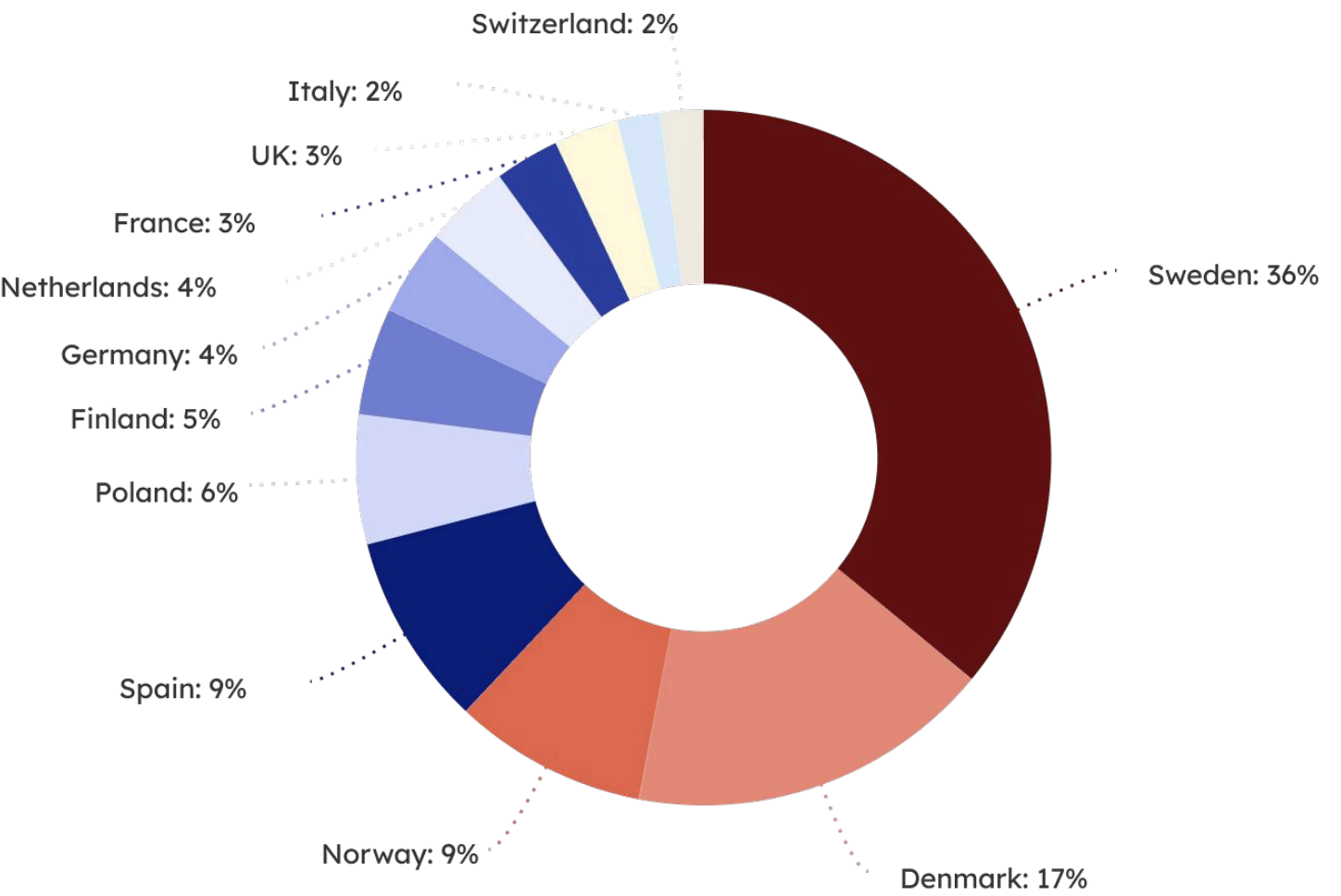
- Social sustainability
- Environment and climate
- Responsible governance

1. The chapter refers to till ESRS 2, SBM-3, IRO-2, GOV-1

# Social sustainability

Adtraction aims to offer a work environment that prioritises gender equality, diversity, and respect for each individual.

Share of full-time employees (FTEs) by market<sup>2</sup>



Knowledge, experience, and engagement are core strengths and assets at Adtraction, and employee well-being is essential to the company’s success. To support a healthy work environment, Adtraction has identified four key factors that influence the overall employee experience:

Job satisfaction, work-life balance, work-related stress, workplace environment. Creating a dynamic and inclusive workplace where well-being and development are prioritised is one of Adtraction’s most important responsibilities.

