Optimizely

SUSTAINABILITY REPORT

FY 2023

About this report

This sustainability report is approved by the Board of Directors of Epsilon Group New Holdings Ltd.

This sustainability report encompasses the Group report, Epsilon Group New Holdings Ltd and its subsidiaries. It builds on the experience we have gained in the last few years and shows our efforts in complying with international sustainability reporting standards and frameworks. It has been created to share our commitment and our ambition to become a more sustainable company.

In this sustainability report, we have used the guidance of the European Sustainability Reporting Standards (ERRS) and the EU Directive on Corporate Sustainability Reporting (CSRD) combined with the materiality assessment we have conducted to determine what to include and to define our Key Performance Indicators (KPIs).

It is our intention to be transparent in our approach, hence we have included data where it is available and Key Targets and KPIs summary is provided in table format. Overtime we intend to increase the data we report as well as to closely measure and monitor our KPIs on a regular basis to disclose our progress towards our sustainability journey.

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Optimizely's approach to sustainability

Positioning as one of the world's leading Experience Optimization Platforms, Optimizely possesses more than 9,000 brands. More than 10,000 companies, organizations and institutions worldwide use Optimizely's products and services, and 6.5 billion users are exposed to Optimizely-powered digital experimentation. We are a company of more than 1,595 employees working with 10,000 customers in private and public sector, 700 partners in more than 30 countries, network of 40,000 members across the globe on a daily basis, we fully recognize that our day-to-day operations in various ways cause considerable impact on the environment, people and society at large and vice versa. Thus, Corporate social responsibility (CSR) is a driving objective in Optimizely's corporate strategy, vision and commitment to our customers, partners, employees, stakeholders, suppliers, the global community and the planet. Our focus on technology and innovation, experience and the ability to drive real changes has been our hallmark, which extends equally to our CSR.

By providing Digital Experience Platform for our customers, we strives to help them challenge their digital strategies and move towards a low-carbon sustainable business model. We work continuously with our employees, customers and partners, seeking better, safer, resource-efficient and more sustainable ways of working to accelerate our pace towards a sustainable future for people, businesses and society.

Optimizely's core value is improving the state of the world for all our stakeholders, including investors, customers, partners, employees, community, environment and society. As part of our commitment to environmental sustainability, we are dedicated to achieving carbon neutral cloud by implementing comprehensive emission reduction strategies, and reductions in our carbon footprint, adoption of renewable energy solutions, and robust carbon offset initiatives. Furthermore, we have taken the lead in human capital management efforts to promote equality across four pivotal domains: equitable rights, fair compensation, accessible education and ample opportunities. We also believe comparable and consistent disclosures on climate related risks and opportunities are important. We are continuously working to align with the recommendations of the Financial Stability Board's (FSB) Task Force on Climate-related Financial Disclosures (TCFD) and of the Sustainability Accounting Standard's Board (SASB). Under 2023 we have also made preparations to comply with the European Sustainability Reporting Standard (ESRS) in which Optimizely is under the scope of this standard.

Optimizely's Environmental, Social and Governance Steering Committee

Founded in 2023, Optimizely's ESG Steering Committee is a cross-functional committee with the purpose of supporting Optimizely's on-going commitment to environmental, health and safety, corporate social responsibility, human capital (including diversity and inclusion), corporate governance, climate and sustainability, and other public policy matters relevant to the Company (collectively "ESG Matters"). Optimizely's ESG Steering Committee's duties and responsibilities include but not limited to the following:

- Assist in setting the company's general strategy with respect to ESG Matters that may affect the business, operations, performance or reputation of the company or are otherwise significant to the company and its stakeholders, and consider and recommend policies, procedures, goals, practices, and disclosures that conform with the strategy and best practices.
- Identify ESG risks and strategic opportunities for the company; make recommendations regarding these ESG Matters to the Leadership Team
- Advise the company on stockholder proposals and other significant stakeholder concerns relating to ESG matters.
- Assist in the Board's oversight of the Company's business risks with respect to ESG Matters, including through coordination with the company's Enterprise Risk management Committee.
- Review and support integration of ESG systems to monitor, verify and report ESG Matters, including but not limited to the sustainability performance of the company's properties
- Coordinate the review by Disclosure Committee and Internal Audit of internal and external communications, as deemed appropriate, related to the company's ESG performance, including press release and social media.
- Comply with the guidance of the Sustainability Accounting Standard's Board (SASB) and Task Force on Climate-related Financial Disclosures (TCFD) and European Sustainability Reporting Standard (ESRS) and other regulatory bodies and the Disclosure Committee in connection with internal and external communications, reports, filings and controls regarding the Company's position and approach to ESG Matters, including the Company's corporate social responsibility and sustainability reporting.
- Assist the Disclosure Committee with the Disclosure Committee's oversight of any ongoing reporting related to the Company's ESG related disclosure in the company's filings
- Review the company's performance under applicable ESG ratings
- Review and assess the Charter annually and recommend any proposed changes to the Chief Executive Officer and the Executive Vice President and General Counsel, either of whom shall have the authority to amend the Charter
- Perform such duties, tasks and responsibilities relevant to the purpose of the ESG Committee as may from time to time be requested.

