

# Sustainability report 2022

BTS Sustainability Report has been prepared in accordance with the provisions of Chapters 6 and 7 of the *Swedish Annual Accounts Act* and encompasses the BTS Group in its entirety. BTS Board of Directors is responsible for this Sustainability report.

## BTS as a catalyst for change and transformation

BTS is a global professional services company for the implementation of strategies and culture shifts, founded in 1986. The company is headquartered in Stockholm, Sweden, with over 1,180 professionals located on six continents and is listed on Nasdaq Stockholm.

BTS focuses on the employees when organizations are changing their strategy and culture, and works with leaders at all levels to improve their leadership and decision-making skills, as well as how to convert those decisions to actions and to deliver results through alignment, changed mindsets, and developed capabilities.

BTS has been designing engaging and powerful experiences for over 35 years, that have had a profound and lasting impact on clients' participants and their careers. BTS inspires new ways of thinking – building critical capabilities and behaviors that employees and leaders need to improve business outcomes. *It's strategy made personal.*

## BTS's holistic view on sustainability

BTS's perspective on sustainability is holistic and includes both social, business and environmental perspectives. The company has, from these perspectives, developed a sustainable focus with relevant goals and activities where the company can make an impact as well as contribute to a better environment. It is a combination of important areas, considered by BTS as crucial for the sustainability work, that includes activities for the company's employees, clients and contractors.

BTS's sustainability policy, vision and values, and overall strategic sustainability goals form the basis of the company's work in this area which includes efforts to increase environmental, economic, and social responsibility. BTS has UN's Agenda 2030 as starting point within the following areas:

- Strong business ethics and responsible entrepreneurship for sustainable business culture.
- A sustainable and equal workplace.
- Actions for a positive impact on the environment and climate.
- Supporting clients in implementing strategies within sustainability.
- Social responsibility with impact.

BTS shall in an active way contribute to UN's Agenda 2030 with a special focus on high business ethics, an equal and developing workplace, a positive climate impact, and a strong sense of social responsibility.

BTS's overall, and strategic, goal for sustainability summarizes the company's view on sustainability – **BTS shall in an active way contribute to UN's Agenda 2030 with a special focus on high business ethics, an equal and developing workplace, a positive climate impact, and a strong sense of social responsibility.**

A first, overall and measurable sub-goal, in order to externally verify that the company is moving towards this overall and strategic goal, is to achieve a score of at least 50 out of 100 in the *EcoVadis* scorecard in 2023. *EcoVadis* is a global provider of holistic sustainability ratings service of companies. In 2022, BTS scored 53 (bronze position). Additionally, BTS is following up the sustainability work by continuously measuring the company's progress in relation to the following goals per focus area, see next page:



Focus area	What BTS measures	Goals 2025	Outcome 2022	UN's Sustainable Development Goals	
Strong business ethics and responsible entrepreneurship for a sustainable business culture	BTS's Code of Business Conduct signed by all employees	100%	100%		
	Number of subcontractors who have signed BTS's Code of Business Conduct	100%	100%		
	Number of reported cases of corruption or other violations of the rules against BTS's Code of Business Conduct	0	0		
A sustainable and equal workplace	Number of women in the company	50%	54%		
	Number of women in the Group management team	50%	40%		
	Number of women at higher leader levels	45–55%	32%		
	Number of employees promoted	15–20%	20%		
	Number of employees with access to health and stress support	100%	99%		
	Attrition rate	<10%	14%		
Actions for a positive environmental and climate impact	CO <sub>2</sub> impact from flying	<15,000 tons	6,000 tons (21,000 tons 2019)		
	Absorption of CO <sub>2</sub> through preserved rainforest		16,4 million tons		
Supporting clients in implementing strategies within sustainability	Number of customers BTS supports with strategy implementation, innovation, and DEI culture (Diversity, Equity, Inclusion)	30	33		
Social responsibility with impact	Number of microentrepreneurs, leaders and students that have participated in BTS's sponsored programs, accumulated	1,000,000	754,573		
	Number of CSR (Corporate Social Responsibility) partners	5	3		

## Strong business ethics and responsible entrepreneurship for a sustainable business culture



### Strong sustainable business culture

Sustainability is, and has always been, a prerequisite for BTS's growth and ability to attract new employees and clients. The culture is recognized by a strong work ethic and good business ethics internally, and on all assignments BTS is engaged in.

