

ESG Report.2022

Environmental • Social • Governance



ESG

Report.2022

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GRI



A Letter from Our CEO



Welcome to Nexthink's ESG journey

Nexthink's mission is to **"Delight People at Work"** every day and while our focus is on delivering solutions that allow IT to provide the ideal digital workplace...

Pedro Bados
Co-Founder & CEO, Nexthink

We are passionate about the entire employee experience. This means listening to our employees or "Nextthinkers", our customers and partners and serving in our employees' best interest.

To pursue this mission, Nexthink initiated its ESG journey in 2019 with the implementation of a volunteering program allowing employees to volunteer for causes close to their hearts and give back to our communities. From there, our objective has always been to challenge our practices to improve our Social and Governance standards, as well as to reduce our impact on the environment. Significant collaboration and determination internally are key to advancing towards a sustainable future.

At Nexthink, our core values are at the forefront of everything we do. We are positive and our desire to learn and evolve never stops. We believe that a sustainable technology industry that respects social values and our planet is achievable. For this reason, we are accountable and committed to tracking and reporting on our ESG performance and improving our practices yearly.

Towards a net zero future

We know today that a livable future on this planet requires drastic greenhouse gas (GHG) emissions reductions and businesses such as ours have a crucial role to play to make it happen. 2023 will be a pivotal year for Nexthink as we pursue our Net Zero journey, ensuring that the company will succeed in implementing science-based targets in line with climate science to reach its decarbonization ambitions.

We would like to thank you for following Nexthink's journey and we invite you to share any feedback or questions with us at esg@nexthink.com



About This Report

This is our first ESG report demonstrating Nextthink's Environmental, Social and Governance (ESG) strategies, practices and performance for the financial period of January 1 through December 31, 2022, unless otherwise specified.

Written with reference to the GRI standards, this report covers our global operations using internal data and

information as well as external evidences such as a Materiality Assessment and a Carbon Footprint analysis.

In line with our commitment to having a positive impact on our planet and society, we will continue to actively communicate annually on our ESG journey with dedication and transparency.

Publication date: 9/8/2023



Nexthink in a Nutshell

Our organization

We are a software company focused on helping IT see, diagnose and fix at-scale issues impacting employees anywhere, on any application or network, before employees notice the issue. We bring clarity to IT departments through a unique combination of real-time analytics, automation and employee feedback. We think IT is an ocean of untapped potential, they just need the right solutions. And that's where we come in.

With Nexthink Infinity, we've delivered the world's first Digital Employee Experience (DEX) solution to help IT teams close the gap and measure and manage the digital employee experience at every moment. As the first solution to allow IT to progress from reactive problem solving to proactive optimization, Nexthink enables its more than 1,200 customers to provide better digital experiences to over 15 million endpoints.

Nexthink at a glance

- Founded in 2004
- 1,000+ Employees globally in 21 countries
- Dual headquartered in Lausanne, Switzerland and Boston, Massachusetts, Nexthink has 9 offices worldwide
- 1,200 customers
- 60% NPS with a 98.5% client retention rate
- Leader in Digital Employee Experience; Nexthink was named a Leader by Forrester Research in The Forrester Wave™: End-User Experience Management, Q3 2022 report, a Leader in IDC's EUEM 2022 MarketScape for European End-User Experience and a Leader in Vendor Effectiveness in all Areas of DEJ's Top 20 Vendors for Managing IT Performance in 2022 Report Management. While leadership positions are not recognized in the report, Nexthink was also named in Gartner's Market Guide for DEX Tools.

Our mission

Delight People at Work

Core values

Our core values serve as the guiding principles behind every piece of code we write, digital transformation we plan, Nexthinker we hire and meal we share.



We Are Positive: We face challenges with a positive attitude.



We Get Things Done: We are always looking for the fastest and smartest way to get the job done.



We Are One Team: We are all in this together.



We Keep Growing: Our desire to learn and improve never stops.

Nexthink ESG Journey

Timeline



Highlights

Awards and recognitions

EcoVadis Sustainability Rating



For the second year in a row, Nexthink was awarded an EcoVadis Silver Medal for our efforts in sustainability practices! We are proud to be among the top 8% of companies assessed in the software industry.

TrustRadius Tech Cares Award



TrustRadius, the most trusted research and review platform, has recognized Nexthink with a 2022 Tech Cares Award, demonstrating our compassion in every aspect of our company.

Increase Diversity Awards – Employer of Choice 2022-2023



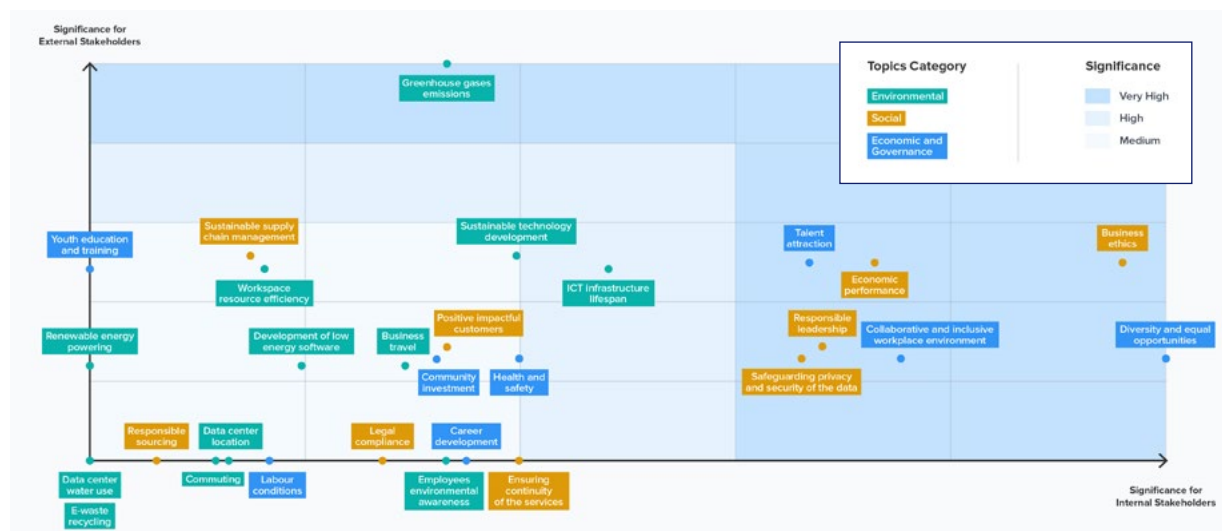
Increase Diversity recognizes the top workplaces who increase diversity through hiring and retention programs, workplace culture and employee and leader training on the topics.



Focusing on the Right Priorities

Materiality assessment matrix

Using a participatory approach conducted by a third-party qualification allowed us to analyze risks and opportunities related to our organization based on the greatest interest of our stakeholders.



