

Sustainability report

Sustainability is high on the agenda for Qliro, our employees, our merchant partners, customers and our owners. Sustainability is an integral part of our strategy. We are convinced that we as a company can contribute to a sustainable future through the active choices we make on how we run our business.

Qliro operates in a socially, ethically and environmentally sustainable way with the goal to create value for partners, customers, employees, owners and society. This also means taking responsibility for minimizing sustainability related risks through proactive measures, robust processes, compliance and transparency. In our sustainability work we focus on three main areas: responsible lending and business, being an attractive employer and sustainable e-commerce.

The sustainability report 2021 comprises Qliro AB (publ) and its subsidiaries. This is Qliro's second sustainability report prepared in accordance with chapters six and seven of the Annual Accounts Act. The auditor's opinion regarding the statutory sustainability report can be found on page 21.

» In our sustainability work we focus on three main areas: sustainable e-commerce, responsible lending and business, and being an attractive employer.«

Business model

Qliro is a credit market company under the supervision of the Swedish Financial Supervisory Authority. Sweden is the main market, but Qliro also operates in Norway, Finland and Denmark. Qliro's operations are divided into two business segments: Payment Solutions and Digital Banking Services. The former comprises payment solutions and sales financing for e-commerce, and the latter comprises personal loans and other digital financial services.

Qliro was founded in 2014 and offers payment solutions that help to convert visitors to the e-merchant's website into paying customers. The payment service ensures that e-merchants receive payment for their goods and allows consumers to shop securely and pay for their purchases by invoice or part payment. During 2021 more than 2.5 million consumers used Qliro's own payment products and the volume exceeded 7bn SEK.

Qliro also offers personal loans to Swedish consumers and savings accounts to Swedish and German consumers.

Sustainability management

Ultimate responsibility for sustainability issues rests with Qliro's Board of Directors, which decides on the strategic direction and establishes Qliro's policy framework and control processes. The CEO is responsible for integrating the sustainability work, and each function is responsible for driving and developing the work in its area.

Qliro has a comprehensive policy framework, including the following policies that have an impact on sustainability.

- Enterprise Risk Management Policy – sets out the fundamental principles that apply to Qliro's processes and structures as relates to risk management.
- Code of Conduct – contains principles for ethical and responsible behavior at Qliro to contribute to a sound and sustainable financial market, society and environment.
- Conflict of Interest Policy – describes how employees and representatives of Qliro should respond to potential conflicts of interest and similar situations (e.g., in relation to gifts and benefits).
- Anti-Money Laundering and Counter-Terrorism Financing Policy – describes the reasoning behind Qliro's measures to prevent money laundering and terrorism financing.
- Credit Policy – describes processes for lending and managing credit risk to ensure sound lending.
- Whistleblower Policy – ensures that Qliro's employees can and know how to report sensitive issues such as discrimination without the risk that it could lead to negative treatment.
- Policy for handling customers' issues and complaints – describes how Qliro handles complaints from customers.
- Guidelines for remuneration of senior executives – adopted by the Annual General Meeting.
- Merchant Policy – fundamental principles and methods Qliro uses to ensure that all merchants, both new and existing, meet Qliro's requirements concerning counterparty risk, volume, profitability and ethics.
- Governance Policy – ensures effective internal control and management in accordance with regulatory requirements as well as the internal framework, in order to have effective independent control functions and for the Board's ability to effectively monitor Qliro's operations.

Qliro’s most significant risks in this area involve:

- Responsible lending
- Solid business ethics
- Financial crime
- Attractive employer
- Gender equality and diversity.

As a regulated credit market company and given the nature of Qliro’s business, risk and risk management are natural elements in the daily operations for Qliro. To manage risk, Qliro strives to continuously maintain a good risk culture, a high level of risk awareness and a cautious approach to taking risk. The Board of Directors decides on Qliro’s risk appetite and has a well established structure for internal governance and control of risk management. All internal governing documents adopted by the Board are reviewed and updated annually, or more often if needed. The Board and, according to instructions from the Board, the CEO are responsible for regularly evaluating whether Qliro’s overarching risks are being monitored and managed effectively and appropriately. The Board has established a committee to support its work – the Risk, Capital, Audit and Compliance Committee (“RCACC”) – whose tasks include ensuring that risk taking is well-balanced and controlled, monitoring the financial reporting and ensuring that internal control is effective. For more information on the RCACC, see page 36. The company has implemented internal structures, procedures and processes for internal governance in accordance with the Swedish FSA’s Regulations and General Guidelines (FFFS 2014:1) regarding governance, risk management and control at credit institutions.