Employees cannot accept payments or other benefits from third parties who might influence, or be perceived to influence, objectivity when making business decisions. Potential risks include partnerships that require the purchase of material or services from specific vendors, clients' expectation to be compensated for attending BTS client events, and the benefits the BTS sales organization offers when a client is evaluating suppliers. The processes followed by local leadership and management ensure that these risks are reduced to a minimum. BTS has not had any reported cases of corruption or violations of rules during the year.

### Important policies for IT-security

IT security is a prioritized area as BTS's operations are built on different data and educational platforms, and as different levels of confidential documentation are handled in client engagements. In addition, BTS's own immaterial assets and

systems need to be protected from breaches. The company has nine different IT and security policies that regulate the use of equipment, behavior, systems and applications. New employees are informed about the company's policies as a part of the onboarding program, and compliance is tested continuously among all employees through random controls.

During 2022, the company ran two digital education programs for all employees which focused on *Global Data Protection Resolution* (GDPR) and security in email communication and on different social platforms.

### Certified data and systems suppliers

BTS suppliers are data security certified to ensure they have the systems and procedures in place to protect data privacy.

### BTS's Code of Business Conduct for subcontractors

BTS's suppliers are mainly contracted consultants within leadership, sales training, and coaching. These consultants follow the same quality demands as the company's employees, and they must also follow the same *BTS's Code of Business Conduct*, customized to their external role.

## A sustainable and equal workplace



### A business culture characterized by diversity, equity, and inclusion

People make the difference; within all enterprises, people create value. Attracting talent, as well as developing and retaining skilled employees, is critical for BTS to be able to deliver favorable results and achieve long-term success. This is especially important in the professional services industry where the quality of employees' work has a direct positive correlation with customer satisfaction and profitability. As a result, BTS offers many benefits, and maintains a sound company culture, to ensure that BTS remains an attractive employer and a great partner to its clients.

Today's labor market is significantly more mobile than ever before. Employees are more focused on sustainability, individual development, and demand better support, training, and a good work environment. As a result, employers must make a strong effort to attract and retain the right people. BTS's global recruitment process helps match BTS's business expectations with employee expectations.

BTS leaders continuously listen to their employees in order to remain an attractive employer. Management conducts an

employee survey every year to analyze the current attitudes of its employees, the culture, and the workplace, as well as to ask for feedback on improvement opportunities. From this information, leaders formulate action plans, together with the employees, to ensure that BTS continues to have engaged personnel.

### Employees' health and security in focus

One of the greatest risks in business today is employees pushing themselves to the limit, which may lead to stress and fatigue. Through BTS's global planning teams and local leadership, BTS mitigates this risk by acting early when BTS sees patterns of excess working hours beginning to develop.

The nature of work at BTS can influence the work-life balance as assignments may require travel, sometimes to other regions. The new way of working, with an increase in virtual meetings and deliveries, has presented new opportunities for employees to be more flexible in where they work, generally reducing the level of stress.

## In 2022, BTS invested in 1,200 workdays of virtual personal health support

In 2022, BTS continued offering activities to create a workplace of comfort and safety with different initiatives and offerings to support employees' health – like stress management, physical activities, and different types of consultation – offered via the virtual support organization *TaskHuman*. Employees were offered support in areas such as mental and physical health, finance, home and family, diet, and personal development. In total, the company invested 1,200 workdays of time in virtual person-to-person conversations, together with *TaskHuman*.

## Gender balance is a priority

For BTS, long-term sustainability, dynamic operations and gender balance, are important, as well as a priority, and they are all taken into consideration in the recruitment and selection process. The share of female employees was 53.7 percent for 2022 (the company goal is 50 percent), an increase from 52.4 percent in 2021.

### BTS's average number of employees and gender balance at the end of 2022

Men	Women	Total
540	640	1,180
46%	54%	100%

The gender balance was roughly equal at the lower and mid-levels. At the higher leader level, 2022 represented a strong positive trend with more women in senior positions. In the Board of Directors, 50 percent were women, in the Group management team 40 percent were women, and for higher leader levels, both consultants and operational employees, 32 percent were women.

The pandemic has led to an opportunity to offer even more flexible working conditions, with fewer long-distance trips, which may help to create more diversity in the consultant organization, and at higher levels.