Methodology

Our materiality assessment was conducted following a framed and approved methodology with the principals underlying the Global Reporting Initiative (GRI) standards.

To identify Nextthink’s most probable material aspects, the third-party conducted various research to analyze sustainability performance of our sector compared to Nextthink. Based on an initial list of material topics, we started conducting discussions with internal employees to challenge and validate which pre-identified aspects would matter most to them.

Following the consultations with internal stakeholders, we consolidated the project by taking into consideration our external stakeholder’s input.

Note that due to the COVID situation in 2021, those conversations took place through Zoom conversations.

Results

Inputs from those discussions were consolidated and converted into a materiality matrix and compilation of internal and external stakeholder expectations and insights. The assessment highlighted eight highly-significant materiality topics for our stakeholders, which are now the center of Nextthink’s ESG journey. Strategies and actions to continue improving on those topics will all be detailed later in this report.



Environment

Greenhouse gas emissions



Social

Business ethics, economic performance, responsible leadership and safeguarding privacy and data security



Governance

Talent attraction, collaborative and inclusive workplace environment, diversity, equal opportunities and the Nextthink ESG journey

Environment: Tackling Climate Change and Resource Consumption

At Nexthink we know that a thriving business goes hand-in-hand with a healthy and flourishing planet. We recognize our responsibility to the environment beyond legal and regulatory requirements. Through our Environmental Policy, we are committed to improving our sustainability practices to play our part in tackling the climate emergency and reducing resource exhaustion. Creating a bright future for generations to come is essential for our company. Actions and initiatives implemented internally let us to directly control our climate impact.

Our offices across the globe are equipped with technologies that help reduce our energy consumption such as motion detectors and timers, lighting sensors, low consumption lightening systems and installations and temperature monitoring. Our open spaces are also by nature, designed to optimize energy efficiency and air quality.

Awareness campaigns are organized throughout the year to educate and share best practices with Nexthinkers on how to reduce their consumption and global environmental impact.

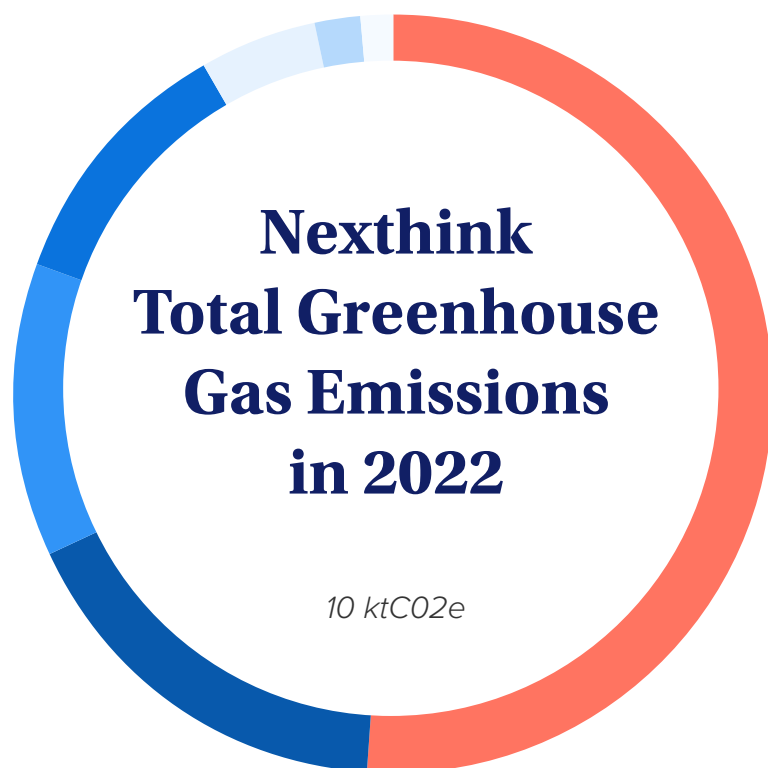
Climate strategy

Greenhouse gas emissions



Scientific models predict that, at this rate, the average surface temperature could rise between 2°C and 6°C by the end of the 21st century.

For this reason, a drastic reduction in greenhouse gas emissions is necessary to keep the average surface temperature rise under 2°C, ideally 1.5°C, to ensure a livable future on Earth. Since 2021, Nexthink has tracked its carbon footprint across all operations and taken measures to reduce emissions and energy consumption internally.



Total emissions, by activity

	(% tCO ₂ e)	(tCO ₂ e)
Digital	51.0%	5.2 k
Services purchase	16.9%	1.7 k
Product purchase	12.4%	1.3 k
Travel & commute	11.1%	1.1 k
Food & drinks	5.0%	509
Activities & events	2.0%	209
Others*		154

*Energy, Waste, Freight, etc.

Primary sources of emissions:

- **Digital (51%):** Includes cloud servers, web services, SaaS, IT licenses and web advertisement necessary for Nextthink's own activities, as well as servers used by clients to host our solution.
- **Services purchase (16.9%):** Includes buildings maintenance, marketing agencies, training and teaching, professional services and insurance. Note that in 2022, our offices in Lausanne, Boston and Madrid were under significant renovations, essential for the comfort and well-being of our Nextthinkers. We also opened a new office in Bangalore requiring additional work and redesign.
- **Product purchase (12.4%):** Includes IT and electronic equipment, office suppliers, manufactured goods and clothes.
- **Travel and commute (11.1%):** includes flights, employee commute, hotels and other accommodations, other business travel, taxis and parking. Note that 2022 was still impacted by COVID regulations restraining travel and a vast majority of employees working fully remote.

Scope	Emissions	Comments
Scope 1 (direct)	3.1 tCO ₂	Includes heating and air conditioning in our leased assets.
Scope 2 (indirect) location-based	78.8 tCO ₂	Indirect emissions associated with purchased electricity in offices.
Scope 3 (indirect)	10.1 kt CO ₂	Includes purchased goods and services, business travel and commute, use of products.
Total Scope 1-2-3	10.2 ktCO₂	

Sustainable IT

In addition to our own journey, we are committed to supporting our customers as they accelerate sustainable IT improvements in the global fight against climate change. Through our Sustainable IT solution, we aim to provide vital insights to help IT and End User Computing (EUC) professionals embed sustainability into the core of their IT strategy.

Our solution translates endpoint-deep insights to synthesize energy consumption data into actionable carbon footprint information that can support GHG reporting, carbon footprint reduction efforts and cost reductions from abnormal and unnecessary energy consumption. The solution also provides campaigns to encourage employee behavioral change and impact sustainability goals.