Risk management based on three lines of defense

Qliro’s risk management is based on the three lines of defense model to ensure that risks which could have a significant impact on Qliro’s strategic, operational, reporting and compliance goals are managed correctly and sufficiently. Qliro systematically assesses the risks that the company faces to identify, analyze and evaluate current and potential risks and how they are handled and reported. This assessment is done through the risk management process, consisting of six steps: risk identification, risk analysis, risk assessment, risk management, risk monitoring and reporting. Qliro’s risks and risk management are described in more detail in each focus area and on pages 29–30 in the Directors’ report.

Qliro works with eight UN Sustainable Development Goals

In addition to following the existing regulations that apply in our markets, Qliro works with 8 of the 17 UN Sustainable Development Goals. The seven goals we have identified that Qliro is able to impact and contribute to are:

-  Qliro takes responsibility for people and society by offering a safe and healthy working environment.
-  Qliro promotes gender equality with equal opportunities for women and men. We are dedicated to developing a culture and workplace distinguished by gender equality, equal terms and diversity.
-  Qliro wants to contribute to sustainable growth and job opportunities by helping partners achieve success and grow. Qliro’s convenient checkout solutions and sustainable financial solutions contribute to economic growth in our markets.
-  When developing new products and services, Qliro’s compliance function is brought in at an early stage to ensure that regulations are followed and that appropriate processes and control routines are in place. We see potential to develop more sustainable services.
-  Qliro wants to contribute to reducing inequalities and is a company with equal opportunities for all regardless economic or social status.
-  Responsible and sustainable lending requires credit checks and processes to ensure that customers can repay their debt and to avoid over-indebtedness.
-  Qliro is a small actor in a global context with little direct impact on climate change. We still believe that we can help to drive change towards a more sustainable future mainly through our position between e-merchants and consumers in the Nordics.
-  By taking initiative and taking part in networks in the e-commerce industry, we contribute to the transition to a more sustainable future.

FOCUS AREA 1

Sustainable e-commerce and reduced climate impact



The climate issue and the global climate crisis are one of our times biggest challenges and a challenge that we at Qliro believe in everyone in society must be helped to solve. Qliro is a small actor in the global context, but we believe we can contribute to drive change towards a more sustainable future conscious choices in our daily activities.

Risk management in sustainable e-commerce

At Qliro we take climate change seriously and playing a part in driving society towards a more sustainable future could negatively affect Qliro's brand.

Qliro's Employee Code of Conduct mentions climate change as a priority issue for the company. We work actively to reduce our carbon footprint, encourage carbon-neutral travel, and sustainability issues are a parameter when evaluating new suppliers.

Outward-focused initiatives for greater insight, knowledge and engagement on climate impact

Qliro works both internally in the organization and externally on the individual organizational level to create forums and services to disseminate knowledge on the climate issue in e-commerce, but also increase commitment and drive change in the climate issue.

In recent years, the focus has been on sustainability and climate-smart choice increased for Qliro. Qliro uses its platform and position between e-retailers and consumers to drive the development of a more sustainable consumption.

The service "Lifestyle profile" in Qliro's app was launched in 2021 there the user can see their individual climate footprint. The purpose with the service is to raise awareness about sustainable consumption. Earlier in 2021, the service Retursmart was also launched to reduce the number of e-commerce returns through Qliro's app. Qliro also joined the interest group Sustainable E-commerce in 2020, and has throughout 2021 continued the work within of the working group around return handling.