2. The chart refers to ESRS S1-5

## Work environment variables<sup>3</sup>

Variable	2024	2023
Staff turnover	31%	16%
Employee Net Promoter Score (eNPS)	37	53
Pulse	4.3 out of 5.0	4.3 out of 5.0
Percentage of employees with regular 1-on-1s	75%	75%
Percentage of new employees who receive onboarding	100%	100%
Discrimination cases	0	0
Court cases concerning staff	0	0

Adtraction regularly monitors work environment-related factors through a combination of annual surveys, individual follow-ups, and a culture of ongoing feedback. The company conducts annual employee surveys to assess inclusion, engagement, and well-being. In 2024, the company's eNPS score was 37, which is considered good according to Questback. However, the number represents a decline from 2023, when the eNPS score was 53.

This change reflects a period of transition within the company, where factors such as organisational development and internal process changes may have affected the perception of the work environment. Adtraction is closely monitoring the development and is continuously working to strengthen employee engagement and satisfaction.

To ensure ongoing dialogue and follow-up, Adtraction uses 15Five, a digital tool through which over 75% of employees regularly report their progress, challenges,

and overall well-being. CheckIns are conducted continuously, and managers are available to provide support and development opportunities.

The company also encourages a feedback-driven culture where dialogue and communication are central elements of daily work life. Through an open and inclusive work environment, the conditions are created for continuous improvement and development.

To strengthen collaboration and culture in an international context, Adtraction arranges annual global conferences. These gatherings are an opportunity to promote knowledge exchange and strengthen internal culture through inspiring and social activities.

The company will continue to develop its work with the work environment and employee engagement, with a focus on transparency, inclusion, and continuous improvement.



3. The table refers to ESRS S1-1



# Gender equality, diversity and inclusion<sup>4</sup>

Adtraction promotes gender equality, diversity, and respect in the workplace. By valuing each individual’s unique perspective and contribution, a dynamic and innovative work environment is created. The company aims to attract and retain talent that contributes to a positive workplace culture and actively creates value in their work environment.

To ensure an inclusive workplace, Adtraction regularly monitors age and gender distribution within the organisation. By the end of 2024, the company’s staff represented 19 different nationalities, with an age distribution from 20 to 54 years. The gender distribution among full-time employees (FTEs) was 38% women and 62% men.

## Age and gender distribution

Variable	2024	2023
Gender distribution <sup>5</sup>		
Men	62%	63%
Women	38%	37%
Age range	20-54 years	20-57 years
Nationalities	19	18

Adtraction aims to create a work environment where all employees feel included and have the opportunity to develop, regardless of background. To support this, English is used as the company’s primary language for internal and business communication, ensuring clear and inclusive communication across all markets where the company operates.

## Recruit for diversity

Adtraction actively works to create an inclusive and diverse work environment, which is also reflected in the company’s recruitment process. The company applies a non-discriminatory recruitment strategy where competence and experience are central. This approach ensures that recruitment decisions are based on relevant criteria and that all candidates are given equal opportunities.

In addition to recruitment, Adtraction offers internships and part-time positions in several markets. In 2024, the company had a total of eight part-time employees, contributing new perspectives and increased diversity within teams.

## Zero tolerance for discrimination

Adtraction has a strict policy against discrimination and is independent of political and religious ideologies. The company does not tolerate any form of discrimination based on gender, skin colour, religion, political beliefs, sexual orientation, or disability.

Discrimination in the form of racism, sexism, ableism, age discrimination, homophobia or transphobia has no place at Adtraction. The company makes no compromises when it comes to employee rights and safety. Preventing harassment and discrimination is a fundamental part of the corporate culture at Adtraction.

To ensure an inclusive work environment, regular monitoring is conducted of gender distribution, age span, and representation across different nationalities. Potential incidents of discrimination are also addressed in the annual employee survey. As part of Adtraction’s long-term commitment, a Code of Conduct has been established to strengthen internal sustainability efforts.

4. This section refers to ESRS S1-1, G1-4

5. Full-time employees

# Goals

To strengthen the social sustainability work, Adtraction has established clear goals for the next three years. These goals are evaluated continuously and may be adjusted as needed.



## Gender distribution

Monitor gender distribution with the goal of maintaining a balance within the 40/60 to 60/40 range.