We are determined to support sustainability and carbon reduction efforts and to that end, will continue to innovate in this domain. To meet with regulatory requirements and stakeholders' expectations, sustainability is becoming the core of IT planning, procurement, service delivery, ongoing asset management and beyond. That's why we want to support every customer in their sustainability journey.

"Our mission is to delight employees at work. Today employees and partners are demanding their businesses and solutions are more sustainable. In a typical enterprise, the digital workplace makes up about 60% of the IT carbon footprint, so we are in a unique position to help minimize carbon outputs and have a strong impact on sustainability. Nextthink is committed to continue innovating in this domain and provide these capabilities free of charge for all our customers," said Pedro Bados, Chief Executive Officer and Co-founder of Nextthink.

Office eco-transition

In 2021, we initiated an eco-transition in all our offices, across the globe. Office supply purchasing practices, water and energy consumption and waste management are consistently assessed, with corrective measures implemented to reduce the environmental impact.

Office management purchasing practices

The office management team has created a unique, internally-developed assessment protocol. This tool allows us to evaluate our vendors (office supplies, food and beverages, etc.) to determine their sustainability qualifications and standards. This procurement procedure guarantees that the products we use are produced in an ethical and sustainable manner, aiding us in reducing office waste. It not only allows us to partner with sustainable suppliers but also empowers us to support local communities. By minimizing waste generation within our premises and paying keen attention to the environmental and societal effects of our acquisitions, we aim to make a positive difference.



765 Liters
per person

Water consumption 2022*

*Water consumption is tracked in our offices in Lausanne and Madrid (404 employees in 2022).



275,762kWh

Total energy consumption 2022



195,942kWh
= 70%

Total renewable energy consumption 2022

Waste management

Being a software company, the majority of our waste originates from everyday office activities, including consumption of food and beverages (F&B), usage of office supplies and disposal of essential IT equipment used in the creation, maintenance and enhancement of our products.

To mitigate this, we have initiated recycling programs across all our offices, adhering strictly to local waste management regulations and practices. In certain instances, we have even surpassed the required standards by forming alliances with local recycling businesses such as Les Joyeux Recycleurs, which is based in Paris and specializes in facilitating recycling for companies.

By implementing our own recycling programs, we are able to quantify and monitor the waste we generate. This allows us to develop localized solutions to cut down on waste production, such as partnering with suppliers who use less packaging or promoting a culture of sustainability among our employees. We actively encourage our team members to embrace sustainable habits and maximize their recycling efforts.



10334kg

Total non-hazardous waste 2022



4788kg
+45% from 2021

Waste recycled 2022

Greenthinkers.

Affinity Group

The Greenthinkers Affinity Group is a team of 10 Nextthinkers across the globe that was created in 2021 to champion crucial environmental initiatives, both for Nextthink and beyond!

Their mission is to encourage a culture where environmental issues are a priority in business decisions in order to reduce Nextthink's carbon footprint. They drive positive change through awareness and initiatives for a healthier tomorrow.

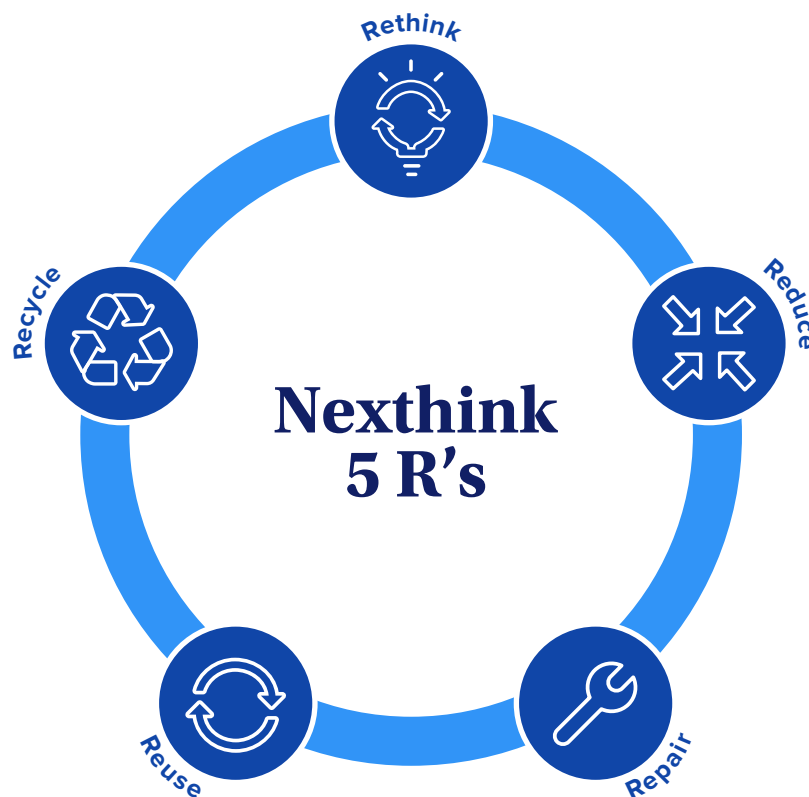
Impactful initiatives have been carried out by the Greenthinkers and further implemented at a broader level such as composting bins, complementing our existing recycling programs and helping the company fight food waste and engage a larger number of employees to act for the environment.



E-waste management

Nextthink conscientiously aims to diminish environmental impact by leveraging the reduce, repair, reuse and recycle methodology. Our strategic focus is geared towards reducing our reliance on digital and electronic resources. Our objective is to ensure electronic garbage is not being tossed in the landfill but disposed of in an environmentally friendly manner to avoid hazardous waste being released into our natural environment. Our primary goal revolves around mitigating the disposal of electronic waste into landfills, emphasizing instead eco-friendly disposal practices.

We implement key principles to rethink our consumption of resources and extend the lifecycle of IT assets to postpone and reduce unnecessary e-waste by repairing and reusing resources as applicable and commit to recycling devices no longer in use, in an environmentally safe approach.



Rethink

Nextthink continuously evaluates and improves Green IT practices to enhance the well-being of employees and our environment while reducing our carbon impact.

Reduce

All Nextthinkers are encouraged to print less, use environmentally friendly web browsers, send fewer e-mails and attachments, utilize OneDrive to reduce digital waste and to shut down devices when they are not in use. Nextthink leases printers in most offices and meeting rooms are set to automatically switch off during the night.

Repair

Nextthink adopts a repair-first approach to fix damaged equipment instead of replacing it straight away. After an initial on-site investigation, equipment is returned to the vendor for repair.

Reuse

At Nextthink, new equipment begins with a 4-year lifecycle under regular maintenance plans, coupled with actual device performance and employee experience reviews to explore if the device life can be extended. If device and employee performance fall below acceptable levels, the machine is deemed unsuitable for work purposes and offered to the employee for personal use.