Stakeholder Engagement

We engage with our stakeholders, including stockholders, customers, employees, suppliers, public policymakers, communities, non-governmental organizations and industry bodies, to collect valuable input on issues relevant to Optimizely and to help identify our ESG priorities and initiatives.

How we engage our stakeholders

The table below summarizes Optimizely engagements with stakeholders:

Stakeholder	How do we engage	Topics of discussion	How do we measure or follow up
Shareholders	Annual General Meetings	Investments / dividends	Financial reports
	Quarterly Reporting	Profit growth	Financial reports
	Press releases	Market news and Optimizely's prospect in the market	Leading the market with our product offering
	Email	Market and company strategy	New Product development offering and leading the market
Customers	Dialogue one to one with customers	Climate – decarbonisation strategy one of the conditions to signing a deal	Increase ARR and revenue. Increased new acquired customers. Qualitative feedback
	Webinars and Conferences	Climate – decarbonisation strategy - demonstrate a strong commitment to sustainability	Retention of customers. Upsell to customers. Qualitative feedback
Public authorities	Receiving emails updates on legal changes	Compliance with current ESG regulations, prepare with upcoming ESG regulations	Monitoring development on ESG regulations
	Attending webcast	Learn about upcoming ESG regulations	Monitoring ESG risks
Employees	Interview process and onboarding	Recruitment and opportunities	Targets in line with industry benchmarking. Independent and anonymous ratings.

	Development goals and objectives	Employee developments, competitive salaries	Discussion on survey results, employee satisfaction scoring
	Employee Surveys	Learning culture, engagements, health and well-being, diversity and inclusion	Discussion on survey results, employee satisfaction scoring
	Feedback and development opportunities	Competitive salaries	Employee retention
Suppliers	Through Onboarding and renewal process, code of conduct acceptance	Compliance and Risk	No incidents reported
Communities	Volunteering to various projects	Climate change Biodiversity and ecosystem	Impact on environment

Prioritisation of material topic

The figure below shows the risk impact assessment matrix:

Scope / Widespread

	1.Isolated	2.Limited	3.Local / Medium	4.Widespread	5.Global	
5. Almost certainly						5.Not reversable
4.Likely						4.Long term
3.Possible						3.Medium term
2.Unlikely						2.With effort
1.Rare						1.Easy
	1.Insignifi-cant	2.Minor	3.Moderate	4.High	5. Critical	

Likelihood (left axis) / *Likelihood to Reverse the Impact* (right axis)

Impact

Risk Likelihood

Risk Likelihood refers to the potential for an occurrence of a risk likelihood. This should be measured based on as much objectionable evidence as possible.

1 – Rare - Risk may occur < 5% chance of time (might occur, but this is unforeseeable)
2 – Unlikely - Risk may occur < 12.5% chance of time (could occur, but only rarely (perhaps once in five years))
3 – Possible - Risk may occur < 25% chance of time (could occur on an occasional basis (perhaps once a year))
4 – Likely - Risk may occur < 40% chance of time (expected to occur on a frequent basis (perhaps once every three months))
5 – Almost Certain - Risk may occur > 50% chance of time (will occur on a very regular basis

Risk Impact is the measure of consequence if a threat(s) occurs. This should be measured based on as much objectionable evidence as possible. A Risk Impact score is calculated as follows:

1 – Insignificant - Risk may have a Financial Impact of < $50,000 (very minor impact (if any), no effect on ability to continue to conduct business in a normal manner. No customers affected, no adverse publicity, no legislative consequences.)

2 – Minor - Risk may have a Financial Impact of < $250,000 (minor impact with minimal effect on normal operations. A small number of customers may be somewhat inconvenienced. Possible short-term negative publicity.)

3 – Moderate - Risk may have a Financial Impact of < $500,000 (noticeable impact on current operations. Many customers will have been affected. Negative publicity possible, with possible legislative or regulatory consequences)

4 – High - Risk may have a Financial Impact of < $3M (serious impact on current operations. The majority of customers will have been affected. Serious reputation damage, with expected legislative/regulatory escalations)

5 – Critical - Risk may have a Financial Impact of > $5M (the continued existence of the organization is in doubt. Lack of customer confidence and major headline publicity prevents recovery, and seriously damages ongoing revenues)