## eNPS

Measure eNPS annually with the goal of increasing the eNPS score from 37.



## Strengthen HR efforts

Further develop HR efforts through increased training opportunities and internal competence development.



## Actions

- Measure eNPS
- Monitor gender distribution
- Develop internal competence development programs

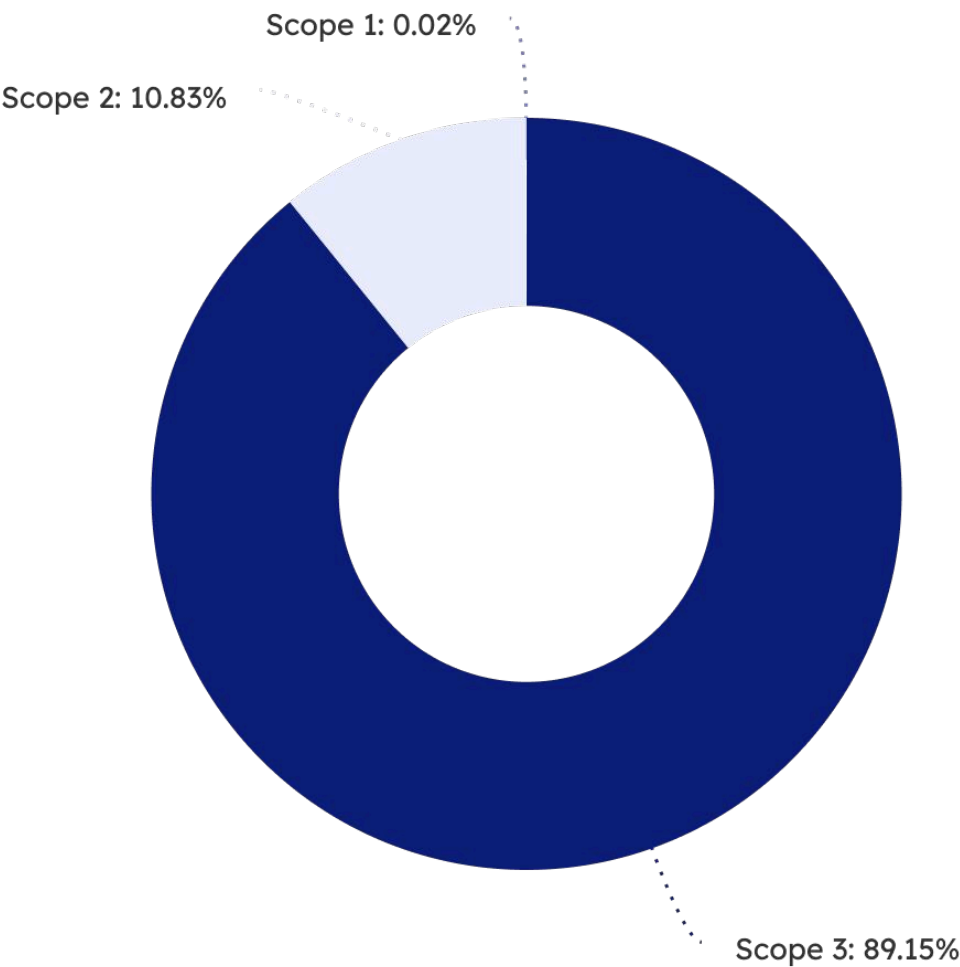
# Environment and climate<sup>6</sup>

Adtraction aims to operate in an environmentally friendly way by integrating sustainable choices into daily operations and reducing its climate impact wherever possible.

According to the GHG Protocol, greenhouse gas emissions are categorised into three scopes: Scope 1, 2 and 3. Scopes 1 and 2 include direct and indirect emissions from sources the company owns or controls, while Scope 3 includes emissions that arise in the company’s value chain. Approximately 90% of Adtraction’s emissions fall under Scope 3, which mainly includes business travel, food consumption, and the purchase of goods and services.