Recycle

Nextthink follows a responsible disposal process conforming to regulatory requirements and best practices. We cooperate with local recycling companies. Nextthink also extends and encourages employees to bring their personal e-waste in for proper recycling.

Travel and commute

With offices spread out across the globe, Nextthink's business travel has a significant impact on the carbon footprint. Our internal Travel Policy encourages Nextthinkers to travel smartly by avoiding unnecessary flights and booking their tickets via our external partner platform to be able to monitor and offset CO2 emissions. Meeting rooms and vision conference tools have been updated to offer employees the best digital and remote experience.

Our offices are also located in city centers, easily reachable by public transport to incite our collaborators to leave the car behind and favor more sustainable means of transport. By organizing awareness campaigns such as the World Bicycle Day or Step Count Challenge and having bike-friendly offices, we are also encouraging our employees to reduce their everyday commuting impact.

Our commitment to Net Zero

The real value of a carbon footprint analysis is realized only when it is paired with reliable, actionable measures. To contribute to the global effort of reaching a net zero economy, Nextthink submitted its application to the Science-Based Target initiative in 2023. This year will thus be a decisive and exciting year for Nextthink as we build our reduction targets and initiate profound changes to align with those objectives. We are delighted and proud to soon be part of a community of leaders taking their environmental responsibility and fighting against climate change.

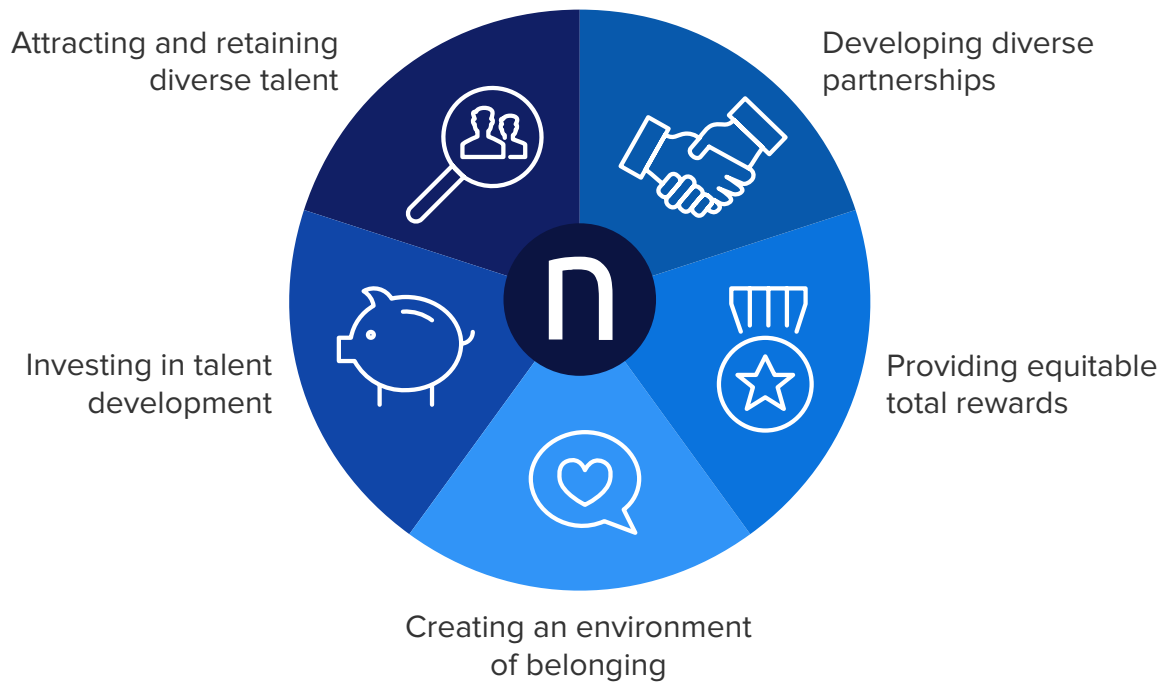


Social: Fostering an Equitable and Inclusive Future

Nextthinkers are the heart of our business and we're serious about creating a workplace that's welcoming to all—no matter race, ethnicity, age, country of origin, gender identity, sexual orientation, religion or physical ability. It is important that every Nextthinker, customer, partner and stakeholder feels valued, heard and seen. Because when you feel like you belong, you're not just happy to

come to work—you're excited about it! As we continue to learn, grow and engage with our employees and the communities we serve, we remain committed to refining and improving our approach to Diversity, Equity, Inclusion and Belonging (DEIB). To ensure that we are creating an environment where everyone feels empowered to succeed.

Diversity, equity, inclusion and belonging at Nextthink





Building a community of Nexthinkers

Nexthink's commitment to DEIB is centered around five key pillars: attracting and retaining diverse talent, fostering a workplace and culture of belonging, developing external partnerships and supporting our communities, investing in talent development and providing equitable total rewards. By prioritizing these pillars, we aim to create a holistic approach to DEIB that infuses our Nexthink values in an environment where everyone feels empowered to succeed.

We operate with empathy, open minds and mutual respect. We are creating an environment that accepts Nexthinkers for who they truly are, thrives on inclusion and fosters innovation. We make room for everyone to do their best work. When you join our team, you're joining 900+ unique employees who live in 21+ countries, across 8 different time zones, speaking 70+ languages, each with a different story to tell.

Talent attraction and retention

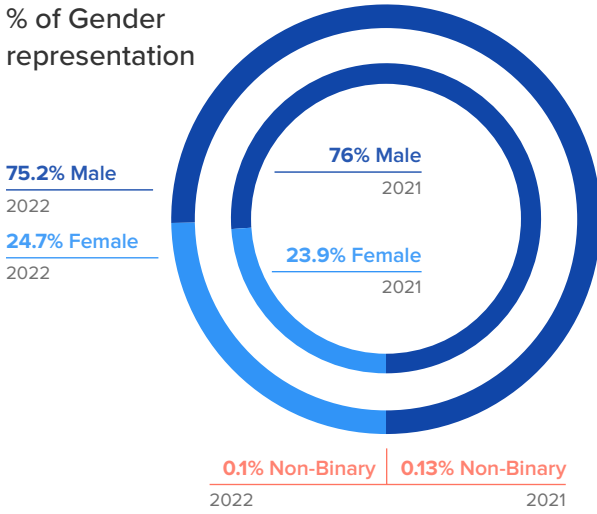
A diverse workplace starts with a transparent recruitment process and recruiters trained and committed to consistently remove bias throughout the candidate journey. This year 2022, our Global Talent Acquisition team successfully completed the Qualified Diversity Recruiter program hosted by Jennifer Tardy Consulting with the objective to implement a structured hiring process treating every candidate fairly. Hiring trainings are also facilitated outside of our recruiting team for managers and the global organization.



