

Closing the Time Gap

by Leveraging Standard Software



**CORPORATE
SUSTAINABILITY
REPORT 2023**



Closing the Time Gap

by Leveraging Standard Software

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The report serves as our statutory statement on corporate social responsibility in accordance with §99 a in the Danish Financial Statements Act.



// The F2 platform helps accelerate digital transformation by offering standardized solutions. This enables fast delivery at low risk, so that governments can efficiently execute political ambitions, fight climate change, and build accountable institutions.

Letter from the CEO

Closing the Time Gap

Dear friends,

As I write this letter, I am reminded that cBrain was created with a purpose; to help governments use technology to advance towards a sustainable future.

I believe that accelerated government digitization is essential for our society

It enables our governments to serve citizens faster and better, which in return fosters trust in democracy. In the battle against climate change, digital solutions are essential for governments to close the time gap between political decisions and execution. Yet, governments face the challenge that IT projects are often based on the traditional approach of custom-built solutions. This usually causes budget overruns and delays, and as a result governments cannot execute their political ambitions.

How can we solve this?

In close collaboration with the Danish government, we spent 20 years developing a standardized digital platform for the public sector. Now, the F2 platform helps accelerate digital transformation by offering

standardized solutions. This enables fast delivery at low risk, so that governments can efficiently execute political ambitions, fight climate change, and build accountable institutions. Today, F2 is used by 100+ government organizations globally, including 18 out of 21 ministries in Denmark.

In 2023, we pushed towards our goal of helping governments by delivering projects worldwide

In Kenya, we worked with the Kenya Dairy Board to digitize food security inspections. In Ukraine, cBrain decided to support the reconstruction of municipal infrastructure in Makariv by providing access to the F2 platform. In Dubai, we actively participated in the COP28 conference. We also established joint ventures in both Ghana and India to increase our local capacity.

Denmark is a digital frontrunner

Denmark continues to lead in the UN Global E-Government survey with cBrain as a key partner. At the United Nations 2023 Water Conference, cBrain donated blueprints on digital water governance in collaboration with the Danish Environmental Protection Agency.

In 2023, we developed a new standard software solution for environmental permitting and started the use of artificial intelligence.

Together with the Danish Energy Agency, we implemented a grant management system, prompted by an electric heat pump subsidy scheme to reduce dependence on fossil fuels. Internally at cBrain, we obtained an ISO 14001 environmental management system certification, demonstrating our commitment to environmental excellence.

As I look back on everything we have achieved in 2023, I want to issue a special thank you to all of cBrain, as well as our loyal customers and partners for your trust, dedication and hard work. None of this would have been possible without you.

I am excited about what the coming year will bring.

Per Tejs Knudsen,
CEO

Contributing to the UN Sustainable Development Goals

The global community has embarked on a journey with the Sustainable Development Goals (SDGs) as the blueprint for the future. As 2030 draws closer, it is clear that we are in a race against time to deliver on the goals. We believe technology is one of the main vehicles to reach them. Much of the action needed starts in the government toolbox of license and permitting, incentivizing and policing the regulation.



Strong Government Institutions

Understanding the nature of how governments work and applying the right technology to serve their needs is the core of cBrain's business. This is reflected in our SDG journey, starting with digital bureaucracy and SDG 16 that defines the next generation of digital government. Our platform has been a success in the Danish public sector, currently ranked as the most transparent and digital public administration in the world and the least corrupt country*. Our F2 platform has been successfully deployed on five continents helping to increase efficiency and accountability (16.6), combat corruption (16.5) and protect fundamental freedoms (16.10).

As part of our contribution, we consistently strive to put new technologies into government service. This year we have taken the promise of artificial intelligence (AI) and created experimental sandboxes with government first movers. The results show that AI for Government has the ability to increase the speed and quality of their work.



Climate Action

Climate change is not only a threat to human life, but to all life on the planet. Digital climate governance is how our technology can best serve the fight against climate change (SDG 13): software built to help governments enact transformative measures towards preventing, mitigating, or adapting to climate change (13.1, 13.2, 13.3, 13.5). As the tipping point of the global ecology is rapidly approaching, we seek to enable environmental authorities to go from political decision to delivery with the speed needed to achieve their goals in time.

Our climate software for governments solutions are growing in number month by month. This year a particular focus has been on the environmental permitting, which is a global concern. We have actively engaged in climate forums all over the world to leverage the experience from digitalizing Danish environment impact assessments and enhancing the solution with AI.



Partnerships

Our experience comes from a long-standing partnership with the Danish government and our global clients. For us, public-private partnership is a way of life (SDG 17). As we move ahead, we aim to forge new partnerships (17.7) and to develop local centers-of-excellence with our partners (17.8) to deliver even faster.

This year we have established partnerships with companies, governments and organizations in all parts of the world, from a joint venture in India to MoUs with authorities in Ghana; from private partners in Australia and Romania to public organizations in the US and Kenya; from a local NGO in Ukraine to the UN global Water Action Agenda. Partnerships remain a centerpiece of our global outreach.



Water, Consumption and Land Use

Our commitment to the SDGs is continuously developing. In March we took part in the generational event UN Water, which took stock of SDG 6, "Clean Water and Sanitation". We announced our commitment to the World Water Action Agenda, whereby blueprints for best practice digital water governance were made available for water authorities around the world.

From its nesting ground in Kenya, we continued to share our experience with providing digital platforms for extended producer responsibility (EPR) serving SDG 12, "Responsible Consumption and Production".

With the implementation of the global convention on plastic pollution, still more countries in the region and globally are seeking to transition to circular economies, where companies are economically responsible for the reuse and recycling of the packaging waste of their products.



cBrain's SDG Journey

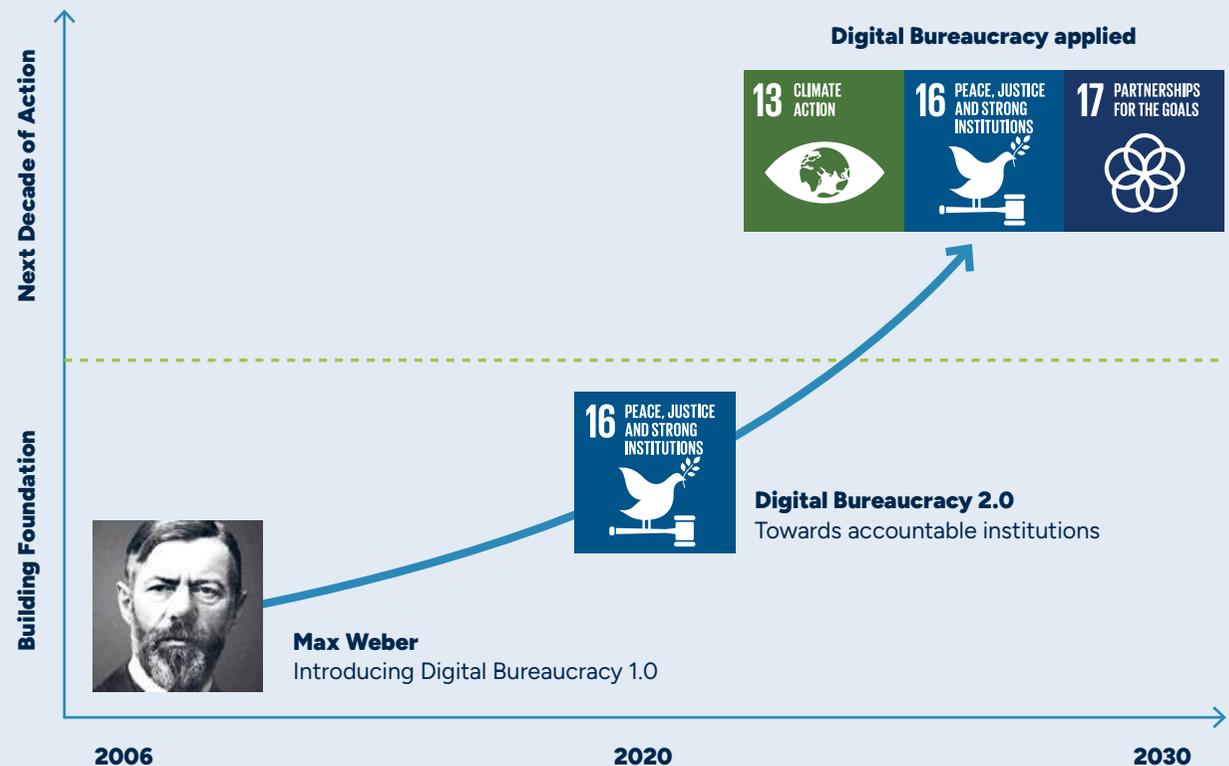
These regulatory setups demand efficient, transparent, and accountable governance as their backbone.