Climate impact and initiatives in day-to-day operations

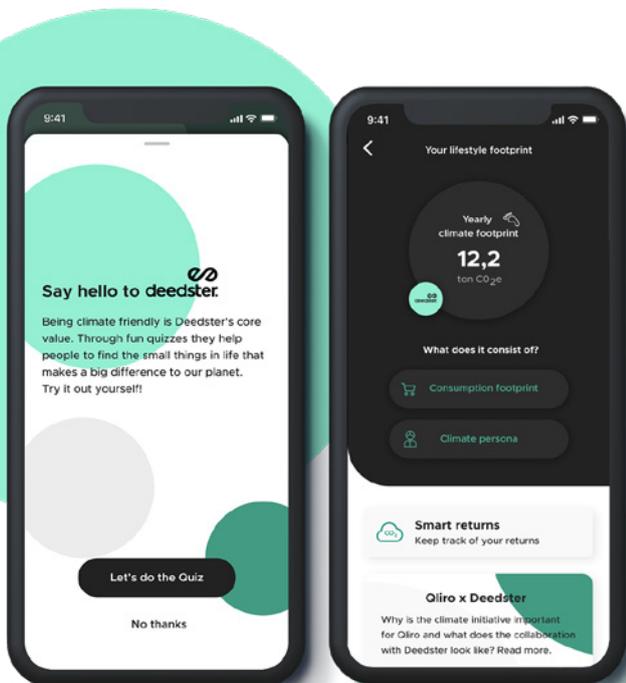
As a digital company in tech and financial services, Qliro's main environmental impact is from its office, data centers and business travel, which will be the priority areas for reducing the climate impact of our day-to-day operations.

In 2021, Qliro has focused on the internal climate impact at the office. For example, Qliro has switched to Fairtrade products, fruit baskets with 50% organic fruit, and vegetarian breakfast and vegetarian menu at all Qliro events. There is waste management in the kitchen for paper, food waste, plastic and hazardous waste. All products used for cleaning are organic and Nordic Ecolabelled. Qliro has also chosen to rent used printers instead of new printers, to reduce consumption of new machines. Qliro also has a completed travel policy that is now included as part of the personnel handbook. All Qliros employees must book travel through Egencia who book travel in the most sustainable way possible.

Energy consumption

All electricity used in Qliro's operations, including the building where the office is located as well as data centers, comes from 100% renewable sources. The office property is BREEAM certified, level 4 of 6, Very Good. BREEAM certification comes originally from the UK and is the most widely used system for environmental certification in Europe, measuring a property's environmental performance in a number of areas.

During the spring in 2021, solar cells were installed that now deliver locally produced energy.



The Retursmart service was launched during the year in Qliro's app. The aim is to increase awareness of the impact of returns on the environment and to provide greater transparency to customers on their individual impact. The goal is to reduce the number of returns in the long term.

kWh	2021
Electricity consumption – share of property	92,900
Heat consumption – share of property	30,798
Cooling consumption – share of property	21,263
Electricity consumption – data centers	245,182
Total electricity consumption	390,143

Waste and recycling

It should be easy to recycle and take care of waste the right way. Qliro’s office has clearly labeled recycling stations for paper, plastics, glass and metals. Hazardous waste currently consists of fluorescent lamps, batteries and electronics, and non-hazardous waste consists of glass, metals, cardboard, paper and plastics. In 2021, recycling and reuse from Qliro’s operations reduced CO2 emissions by over 5.8 metric tons. In 2021, the company will also evaluate opportunities to convert food waste to biofuel and to minimize paper consumption.

In 2021, Qliro also has investigated the possibility of managing food waste for recycling the energy for biofuels and to review paper handling to minimize unnecessary use. Qliro aims to implement this during the first half of 2022.

Kg	2021
Total weight hazardous waste	432
Total weight non-hazardous waste reused/recycled	14,447

To ensure that hazardous materials are handled correctly and that recyclable materials are in fact recycled, we have chosen a supplier that offers transparency on how the material is processed once it leaves Qliro.

Travel

Qliro is a growing company with operations throughout the Nordic region, and travel to some extent is part of our business, though mainly within Sweden. Less travelling than usual took place in 2021 due to the ongoing pandemic.

Km	2021
Air	2,606
Car (taxi)	1,605
Rail	2,779

In 2021, Qliro finalized its travel guidelines, where the emphasis is on the following points to encourage climate-smart travel:

- To reduce travel, virtual meetings will be given priority over in-person meetings where suitable.
- Travel will be planned and scheduled using mass transit, or by walking or biking if possible.
- Trains will be given priority over air travel on domestic trips.
- When reserving a taxi or rental car, electric vehicles or other green alternatives will be given priority if possible.

Ambitions and results in 2021

In 2020, Qliro reported ambitions to continue develop the collaboration with Deedster and launch further a service on the theme of sustainable lifestyle and climate impact. Qliro will in 2022 focus on internal improvements. During 2021, Qliro also had the ambition to continue disseminating knowledge among players in e-commerce to highlight the impact of e-commerce on the climate. Through the collaboration with Deedster and the Lifestyle Profile, as well as other initiatives, Qliro has in 2021 continued to shape a workplace where employees have the opportunity to learn more about climate impact and how you as an individual can affect climate impact. The ambition to complete the travel guidelines for even more climate-friendly travel was finished during the year and is included in the personnel handbook. Qliro also actively worked within the network "Sustainable e-commerce" in the focus area returns.