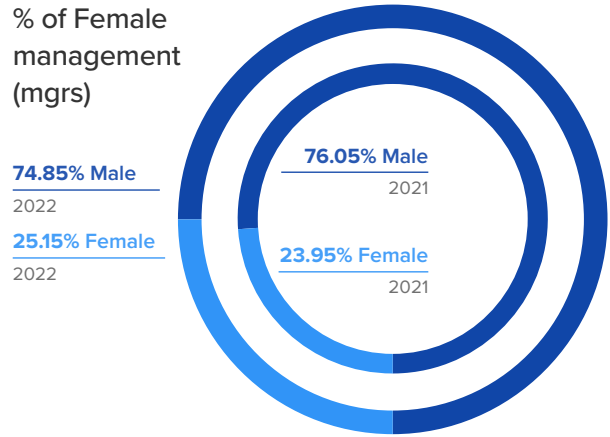
Insightful Diversity Metrics

Women still being underrepresented in the Tech industry. We developed partnerships with local organizations and universities such as Girls in Tech, EPFL Women’s Group and Boston BUILD to promote STEM related jobs and offer opportunities to women in this sector.

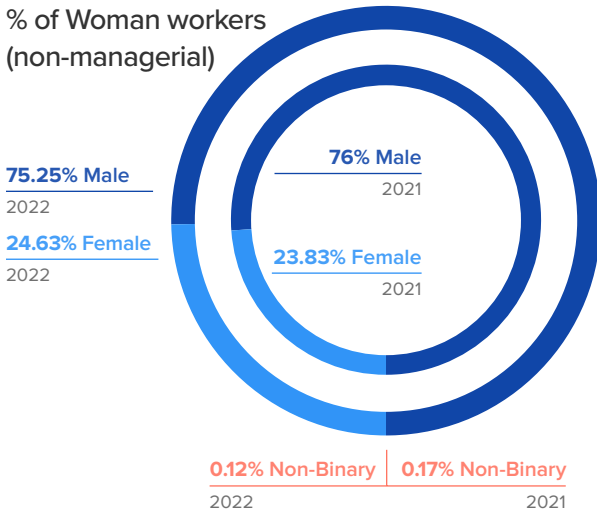
% of Gender representation



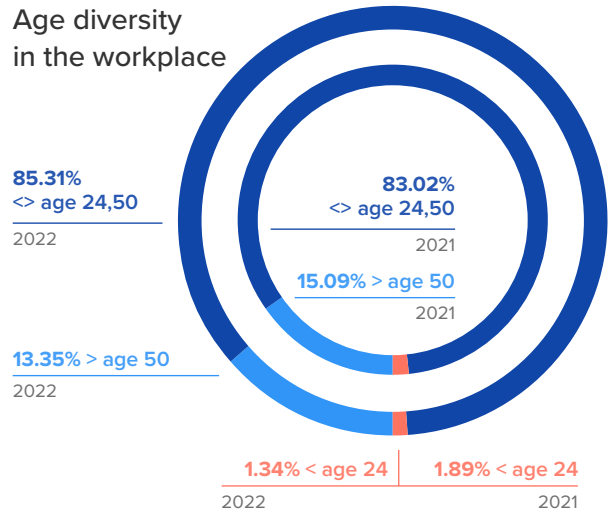
% of Female management (mgrs)



% of Woman workers (non-managerial)



Age diversity in the workplace



Fostering an inclusive environment

Our dedicated DEIB team focuses on building regional programs to foster a diverse talent pipeline and embrace this diversity by celebrating international and cultural heritage days. We make it a priority for our employees to feel welcome, seen and appreciated for who they are and the unique knowledge and backgrounds they bring with them. To expand and secure this safe and respectful environment, quarterly global diversity dialogues and training are organized for employees and managers. In 2022, dialogues touched on topics such as how mental health and anti-racism can and should intersect to create inclusive spaces and nurture sustainable environments, LGBTQIA+ community in the workplace ranging from intersectionality to representation and advocacy, inclusive hiring practices for leaders and striving for women's equality at work.

We support pay equity to ensure all team members are treated fairly and have generous benefits. These include extended parental leaves, unlimited PTO, paid volunteering time and extended family benefits to support physical, mental and social well-being.

Connecting with local communities

There's a lot of work to be done in advancing diversity, equity and inclusion. But we also recognize that small steps lead to big steps and big steps lead to giant leaps forward. Nextthink is focused on driving inclusivity and belonging within its team and beyond. Through our collaboration with local organizations such as [TechSpark](#), [European Women in Tech](#) and [Powercoders](#), we help promote coding skills among young girls, migrant groups and POC communities by hosting career fairs inside our offices or facilitating workshops at international conferences. Nextthink is truly committed to disrupting today's bias and building the diverse workforce of tomorrow.





Closing the gender gap in STEM fields

Learning to code gives children the opportunity to understand the technologies that will be the foundation of their future, irrespective of education or career path. **However, the gender gap persists in Science, Technology, Engineering and Mathematics fields, with women representing only 28% of the workforce.** To drive change in the domain, together with TechSpark Academy, Nextthink organizes multi-days workshops

where university students teach 8 – 18-year-olds modern programming languages (Python, the world's most popular programming language and Apple's Swift) and 21st-century skills (cybersecurity, robotics, 3D printing). Parents benefit from a scholarship for their girls to access the school-break camps in Switzerland which is covered at 50% by Nextthink.

In 2022
48girls

Benefited from
Nextthink's
sponsorship

Employees health and safety

Securing a safe and healthy workplace

The health and safety of our Nexthinkers is always a priority. Our office management teams around the globe continuously carry out actions and corrective measures to identify, assess, manage and reduce risks across the organization. Those processes include:

- Monthly workplace environment inspections
- Air purity and water quality audits
- Quarterly progress reviews on both health and safety and fire risk, along with annual health and safety and fire safety audits
- Incidents and accidents Reporting: Nexthink monitors incidents and accidents at the workplace and takes remedial actions when needed

The number of reportable incidents and/or accidents that occurred over the last 12 months are 5 minor incidents. 3 of them with no safety effect (E5) and 2 others which caused minor injuries (D4) in which remedial actions were taken and no further follow-up was needed.



Nexthink also ensures that Nexthinkers are always prepared to respond to any emergency. About 323 employees were trained for Health & Safety Induction, 19 for Fire Marshal and 14 with First Aider procedures, as well as 178 for Emergency Procedures.

Nexthink is unwavering in its commitment to providing conducive, comfortable and inclusive work environments for all our team members, irrespective of their location, be it at our office premises or their home. With this vision in mind, our office management team conducts evaluations of all workstations to ensure adherence to our high standards. We are dedicated to facilitating access to ergonomically tailored furniture for all our personnel, in line with our comprehensive ergonomic policy and program. This pledge underscores Nexthink's commitment to the wellbeing and comfort of our people, reinforcing our drive towards providing optimal work experience for every individual within our team.