Finally we have increased our focus on climate action related to sustainable land use and climate-smart agriculture. We have joined the global Aim for Climate initiative that comprises more than 50 countries led by the US and the UAE in a collaboration to spur innovation in the way we feed the world. With our experience from Denmark and California, we are well-placed to help authorities shorten the implementation time of their transitional policies towards land owners and farmers.

SDGs Guide the Way

This year has reaffirmed the importance of our commitment to the UN SDGs. The globally shared ambitions for developing cleaner, safer, and more inclusive and equitable societies are a unifying force in a world where too much divide us. Results are still not being provided at the needed speed and volume, but the SDGs serve as guiding lights to keep businesses, governments and NGOs aligned in our shared responsibility for the world we live in. A responsibility that for us as a company has become our purpose.

**United Nations E-Government Survey and Transparency International's annual Corruption Perception Index 2023*







Cases

Accelerating Environmental Permitting with AI

The global community is running out of time if we want to contain global warming to less than two degrees Celsius. The International Energy Agency forecast the need for three times more renewable energy capacity by 2030 and a doubling of energy efficiency at the same time, year on year. At COP28 in Dubai, 123 countries set this as their collective target.

The problem is that renewable energy projects at scale is up to a decade of public processing. From Europe to the US and across the Global South, projects are stuck in public permitting procedures. In California alone, more than 30 different permits are needed before an offshore wind project can be developed.

This has spurred an immense attention to faster permitting procedures and the digital platforms to support them. In her State of the Union Address in October 2023, the President of the European Commission presented the European Wind Power Action Plan. Bullet point number one is faster permitting:

Putting more focus on the digitization of permitting processes and technical assistance to Member States.

In the US, the Biden-Harris Administration called on Congress to provide electronic permitting (e-permitting):

Today, many agencies are using antiquated IT systems, and some even continue to rely on paper systems.

The Danish Approach to Permitting – Digitalizing in Eight Months

In Denmark, cBrain assisted the Danish Environmental Protection Agency (EPA) in providing a comprehensive and fully digital solution for environmental permitting. The solution provides both more efficiency internally in the EPA, and also ensures predictability and transparency for the stakeholders waiting for a reply.

The solution involves a collaboration hub, where the Danish grid owner Energinet can alert the EPA to an upcoming project through the pipeline. When ready, the pipeline case is transformed to an actual screening case, and if needed, continues its permitting journey through an environmental impact assessment.



The Danish Approach to Environmental Permitting



For each application stage, there is a checklist and a workflow for the caseworkers in the EPA. Here they can start and monitor consultations with other authorities and municipalities and with legally mandated public consultation phases.

The first step in this approach was the comprehensive description of all the steps in the process. This blueprint of the Danish permitting process follows international standards and demonstrates a best practice approach to permitting, ensuring all relevant conventions and regulations are met.

The next step was digitization to cBrain's F2 platform. Since the platform is already the standard process engine of the EPA, the deployment followed a well-established pattern with no time to waste. Less than eight months after kickoff, the solution was deployed, tested, and ready to go live.

Based on the comprehensive description and the rapid digitization made possible on the standard platform, the EPA then commissioned cBrain to develop AI enhancements for the permitting process.

The Danish approach has demonstrated that it is possible to standardize and digitize permitting with the speed needed to realize the global goals for renewable energy. We remain committed to leveraging this experience to struggling governments across the world.

Sharing Blueprints at UN Water

In March 2023, the UN hosted its first Water Conference in a generation in New York, asking the global community to pledge to a Water Action Agenda to advance the access to clean water and sanitation across the world. Permitting processes for water projects are as troubled by bureaucratic permitting as renewable energy.

Based on the work on digitalizing environmental permitting as well as wastewater inspections and drinking water protection, the Danish EPA agreed to donate the blueprints for these digital processes to the UN.

cBrain committed to doing the necessary gap analysis for any government entity wanting to reuse Danish best practice. This unique approach was adopted to the UN's Water Action Agenda, and this became the kickoff for a year of bringing the Danish approach to permitting worldwide.

The "permitting road trip" of 2023 ended in Dubai at COP28, where a side event with participants from Africa, the Middle East, the EU, and Denmark highlighted the need for collaboration. There simply isn't time for all countries to reinvent the digital wheels of permitting.

Accelerating Permitting with AI

With a well-described and fully digitized process for permitting at hand, employing AI technologies to enhance the relevant steps of the process became a natural and straightforward next step for the Danish EPA.

Caseworkers who are processing different elements of the permitting evaluation will often refer to previous applications and decisions for inspiration. We created a specialized AI component that takes actual permitting application cases as input and then searches historical applications and their scoping reports to identify similar cases.

With the help of an AI component that finds and compares specific permitting application cases to other similar cases, it is possible to reduce the workload significantly. Likewise, quality will improve.

It is well-known that each individual caseworker tends to base their work on their personal experiences, thereby limiting referencing to cases they already personally know. In contrast, an AI component, which has been trained to find similarities and recommendations, will instantly look across all historic cases and thereby increase the quality of the applications based on previous experience. This is important to avoid time-consuming iterations.

The AI – trained on a subset of Danish cases – can also assist the applicant with useful examples of similar applications and how they have mitigated risks towards the environment in a project. If the AI can inspire developers to plan for better mitigation before they submit their application, much time can be saved.



Going forward, we plan to train our AI on complaints data to help developers and caseworkers prevent permitting cases from ending up at the complaints board, potentially adding months and years to the process.

The US Plays Catch-Up with Denmark at Washington D.C. Permitting Technology Summit

The experience of digitalizing permitting at high speed and getting experience with AI enhancement has sparked global interest.

In October 2023, the White House Council on Environmental Quality summoned all federal agencies involved with permitting to a Permitting Technology and Data Summit.

The Danish EPA and cBrain were invited as the only foreign guests to present our work to the wide audience. The discussions left the American participants feeling that they are trailing behind Denmark by two to three years.

With the Biden-Harris Administration and Congress pushing for accelerated permitting, cBrain continues to cater to the interest in learning how to reuse Danish best practice in the US and elsewhere.

The Danish approach doesn't take years. We have **described** a process that is conducted very similarly across the world. We have **digitized** it on a standard platform already deployed on five continents. And we have developed our first tools for **AI enhancement** that will work on any data we can access.





“ The cBrain online solution will transform the way we conduct inspections at Kenya Dairy Board for the benefit of the dairy business operator. Kenya Dairy Board undertakes dairy premises inspections and issuance of regulatory permits and surveillance of dairy produce quality. The primary stakeholders of the Board include dairy farmers and dairy business operators, who include milk processors, mini dairies, cottage industries, dispensers, cooling plants, milk bars, exporters, and importers.

Kituto Kitele,
Ag Manager Compliance, Kenya Dairy Board



Kenya

Ensuring Food Safety

Good lawmaking is a necessary precondition for good governance, but it is not enough. Inspections, monitoring and audits are also prerequisites to good and sound governance. Without efficient enforcement, laws rarely impact real life as intended, and when the intention is to protect the environment or ensure food safety, inefficient enforcement has dire consequences.



In Kenya a pilot project of efficient digital management inspections, sponsored in part by the Danish government,

has given opportunity to strengthen both efficiency and transparency. cBrain has used F2 to develop and configure an inspection solution for the Kenya Dairy Board (KDB).

KDB is the government entity responsible for regulating and controlling the dairy sector value chain in Kenya from milk producers to milk bars.

Every year KDB controls around 1.000 dairy business operators via at least 4.000 annual on-site physical inspections.

For KDB, it was previously difficult to obtain and maintain an overview of activities, and they had no real-time access to data sources. With F2, KDB can work paperlessly and fully digital when enforcing dairy regulations.