## Equal treatment is fundamental

BTS believes it is fundamental that all employees, without discrimination, are given the same opportunities for personal development and job satisfaction, enjoyment at work, and understanding of their role in the organization. BTS offers a safe and healthy working environment, characterized by equality, pluralism and respect for the individual based on the following principles:

- Everyone has the right to be treated with dignity and respect.
- BTS does not tolerate discrimination or harassment on the grounds of gender, ethnicity, disability, nationality, religion, philosophical belief, political belief, age, sexual orientation, family status, trade union activity, or any other factors.
- BTS adopts fair and inclusive practices throughout BTS operations and seeks to eliminate all prejudice, discrimination, bullying and harassment.

All employees have signed the *BTS's Code of Business Conduct* and have a personal responsibility for the practical application of these principles in their day-to-day activities and must report if they have an experience that contradicts these principles. Noncompliance with policy will not be tolerated and is acted on accordingly by senior local management. BTS reported one case of violation against rules during the year and it was resolved successfully.

## Diversity, Equity, and Inclusion workshops delivered globally

In 2022, BTS continued to implement a more direct and collective approach to questions that concern *diversity, equity, and inclusion* (DEI), with workshops conducted globally.

Through a cross-regional program, the company developed a well-thought-out client orientation for diversity, equality, and inclusion that builds on the program BTS South Africa established during the last couple of years. The company has made intentional efforts to ensure that BTS's core values around diversity, equity, and inclusion are maintained consequently in client engagements and the internal culture.

## Personal development

During 2022, BTS offered consultants and operational employees continuous training and development in different skills BTS needs to be able to develop and deliver experiences to our clients successfully.

During the year, a global senior consultants and operational leaders conference was held in London with 600 employees attending. The conference included six hours of learning and development per day for three days, rendering a total of 10,800 hours of learning and development. The focus of the conference was on:

- BTS's direction and priorities in executing on the company's strategy 2025.
- BTS clients' specific needs in 2023, and how BTS can support them.
- BTS culture drivers and key success factors.

During 2022, all employees took part in a 30-minute self-paced program on data security.

For employees at pivotal levels of leadership, BTS has mandatory development programs to support personal development, and to keep the company culture intact. These programs have been designed to make sure that leaders lead according to BTS's values, and to ensure that the culture evolves sustainably.

In addition, training for specific job roles has been delivered where needed.

During BTS's two-week onboarding program, new employees are introduced to BTS's vision, mission, and ways of working within BTS's ten areas of expertise. This ensures that they gain a better understanding of BTS's responsibility to its clients, fellow employees, and the environment. Senior leaders deliver these onboarding programs, allowing them to connect with the new hires by listening and discussing. For employees



at a higher level, a similar milestone program is offered to strengthen their network and leadership. In addition, a Leader's Playbook summarizes key elements of what great leadership means at BTS.

### Personal development plans with increased accountability

The company has clear, personal development plans for varying levels of competence – one plan for consultants, and one for operational and administrative personnel. The number of people who took a career step to the next level was 235, corresponding to 20 percent of all employees.

### Human rights

BTS follows the United Nation's declaration of human rights and does not see any risks that violate human rights in BTS's operations. BTS follows the labor laws that are applicable in the countries and states where the company operates.

The company has clarified the employees' rights in a *Health and Security Policy* that aims to make sure that all employees get the support and backup they need in different situations within, and outside of, BTS. The policy is a guide for management teams in different countries and shall connect to the laws and regulations that are applicable in the countries and states where BTS operates. Areas included are: terms of employment, norms of behaviors, code of conduct and how deviations are reported, employees' development, support for better health, and norms for work at the office or from home.

## BTS's core values

BTS's core values are designed to maintain BTS's unique culture of respect and trust. They play a critical role in employee development, evaluating the yearly performance of leaders, and employees, as well as in appraisal discussions.

### P Positive spirit and fun

- We believe that a "can do" attitude and humor enhance a successful business.
- We believe in looking at problems openly and to view them as opportunities.
- We strive to maintain a good spirit.

### E Honesty and integrity

- We believe in being loyal to those who are not present.
- We believe in giving and receiving feedback constructively.
- We believe in treating people as equals and in respecting others' differences.

### O Opportunities based on merit

- We reward and provide people with opportunities based on results and competencies.
- We make decisions and evaluate ideas based on their facts and merits.
- We achieve success through hard and effective work.