Ambitions 2022

In 2022, Qliro wants to sort all waste in the office and the goal is to have only one supplier for waste management.

Qliro will continue to be part of the network "Sustainable e-commerce" and contributed actively in the area of return management and spread knowledge in our channels about the work within the network.

FOCUS AREA 2

Responsible business and lending



Qliro's main business consists of offering e-merchants in the Nordics a flexible and secure payment solution. The solution also contains modern payment methods offered through partners as well as Qliro's credit products, so-called pay-after-delivery (PAD) products, such as invoices and part payments. Qliro's solution ensures that e-merchants receive payment for their goods and that consumers can shop securely online and offers flexibility when it comes to choice of payment methods.

Given the nature of Qliro's business, the most important sustainability issues are:

- Responsible lending
- Solid business ethics, anti-corruption and financial crime (including money laundering, terrorist financing and fraud)

Responsible lending

Lending is a key part of Qliro's business and accounts for the majority of income. Lending plays an important role in a functional society and gives consumers the opportunity to increase their purchasing power and spread their expenses over time. As a consumer, borrowing money has a direct impact on your personal finances, and responsible lending means carefully considering these perspective and making sure that enough information is in place to make well-informed decisions.

Consumer lending is licensed and supervised by the Swedish FSA. Qliro's responsibility as a lender includes preventing over-indebtedness, which is why credit checks are performed to ensure that the customer does not borrow more than their financial situation allows. Internal control, together with robust internal systems and processes, is fundamental. To minimize the risk that customers suffer financial difficulties, a

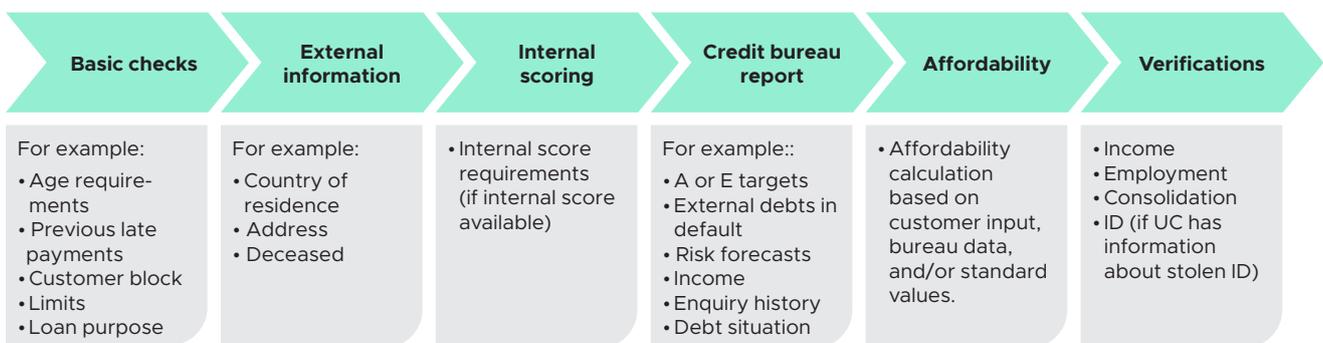
systematic credit process serves as the basis of all decisions and Qliro follows the Swedish Bankers' Association's responsible lending code. We offer credit only to individuals who we believe can repay. However, there is always a risk that customers, due to various circumstances, will have problems repaying their loans, which is not desirable for the customer, society or us as a lender. Responsible lending is therefore our most obvious focus area in our sustainability work.

Qliro's credit assessment is a data-driven, integrated process supported by internal competence. In e-commerce, consumers expect an immediate response to their credit inquiries, which requires us to have automated processes and access to a wealth of data. The illustration below shows the overall credit assessment model, which can vary depending on factors specific to a particular case and on whether a loan is tied to Qliro's PAD products or a personal loan. Qliro has developed its own scorecards for most markets and products, and new scorecards are added over time to improve risk management capacity. The scorecard is also continuously improved through analyses of the large data flow through Qliro's platform. A new credit assessment is done each time a customer makes a purchase or applies for credit. If the customer is assessed as not having the financial capacity to repay the credit, the application is denied.