Materiality Matrix

During financial year 2023 it is our first efforts to prepare for and to comply with the requirements of ESRS and CSRD. The double materiality assessment aims to identify topics where Optimizely has a material impact on environment, people and society through its operations or where these topics may have a material impact on Optimizely's financial risks and opportunities.
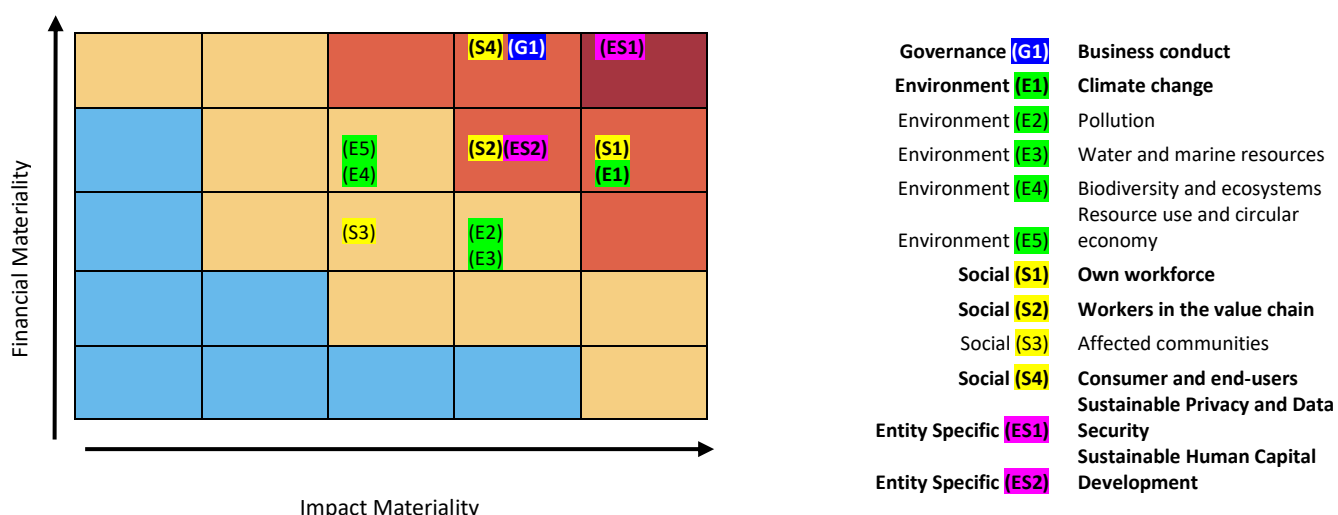
The ranking of material topics is based on inputs from The Board and the Board's ESG metric partners Novata https://www.novata.com/ and monitoring Malk partners https://malk.com/, Executive Management group, Management Group and ESG Committee. The key topics for discussions are highlighted in bold and explained further below.

Material Topics

Business Conduct (G1)

Includes: Optimizely's business culture, code of ethics and compliance, data protection and privacy, anti-corruption and anti-bribery.

Impact materiality high: We recognize our obligations to all who have a stake in our success including share owners, customers, partners, staff and suppliers. Information about our business conduct is communicated clearly and accurately in a non-discriminatory manner and in a accordance with the local regulations. We expect and require all our business partners, suppliers, and customers to have the same commitment to the Code.

Financial Materiality high: There is a systemic risk in the computer technology industry contributing to cyber risk. Optimizely has enhanced its data privacy and security practices since 2022, including the consolidation of its SOC 2 and PCI compliance programs into its global policy program, demonstrating appropriate capacity to protect customer data. Additionally, the Company conducts information security awareness to all employees, partners and customers. Beyond training, developed a stronger data privacy and security culture at the Company, including adherence to data privacy laws. We have not experienced any data privacy or security incidents 2023.

Our Core Security Values

We have been successfully providing secure solutions and services for over two decades. Experienced in both on-premise and cloud-based systems, we have developed highly secure solutions that stand the test of today's complex regulatory environment. At the core of our success are security values that guide and direct our teams and solutions.

- Worldwide support
  As our global marketplace continues to expand, so do security threats. Our commitment to security is boundless. Everything from our security planning and strategy to everyday operations are designed to deliver the support you need, wherever you need it.
- Integrity
  It is a privilege to be trusted with the most important digital strategies and solutions our customers have. We take this task seriously and are devoted to delivering services and solutions with the highest level of integrity.
- Continuous improvement
  Industry standards change and we are always among the first to evolve. Continuous improvement is integral not only to our products and services, but also our security controls and measures.
- Transparency
  Open and honest communication is essential to a thriving business and customer relationships. We are always transparent about the security controls and measures we use in order to fulfil requirements and ensure security.

More on our Data Privacy and Data Security refer to our industry specific material topic (ES1)

Anti-bribery & Anti-corruption

Our Code of Conduct lays out the expectations we have for our customers, partners, suppliers. We expect that our customers, partners and suppliers uphold integrity, comply with all relevant laws regulations such as the labor law and those related to human rights, anti-corruption, information security, competition and market abuse, and environmental standards. Furthermore, we anticipate that they work diligently to ensure their business partners follow the same principles and conduct business in an honest, responsible and fair manner.