### P Putting the team first

- We believe that BTS's success depends on teamwork, and if the team needs support, we do our very best to provide it.
- We believe in putting the team first in individual decisions and in thinking of the individual in team decisions.

### L Lasting value for clients and people

- We strive to build up long-term relationships with our clients to create a legacy for the client and his or her staff.
- We focus on driving results forward – in learning, improved behavior and business performance.
- We encourage the learning, development and rewarding of BTS and its staff.
- We create our growth through our clients' success and our active business generation.

### E Excellence through professionalism

- We strive to deliver top-quality solutions and services, within deadlines, to exceed client expectations.
- We balance clients' and BTS's competencies, best practices and methods, to achieve optimal results.

BTS has again been recognized as a "Great Place to Work" by the company Great Place to Work.



## Actions for a positive environmental and climate impact

BTS supports the environment in two ways:

1. By minimizing the environmental impact in daily work.
2. Through supporting organizations that work to improve the environment.

### Reduce environmental impact and recycle

As a professional services organization, without production or manufacturing functions, BTS's environmental impact is mainly limited to offices and business travel. Nevertheless, BTS actively works to minimize its environmental impact, and contributes to a more sustainable society by optimizing energy consumption, and by using environmentally friendly products and services.

In service of this, BTS uses video-conferencing and other technology to connect virtually, as much as possible, rather than by physically traveling, and by helping BTS's clients to hold more digital conferences to improve the environment.

BTS also focuses on recycling consumables in the business. In addition, operations at BTS comply with the principles of efficient resource usage (optimized use of non-renewable

resources) and adopts an eco-cycle approach (recycling of resources). Of the company's offices, 41 percent reported having a sorting process for recycling at the office. A prerequisite for this is countries' organization and infrastructure for recycling.

Due to the nature of BTS's business, the company has decided not to set specific environmental targets for indicators such as energy consumption, water consumption, hazardous waste, and non-hazardous waste since these are not material factors of sustainability for BTS.

### Reducing global carbon emissions

BTS's ambition is to become carbon negative and has, since 2010, invested in protecting the planet's most threatened rainforests and animal species by supporting the organization *Rainforest Trust*<sup>1)</sup>. They in turn help to protect endangered rainforest areas in South America, Asia, and Africa. BTS provides both funding – to acquire acres of rainforest – and digital engagement, to the trust to support fundraising and generate awareness.

### BTS investments together with the Rainforest Trust<sup>1)</sup>

In 2022, BTS continued to support the *Rainforest Trust* with a project called *Save the Brazilian Amazon*. The donation protects 9,346 acres<sup>2)</sup> (35,440,032 trees) from deforestation. A match set-up, where other partners match BTS's investment, saved an additional 28,038 acres. In total, the protected areas keep approximately 10,714,254 metric tons of carbon safely stored.

Since 2010, BTS's total investments, including the matching investments, have helped preserve 101,143 acres of rainforest that yearly absorbs 16.4 million tons of carbon dioxide (from being emitted into the atmosphere) and that also protects endangered animal species.

#### Below is a breakdown of BTS's contributions and the acres preserved:

- 2010 and 2011 – Donation of \$20,000 to Las Tangaras, Colombia → 200 acres
- 2014 and 2015 – Donation of \$12,000 to El Jaguar, Colombia → 300 acres
- 2015 – Donation of \$10,000 to Sumatra, Indonesia → 2,933 acres
- 2016 – Donation of \$431 to Balanga, Congo → 560 acres
- 2016 – Donation of \$10,000 to Airo Pai, Peru → 9,009 acres
- 2017 and 2018 – Donation of \$20,000 to Borneo, Indonesia → 10,000 acres
- 2019 – Donation of \$10,000 to the Community Empowerment Project, Liberia → 4,310 acres
- 2020 – Donation of \$10,000 to Save West Africa's Last Intact Forests, Liberia → 2,786 acres
- 2021 – Donation of \$10,000 to Create a Wildlife Corridor, Thailand → 1,016 acres
- 2022 – Donation of \$10,000 to Save the Brazilian Amazon → 9,346 acres

<sup>1)</sup>Rainforest Trust invests in, and preserves, the most threatened tropical forests, and helps to save endangered species.

<sup>2)</sup>One acre corresponds to 4,047 square meters.