The solution ensures efficient and accountable inspections with top-level data security. The solution builds on the experience from audits and inspections developed for the Danish EPA. Additionally, the Danish, and now the Kenyan, experience with inspections can be copied and adapted by other food regulators anywhere in the world.

The digital solution were implemented for KDB in six months and combines all necessary purposes, including the maintenance of a base register of all companies subject to inspections.

Danish Best Practice Converted to Kenya

The KDB solution uses KDB's existing client information, and the dairy business operator is well-informed during the whole process from pre-inspection planning and reviewing through the inspection to the post-inspection phase, in which recommendations and follow-up actions are incorporated in a final inspection report. For example, a company automatically receives an inspection report immediately after a conducted inspection with the findings and preliminary recommendations before the final review is done. This allows the compliance officer to discuss the findings and recommendations in detail with colleagues after the inspection.

The KDB project was supported by the Export and Investment Fund of Denmark. The project delivers on our commitment to the green SDGs as well as SDG 17, "Partnerships for the Goals".

Heat Pump Subsidies

Green Results Faster than Ever



Getting households to discard the old oil or gas burner and replacing it with an electric heat pump is an important part of becoming a fossil-free society. To hasten the green transition, the Danish government has allocated an annual subsidy for households willing to transition away from oil and gas.

In previous years two problems have prevailed. The annual subsidy is granted on a first-come-first-served basis until the pool is empty, which puts pressure on the IT system. Secondly, to ensure that only eligible homeowners got the subsidy, it took months to provide applicants with an answer to their claim.

This year the Danish Energy Agency decided to partner with cBrain to get green results faster.

52 % Automated Decisions on Applications

The solution for the Energy Agency included a self-service for applicants to apply. A number of relevant Danish registers was integrated to the self-service to allow for fast checks of applicants. These included the Danish Building Register, the Danish Cadastral Register, the Central Civil Register and the Central Business Register.

The Energy Agency already used F2 for internal processes, but to handle the heat pump subsidy

scheme, a complete digital caseflow was set up. This includes automatic handling of applications, ensuring that subsidies are awarded on a first-come-first-served basis, and making sure that the total budget is not exceeded.

The solution handled the communication, final approval subject to the four-eyes principle, integration to the government ERP system as well as payout to the recipients.

After the solution went live, 52 % of the cases were checked and controlled so thoroughly through the self-service that they required no casework from the agency. Their processing was fully automatic, providing the applicant with an answer within days of applying rather than months as in the previous years.

Results like this matter in the green transition. An oil burner emits more than three times the greenhouse gas of a heat pump, so replacing it six months earlier has a direct effect on emissions. This may not be a lot for a single household, but for the agency responsible for optimizing reductions using the taxpayers' money, this is a significant improvement.

Heat Pump Adoption with Automated Subsidy Processing



Self-service with automatic case management

52%

Cases handled fully automatically



Seamless integrations for fast check of applicants

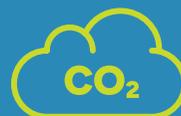
Why Heat Pump Grants matter



3.700
kg CO₂/year for natural gas



700
kg CO₂/year for heat pumps



Reducing CO₂ emissions



Improving air quality



Increasing energy efficiency



Saving house owners money



Rebuilding Ukraine with **Efficiency, Transparency and Accountability**

The European Commission and its partners are mobilizing international support for Ukraine's economic and social stabilization, reconstruction and recovery from the effects of war. Building institutional capacity is of paramount importance for the local governments in order to efficiently absorb recovery support and ensure that the reconstruction efforts meet the national priorities and local needs.



To ensure successful reconstruction, special attention has been given to the introduction of digital solutions to provide for efficiency, transparency and accountability while also enabling measures to prevent corruption, support public

disclosure, the proper use of data and broad involvement of the civil society and local authorities.

Rebuilding the Liberated Community in the Kyiv Region

Through a partnership between Microsoft Ukraine and cBrain and close collaboration with the Ukrainian public association ONOVA (affiliated with the Ministry of Recovery of Ukraine and concerned with the regional digital development and reconstruction), cBrain's F2

“ It has been an amazing experience of being able to configure all our work processes within communication and case management in F2 from out of the box functionality. Its high flexibility enabled us to build the processes the way we need for compliance with the legal framework, while document templates, informal communication and data sharing features made our work extremely efficient and transparent.”

Anatoly Karbovsky, Deputy Mayor of Makariv

platform has been deployed in Ukraine at the Makariv City council in the Kyiv region.

The town suffered during the Russian occupation, sustaining 130+ civilian casualties and significant damage to apartment complexes, schools, kindergartens and a local hospital due to Russian airstrikes and shelling. Roughly 40 % of the town and all civil infrastructure has been destroyed, according to the reports which came after Ukrainian troops recaptured the town from Russian occupation at the end of March 2022.

The pilot project includes the training of 25 government officials in the standard F2 platform, based on Danish best practice. This includes the F2 correspondence management system with case and document management, formal (integrated email) and informal communication (chat), and government case processing controls such as approval process and document templates.

Potential Digital Backbone in Rebuilding

Our local project partners are now gathering support for an upscaling phase that would allow the project to evolve to an integrated digital system with digital registers and integration to the geographic information system (GIS) portal, serving as a data representation platform. That would allow tracking various funding programs “from donor to construction”.



This entails public availability of all authorized data regarding the reception, distribution and use of different types of resources, including external financial assistance from the international community.

Any successful project starts with data. After that, it is possible to proceed with tracking and in-depth analysis. F2 correspondence and project management provides these data to build trust and efficiency in the project implementation, making it possible to fight corruption and prevent risks of inefficient use of resources.

The platform has been deployed by cBrain on the Microsoft cloud infrastructure, all pro bono until December 2024, as part of our shared commitment to SDG 16 and SDG 17.



We make sure that we add as much renewable energy to the grid as we consume by subscribing to a solar park in Vandel

ISO 14001 Certification

Pioneering cBrain's Commitment to Sustainability



In 2022, cBrain took the first major steps towards preparing for net-zero. In 2023, cBrain has continued this mission by strengthening its internal and external environmental management efforts, achieving the landmark “Green ISO” certification and growing our capacity for monitoring emissions. Thereby we have expanded our understanding of operational impacts on the environment.

Taking Control of Our Environmental Management

In 2023, cBrain was awarded the ISO 14001 environmental management system standard certification. This milestone demonstrates the company's dedication to strong environmental management which is guided by internal and external environmental policies.

We have identified that the company's main operational impacts on the environment relate to energy use and associated emissions, waste production caused by hardware and food, as well as mobility related to our expanding business and travel activities.

To address these impacts, we have set reduction targets for all these areas which are implemented through Standard Operating Procedures (SOPs) and translated into concrete actions. In our fight against e-waste, cBrain uses the IT recycling company EI Recycling to handle its

obsolete hardware, while efforts to reduce food waste are realized through an internal awareness campaign and detailed reporting and monitoring using the globally recognized eSmiley solution.

Setting SBTi Targets and Extending Scope 3 Reporting

In order to improve our efforts to report on the company's greenhouse gas (GHG) emissions, we have used the Science Based Targets initiative (SBTi) guidance to set our emissions reduction targets. We are preparing to submit these for validation to the SBTi Partnership organization.

In 2023, we undertook a Scope 3 materiality analysis, created a Scope 3 greenhouse gas inventory and extended our Scope 3 emissions reporting to include waste, well-to-tank factors in our business travel, hotel stays, business travel, and purchases from one vendor

who supplies one-third of the food and beverages purchased by the company bistro.

Over the course of 2024, we will set up processes for the standardized collection and reporting of all this data as well as extend Scope 3 reporting to include e-waste, procured hardware, and food purchases from all vendors. cBrain's total GHG emissions for 2023, reported at ~578,75 tons CO₂e, have indeed increased in comparison to 2022. This fact is in part explained by an overall growth in the company's activities and travel worldwide (~236 tons CO₂e from flights and ~12 tons CO₂e from hotel stays) as well as our efforts to widen our reporting on Scope 3 emissions.