Actions that involve corruption, breach of trust, fraud, unfair competition and the like leads to increased costs, will ruin customers', partners' and suppliers' trust and will ultimately endanger Optimizely's business. At Optimizely, we maintain highly ethical business practices and ethics both internally within our organization and externally associated with our customers, partners and external stakeholders.

Our policy on Anti-bribery & Anti-corruption can be found here

Anti-slavery and human trafficking

Optimizely, as a global organization, maintains relationships with many different entities in its supply chain, partners, and customers, as well as directly employing large numbers of people.

The Optimizely group of companies ("Optimizely Group") has a zero-tolerance approach to modern slavery both within the Optimizely Group and within its supply chain.

Our policy on Antislavery and human trafficking policy can be found here

Whistleblowing

Optimizely is committed to the highest level of ethics and integrity. The Optimizely Whistleblowing Policy is based on the European Directive 2019/1937 on the protection of persons who report violations of European or/ and national law. Whistleblowing is the reporting of suspected wrongdoings, dangers in relation to activities or any other breach of law. This includes bribery, facilitation of tax evasion, fraud or other criminal activities, miscarriages of justice, health and safety risks, damage to the environment or any breach of legal or professional obligations.

Optimizely is in process of implementing a Global Whistleblower program to allow healthy anonymous feedback to prevent risk to employees, Optimizely and other parties.

Climate Change (E1)

Includes: gas emissions, transition to low carbon and carbon offsetting.

Impact materiality: as indicated on our Scope 1 2 and 3 emissions is mostly around Scope 3 emissions as a result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain.

Financial materiality: Climate change can have a high financial impact. Optimizely is exposed to operational risks.

Optimizely has a direct impact on the environment mainly through our office activities, our business travel and data center activities. We work systematically and actively to minimize the climate and environment impact by reducing emissions to air, land and water and shall work to increase the efficiency of resources including raw materials, energy and other natural resources while minimizing waste, emission and noise. There shall be a systematic approach for reducing the impact on biological diversity.

Scope 3 - Category 1 Supply Chain

Climate change is one of globe's most significant challenges. At Optimizely we have an important role to play in supporting our customers in the transition towards a low carbon economy, defined as being net zero by 2050, in line with the Paris Agreement. Optimizely's strategy is integrated in the business plan and strategy. Managing climate change is a possibility to support our customers in the transition to a low-carbon business model and thus a business opportunity for Optimizely. The core of our strategy is to stand by our customers, developing and perfect our products and services offered to our customers to help them achieve their goals. Our customers operate in the e-commerce businesses – by digitalizing their operations we indirectly reduce CO_2 emissions through the reduction of physical stores and optimized their supply chain.

Scope 3 - Category 5 E-Waste

Optimizely intends to develop a companywide e-waste program, utilizing verified provider for recycling, reuse, or repurposing 100% of our IT equipment in headquarters locations by 2025. Additionally, we intend to enhance our reporting capabilities and our training and education opportunities for e-waste topics to all employees.

Employees are encouraged to recycle, we have installed recycling bins at the offices for recycling of waste.

Scope 3 - Category 6 Business travel

Our business implies collaborating with our teams and colleagues, customers and partners all over the world. Travelling, hosting physical conferences and events are inevitable. However, we are fully aware of the impact our business travels can have on the environment. To reduce our carbon footprint from business travels, we encourage our employees to travel responsibly. We have implemented a new travel policy in which we reduce internal travels as much as possible and focus only on purposeful travels and choose digital meetings where applicable. Through our new travel platform Navan, employees are incentivized to choose more environmentally friendly ways of travelling and less CO2 emissions flights.

The new platform does not only allow us to have real-time reporting and control the spending policies on travels but also have built-in sustainability features to track and reduce carbon emissions.

Office activities – energy and natural resource-efficiency

Our ultimate goal is to achieve energy and natural resource-efficiency in all of our office premises. We have implemented policy for energy-efficiency at our offices for electricity usage and water as well as reduce waste to environment. We encourage our employees to save electricity by switching off the computers before leaving the office, office lights are turned off during the evenings. Employees are entitled to hybrid work which implies that they can work from home a couple of days a week.

We have purposely chosen to store our servers and central computing on cloud in some of our locations, instead of in physical premises to reduce overall greenhouse gas emissions.

Carbon Offsetting

We have implemented several initiatives to contribute to the preservation of the planet.

2023 Donation Amount: $27,351

In 2023, according to BrightFunds, employee's donated $13,205 through our Month of Service, we also gave to charities (some of which included paying a fee to clean a park or donating to a charity) as additional $14,146. This is a total of $27,351 in 2023.