Since March 2020, virtual ways of working became the norm for BTS, as well as for their clients, which reduced BTS's and the clients' carbon footprint considerably. BTS's flight footprint during 2022 was an estimated total emission of 6,000 tons of carbon dioxide, which is 70 percent less in comparison with 2019 when the estimated emission was 21,000 tons. During the same period, the number of consultants grew by approximately 30 percent.

To support the need to reduce carbon dioxide emissions, BTS is driving a number of different initiatives:

Within BTS:

1. Continuing to use virtual meeting platforms to reduce traveling (internal meetings, sales meetings, project meetings).
2. Investing in activities, together with the Rainforest Trust, to preserve rainforests and endangered species.

For BTS's clients:

1. Offering digital, and virtual, learning and communication platforms to reduce the need to travel. Conducting cross-regional meetings online has a strong, positive impact on the environment.
2. Providing self-paced, virtual studies through digital learning solutions.
3. Providing digital communication platforms in physical programs and workshops, thereby reducing the need for printed materials.



## Supporting clients in implementing strategies within sustainability



A part of BTS's operations is customized programs that support clients in their sustainability work. The programs expose clients' employees to different situations where they learn to do trade-offs between short- and long-term results with regards to environmental and safety impact. Thereby, leaders and employees get a better understanding of long-term success in developing sustainable business processes.

BTS was engaged in supporting the implementation of eight clients' sustainability strategies and innovation processes during the year, and supported 25 clients with culture change in regard to diversity and inclusion.

During 2022, BTS continued to support its clients in webinars, for larger target audiences, and through focused events and workshops with themes around how they coach teams in the new, challenging environments that combine both distance work and work in the office.

**"BTS is truly a big-hearted and high-performing organization! I love being challenged by both colleagues and clients to deliver great work, and that BTS allows me to grow as a person."**

– Senior consultant at BTS



## Social responsibility with impact

### BTS supports entrepreneurship and leadership for a more sustainable world

Social responsibility is at the core of the BTS identity. By investing in people and societies across the world, BTS is working to provide better living conditions and to create a better world. This is why BTS has branded their corporate social responsibility work; *BTS Social Impact*.

Through a stronger focus on creating impact, BTS provides skills training for entrepreneurs, underserved populations, students, and teachers. The company equips education and non-profit leaders to drive a bigger impact in their work and thus invests in our planet for a sustainable future. BTS Social Impact has, since it started, helped more than 760,000 participants.

BTS partners with a number of important stakeholders to help them reach their target audiences. These include:

- Educational institutions: BTS develops school leaders and administrators.
- Non-profit organizations: BTS offers educational programs that improve leadership.
- Communities: BTS develops selected populations and increases citizens' quality of life.
- BTS clients: BTS partners to support their clients' selected Corporate Social Responsibility (CSR) efforts – strategy, innovation processes, diversity, and inclusion.
- Non-profit divisions of banks: BTS supports small business owners who receive micro-finance loans.
- CSR institutes: BTS joins forces to develop both female and male entrepreneurs in developing countries.



### BTS's Social Impact domains

#### Equipping education and non-profit leaders to drive bigger impact

##### BTS Spark:

Leadership development and mindset coaching, workshops, webinars delivered by BTS network of facilitators

##### Multipliers program for non-profit organizations:

Traditional (client-specific) leadership programs and open enrollment sessions delivered by BTS

#### Providing skills training for entrepreneurs, underserved populations, communities, families, and students

##### BTS One for One for improved entrepreneurship:

Business simulations to promote micro-entrepreneurship and financial literacy, delivered by BTS partners

##### BTS Sustainable community:

Supporting development of local communities' sustainability through educational programs for communities, entrepreneurs, families, and students



### Equipping education and non-profit leaders to drive bigger impact

#### BTS Spark

*BTS Spark* (btsspark.org) is dedicated to enabling education and not-for-profit leaders to access world-class leadership coaching. Spark leverages the best of BTS – an extensive leadership curriculum and professional leadership coaches – and makes this available to leaders of schools and NGOs (non-governmental organizations) at a subsidized price.

During 2022, BTS coaches supported education and not-for-profit leaders in the United Kingdom, United States of America, Canada, Australia, Singapore, China, Indonesia, Kenya, and South Africa. Our clients included school districts, departments of education, school networks, individual schools, universities, professional associations, and global NGOs. BTS Spark also ran personal leadership programs for 468 young people in schools.