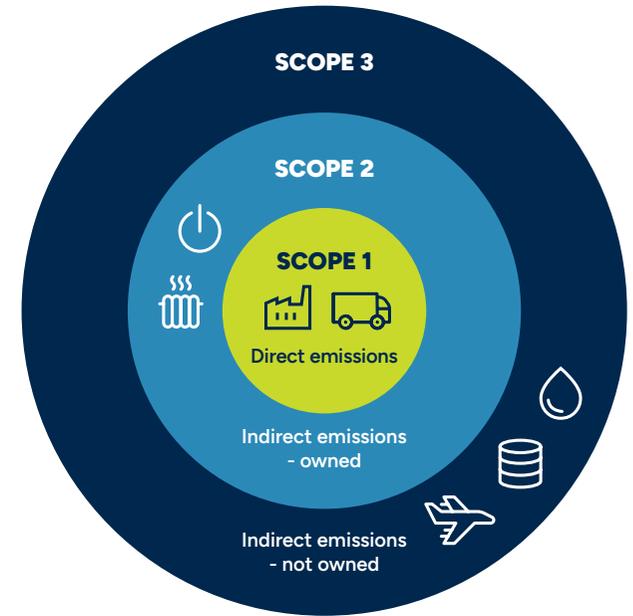
We consider the expansion of our reporting on Scope 3 emissions as evidence that cBrain is committed to full operational transparency as we strive to find ways of growing our business in a sustainable way in line with our climate commitment.

Ongoing Efforts to Compensate for Climate Emissions

We continue to be completely neutral in emissions from our electricity consumption by adding solar power to the grid using The 0-Mission, through which cBrain

subscribes to a solar park in the town of Vandel near Vejle. In 2023, our total direct energy consumption from the grid was ~168 MWh.

Furthermore, we also continue to compensate for increased emissions from our business travel and activities by buying carbon credits from the UN's Clean Development Mechanism via Atmosfair.de, thereby supporting projects in less developed countries that lower their emissions equivalent to ours.



Key Pillars of cBrain's Environmental Policy



Value Chain

We are dedicated to serving our customers in an increasingly sustainable manner, ensuring a positive impact on both them and the environment



Legal Compliance

We are committed to exceeding environmental and climate legislation, ensuring the highest compliance standards in our operations



Employee Empowerment

Our commitment to sustainability is embedded in our workplace culture, encouraging every employee to actively contribute



Transparent Progress

Trust is paramount in our journey towards sustainability, because we work systematically, well-documented, and transparently

Our Net-Zero Journey

Our point of departure is 2023		2023	2022	Units	Emission strategy
SCOPE 1 (Direct emissions)	Whereas cBrain does not have any company cars, we now include emissions from propane gas canisters for company cooking	0,2	N/A	Tons CO ₂	
SCOPE 2 (Indirect emissions from purchased energy)	cBrain's Scope 2 emissions are electricity and district heating				
	Electricity	13,2	40,4	Tons CO ₂	Solar power
	Heating	12,3	58,8	Tons CO ₂	Compensation
SCOPE 3 (Other indirect emissions)	cBrain has undertaken a materiality analysis and created a scope GHG emissions inventory to expand its reporting. In 2023, Scope 3 reporting elements include:				
	Water consumption	0,0	0,2	Tons CO ₂	Compensation
	Business flights	236,4	74,0	Tons CO ₂	Compensation
	Waste	273,4	N/A	Tons CO ₂	Compensation
	Electricity in data center	3,4	0,5	Tons CO ₂	Compensation
	Food purchased (our biggest vendor)	27,7	N/A	Tons CO ₂	Compensation
	Hotel stays	12,1	N/A	Tons CO ₂	Compensation



The cBrain DNA

cBrain was founded on a technological vision and a core set of five strong values, often referred to as “the cBrain DNA”.

Today, those values guide the company exactly as they did in the early days. Our company values are important to us, and we strive to act in accordance with them in our interactions with both employees and customers. Our most important responsibility towards employees is to provide a good place to work. This is a simple aim,

yet it is constantly evolving as we grow as a company. We strive to be an inspiring and motivating workplace with strong leaders for our talented employees who join us on the journey of delivering a world-class platform for e-government: F2. Our values give us a common direction in the process of maintaining, nurturing, and evolving the company.

Strengthening Culture through Core Values

Our values express a boldness in how we do business and a warmth in how we act as colleagues. Our ambition is to grow the business and to have success as one company while maintaining a strong culture. This is why we actively invest in nurturing our culture and values in our daily business. When you enter cBrain as a new employee, you are faced with a patchwork of value-driven initiatives to help you form the – hopefully – best job you ever had. cBrain has built a series of activities supporting our values:

A comprehensive introduction program and a cBrain Beginners Club program,

where we onboard and welcome new employees. Our internal training, cUniversity, strengthens our employees' F2 knowledge. We have a company-wide Tuesday breakfast meeting centered around our passion for software and knowledge sharing. Our mantra “I like my colleagues” is something we feel every day, when we work together or spend time at social gatherings and employee-driven events, such as board game nights, wine tastings, parties, running club, and many more. They all reflect the strong collegiality we feel at cBrain.

Good Communication

We have introduced the concept of “Good communication” as a strategic tool to continuously maintain and cultivate our values, and we see it as part of the cBrain DNA. We strongly believe that good communication is vital for the well-being of our employees, their motivation, and innovation. We see it as a strong driver for both a positive working environment and business results. All employees are educated in good communication through courses and workshops such as “psychological safety”, “master the difficult conversation”, and “become a good listener”. We have also strengthened our leadership development program, as we believe that strong leaders are crucial for maintaining strong employee engagement.





Passion for Software



People Business, Happy Customers



I Like My Colleagues



Yin & Yang



Extreme and Easy to Do Business with

cBrain Culture & Values

Passion for Software

There is always a new way to solve an issue. We are inspired by the new designs and new technologies that constantly appear. We believe in design-driven innovation because new ideas often come to life in close collaboration with customers.

People Business, Happy Customers

We sell and deliver software for people. Happy customers are essential for us.

I Like My Colleagues

At cBrain, we like each other and carefully choose our colleagues. That makes work more fun, motivating, and inspiring. We create results through vision, excitement,

and harmony, both internally and in collaboration with our customers. We believe that innovation and new ideas are created through excitement and passion rather than through conflict and spreadsheet management.

Extreme and Easy to Do Business with

Doing business with us should be easy. We use "extreme" concepts when we design, code, and communicate, and when we enter into agreements.

Yin & Yang

We want to make money and have fun. However, we don't want to make so much money that we don't have any fun, and we don't want to have so much fun that we don't make any money.

Do you want to join the cBrain journey?

Then look at cbrain.dk/karriere



Responsible Business

How to Ensure Responsible Business

At cBrain, we do our utmost to be trustworthy, responsible, and ambitious in all our business activities. Integrity is essential if we want to make a positive impact on the world. Furthermore, it is important for us to contribute positively to both our internal and external environments. We believe that we all need to take responsibility for a healthier world.

Our policies, which are based on the Ten Principles of the United Nations Global Compact (UNGC) and cBrain's core values, reflect this responsibility, together with our commitment to the United Nations Sustainable Development Goals (SDG). We therefore regularly assess how we conduct responsible business, and we report yearly to our Communication of Progress to the UNGC.