2023 Volunteering Hours: 2911

In 2023, according to our donation platform BrightFunds (911 hours) and additional volunteering hours were recorded outside of our Month of Service efforts (2000 hours). Optimizers recorded 2911 hours to volunteering efforts in 2023.

Some of the reforestation projects included Eden Reforestation, Rainforest Trust, FOUNDATION FOR NATIONAL PARKS & WILDLIFE

In 2024 for every share your voice survey by Optimizers, we will participate to https://evertreen.com/ plant a tree project with 1,306 trees contributed by Optimizers.

Own Workforce (S1)

Includes equality, inclusion and diversity, working conditions and other rights for people employed by Optimizely.

Impact materiality: Optimizely's culture and influence is considered as high impact it has on our employees.

Financial materiality: Optimizely's workers have a high potential financial effect. Our employees are our most valuable resource and at the core of our ability to create long-term values for our customers, shareholders and society at large. They are the drivers and creators of our success as a company. We work actively with the entire organization, leaders and teams in order to meet our stakeholders' expectations in a rapid changing environment. Continuous learning, inclusion and diversity and a healthy work environment are among the areas we focus on.

Optimizely is a global company which naturally leads to global practices, diverse and cross-cultural and teams. We understand that difference in gender, age and race among employees is often a challenge and can complicate communications and interactions between team members. However, it is crucial to embrace diversity to foster creativity and problem-solving as diverse and cross-cultural teams naturally allow for more views and perspectives. Optimizely works continuously to ensure equal treatment and development opportunities for all of our employees though regular trainings for not only managers but also all employees. The implementation of the new HR system SuccessFactors allows managers and employees to set up short-term as well as long-term goals and key objectives. Quarterly reviews of employee progress and achievement with their direct managers are conducted, which do not only help employees and managers to monitor individual performance and progress, but also is an opportunity to review the workload and bring focus to prioritized goals and objectives in case someone has not managed to deliver desired outcomes.

At Optimizely, mental health for employees is crucial and is taken seriously. We have implemented mental health month, in which we discuss mental health topics and share experiences between

employees. All employees are provided with a private health insurance which allows quicker and easier access to professional mental healthcare.

Optimizely has implemented a variety of initiatives to raise awareness and knowledge of cultural differences, inclusion of minorities and LGBTs, and to promote gender balanced workplace in the IT industry, as part of fostering career development and opportunities for Women in Tech. External Level Up Programs are offered to female managers and specialists across different functions at Optimizely.

Details on gender distribution among management and across the entire company are provided in Table Targets and KPIs.

Optimizely Recognitions

Optimizely is an Equitable Employer!

Zubaer Mahmud
Senior Strategy & Process Specialist

Optimizely is honored to be recognized as an Equitable Employer by Mathison for our commitment to creating a more fair and more inclusive workplace. We're continuing to build diversity, equity, and inclusion at our organization by leveraging a data-driven plan for measurable impact.

Building an equitable workplace is no easy feat, and we're incredibly proud of the dedication and hard work each of us has put into this endeavor, backed by holistic, data-driven approaches.

The Equitable Employer badge serves as a testament to our commitment to fostering diversity, equity, and inclusion not only within our team but also to our employees, applicants, customers, and investors. It showcases our collective efforts in creating an environment where everyone feels valued and supported.

More on our Human capital development refer to our industry specific material topic (ES2)

Workers in the value chain (S2)

Includes working conditions, equal treatment and opportunities for all and other work-related rights. Working conditions refer to health and safety, secure employment, working time, adequate wages, social dialogue, freedom of bargaining, collective bargaining, work-life balance. Equal treatment and

opportunities refer to gender equality and equal pay, training and development opportunities for everyone, measures against violence and harassment in the work place, diversity including the employment and inclusion of minorities, persons with disabilities. Other work-related rights related to forced labor, child labor and privacy.

Impact materiality: High. Optimizely is a global companies with offices in thirteen countries, including the U.S., Sweden, Norway, Finland, Denmark and Germany, the UK, the Netherlands, Australia, Vietnam, Singapore, Bangladesh and the U.A.E. We partner with more than 9,000 businesses and millions of customers, in which some countries possess a higher risk regarding working conditions, equal treatment between men and women and inclusion of migrants, women and disabled workers. Optimizely plays a role in the working conditions, equal treatment and opportunities and rights for not only its own employees but also the workforce of Optimizely's clients, customers and partners through a thorough compliance and risk management process, specifically KYC process with all of our customers and procurement process for all of our suppliers. Our legal team works continuously to prevent and mitigate these risks.

Financial materiality. High. Customers, suppliers and partners have a high financial impact and Optimizely's risk is linked to reputational risk. Optimizely has policies and procedures in place to prevent these risks.

In 2023, Optimizely established a new larger team in procurement. 100% of our vendors are required to go through a Procurement assessment in which not only new suppliers but also existing vendors with renewal and extension of agreements to complete and sign a self-declaration to show how they are complying with our Code and standards. Reviews are done annually for all vendors.