In 2022, BTS Spark hosted eight webinars with global thought leaders in education such as *John Hattie* and *Pasi Sahlberg*, attracting an audience of 1,950 educators. BTS's extensive insights on leadership development were also shared through 14 BTS Spark articles, with a total readership of 63,000 educators.

Up until the close of 2022, 17,973 leaders in schools, colleges, and universities have engaged in BTS Spark programs. These leaders are responsible for 800,000 teachers and 12 million students.

#### The Leadership program Multipliers for non-profit organizations

From its office network, BTS offers leadership development through the program Multipliers which is aimed at non-profit organizations that have other important non-profitable goals for their operations. The leadership programs consist of traditional (client-specific) seminars, as well as open enrollment sessions, delivered by BTS.

*"Imagine being the best version of yourself, and then having someone polish you to shine even more. It may sound like a dream, but at BTS this is reality. Every day we work hard to make each person shine and be a brighter version of themselves, all to the benefit of our amazing clients and the solutions we bring to them."*

– Vice President at BTS

### Providing skills training for entrepreneurs, underserved populations, communities, families, and students

#### BTS One for One for improved entrepreneurship

The ambition of *BTS One for One* is to offer a participant in an underserved environment a free, or highly subsidized, education for every paid client participant at a BTS program, thereby supporting training for entrepreneurs, students, families in developing countries, or underserved populations in developed countries.

In collaboration with BTS, *Deutsche Sparkassenstiftung for International Kooperation* (DSIK) is currently implementing three Business Simulations (*Savings Game*, *Micro Business Simulation*, *Farmers Business Simulation*) worldwide within the scope of its project work. The Business Simulations promote financial literacy and entrepreneurial competence. Participants experience significant learning success, as they not only listen and memorize but can actively apply their learning in the game and continue to expand on it after the training is over.

In 2022, the collaboration on a new simulation was continued: In this *Farmers Business Simulation*, participants will obtain a core understanding of climate change in their region by playing a reality-based scenario, they will also learn about opportunities to adapt their agricultural business to climate change and are taught risk management techniques.

During the development and design process of this program, a large team of experts, including banking professionals, DSIK project staff, various agricultural experts, and experts on climate change, were consulted. The anticipated launch of the business simulation is May 2023.

Since the beginning of the cooperation with BTS, DSIK has reached more than 164,573 participants worldwide. 25,317 persons participated during 2022, in 1,579 training sessions, in 30 countries.

#### BTS's support for sustainable communities

BTS's main partner in this area is *Avo Vision* in South Africa, of which 49 percent is owned by BTS. Through *Avo Vision*, BTS offers subsidized education for local communities and institutions, primarily in South Africa, with programs for entrepreneurs, families, students, immigrants, and other underserved populations. The programs mainly address various development initiatives such as housing, financial literacy, and tree felling, in combination with entrepreneurship, water and energy supply; learning to make better decisions for quality of life and to create a more sustainable society.

In 2022, *Avo Vision* reached an accumulated audience of 484,929 participants, with an increase of 42,999 participants.



## Example of how BTS supports educational leaders with leadership skills and coaching

During 2022, BTS completed the pilot of our *Young people's programme*, funded by the *Jack Petchey Foundation* and known as the *Jack Petchey Spark Programme*, reaching 1,144 young people, aged 12–14 in six London schools over the 2021–2022 academic year.

The program aimed to help students:

- Build a sense of purpose and drive – getting clear on what matters to them and how this can keep them motivated.
- Enhance their personal resourcefulness by learning how to manage their emotional state, bounce back from setbacks and overcome limiting beliefs.
- Develop a greater sense of personal and collective agency – feeling more able and committed to making a difference for themselves and others.

Through this program, BTS aims to help students navigate the challenges and opportunities they face more successfully on their journey to adulthood by enhancing their wellbeing, and by helping them to build important capabilities for the future.

The program comprised of three, half-day workshops (*Finding My Spark*, *Keeping My Spark*, and *Sharing My Spark*) delivered by our team of freelance facilitators, with six follow-up sessions that teachers were asked to deliver between the three workshops. Delivery in the first three schools, which finished in Spring 2022, was supported by six volunteers from the BTS London office.