In addition to reducing credit risks, the goal of Qliro's assessments and loan processing is to ensure sustainable and sound lending. Qliro has had stable credit loss ratios, especially for PAD products in Sweden. The credit loss ratio for private loans has been lowered compared to earlier years as a consequence of a number of improved processes regarding credit assessments as well as an improved provisioning model.

Steps in the credit assessment

(a selection of checks)



Checks depend on a number of criteria, for example applied amount and previous history with Qliro
 For example: an invoice purchase of SEK 100 does not go through the same assessment as a personal loan of SEK 500,000.

Significant risks related to responsible lending:

- Insufficient repayment capacity
- Overindebtedness among customers
- Increased indebtedness in society

Credit assessment in pay-after-delivery products

A credit assessment is done for all purchases with Qliro's PAD products, regardless of size and duration. The controls and rules in the assessment process may vary depending on factors specific to a particular case, including geographic market, repayment period, type of product and customer history. Thresholds, limits and the degree to which external and internal data are used can also differ between products and customers with different payment histories. Qliro has established limits on the highest credit it offers. In general, credit purchases pass through six sets of rules: i) direct rules, ii) threshold, iii) payment history, iv) address verification, v) internal scores and vi) external scores.

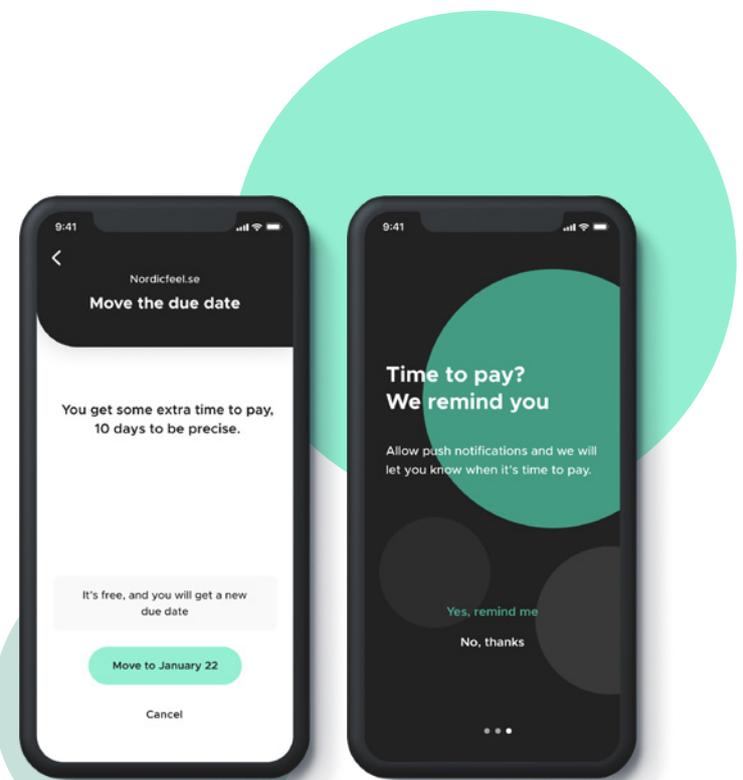
Each set contains different rules depending on the market and to some extent the product. The transaction must pass through every step to be approved, with the exception of the first set, where the customer can be approved or denied directly under certain circumstances. When external data is collected, Qliro collaborates with at least one established credit reporting company to obtain relevant data in each market. For the PAD products in Sweden, Qliro currently has agreements with two companies that serve as primary and secondary providers, where response time is critical. The external information that is obtained is often related to address data and basic customer information as well as non-payments, income and credit score.

Personal loans

Personal loans are offered only in Sweden up to SEK 350,000 per borrower. For two borrowers, the maximum amount is SEK 500,000, but the average loan is approximately SEK 80,000. The credit assessment process for personal loans contains a similar set of rules as PAD products, with additional calculations based on information from the customer and in certain cases controls tied to various documents provided by the customer. In 2020, Qliro launched an internally developed personal loan scorecard, where the credit framework is based to a greater extent on statistical models than expert rules. Qliro's personal loans are marketed only in Qliro's own digital channels, which means that Qliro knows its customers well, since more than 95 percent of all private loan customers are previous PAD customers. Qliro's database on purchasing histories and payment patterns for PAD products is critical therefore to the credit assessment and scoring process for personal loans as well.