All customers to Optimizely must sign a Service Agreement which includes a Customer Acceptable Use Policy. By signing it, they acknowledge and accept Optimizely's Code of Conduct, Antislavery and Human Trafficking Policy. This is to ensure that our customers meet our requirements on Business conduct when it comes to working rights, conditions, equal treatment and opportunities for their employees. Optimizely reserves the rights to reject customers and vendors which we believe do not meet our minimum requirements for business ethics practices. More details on the Customer Acceptable Use Policy can be found [here](#).

Optimizely respects fundamental human rights and is committed to the principles set out in the United Nations Universal Declaration of Human Rights, in particular the effective elimination of compulsory labor and child labor. We have zero tolerance to modern slavery in all of its forms and preventing it by whatever means we can. Integrated in our governance and policy, the Code of Conduct and Antislavery and Human Trafficking policy apply to all Optimizely Group but also governs all business dealings including suppliers, partners, customers and agents.

Consumer and End User (S4)

Includes inclusions of and relationships with customer and end users, service delivery, risks of human rights violations, information flow, security and privacy.

Impact materiality: Optimizely's core product and service delivery and is assessed to have a high impact

Optimizely plays a role in data safety and security of end users especially through its services offering. There is an inherent, systemic and reputational risk for cyber and data security through its services. There is strong governance within the company to prevent and mitigate these risks.

Financial materiality: Consumers can have a high financial impact and Optimizely's risks is linked to reputational risk. Optimizely has a strong practices and processes to prevent such risks.

The Forrester Wave™: Digital Experience Platforms, Q4 2023 report has released, and Optimizely is named a Leader! Optimizely was among the organizations that Forrester invited to participate in its Q4 2023 Forrester Wave™ evaluation.

Optimizely has the highest scores possible in 11 criteria within the current offering category in the report, which include content, AI/ML, campaign management, experience experimentation, developer tools, and 6 more. The independent research firm's evaluation concludes that "Optimizely has strong supporting services and offerings that enable digital businesses to source multiple parts for their composed DXP that work straight out of the gate thanks to a (mutable) architectural opinion." More details on the Forrester Wave report here.

More on Consumer and End User refer to our Industry Specific material topic Sustainable Privacy and Data Security (ES1) below.

Sustainable Privacy and Data Security (ES1)

Process and access to data

Optimizely is committed to conduct our businesses responsibly. At the heart of what we do is to build and manage website contents, develop and optimize digital experimentations where our customers and their users can safely and confidently experience. We process customers' data and users' data to provide millions of digital experiences on a daily basis, therefore we work continuously to secure data privacy and data protection as we, together with our contractors process, store and use customers' and users' data. The Security Team conducts periodic risk assessments using a methodology based on ISO 27005:2018 guidelines for information security risk management. Top risks are identified, and risk treatment plans are prepared. The risk assessment, top risk selection and risk treatment plans are reviewed, and progress is tracked by the Security Governance Board.

Optimizely protects customers', partners', suppliers' and employee data in accordance with national laws and industry codes. We expect our customers, partners, suppliers to act the same, as well as protect the personal data of Optimizely's employees and use this data for legitimate and authorized business purposes only. Customers, partners and suppliers must be clear on when and how they collect, use or share personal data. As Optimizely does, customers, partners and suppliers should take appropriate security measures to protect the data.

Optimizely complies with CCPA (California Consumer Privacy Act) and GDPR to enhance data protection controls and protect online engagements. Our products are equipped with externally audited PCI DSS and third party confirmation of process and technical controls to ensure data privacy and data protection for customers, partners, suppliers and employees.

More on Process and access to data can be found on here

Data confidentiality

Optimizely and our Data Security team works continuously to protect confidentiality of our customers' and users' data. A variety of security solutions are implemented with regard to authorization and access control, security in engineering in which Optimizely's software security practices are measured using industry-standard security models. Optimizely Service Infrastructure is designed to minimize service interruption due to hardware failure, natural disaster or other catastrophes. Moreover,

Optimizely uses industry's leading platform – Azure, Google Compute Cloud and Amazon Web Services to host its production services, which provides high industry standard levels of physical security. An Incident Response Plan is in place to promptly and systematically respond to security and availability incidents that may arise.

We rely on their third-party attestations of physical security. Within our facilities we employ a number of industry-standard physical security controls, educate our employees and contractors to protect the physical security of their assets regardless of their location.

More details on Data confidentiality can be found here.

Sustainable Human Capital Development (ES2)

Includes employee engagement and development, Diversity, equity and Inclusion

Financial materiality: High. In today's world, we are operating in a human-powered economy. As organizations have made the transitions from an industrial economy to a knowledge economy, to an economy that is powered by the hearts, the minds and essential traits of people. Optimizely is not an exception, we rely on our people – our employees, our contractors, our customers and community members to deliver and drive values including but not limited to revenue, innovation and intellectual property, brand relevance and recognition, efficiency and productivity.