Feedback from students and school staff was positive, with students particularly highlighting that the program had helped them build the following strengths:

- Greater self-awareness, self-belief, and determination.
- Improved understanding of personal strengths, values, and motivations (things that matter to them).
- A better understanding of personal responses to emotional triggers, and insight into strategies and tools to manage their state to enable more helpful responses.
- Greater interest in, and commitment to, helping others.

Illustrative comments from school staff told BTS how the program was helpful for students:

- *"To have the space and time to reflect on themselves, and who they are in the world."*
- *"To think more deeply about themselves, and what drives and motivates them."*
- *"To discover what triggers a negative mindset and to gain strategies to cope better."*
- *"To work with, and hear from, new voices and adults."*
- *"To focus on softer skills and wellbeing."*

## Other examples of BTS's projects for sustainability

How BTS supports clients with implementation of strategies, innovation, and strengthening a culture of diversity and inclusion.

### Enterprise Development Initiatives – Avo Vision Charcoal Incubator Grants

In 2021, BTS kicked off a relationship with *Avo Vision* and *Matatiele*, a charcoal business in eastern South Africa. An incubator – a facility designed to nurture and accelerate the growth of new businesses – was set up to capacitate local companies. They local companies were supported in setting themselves up to use *Alien & Invasive Plant* (IAP) species as feedstock to manufacture charcoal. IAP are considered to be plant pests that wreck the local water table. Every hectare of IAPs cleared, results in millions of liters of water returning to circulation in a water-starved region. Specifically, *Avo Vision* has supported two businesses based in the villages of Colana and Nqumane in South Africa, with grant finance to pay off part of their outstanding loans, entailing them to get some breathing room on the cash-flow front. This support has continued into 2022, and these businesses have taken on additional staff as a result. This is particularly important in an area of the country that has an unemployment rate of over 80 percent.

*Avo Vision* also contributed to accredited training activities in the incubator as a whole, helping staff members obtain certification for key skills like chainsaw operation, herbicide application, and fire safety training.



### Anglo American Leadership Journey, GameChangers

BTS has continued the partnership and collaboration with the British mining company *Anglo American* and the *Cambridge Institute for Sustainable Leadership (CISL)*. *Anglo American* have set ambitious targets across their global sustainability pillars: *Trusted Corporate Advisor*, *Thriving Communities*, and *Healthy Environment*. Targets include carbon neutrality for some operations by 2030, and for all by 2040. Other targets include water and energy reduction, school education, and increased biodiversity for areas within the influence of their mining operations.

BTS partnered with CISL, to create a customized four months, multi-module leadership journey, that included a digital simulation experience; In teams, the leaders strategically managed a simulated mining operations for 15 years, where they would experience sustainability-related challenges and opportunities. The teams experienced the short- and long-term impact of their decision-making across different stakeholder groups and ultimately had to balance key financial, environmental and societal metrics.



### Vocational training – Learnership

*Avo Vision* funded a learnership, as well as monthly stipends for a woman in Gauteng, who has a physical disability. This accredited learnership allowed her to engage a number of important topics around business and administration. She completed, and passed, this learnership in 2022.

*Avo Vision* also sponsored the university tuition for an honors degree of a student who is now a BTS intern.

## EU Taxonomy

The EU Taxonomy regulation is a common classification system within EU, to define environmentally sustainable investments and economic activities, and it includes environmental goals and rules. It is an important part of EU's action plan for more sustainable growth, and a prerequisite for investors and companies to be able to direct capital towards sustainable alternatives. 2022 is the base year for taxonomy alignment reporting, which means that no changes can be reported.

### The EU Taxonomy facts

To meet the EU Taxonomy requirements for alignment, the company:

1. Must substantially contribute to at least one of the six environmental objectives as defined in the regulation.
2. *Does not significantly harm* (DNSH) any of the other five environmental objectives, as defined in the regulation.
3. Must comply with minimum safeguards.

### The EU Taxonomy is based on six environmental objectives

1. Climate change mitigation.
2. Climate change adaptation.
3. Sustainable use and protection of water and marine resources.
4. Transition to a circular economy.
5. Pollution prevention and control.
6. Protection and restoration of biodiversity and ecosystems.