## Emissions distributed by scope



6. The chapter refers to ESRS E1

# Company emissions

## Distribution of company emissions

Variable	Emissions (kg CO2e) 24	Emissions (kg CO2e) 23	% of total emissions 24	% of total emissions 23	Per employee (kg CO2e) 24	Per employee (kg CO2e) 23
Business travel	182 572	373 928	51.4%	66,1%	1 496	2 876
Electronics	21 179	21 217	6,0%	3,8%	174	163
Food and drink	32 930	39 274	9,3%	6,9%	270	302
Freight	1 768	508	0,5%	0,1%	14	4
Office	52 647	42 942	14,8%	7,6%	432	330
Other purchases	40 484	87 395	11,4%	15,5%	332	672
Vehicle use	757	215	0,2%	0,0%	6	2
IT services	22 686	-	6,4%	-	186	-
<b>Total emissions</b>	<b>355 023</b>	<b>565 479</b>	<b>100,0%</b>	<b>100,0%</b>	<b>2 910</b>	<b>4 365</b>

## Business travel

In 2024, emissions from business travel totalled 182.6 tonnes of CO2e, corresponding to 1.5 tonnes per employee. Flights accounted for the largest share of emissions, followed by car travel and hotel stays.

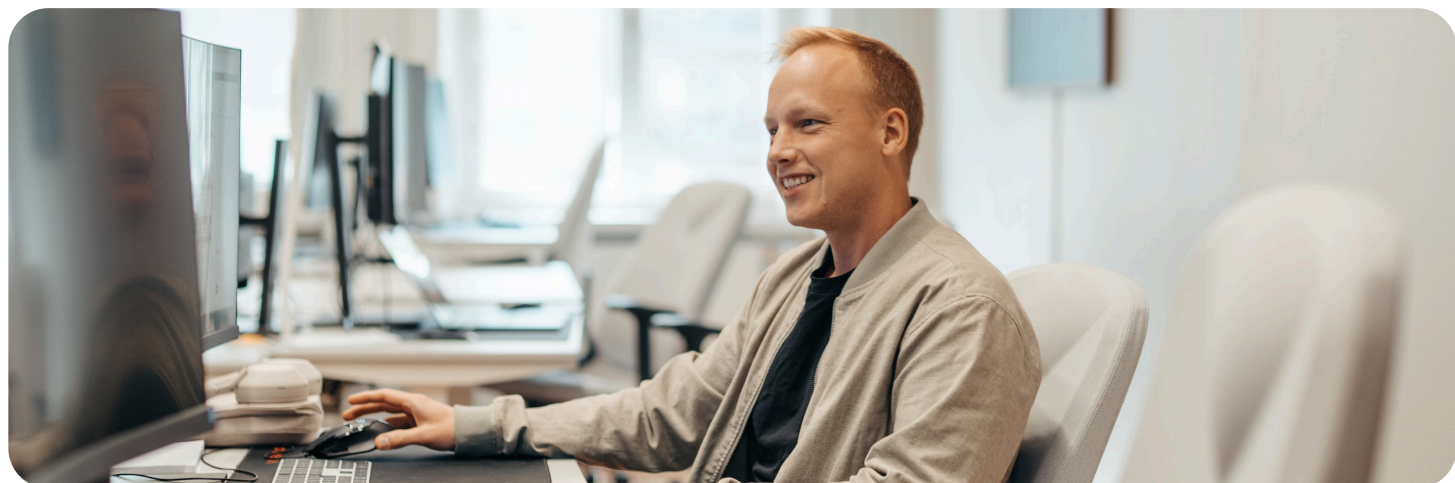
To reduce environmental impact, Adtraction strategically places its offices in central locations to promote public transport use. In-person meetings are an important part of Adtraction's culture, and business travel is expected to remain at the same level in 2025 as the previous year.

To offset emissions and contribute to climate action, Adtraction invests in climate projects. These projects, included in GoClimate's portfolio, are certified by the Gold Standard Foundation and support the UN's Global Goals 5 (Gender Equality) and 13 (Climate Action).

## Daily operations

Although Adtraction's business is fully digitalised, the company reduces its environmental impact through energy consumption in offices and the use of digital services. Adtraction collaborates with property owners to reduce electricity use and ensure that electricity comes from renewable sources. The majority of Adtraction's offices today run on renewable energy.

Adtraction also works to reduce its climate footprint by using cloud-based services and transitioning to a more circular business model. This includes only investing in necessary products and recycling electronic equipment according to sustainability standards. Since 2021, the company has implemented processes for recycling electronic waste to ensure responsible handling of unused equipment.