Impact materiality: High. As a growing company in the tech industry, we can make impact to human capital sustainability by bring value to our people. We care about our employees' mental, physical, social and health and well-being, physical and psychological safety. We work continuously to enhance and improve our employee benefits, fostering their skill developments and career promotions, progressing toward equity and inclusion and increased belonging and connections.

Employee's engagement

Optimizely's employee survey *Share your voice* conducted bi-annually offers all employees opportunities to share their views, opinions and feedback frankly and anonymously. The purpose of the survey is to measure employee engagement and the employee's view of Optimizely as a place to work, part of Optimizely's continuous and tireless efforts to become an attractive employer. Approximately 90% of the work force completed the survey in 2023.

The Table below shows detailed results of the *Share your voice* survey as of 2023 compared to 2022 for five assessment categories: Manager, Equity and Inclusion, Wellbeing, Experience and Executive Leadership.

Optimizely Overall Results

Survey Categories	Q3 2023 % Favorability	Q4 2022 % Favorability	Delta
My Manager	89%	88%	+1
Equity and Inclusion	83%	82%	+1
My Wellbeing	78%	78%	0
My Experience	71%	70%	+1
Executive Leadership	71%	*-	-

👁 **Optimizers continue to be highly satisfied with their manager, equity and inclusion, and their overall experience at Optimizely, all increasing 1 point compared to Q4 2022. Wellbeing remained stable, and the executive leadership category was included in this survey.**

Favorable = Strongly Agree or Agree with a statement
* Not enough data to make comparison, question not asked on previous survey

Our employees increasingly see career and development opportunities within Optimizely, and appreciate the policy for hybrid work. Furthermore, employees show confidence in Optimizely leadership and see a bright future for the company.

Optimizely offers a positive, secure work culture which is deemed important if employees and managers are to perform at their best. Thus, survey results are formally reviewed, widely shared and used to measure and adapt our management strategies and policies.

Inclusion, Equity and Diversity

Optimizely has policies and procedures embedded in our day-to-day operations to create conditions to be a great place to work and for employees to develop and thrive. We are committed to fostering, cultivating and preserving a culture of diversity, equity and inclusion. We treat those we work with the same courtesy, professionalism and respect we would like to be shown ourselves.

Optimizely expressly prohibit any form of discrimination, harassment or bullying and strive to ensure that all employees, regardless of ethnic or national origin, gender, transgender or expression, skin color, faith, religion, citizenship, age, disability, civil status or sexual orientation, are treated with respect, and that all employees are given equal opportunities to developments and promotions. Employees who believe they have been subjected to any kind of discrimination that conflicts with Optimizely's culture are encouraged to notify and seek support from a supervisor or an HR representative.

Optimizely's Employee Resource Groups (ERGs) are an important part of Optimizely's Diversity, Equity and Inclusion strategy. ERGs are groups of allies formed around employee self-identification communities and interests. All employees are encouraged to share diverse viewpoints and inclusive activities with the Optimizely community on a variety of topics, ranging from personal to professional development. Webinars and panel discussions across the company are regularly held and sponsored. ERGS build and foster supportive environment where employees can bring their whole selves to work and promote an inclusive culture where all Optimizers feel like they belong.

Targets and KPIs

Our sustainability matters are considered over Short-term, Medium-term and Long-term horizons in line with European Sustainable Reporting Standards. This is Optimizely's 1st years of aligning the metrics and will continue to evaluate the process in identifying whether targets must be added or adjusted in accordance with ESRS.

The Table below discloses the outcomes for 2023 in all Optimizely's material topics and presents its short-term and long-terms goals.