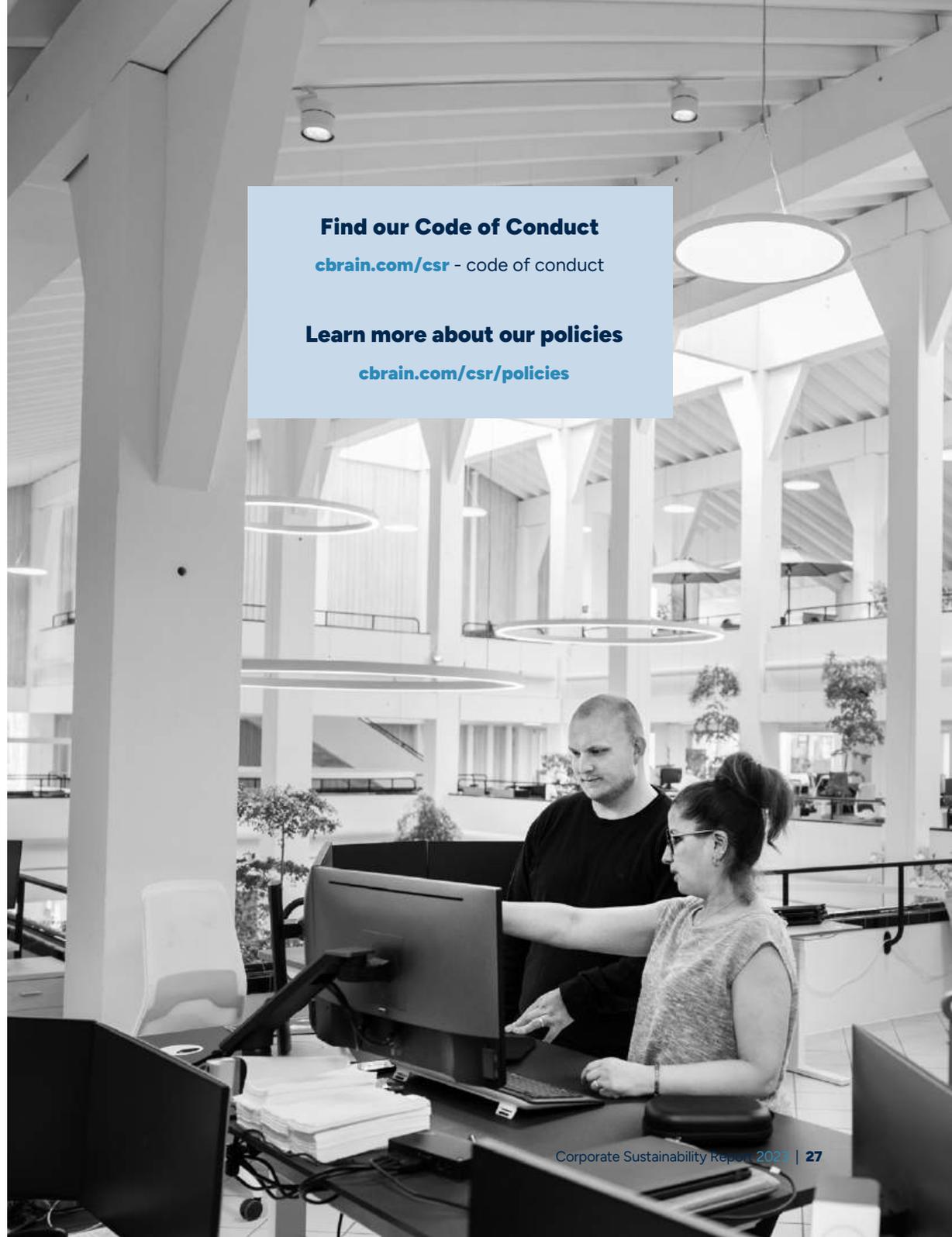
To make sure that we continue to be ambitious, we have established an SDG committee with dedicated resources led by our CEO and monitored by our CFO. The Audit Committee and the board of cBrain oversee the activities of this committee to ensure that cBrain acts responsibly and continues to pursue a business strategy that aligns with SDG 13, 16, and 17.

Find our Code of Conduct

cbrain.com/csr - code of conduct

Learn more about our policies

cbrain.com/csr/policies





Human Rights

Risks

We strongly believe that diversity contributes to ensuring quality and innovation in all our activities. As the company continues its growth, we acknowledge that this calls for a strong leadership and management focus to strengthen and promote gender, ethnic, and cultural diversity.

In 2022, we reviewed and updated our diversity policy to make sure that it reflects our focus on diversity. As our products are dealing with citizens' data, it is important that we focus on protecting these individuals from data misuse or data leaks to third parties. This risk is central to our operations because public institutions must be able to trust our products and services. To ensure quality, we constantly allocate substantial resources to product development.

Policy

cBrain fully supports and respects all parts of the Universal Declaration of Human Rights (UDHR). This means that all internal, external, direct, and indirect activities performed by cBrain must be in alignment with the declaration. cBrain acts in line with the UDHR and therefore treats all stakeholders fairly and does not engage in any discriminatory behavior. cBrain will only engage with suppliers who comply with the UDHR.

As a part of the onboarding process at cBrain, we educate all new employees in our code of conduct that encompasses human rights. Once a year, all employees are retrained and must pass a test in our code of conduct. In the future, we will continue with the annual training of all employees in human rights and will update our policy when necessary.

For the coming years, we will strive to uphold our high standards and continue to enforce our policies throughout the organization and with our external stakeholders. The policy is organizationally anchored in a governance team reporting to the CFO.

Policies available on our website: Human Rights Policy, Diversity Policy, Data Ethics Policy, Global Health Policy.



Anti-Corruption

Risks

We work to help governmental institutions deliver value to their citizens. It is therefore crucial that we have high standards for how to act with integrity. Since 2007, Denmark has ranked as either number one or two on the Corruption Perceptions Index performed by Transparency International. See www.transparency.org/en/about.

This means that we mainly operate within a context where the threat of corruption is at its lowest. However, the international expansion of the company, where we operate in new contexts, makes it essential that we have our due diligence and ethical processes in place.

Policy

We distance ourselves from any form of corruption in all our activities. We will not be complicit in either direct or indirect corruption. We will not be involved in bribery or any other form of activities that will unfairly benefit us or any other actors. We do not perform activities that undermine market competition. We do not perform aggressive tax calculations or use transfer pricing to avoid paying taxes in any country.

When cBrain vets new partners, a systematic approach is crucial to mitigate corruption risks. This involves initial screenings, such as reviewing business partners' documents and policies, analyzing their webpage, and conducting searches in public media to flag potential issues, thorough background checks to verify integrity, and questionnaires to assess anti-corruption measures. On-site visits confirm commitment to ethics, while document reviews ensure compliance. Ethical guidelines guide decision-making, and continuous monitoring ensures ongoing integrity. Additionally, follow-up actions are implemented to address identified risks. Both internal and external stakeholders can anonymously report instances of corruption or unethical behavior via the external and independent service EQS Integrity Line.

As a part of the onboarding process, all employees are educated in our code of conduct that encompasses bribery and anti-corruption. Once a year, all employees are retrained and must pass a test in our code of conduct to ensure that they are up to date on the company's guidelines for how to conduct responsible business with external parties.

The policy is supported by standard operating procedures for due diligence and ethical decision-making and is organizationally anchored in a governance team reporting to the CFO. In the future, we aim to strengthen our compliance measures by regularly reviewing and updating our anti-corruption policies to align with evolving laws and best practices.

Policies available on our website: Bribery and Anti-Corruption Code, Tax Policy.



Labor Rights

Risks

Our point of departure is Denmark where legal requirements for employee rights are strict, and the cultural context both values and demands fair treatment. This means that all our activities and internal processes are designed to fulfill these requirements and expectations. The cultural context has enabled us to adopt a value-based leadership style, which empowers our employees to act independently. Furthermore, we employ highly educated personnel, and this means that we need to offer competitive pay, benefits, and working conditions to be able to attract the talent that we need to deliver high-quality services and products.

The main risk concerning labor rights is that we fail to uphold our high standards when we hire personnel or engage with external stakeholders outside of Denmark's borders. The level of this risk will increase as we continue to expand into new geographical markets in line with our business strategy.

Policy

cBrain will neither directly nor indirectly be complicit in the treatment of labor, which is not in line with principle 3, 4, 5, and 6 of the Ten Principles of the UN Global Compact. We commit ourselves to giving our employees the best possible working conditions by continuously evaluating work processes and following industry trends for employee benefits. We actively promote a culture in cBrain that embraces a healthy balance between work and private life. We believe that we are only able to develop and deliver innovative products and services of high quality if all our employees are motivated and healthy.

To create a culture of creativity and innovation, all employees must feel confident in raising their ideas and concerns. We have therefore adopted a flat company structure where it is the quality of the argument rather than the title of the position that counts. HHR thoroughly monitors the well-being of the organization and staff, calculates the retention rate, and reports to executive management.

Policies available on our website: Fair Labor Practices. Diversity Policy.