### BTS Taxonomy results 2022

The BTS share of the Taxonomy eligible activities is identified based on materiality. In 2022, BTS reports the percentage of capital expenditures (CAPEX) and operating expenditures (OPEX) that are eligible for and aligned with the taxonomy. For capital expenditures, new lease contracts for the year are considered eligible, and for operational expenditures, short-term leases are considered eligible. The taxonomy-aligned share of the revenue for the type of services that BTS conducts is considered negligible, as a result, we have excluded the result table for turnover. In the few exceptions where BTS uses their dedicated servers for a client to store digital learning solutions, this cost is not disclosed separately in the accounting.

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"I started at BTS straight after business school and could not have hoped for a better place to continue my learning journey: a challenging and fast paced environment paired with supportive and ambitious colleagues. The people at BTS are the reason I enjoy stepping into the office every Monday morning."

– Senior Business Analyst at BTS

"We are diverse, supportive, and inclusive. No wonder we are a talent magnet."

– Business Analyst at BTS

"In addition to our significant and tangible impact on the companies that we work with, our culture is one of the main reasons we are such a talent magnet. We have been told that our high energy and fun spirit in combination with our engaging solutions is truly unmatched. It also does not hurt that we are tech savvy thought leaders. Challenging status quo is in our DNA. I will probably work here forever, and that is not an exaggeration. BTS truly is the coolest consultancy on the planet."

– Business Analyst at BTS



## 1. Proportion of capital expenditures from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2022

Economic activities	Code(s) (2)	Absolute turnover (3)	Proportion of CAPEX (4)	Substantial contribution criteria					
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)
		TSEK	%	%	%	%	%	%	%
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>									
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Rental contracts <sup>1)</sup>		38,714	%						
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	%						
<b>TOTAL A.1 + A.2</b>		<b>38,714</b>	<b>%</b>						

<sup>1)</sup> New rental contracts during 2022 disclosed as assets in the balance sheet and depreciated in the income statement.

## 2. Proportion of operating expenditures (OPEX) from products or services associated with Taxonomy-aligned economic activities 2022

Economic activities	Code(s) (2)	Absolute turnover (3)	Proportion of OPEX (4)	Substantial contribution criteria					
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)
		TSEK	%	%	%	%	%	%	%
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>									
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Hosting of servers during client engagement <sup>1)</sup>		See Note <sup>1)</sup>	%						
Short-term rental <sup>2)</sup>		966	%						
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		966	%						
<b>TOTAL A.1 + A.2</b>		<b>966</b>	<b>%</b>						
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>									
OPEX of Taxonomy-non-eligible activities (B)		0	%						
<b>TOTAL A + B</b>		<b>966</b>	<b>%</b>						

<sup>1)</sup> In the few exceptions where BTS uses their dedicated servers for a client to store digital learning solutions, this cost is not disclosed separately in the accounting.

<sup>2)</sup> Short-term rental excluding leasing.

DNSH criteria (Does Not Significantly Harm)							Minimum safeguards (17)	Taxonomy-aligned proportion of CAPEX, year 2022 (18)	Taxonomy-aligned proportion of CAPEX, year 2021 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
Climate change mitigation (11)	Climate change adaption (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Yes/ No					
Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Percent	Percent	Enabling	Transitional	
							%		%		

DNSH criteria (Does Not Significantly Harm)							Minimum safeguards (17)	Taxonomy-aligned proportion of OPEX, year 2022 (18)	Taxonomy-aligned proportion of OPEX, year 2021 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
Climate change mitigation (11)	Climate change adaption (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Yes/ No					
Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Yes/ No	Percent	Percent	Enabling	Transitional	
							%		%		

## Auditor's report on the statutory Sustainability report

To the annual meeting of the shareholders of BTS Group AB,  
Corp. Reg. No.: 556566-7119

### Engagement and responsibilities

The Board of Directors is responsible for the Sustainability report for 2022 on pages 51–65 and that it has been prepared in accordance with the Swedish Annual Accounts Act.

### The scope and extent of review

BTS examination of the statutory Sustainability report has been conducted in accordance with FAR's auditing standard RevR 12 – Auditor's report on statutory Sustainability report. This means that BTS examination of the statutory Sustainability report is different and substantially less in scope than

an audit conducted in accordance with International Standards on Auditing (ISA) and generally accepted auditing in Sweden. BTS believe that the examination provides us with a sufficient basis for BTS opinion.

### Opinion

A Sustainability report has been prepared.

Stockholm, April 21, 2023

Öhrlings PricewaterhouseCoopers AB

Magnus Thorling

Authorized Public Accountant