Equally, we aim to remove barriers in our workplace and commit to providing equal employment opportunities for all qualified individuals with disabilities. An individual with a disability may request reasonable accommodation at any time during the application process or during the period of employment. In addition, each office has a wellbeing room to allow our collaborators to breastfeed, meditate, pray, or rest in privacy.



Nexthinkers well-being

Prioritizing mental health and well-being

At Nexthink, we consider our employees' mental health and work-life integration as paramount. We are deeply committed to fostering an environment that encourages mental well-being and promotes flexibility.

This year, we implemented a mindfulness program accessible by all our employees on their phone. The platform provides Nexthinkers with motivational tips and principles to manage their mental health while building a resilient mindset to prevent exhaustion and burn out. The implementation of the tool was accompanied by global webinars and a training for twenty ambassadors to become leaders and mentors for their colleagues to create a healthy work-life balance.

Nexthinkers are also encouraged to take part in sports activities through gym memberships, as well as employee-led groups, like our soccer team or the Nexthink running club. Combining the Nexthink priorities of employee well-being and giving back, Nexthink hosts yearly global campaigns to raise funds for a selected charity, with our annual step challenge as an example. Nexthinkers are also given the opportunity to raise their concerns and to report on the state of their mental health by completing the annual Employee Experience survey.

One of the keyways we promote personal time and flexibility is by offering unlimited paid time off (PTO). By granting employees the freedom to take time off when needed, Nexthink fosters a culture that values personal well-being and recognizes the significance of rejuvenation. This policy empowers individuals to prioritize their mental and physical health, spend quality time with loved ones and pursue personal interests and passions outside of work. Encouraging employees to take advantage of this generous PTO policy not only contributes to their overall happiness and job satisfaction but also enhances their productivity and creativity when they return to work.

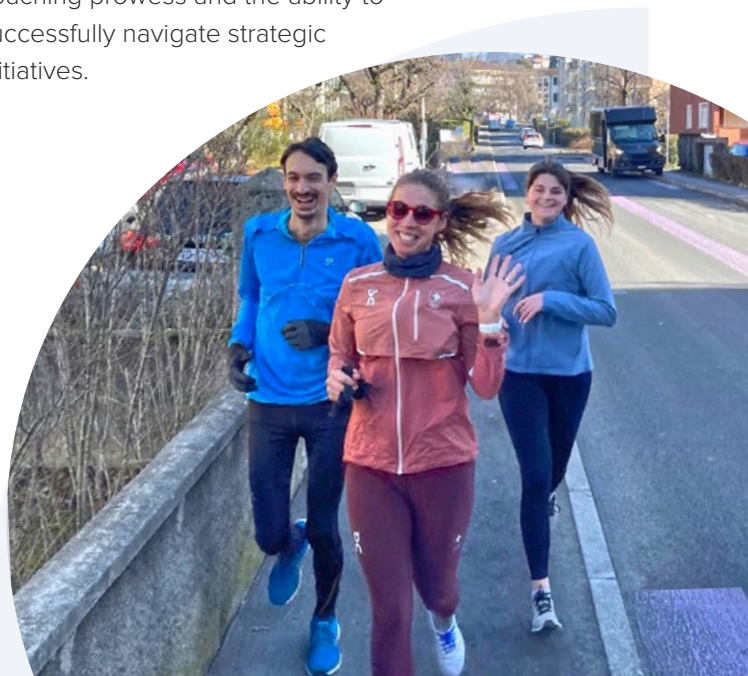
Career development

Enabling opportunities for people

Internal mobility at Nexthink: At Nexthink, we empower our employees to take charge of their own career paths, fueling a culture of growth and exploration. Our visionary leadership team wholeheartedly supports the notion of nurturing the careers of our talented Nexthinkers, even if it means venturing into new roles within our organization. Whether it's a different office, function, or even country, we encourage employees to apply for open positions that pique their interest and align with their qualifications. When a manager identifies a potential candidate for a different role, they proactively reach out to the current manager to initiate a meaningful conversation.

Igniting professional development: At Nexthink, we firmly believe in investing in the continuous professional development of each and every employee. To fuel their growth, we provide a generous \$500 training budget per person, allowing them the freedom to choose how they want to enhance their skills in alignment with their professional goals. Furthermore, we support and reimburse employees for books and e-books that expand their knowledge and expertise.

Skills training: Proactively driving progress, we actively organize targeted skills training for our workforce. Over the past year, we have conducted a series of immersive "Manager Trainings" enabling over 75 of our esteemed managers. These dynamic sessions equipped our managers with effective communication strategies, coaching prowess and the ability to successfully navigate strategic initiatives.



Employee volunteering program

Supporting our local communities

Nextthink is not just about innovative technology and excellence at work; we are also deeply committed to making a positive contribution in our local communities and beyond. Central to our identity is a strong sense of social responsibility, a commitment we've embodied through the creation of our Employee Volunteering Program. This unique initiative allows our team members to take three paid leave days each year specifically for volunteering.

By fusing our professional ethos with a shared commitment to social impact, we enable our employees to lend their time and effort to the causes they feel most passionate about, all during regular working hours.

We partner with charities and build sincere relationships that allow employees to engage and support by way of both field and skill-based volunteering activities, as well as material and monetary donations. This year we are proud to share that Nexthinkers supported 24 different causes, catalyzing change in our local communities and nurturing a culture of giving back.

Our program has evolved to also support natural disasters and humanitarian crises by matching our employees' donations. In 2022, we supported the victims of the war in Ukraine, with significant monetary donations that poured in from Nexthinkers around the globe, extending to also including goods and medical supplies.

Some highlights



Global initiatives

Volunteering week June 2022



Encouraging our employees across the globe* to celebrate World Environment Day by participating in a clean-up activity or the removal of invasive plants.

Walk of hope October 2022



Hosting a global fundraising event for Terre des Hommes. Nexthinkers had to run 10,000 km globally in a month to raise \$ 10,000 for the charity.

Holiday wishes initiative December 2022



Gathering employees to offer gifts to children in less fortunate situations during the holiday season**.

* Lausanne, Boston and Madrid

** Lausanne, Boston, Madrid, Paris and London

Governance: Growing Responsibly

Business ethics

We hold ourselves accountable, to the highest standards of business conduct, at all times. We aim to be universally recognized by individuals and institutions as a company operating with the utmost integrity.

The Nexthink Code of Conduct allows us the opportunity to express our values and put them into practice.

Our commitment to the principles of the Code serves many purposes, but most importantly this commitment determines the excellence of the people we can attract and retain, the leadership role of our products in the marketplace and the transformational value we bring to our customers.