Environment

Risks

Although our risk of affecting the environment negatively is relatively low due to the nature of our products. We must still act responsibly in all that we do. To increase awareness and proper actions, cBrain implemented ISO 14001 during 2023. In our latest strategy, we expanded our scope by supporting governments with Climate Governance Software to close the time gap from political decision to delivery, thereby enhancing governments' possibilities of addressing the CO₂ and biodiversity challenge. Failing to address the market appropriately and efficiently may lessen the positive impact on the environment.

Policy

The purpose of the climate and environment policy is fourfold: 1. To ensure that we, as a company, serve our customers in an increasingly sustainable manner with correspondingly less impact on the environment and climate across all business areas and activities. 2. To ensure that we comply with all relevant environmental and climate requirements in legislation. 3. To ensure that our employees experience working in an increasingly sustainable company and take part in the effort themselves. 4. To ensure that our customers, investors, and stakeholders at large can trust the progress we make, because our work is systematic, well-documented, and transparent.

We commit ourselves to continuously improve the impact we have on the environment. In all our business activities, the environmental impact of our actions should be recognized and minimized.

cBrain's stated goal is to be climate neutral by 2030. Based on this, we set the following goals: 1. We want to use relatively less energy in all areas of service provision. 2. We want our energy to come, to the extent possible, from renewable sources, and we will climate compensate in accordance with international standards where it is not possible. 3. We want to actively reduce our waste production at our head office.

An ISO 14001 management team has been formed with the director of Government and Climate and chaired by the CFO to ensure attention and follow up on progress.

Policies available on our website: Climate and Environmental Policy.



ESG Report 2023

Introduction to ESG

In cBrain, we hold ourselves accountable and are passionate about making a positive impact on the environment for our customers, for each other, and for our society.

About this ESG Report

This ESG Report is an integral part of the management's review in cBrain's annual report for 2023. It serves as our statutory statement on corporate social responsibility in accordance with § 99 a of the Danish Financial Statements Act and describes our approach to and performance on selected aspects of ESG (Environmental, Social, and Governance) for the fiscal year January 1 to December 31, 2023. All data and activities cover the entire cBrain Group.

The Annual Report can be found at cbrain.dk/financialreports/2023

Reporting Framework

ESG data is reported using the ESG Reporting Guide 2.0 by Nasdaq and presented in accordance with ESG Key Figures and Ratios in the Annual Report by Nasdaq, CFA Society Denmark, and FSR - Danish Auditors.

For each section of the ESG report, we provide an overview of the most material ESG figures and ratios for cBrain, as well as our achieved results in 2023 compared to the past four years. For some of the ratios, we have further added a note that explains accounting policies and applied estimates.

Approximations and Estimates

As the basis for our ESG report, cBrain has established standard operating procedures and internal controls to ensure the highest possible data quality and validity.

In cases where necessary data is unavailable or incomplete, it has been necessary to make estimates in the calculations. Our chosen estimates are based on relevant principles and factors. We have corrected any significant errors or improved calculation methods related to previous periods.

Scope Expansion for Enhanced ESG Reporting

cBrain, committed to the Science Based Targets initiatives (SBTi), is broadening its annual ESG reporting scope. In 2023, a soft materiality analysis of Scope 3 emissions informed our greenhouse gas (GHG) inventory, paving the way for standardized data collection. Notable expansions include:

Scope 1: Now includes emissions from propane gas canisters for company cooking.

Scope 2: Sees indirect emissions from office electricity/heating, with water consumption moved to Scope 3.

Scope 3: Encompasses new facets like well-to-tank emissions, flights, hotel stays, food/waste production, leased asset electricity, and specific vendor purchases. This expansion, while increasing reported GHG emissions, signifies cBrain's proactive ESG maturity and readiness for future legal reporting requirements.

Net Zero Mission

In 2023, cBrain recorded a total GHG emission from Scopes 1, 2, and 3 of approximately 579 tons CO₂e, with 96 % of these emissions attributed to our extended Scope 3 reporting. As part of our commitment to strive for net zero, cBrain has subscribed to a solar park in the town of Vandel near Vejle to offset its total electricity consumption from the grid, which amounted to approximately 168 MWh in 2023.

Furthermore, we continue to offset increased emissions resulting from our business travel and activities by purchasing carbon credits from the United Nations' Clean Development Mechanism through Atmosfair.de. This initiative supports projects in less developed countries aimed at reducing emissions equivalent to ours. In 2023, cBrain emitted approximately 236 tons CO₂e from flights and around 12 tons CO₂e from hotel stays.

E - Environment

Reporting on our climate and environmental impacts encompasses both our CO₂e emissions and our environmental footprint through the material use of the Earth's resources.

To calculate cBrain's climate and environmental impacts, we use an approach based on globally recognized practices and principles set out in the Greenhouse Gas Protocol (GHG Protocol) standard. The GHG Protocol is divided into three scopes, depending on where in the value chain emissions originate, and it is a global approach that can be used to compare data across industries and international borders.

Our reporting covers assets that we own and lease in Denmark, while acknowledging that cBrain also leases offices in Germany and have consultants based in Africa, Australia, the EU, the Middle East, and the USA, which we do not report on.

Expansion of Scope

As part of our Science Based Targets initiative (SBTi) engagement, cBrain is committed to widening the scope

of its annual ESG reporting. In 2023, we undertook a soft materiality analysis of our Scope 3 emissions to determine which categories relevant to our operations have the highest environmental impact. We subsequently built a GHG inventory, which will guide us in setting up standard data collection and reporting mechanisms for Scope 3 activities.

Scope 1: In 2023, we expanded our Scope 1 (direct emissions) to include emissions from propane gas cannisters used for company cooking. cBrain, however, still does not own any company cars or have other sources of direct emissions.

Scope 2: In 2023, these indirect sources of emissions come from the electricity and heating used in our offices and one apartment that the company owns. Water consumption, which previously was reported as a Scope 2 emission, has been moved to Scope 3, as per international practices.

Scope 3: In addition to including water consumption in this category, this year's Scope 3 emissions now include

emissions associated with the well-to-tank factor (the upstream emissions associated with extraction, refining, and transportation of the raw fuel to the plane prior to combustion). We also include the flights themselves, as well as the emissions related to all hotel stays, our food and solid waste production, electricity consumed by our leased asset (hosting data center), and food and beverages from one vendor whose supplies constitute one-third of the bistro's purchases.

As we expand our Scope 3 reporting, our total reported GHG emissions will not surprisingly increase accordingly, until we have covered the full width of our Scope 3 operational activities. In particular, the inclusion of GHG emissions related to waste production significantly increased our total carbon footprint.

In the broader scope, cBrain considers this a positive step towards developing its ESG maturity as well as being at the forefront of preparing for future legal reporting requirements and full transparency.

ESG STANDARD	Notes	2023	2022	2021	2020	2019	UNIT
CO₂e Scope 1 , direct emissions		0	0	0	0	0	Tons CO ₂ e
CO₂e Scope 2 , indirect emissions	2	25	99	65	56	95	Tons CO ₂ e
CO₂e Scope 3 , other indirect emissions	3	553	74	41	N/A	N/A	Tons CO ₂ e
Total Net Zero ambition		579	173	106	56	95	Tons CO₂e
Reported CO₂e Emissions, Location Based							
CO ₂ e compensation bought		252	114	0	0	0	Tons CO ₂ e
CO ₂ e emissions, net		326	59	106	56	95	Tons CO ₂ e
CO ₂ e emissions per full-time employee		3	0	1	1	1	Tons CO ₂ e
CO ₂ e emissions by net earnings		2	2	3	5	7	Tons CO ₂ e
Thereof green energy		13	0	0	0	0	Tons CO ₂ e
Energy							
Energy consumption		451	709	675	529	533	MWh
Energy consumption per full-time employee, location-based		3	5	2	5	5	MWh
Energy intensity		N/A	N/A	N/A	N/A	N/A	MWh
Energy mix		N/A	N/A	N/A	N/A	N/A	MWh
Water							
Water usage		1,053	757	749	732	859	m ³
Water reclaimed at headquarters		0	0	0	0	0	m ³
Water usage per full-time employee		6	5	6	6	9	m ³
Environmental Operations							
Does the company follow a formal environmental policy?		Yes	Yes	Yes	Yes	Yes	Yes/No
Does the company follow specific waste, water, energy, and/or recycling policies?		Yes	No	No	No	No	Yes/No
Does the company use a recognized management system?		Yes	No	No	No	No	Yes/No
Climate Oversight/Board							
Does the Board of Directors oversee and/or manage climate-related risks?		Yes	No	No	No	No	Yes/No
Climate Oversight/Management							
Does the Senior Management Team oversee and/or manage climate-related risks?		Yes	No	No	No	No	Yes/No
Climate Risk Migration							
Annual investment in climate-related infrastructure, resilience, and product development		0	0	0	0	0	DKKm

S - Social

Our reporting on social factors includes selected parameters for both our full-time and part-time employees, as well as external consultants. Additionally, our report provides an overview of cBrain's most material policies related to the work environment.

cBrain's business thrives on skilled, talented, and dedicated employees. Our growth strategy necessitates a continual influx of new, skilled employees and the ongoing development of existing ones.