Material Topic	Short-term goals	Medium-term goals	Long-term goals
Business Conduct	Number of breaches of Code of Conduct, 0 reported breaches in 2023	Number of breaches of Code of Conduct, 0 reported breaches, reporting annually	Number of breaches of Code of Conduct, 0 reported breaches, reporting annually
	Mandatory Employee conducted Training for Privacy & Security in 2023 97%	Mandatory Employee conducted Training for Privacy & Security 100% by 2025, reporting annually	Mandatory and enhanced Role-based Employee conducted Training for Privacy & Security 100% by 2027, reporting annually
	Number of Bribery & Corruption (0 reported breaches) In 2023	Number of Bribery & Corruption (0 reported breaches) reporting annually	Number of Bribery & Corruption (0 reported breaches) reporting annually
Own Workforce	Gender balance in senior positions C-suite in 2023 30% Female 70% Male	Gender balance in senior positions C-suite by 2025 35% Female 65% Male (above industry average)	Gender balance in senior positions C-suite by 2027 40% Female 60% Male (above industry average)
	Gender balance on all employees globally 31% Female 69% Male	Gender balance on all employees globally by 2025 35% Female 65% Male (above industry average)	Gender balance on all employees globally by 2027 35% Female 65% Male (above industry average)
	Equal pay male and female by job category, used external benchmarking in 2023	External benchmarking Define methodology also acquire independent assessment by 2025	Comparative metrics by 2027
	incidents of noncompliance with labor law regulations or employee complaints 0 reported in 2023	incidents of noncompliance with labor law regulations or employee complaints 0 reported breaches, reporting annually	incidents of noncompliance with labor law regulations or employee complaints 0 reported breaches reporting annually
	Employee engagement in 2023 90% and 7/10 score	Employee engagement by 2025 90% and 8/10 score	Employee engagement by 2027 95% and 8/10 score
Workers in the value chain	Suppliers number on noncompliance with labor laws 0 incidents reported in 2023	Suppliers number on noncompliance with labor laws 0 incidents reported Reporting annually	Suppliers number on noncompliance with labor laws 0 incidents reported Reporting annually
	Customer number on noncompliance with labor laws 0 incidents reported in 2023	Customer number on noncompliance with labor laws 0 incidents reported Reporting annually	Customer number on noncompliance with labor laws 0 incidents reported Reporting annually
	Partners number on noncompliance with labor laws	Partners number on noncompliance with labor laws	Partners number on noncompliance with labor laws

	0 incidents reported in 2023	0 incidents reported Reporting annually	0 incidents reported Reporting annually
Consumer and End User	Acceptance for adding sustainable value creation	Recognition for adding sustainable value creation by 2025	Top 10 in the industry for adding sustainable value creation by 2027
Sustainable Privacy and Data Security	Number of information security (0 reported breaches) In 2023	Number of information security (0 reported breaches) reporting annually	Number of information security (0 reported breaches) reporting annually
	Number of Privacy incidents (0 reported breaches) In 2023	Number of Privacy incidents (0 reported breaches) reporting annually	Number of Privacy incidents (0 reported breaches) reporting annually
Sustainable Human Capital Development	Retention rate 80.1% Voluntarily turnover in 2023 19.9%	Retention rate 85% Voluntarily turnover by 2025 15%	Retention rate 88% Voluntarily turnover by 2027 12%
	Career Progression – % of employees receiving Mentorship and Coaching programs – not reported in 2023	Career Progression – % of employees receiving Mentorship and Coaching programs	Career Progression – % of employees receiving Mentorship and Coaching programs
	Employee engagement in 2023 90% and 7/10 score	Employee engagement by 2025 90% and 8/10 score	Employee engagement by 2027 95% and 8/10 score

GHG emissions disclosures

The Table below exhibits Optimizely's Greenhouse Emissions for 2023 and the short-term and long-term targets.

Greenhouse GHG emissions 2023 results. Short-term and long term targets			
	2023	2025	2027
Scope 1			
Offices	14 tCO2e	Actively monitor and collect data on the electricity we consume in our controlled offices	
Scope 2			
Managed Data centres		Actively working to reduce our inhouse servers.	Set measurable targets for reporting
Location Based	400 tCO2e		
Market Based	156 tCO2e		
Total Scope 1 & 2 Emissions (location-based) per mission dollar of revenue	414 tCO2e		
Scope 3			
Category 6 - Business Travel	1,066 tCO2e	In 2024 we will source a better tool with an emphasis on physical safety, transparency and environmentally conscious travel choices, and report on activity based	Set measurable targets for reporting

Category 5 - E-waste	Not reported separate.	Optimizely intends to develop a companywide e-waste program, utilizing verified provider for recycling, reuse, or repurposing 100% of our IT equipment in headquarters locations by 2025. Additionally, we intend to enhance our reporting capabilities and our training and education opportunities for e-waste topics to all employees.	Set measurable targets for reporting
Category 1 - Purchased services	5,599 tCO23	We have a number of key strategic partners and supplier all of which have strong GHG programs which align with our goals to drive down emissions: AWS aims to be 100 per cent renewable by 2025 Microsoft aims to be carbon negative by 2030 and offset its impact from 1975 by 2050 Salesforce is already carbon neutral in the Cloud	Set measurable targets for reporting

GHG Emission Benchmark

The Table below provides the industry average benchmarking for GHG emissions using our sustainability partner Novata's carbon tool where applicable.

GHG Emission	Methodology	Industry benchmarking according to Novata's carbon tool
Scope 1 Methodology	Activity-based	
Scope 1 Emissions	14.269	178
Scope 2 Methodology	Location-based, Market-based	
Scope 2 Emissions, Location-based	400.146	
Scope 2 Emissions, Market-based	155.539	
Scope 3 Methodology	Spend-based	
Scope 3 Emissions	6,664.86	12,421.125

Appendix

Other sources used to determine Industry specific material topic can be found [here](#)