The Code incorporates our vision and expectations for our conduct at work and in the world. It means to bring our core values to life and it is the overarching set of principles that pulls all of our policies and practices together. All Nexthinkers will be held to these standards and expectations.

Additionally, we take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships.

Board independence

Nexthink is managed by a Board of Directors consisting of eight members who are elected for one year by the shareholders of Nexthink, including Pedro Bados, CEO of Nexthink. As of today, the Board of Directors includes six independent members. The list of Directors can be found on the [Nexthink website](#).

The independence of the Board of Directors of Nexthink is assessed on a yearly basis with questionnaires containing seven questions that meet the requirements of NASDAQ Rule 5605(a)(2). The last assessment was done in September 2022 and the questionnaires were filled out and signed by all of the Directors.

Additionally, Nexthink's governance structure includes two committees: the Audit Committee and the Compensation Committee.



Human rights

Nextthink believes that everyone has the right to be treated with dignity, respect and fairness.

We are committed to improving our practices to combat modern slavery in our business by taking steps, as far as we are able, to ensure that our supply chains are free from slavery and human trafficking.

Our [Slavery and Human Trafficking Statement](#) is adopted on a yearly basis by Nextthink's Board of Directors.

We are also committed to protecting the human rights of our employees and other workers within the workplace. This includes the right to a safe working environment, the right to fair remuneration and equal pay for equal work.

In addition, everyone has the right to a private and family life. Nextthink supports this through our hybrid working approach and zero tolerance on any type of discrimination.

Effectiveness in combating slavery and human trafficking

We use the following key performance indicators (KPIs) to measure how effective we have been at ensuring that slavery and human trafficking is not taking place in any part of our business or supply chains:

- The percentage of suppliers and sub-contractors vetted for ethical labor practices.
- The number of reported breaches in the past year.

As a future KPI, we will also look to measure the percentage of staff receiving training on identifying and addressing the risk of slavery and human trafficking in our business and supply chains.

Anti-harassment and anti-discrimination

Nextthink does not tolerate bullying, discrimination or harassment. We require the respectful treatment of others and we operate in compliance with the laws and the practices of our community. Through enforcement of our Anti-Bullying, Anti-Discrimination and Anti-Harassment Policy and by education of employees, Nextthink will seek to prevent, correct and discipline behavior that violates this policy.

We expect our people to interact respectfully and positively. All employees, regardless of their positions, are covered by and are expected to comply with this policy and to take appropriate measures to ensure that prohibited conduct does not occur.

We expressly prohibit any kind of bullying, discrimination, or harassment, all of which are against Nextthink values and standards.

Appropriate disciplinary action is taken against any employee who violates this policy. Based on the seriousness of the offense, disciplinary action may include verbal or written reprimand, suspension or termination of employment.



Procurement and supply chain

Due diligence and risk assessment

We vet partners, suppliers and sub-contractors to ensure that they are committed to ethical labor practices. Through our [Business Partner Code of Conduct](#), we require that they are compliant with applicable laws and standards, which includes internationally recognized human rights and labor standards and anti-slavery laws.

The following policies are implemented to help with the identification of modern slavery and human trafficking risks:

- Whistleblowing Policy – We encourage all our workers, employees, partners and sub-contractors to report any concerns related to modern slavery and human trafficking in our business operations or supply chains.
- Employee Code of Conduct – This sets out the behavior expected from our employees and always encourages them to act with integrity.

Local purchasing policy

Our company recognizes the need to protect and promote the local community as much as possible and maintain the awareness to ensure that our activities do not directly or indirectly damage or harm the localities we work from in any way.

Our local purchasing policy establishes priorities of purchasing and trading with local vendors and suppliers in order to promote and support the economies of the respective office locations. We want to be a responsible business that meets the highest standards of ethics and professionalism.



Information security

Nextthink is the leader in digital employee experience management software that requires security by design and privacy by default. The company gives IT leaders unprecedented insight into employees' daily experiences of technology at the device level—freeing IT to progress from reactive problem-solving to proactive optimization. Nextthink enables its more than 1,200 customers to provide better digital experiences to more than 15 million employees.

As Nextthink delivers software that can be integrated with our customers' information systems or delivered as a SaaS solution, it must ensure security and privacy of its development, delivery production, administration, operations and product support. The company is dedicated to protecting its customer information and will ensure its confidentiality from external or internal threats.



To follow this ambition, Nextthink has set the following global objectives:

The protection of customers' data, including any personal data processed by Nextthink on such customers' behalf.

- No customer data leaks.
- No customer data loss or corruption.
- Ensure availability of Nextthink SaaS production remains within SLA.
- Ensure availability of Nextthink internal services remains within SLA.
- Protect Nextthink's intellectual property.
- No major breach (ransomware, source code leak, etc...).
- Ensure compliance with identified regulatory, legal, statutory and contractual requirements.
- Ensure that each Nextthink employee successfully completes the Security Awareness training annually.

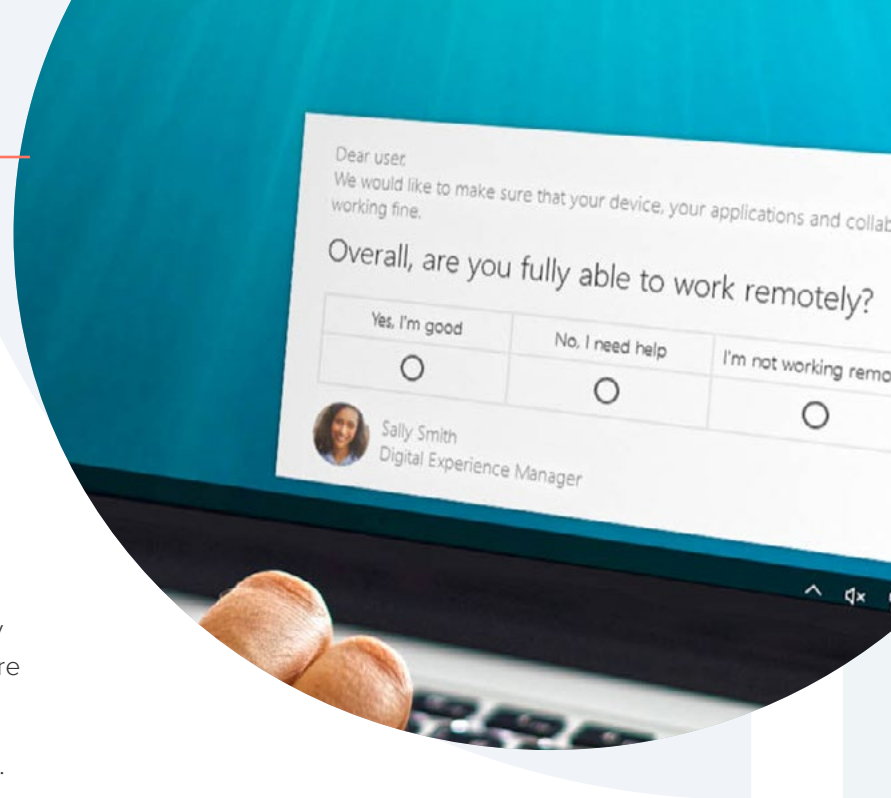
This strategy relies on following six pillars:

- Confidentiality – Information is only made available or disclosed to authorized individuals entities, or processes.
- Integrity – Information can only be modified by an authorized individual or entity.
- Availability – Services are accessible and usable on demand only by an authorized individual or entity.
- Compliance with the Privacy standard ISO 27701 and regulations such as GDPR.
- Compliance with the Security standards ISO 27001, 27017, 27018, ENS2 and AICPA SOC2 Trusted Service Criteria Security and Availability.
- Continuous improvement – General security and privacy posture should always be improved based on risk assessment and control effectiveness.