## Business travel emissions by market<sup>7</sup>

Market	Emissions 2024 (kg CO2e)	Emissions 2023 (kg CO2e)	Per employee 2024 (kg CO2e)	Per employee 2023 (kg CO2e)
Denmark	21 709	121 798	1 047	4 526
Finland	4 338	14 897	717	1 976
France	1 074	7 200	293	2 215
Germany	11 166	22 688	2 288	5 289
Italy	13	6 021	5	1 853
Netherlands	1 779	7 410	365	1 140
Norway	12 580	23 104	1 146	2 402
Poland	436	10 874	60	1 673
Spain	103	34 430	9	2 703
Sweden	123 766	118 215	2 818	2 747
Switzerland	4 584	2 805	1 879	1 269
England	1 024	4 506	280	1 083
<b>Business travel</b>	<b>182 572</b>	<b>373 948</b>	<b>1 496</b>	<b>2 877</b>

## Goals

To reduce its climate impact, Adtraction has set the following goals for the next three years. These goals are evaluated continuously and can be adjusted as needed.



### Maintain or reduce emissions from the current 2.9 tonnes CO2e per employee

Calculate emissions annually to ensure that emissions remain at the same or a lower level.



### Actions

- Offset emissions for 2024 through climate projects.
- Calculate emissions annually and analyse trends to ensure continuous improvement.
- Recycle unused equipment and continue implementing circular processes for sustainable resource use.



# Responsible governance<sup>8</sup>

Adtraction's overarching sustainability goal is to create conditions for long-term value creation. This involves a balance between growth, risk management and identification of business opportunities, while ensuring that operations are conducted responsibly and sustainably.

## Value chain

At the beginning of 2024, Adtraction cooperated with 1 900 advertisers and 7 500 partners. As the network grows, ensuring sustainable business practices across the value chain becomes increasingly important. A core part of Adtraction's business philosophy is to respect human rights and uphold high ethical standards.

A well-functioning Know Your Customer (KYC) process is essential for assessing and managing risks related to partners and advertisers. Adtraction performs manual reviews to ensure that all business partners meet the company's standards for professionalism and expected behaviour.

When selecting suppliers, Adtraction evaluates factors such as cost, quality, reliability and ethical guidelines. Key suppliers include Amazon Web Services, Slack, PE Accounting, Streak, Intercom, Tableau and Google. The company aims to work with ethical and reliable suppliers to maintain high standards across operations.

## Anti-corruption<sup>9</sup>

Adtraction's support team continuously monitors activities and transactions on the platform to detect and prevent potential fraud. When suspicious patterns are identified, a thorough investigation is conducted

to assess the scope of the fraud.

To further reduce risks, Adtraction requires that reported transactions be approved by advertisers before payments are processed. The company does not handle customers from high-risk countries or countries on sanctions lists, and payments to these countries are blocked.

## IT security

Adtraction operates a digital platform where security and data integrity are crucial. To protect against cyber threats, the company has implemented a Mobile Device Management (MDM) solution, ensuring that devices are handled according to the company's security standards. In addition, daily backups of critical data are conducted, encrypted, and regularly tested to verify successful execution.

## Economy

Adtraction has shown continuous growth, profitability and strong cash flows between 2009 and 2023. Despite a challenging market during 2024, the company continued to deliver profitability and a strong cash flow.

The solid financial foundation enables investments in sustainability and the further development of business processes.

8. The chapter refers to ESRS G1

9. The paragraph refers to ESRS G1-3

## Goals

Adtraction has established the below goals for corporate governance for the next three years. The goals are evaluated continuously and can be adjusted as needed.



### Continue strengthening anti-corruption efforts

Increased monitoring and actions to minimise fraud risks.



### Measures

- Introduce more approval requirements on the platform.
- Evaluate and develop internal fraud prevention processes.

## Additional Information

Information	Comment
Additional Information	Adtraction Group AB
Company registration number	559303-4753
Website	www.adtraction.com
Activities, brands, products and services	Digital marketing. The company develops and operates a platform that connects advertisers aiming to increase sales with various types of partners, such as digital magazines, influencers, bloggers, forums, mobile apps and comparison sites, generating revenue based on their content and audience.
Head office	Stockholm, Sverige
Ownership	Public, Nasdaq First North Growth Markets
Contact person	Anna Hjortaas, CMO
Reporting standard	The report is partially based on ESRS
Reporting period	2024
External assurance	The report has been approved by the board. It has not been audited by a compliance officer, but an external party has supported Adtraction in preparing the report.
Companies included in the report	Adtraction Group AB and subsidiaries
Highest governing body	The company's board of directors
Internal key stakeholders	Management, employees, board
External key stakeholders	Advertisers, partners, shareholders and banks