Simultaneously, it is crucial to maintain and further develop cBrain's unique DNA and position, which jointly define cBrain's mission: to be a trustworthy partner in the development of sustainable, responsible, and transparent public administrations, thereby increasing trust in democracy and its institutions.

A weakening of cBrain's culture and DNA, including its robust innovative power, could result in employee

attrition. Failing to enhance cBrain's reputation in the market and educational institutions may pose challenges in attracting talent.

cBrain's management is keenly aware of the value of the cBrain culture. Establishing our own domicile, developing a management program, continuous intensive method development, well-structured onboarding processes, and a strong focus on a healthy work-life balance are key elements in addressing this risk. Another crucial element is reinforcing cBrain's narrative and value proposition to the market as an entity committed to taking the climate agenda seriously.

At cBrain, we share a passion for software. We believe that it is important to have fun together while also being ambitious and professional as it strengthens cooperation and job satisfaction among our employees.

For the same reason, we also value our colleagues and an informal work culture, where we have a wide selection of employee-driven activities, such as a running club, badminton club, wine club, board game club, and much more.

Besides possibly getting the best colleagues in the industry, we also moved into a new domicile in Nordhavn in 2022 with a beautiful sea view. In these new surroundings, we work in newly renovated facilities to the smell of home-cooked meals in our bistro.

In 2023, we have prioritized inspiring facilities that invite a creative work environment, not to mention fitness facilities.

We aim to further enhance our efforts for all current as well as new employees.

ESG STANDARD	2023	2022	2021	2020	2019	UNIT
Full-Time Employee	167	152	137	117	98	FTE
Gender Diversity						
- Total enterprise headcount held by women	43	43	44	40	38	%
- Entry- and midlevel positions held by women	45	37	39	42	40	%
- Senior- and executive-level positions held by women	30	35	35	30	25	%
Gender Pay Ratio	1,25:1	1,32:1	1,40:1	1,20:1	1,32:1	Ratio
Employee Turnover						
- Full-time employee turnover	11	12	9	12	14	%
- Part-time employee turnover	16	17	40	40	40	%
- Consultant turnover	10	0	22	14	17	%
Injury Rate	0	0	0	0	0	
Temporary Worker Ratio						
- Total enterprise headcount held by part-time employees	18	16	15	8	9	Employees
- Total enterprise headcount held by contractors and/or consultants	10	5	7	5	5	Consultans
Non-Discrimination						
Does the company follow a sexual harassment and/or non-discrimination policy?	Yes	Yes	Yes	Yes	Yes	Yes/No
Global Health & Safety						
Does the company follow an occupational health and/or global health & safety policy?	Yes	Yes	Yes	Yes	Yes	Yes/No
Child & Forced Labor						
Does the company follow a child and/or forced labor policy?	Yes	Yes	Yes	Yes	Yes	Yes/No
Does the company's child and/or forced labor policy also cover suppliers and vendors?	Yes	Yes	Yes	Yes	Yes	Yes/No
Human Rights						
Does the company follow a human rights policy?	Yes	Yes	Yes	Yes	Yes	Yes/No
Does the company's human rights policy also cover suppliers and vendors?	Yes	Yes	Yes	Yes	Yes	Yes/No

G - Governance

cBrain has a two-tier management structure consisting of our Board of Directors and our Executive Management. The Board of Directors, appointed by the shareholders, is responsible for overall strategic management. They ensure that the cBrain Group is managed properly, and necessary procedures are in place to handle the Group's risk in accordance with legislation and articles of association.

The current Board of Directors at cBrain consists of five members, one of whom is a woman. In 2023, four board meetings were held, with all members attending each meeting except two, who participated in three out of four.

Committees

The remuneration committee, comprising two members, prepares and presents proposals and recommendations on matters related to the remuneration of the Board of Directors and Executive Management. In 2023, the committee conducted two meetings and revised the remuneration policy. The policy will be put to the shareholders at the Annual Meeting in 2024 for approval.

The audit committee, comprising two members, conducted four meetings in 2023. In addition to the ordinary tasks of the audit committee, the committee in 2023 took special interest in the implementation of EU's NIS2 directive and made sure that proper policies and

procedures for establishing operations outside Denmark (subsidiaries, joint ventures, partnerships) were in place. Compliance with the Code of Conduct and the Code of Supplier is also a part of the committee responsibilities.

Gender Diversity

The commitment to fostering gender diversity at cBrain is deeply ingrained in the company's values and operations. Through systematic efforts and a dedicated adherence to our diversity policy, we have made significant strides towards achieving a more balanced representation of genders within our workforce. These endeavors have yielded positive outcomes, positioning cBrain as a trailblazer in gender inclusivity within the competitive IT industry.

The current gender distribution at cBrain stands at an impressive 43 % of women in our total workforce. This figure is a testament to our sustained commitment to creating an inclusive and equitable workplace, where talent and potential flourish regardless of gender. By surpassing industry benchmarks, cBrain not only sets an example for diversity and inclusion but also redefines standards for gender representation in the technology sector.

Our ongoing initiatives include targeted programs and policies aimed at encouraging and supporting women in various roles across the organization. We recognize the

invaluable contributions of our female employees and strive to create an environment that fosters professional growth, innovation, and collaboration for everyone. As we continue to champion gender diversity, cBrain remains steadfast in its dedication to building a workplace that reflects the richness of diverse perspectives, experiences, and talents. This commitment not only enhances our organizational culture but also propels us towards greater success and sustainability in the ever-evolving landscape of the IT industry.

In addition, at cBrain, we also host an annual "Women in Tech Dinner" for computer science students at the Technical University of Denmark (DTU). During this event, female students are invited to a dinner with a specific focus on the experiences of working as women in the IT industry.

This initiative further underscores our commitment to supporting and empowering women pursuing careers in technology. It serves as a platform for networking, mentorship, and sharing insights, contributing to the broader objective of fostering diversity and inclusion within the IT sector.

Through such initiatives, cBrain continues to actively engage in initiatives that go beyond the workplace, creating a supportive ecosystem for women in the field of information technology.

ESG STANDARD	2023	2022	2021	2020	2019	UNIT
Board Gender Diversity						
Total Board seats occupied by women	20	20	20	20	20	%
Committee chairs occupied by women	25	25	25	25	50	%
Board Independence						
Does the company prohibit the CEO from serving as board chair?	Yes	Yes	Yes	Yes	Yes	Yes/No
Total Board seats occupied by independents	40	40	40	40	40	%
Incentivized Pay						
Are company executives formally incentivized to perform on ESG metrics?	Yes	No	No	No	No	Yes/No
CEO total compensation to median FTE total compensation	4:1	4:1	4:1	5:1	4:1	Ratio
Supplier Code of Conduct						
Are the company's vendors and suppliers required to follow a code of conduct?	Yes	Yes	Yes	Yes	Yes	Yes/No
Suppliers adhering to supplier code of conduct	95	94	93	91	50	%
ESG Reporting						
Does the company publish a sustainability report?	Yes	Yes	Yes	Yes	Yes	Yes/No
Ethics & Anti-Corruption						
Does the company follow an ethics /anti-corruption policy?	Yes	Yes	Yes	Yes	Yes	Yes/No
What percentage of the company's workforce has formally certified their compliance with the policy?	97	96	91	97	79	%
Collective Bargaining						
Total enterprise headcount covered by collective bargaining agreement(s)	0	0	0	0	0	%
Data Privacy						
Does the company follow a data privacy policy?	Yes	Yes	Yes	Yes	Yes	Yes/No
Has the company taken steps to comply with GDPR rules?	Yes	Yes	Yes	Yes	Yes	Yes/No
Disclosure Practices						
Does the company provide sustainability data to sustainability reporting frameworks?	Yes	Yes	Yes	Yes	Yes	Yes/No
Does the company focus on specific UN SDGs?	Yes	Yes	Yes	Yes	Yes	Yes/No
Does the company set targets and report progress on the UN SDGs?	Yes	Yes	Yes	Yes	No	Yes/No
External Assurance						
Is the company's ESG disclosure assured or validated by a third party?	No	No	No	No	No	Yes/No

Notes - and Basic Accounting Principles

Note 1 - Methodology for Collecting Data on Activities Across the Three Environmental Scopes

Scope 1

The direct use of energy at company premises was limited to propane gas canisters purchased by the reporting organization for company cooking. The data was derived from receipts provided by the supplier, reported in kg and multiplied by the appropriate emission factor. The reporting organization does not have any other forms of direct use of fuel or energy that it owns or controls.