Privacy

At Nexthink, we understand that Privacy is a central aspect for all of our customers. Nexthink's various certifications are proof of the seniority of our security as well as our Privacy program. Nexthink's ISO 27701 certified Privacy Information Management System ("PIMS") demonstrates our commitment to maintaining a comprehensive privacy framework that aligns with international best practices and that our solutions are designed to safeguard the sensitive information of every individual. Regular independent audits of our PIMS ensure that Nexthink:

- Complies with applicable Privacy laws and regulations.
- Has established clear policies and procedures for the collection, use, storage and disclosure of personal data.
- Protects the Privacy rights and interests of individuals whose data is processed.
- Minimizes the risk of data breaches, unauthorized access and misuse of personal data.
- Regularly assesses Privacy risks and maintains appropriate controls and safeguards to mitigate such risks.
- Facilitates transparency by providing customers with clear information about how their employees' data is processed.
- Regularly provides Privacy trainings to its own employees.
- Supports a culture of continuous improvement by regularly reviewing and updating privacy policies, conducting audits and addressing any identified gaps or deficiencies.



Our comprehensive approach includes regular security assessments, robust data encryption, strict access controls and transparent privacy policies. Moreover, Nexthink's Privacy Team works closely together with our Product Teams early in the development process and Nexthink's culture encourages addressing any identified gaps or deficiencies. We understand that Privacy is not just a compliance requirement but a fundamental aspect of trust and customer satisfaction.

Appendix

Materiality assessment – stakeholders' participations

All our C-Levels including our CEO participated in the assessment along with the Chairman of the board.

	Number	Location of participation	Profiles	Comments
Internal stakeholders	24	USA, Spain, Switzerland, United Kingdom, India, Germany and United Arab Emirates	Employees of all departments were represented.	We organized 4 groups of 6 participants for one hour and half.
External stakeholders	4	N/A	3 customers, 1 Association active in Green IT, 1 board member, 1 shareholder.	Each of them participated in one session of one hour.

Appendix

Employees breakdown

Table 1. Employees by gender

REPORTING PERIOD 2022			
Female	Male	Non-Binary	Total
Number of employees (head count / FTE)			
289	839	1	1129
Number of permanent employees (head count / FTE)			
271	825	1	1097
Number of temporary employees (head count / FTE)			
18	14	0	32
Number of non-guaranteed hours employees (head count / FTE)			
1	0	0	1
Number of full-time employees (head count / FTE)			
281	831	1	1113
Number of part-time employees (head count / FTE)			
7	8	0	15

Table 2. Employees by region

REPORTING PERIOD 2022				
Europe	META	Asia-Pacific	America	Total
Number of employees (head count / FTE)				
700	30	138	261	1129
Number of permanent employees (head count / FTE)				
680	29	133	255	1097
Number of temporary employees (head count / FTE)				
20	1	5	6	32
Number of non-guaranteed hours employees (head count / FTE)				
1	0	0	0	1
Number of full-time employees (head count / FTE)				
684	30	138	261	1113
Number of part-time employees (head count / FTE)				
15	0	0	0	15

Appendix

Energy consumption within the organization

Location	Concept	Amount (kWh)	Gigajoules
Lausanne	Electricity mix		
	Renewable electricity (100%)	107,582.42	387.30
Boston	Electricity mix	18,596.38	66.95
	Renewable electricity (0%)		
Madrid	Electricity mix	33,838.92	121.82
	Renewable electricity (48%)	36,658.82	131.97
Paris	Electricity mix		
	Renewable electricity (100%)	11,655.74	41.96
London	Electricity mix		
	Renewable electricity (100%)	40,044.80	144.16
Dubai	Electricity mix	3,951.00	14.22
	Renewable electricity (0%)		
Bangalore	Electricity mix	23,434.00	84.36
	Renewable electricity (0%)		
Total renewable energy		195,941.78	705.39
Total energy consumption		275,762.08	922.74

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GRI

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Topic	Response	GRI
Organization and reporting practices		
Organization name	Nextthink SA	2-1
Nature of ownership and legal form	Private Limited Company	2-1
Location of headquarters	Lausanne and Boston	2-1
Countries of operations	USA, Spain, Switzerland, United Kingdom, India, Germany and United Arab Emirates	2-1
Nextthink entities	Nextthink SA, Nextthink Inc., Nextthink France S.A.S.U., Nextthink Spain S.L.U., Nextthink Ltd., Nextthink GmbH, Nextthink India Digital Experience Private Limited	2-2
Reporting period and contact point	About This Report	2-3
Restatements of information	As this is Nextthink's first report no restatement have to be done.	2-4
External assurance	About This Report	2-5

Company–General Disclosures		
Topic	Response	GRI
Sector	Software	2-6-a
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Statement on sustainable development strategy	A Letter from Our CEO	2-22
Policy commitments	Slavery and Human Trafficking Statement Governance	2-23

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GRI

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	Appendix materiality assessment	3-1-b
List of material topics	Our materiality assessment matrix	3-2
Management of material topics	Greenhouse gas emissions	3-3
	Business ethics	
	Responsible leadership	
	Safeguarding privacy and security of the data	
	Talent attraction	
	Collaborative and inclusive workplace environment	
	Diversity and equal opportunities	
	Economic performance: as a non-public organization, Nextthink does not communicate its performance externally	

Company–Topic Standards		
Topic	Response	GRI
Energy consumption	Nextthink energy consumption	302-1
Emissions	Climate strategy	
	Scope 1 = 3.1 tCO ₂	305-1
	Scope 2 = 78.8 tCO ₂	305-2
	Scope 3 = 10.1 kt CO ₂	305-3
	Total emissions = 10.2 ktCO₂	
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	E-waste management	
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Non-discrimination	Anti-harassment and anti-discrimination	406-1
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	Privacy	



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