Scope 2

The indirect sources of emission for the reporting company are derived from electricity and heating used in the owned assets (headquarters offices in Copenhagen and one company-owned apartment used to host consultants, etc.). Data was derived from receipts or through online self-service portals where consumption and billing is monitored and managed, reported in kWh and multiplied by the appropriate emission factor.

Scope 3

Water consumption: The data for headquarters was derived from a meter reading at the beginning and at the end of the year. Water consumption for the reporting company's owned apartment was derived from invoices. All consumption was reported in m³ and multiplied by the relevant emission factor.

Business flights: The reporting organization went through all of its registered flights and calculated the total kilometers per flight using the online service www.airportdistancecalculator.com, which provides a direct line between points A and B on a flight, therefore not considering instances where there are one or more layovers between the source and destination.

The flights were classified into four categories depending on whether they were domestic, inter-EU, between an EU country and a non-EU country, or between two non-EU countries, to reflect the emissions associated with flying at different altitudes, which is a factor of total distance covered.

The total distance covered was multiplied with the appropriate emission factor for that journey. Subsequently, the well-to-tank emission factor for the category of flight was multiplied by the distance and added to the emission of the flight giving the total carbon dioxide equivalent (CO₂e) emitted for the journey.

Waste: The figures presented by the reporting company relate to food and solid waste but do not contain information about electronic waste (e-waste) or wastewater. The data was derived from a self-service portal provided by the waste management company

Marius Pedersen, allowing the reporting organization to download and monitor their monthly waste collections.

The waste reported was classified as waste to landfill (treatment: landfill); corrugated cardboard (treatment: recycling); packaging: plastic/cardboard/metal (treatment: recycling); packaging: plastic/carton (treatment: recycling); bottles and glass (treatment: recycling); food waste (treatment: anaerobic digestion); paper for shredding (treatment: recycling); small combustible waste (treatment: incineration). The data was collected in kg and multiplied by the appropriate emission factor for each category of waste.

Electricity used in the data centers: The data was obtained through monthly invoices sent to the reporting organization in kWh and multiplied by a location-specific emission factor as the location of the data center has a different energy mix than that of the headquarters as it is based elsewhere.

Food purchases: The reporting organization was only able to obtain data related to food and beverages purchased by one company, who supplies one-third of the bistro's purchases. The supplier provided an overview of all the food types sold to the reporting company throughout the reporting period in kg as well as emission factors for each food category and type.

Hotel stays: The reporting company went over all of its invoices for hotel stays during the reporting period. Using the Hotel Sustainability Benchmarking Index 2023 (www.hotelfootprints.org) the reporting organization looked up emissions at country level per night and multiplied this by the number of people travelling (assuming one person per room) and the number of nights claimed in the invoice.

Selecting Appropriate Emission Factors

An emission factor is a coefficient which allows for data related to an activity to be converted into GHG emissions and is reported in a unit of CO₂e. It is imperative to choose emission factors from credible sources and disclose the rationale for choosing them.

The reporting organization chose emission factors according to a hierarchy of sources.

Where emission factors provided by a national agency (i.e. the Danish Energy Agency) or service provider/supplier/manufacturer were available on invoices, bills, or statements (e.g. electricity, heating, water), then these were applied.

Where these were not available, we used emission factors from the Government conversion factors for company reporting of greenhouse gas emissions 2023 by the Department for Environment, Food & Rural Affairs in the United Kingdom.

Note 2 - CO₂e Scope 2, Indirect Emissions

	2023	2022	2021	2020	2019	UNIT
District heating	12	59	50	27	45	tCO ₂ e
Electricity	13	40	15	30	50	tCO ₂ e
CO₂e Scope 2, Indirect Emissions	25	99	65	56	95	tCO₂e

This year's CO₂ emissions for Scope 2 reflect a year of normal consumption in cBrain's new headquarters. During the renovation of cBrain's new headquarters in 2022, cBrain had a higher average electricity consumption due to the building being constantly illuminated for security measures, including theft prevention. The renovation lasted for 8 months, during which cBrain had two properties in use. The emissions factors for heating and electricity consumption have also decreased for 2023. These factors have resulted in a substantially lower emission in 2023 than in previous years.

In accordance with the GHG Protocol, we have reported Scope 2 emissions from both the market-based and location-based methods. Figures for location-based emissions are reported directly. The market-based method is based on emissions resulting from the trade energy certificates, where the amount reflects the emissions covered by green certificates for electricity. Essentially these emissions equate to zero tons CO₂e and are therefore not reported separately. cBrain can report a total emissions savings of 73 tons CO₂e through its subscription to renewable energy.

Note 3 - Other Indirect Emissions

	2023	2022	2021	2020	2019	UNIT
Electricity data center (leased assets)	3	0	0	N/A	N/A	tCO ₂ e
Business flights*	236	74	42	N/A	N/A	tCO ₂ e
Water consumption	0	0	0	0	0	tCO ₂ e
Expanded Scope 3 Emissions	240	74	42	0	0	tCO₂e
Waste production	273	N/A	N/A	N/A	N/A	tCO ₂ e
Food purchased	28	N/A	N/A	N/A	N/A	tCO ₂ e
Hotel stays	12	N/A	N/A	N/A	N/A	tCO ₂ e
	313	0	0	0	0	tCO₂e
CO₂e Scope 3, Other Indirect Emissions	553	74	42	N/A	N/A	tCO₂e

***Business flights:** The increased CO₂ emissions in 2023 compared to 2022 and previous years are attributed to increased travel activity associated with a growing interest in F2 abroad, aligned with cBrain's international strategy.

Applied Climate Software for Governments

<p>F2</p>	<p>Energy Efficiency</p>	 <p>Home Energy Audit Denmark</p>	 <p>Energy Efficiency in Companies Egypt</p>	 <p>Inflation Cash Assistance Denmark</p>	 <p>Heat Pump Grant Denmark</p>
<p>Sustainable Land Use</p>	 <p>Climate Lowlands Denmark</p>	 <p>Sustainable Land Initiative USA</p>	 <p>Climate Forest Grants Denmark</p>	<p>Protection of Biodiversity</p>	 <p>Licensing of Trade Endangered Species (CITES) Denmark & Guyana</p>
 <p>EU Natura 2000 Protected Areas Denmark</p>	 <p>Urban Roof-top Gardening Denmark</p>	 <p>Wildlife Regulation Denmark</p>	<p>Circular Economy and Waste</p>	 <p>Extended Producer Responsibility Kenya</p>	 <p>International Waste Export and Import Denmark</p>
<p>Protection of Nature</p>	 <p>Dredging Denmark</p>	 <p>Lake and Stream Restoration Denmark</p>	 <p>Environmental Support in the Arctic Denmark</p>	<p>Genetic Resources</p>	 <p>License and Control of Genetically Modified Organisms Denmark</p>
 <p>Access Benefit Sharing Nagoya-convention Denmark</p>	<p>Clean Water and Air</p>	 <p>Drinking Water Protection Denmark</p>	 <p>Waste Water Control Denmark</p>	 <p>Home Woodstove Removal Denmark</p>	

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