Managing overdue payments

Qliro manages reminders of overdue payments using internal resources, which are activated when a customer has violated the terms of their agreement. The measures differ for different receivables depending on financial exposure, risk level and type of products. They include contacting these customers through the app, push notices, text message, email and/or outgoing calls. The development of digital functions and rollout of the new app in 2020 are important steps that make it easier for Qliro's customers to pay on time. For example, they can now link a bank account to their payments and schedule a payment from their bank account on the due date each month. There is also an option to delay the payment date for invoices by another ten days directly in the app. If a customer is temporarily struggling to pay their bills, there are established guidelines on how it should be handled to avoid unnecessary unpaid and overdue credits, e.g., by granting a payment-free month. If a customer has not paid despite internal measures, their agreement is canceled and a claim is submitted to an outside collection agency. Canceled agreements negatively impact profitability, the brand and not least the individual, so Qliro always tries to improve both credit assessment processes and processes to help customers



By developing intuitive digital services for its app, Qliro makes it easy for customers to manage their payments and reduces the risk that they will be late with a payment.

who are having difficulty paying their bills. Qliro currently has agreements with two collection agencies. When choosing collection partners, Qliro takes ethical aspects and customer relationship management into account.

Development in 2021

In 2021, work continued on improving credit assessments and processes. A number of changes were implemented during the year in the credit assessments of customers who made purchases with PAD products on the Swedish market. For example additional data sources used in the credit decisions were implemented. Improvements have also been made in the management of customers with improved communication to those who experience payment difficulties. It has been much appreciated among customers and contributed to more people being able to pay off their outstanding debt in time. The proportion of customers who has experience payment difficulties on Swedish PAD products decreased by 10-30% during the year. Other Nordic markets have also shown improved figures in the proportion of customers who fail to fulfill their obligations compared with the previous year.

A procurement of a new agreement for the sale of overdue Swedish PAD receivables were implemented during the year. It resulted in an agreement with better prices compared to the earlier agreement. This was made possible by the improved credit quality demonstrated by Qliro's customers. The new agreement had a positive impact on credit losses at the end of the year.

In addition to the changes in credit assessment, customer management, and management of overdue receivables, a new provisioning model for the private loan product was implemented, as well as updates in existing reservation models for the PAD products.

Qliro's reported credit losses, which are a combination of established credit losses and provisions for future potential credit losses, within Payment Solutions amounted to 1.1% of the total PAD volume (1.3% in 2020). Within Qliro's second segment Digital Banking Services the credit loss ratio in relation to average lending was reduced to 0.5% (2.7%). The sharp reduction in credit losses for private loans is due to an improved credit quality as well as the new provisioning model that was implemented in 2021, which dissolved part of the previous credit loss reserve.

Combating corruption, money laundering and terrorism financing

Qliro has zero tolerance for corruption, money laundering and terrorism financing. Corruption poses serious legal risks and reputational risks. Qliro is exposed to corruption through, for example, the risk of fraud, money laundering, terrorism financing, bribery and conflicts of interest. Anti-corruption work is based on Qliro's policy documents. Combating all forms of corruption is an extremely high priority, and the

~ 20%

Reduction of share of claims sent to collection agencies for PAD-products

CEO along with the rest of management have overarching responsibility for the preventive work and ensuring that resources, processes and control systems are in place. As a credit institution in accordance with LBF, Qliro is subject to the Act on Measures against Money Laundering and Terrorist Financing (2009:62) and must, before a business relationship is established with a customer, follow Know Your Customer (KYC) procedures to identify the customer and assess the risks associated with the customer. Continuous KYC, including transactions made by customers, is necessary to identify any suspicious activity that could entail money laundering or terrorism financing. Qliro will deny transactions that it suspects, or has reasonable grounds to suspect, may involve money laundering or terrorism financing. Qliro has adopted internal policy documents and procedures to comply with the Act on Measures against Money Laundering and Terrorist Financing.

Policies in the area include:

- Code of Conduct – contains principles for ethical and responsible behavior at
- Conflict of Interest Policy – describes how employees and representatives of Qliro should respond to potential conflicts of interest.
- Anti-Money Laundering and Counter-Terrorism Financing Policy - describes the reasoning behind Qliro's measures to prevent money laundering and terrorism financing.
- Whistleblower Policy – ensures that Qliro's employees can and know how to report sensitive issues such as discrimination without the risk that it could lead to negative treatment.
- Merchant Policy – fundamental principles and methods Qliro uses to ensure that all merchants, both new and existing, meet Qliro's requirements concerning counterparty risk, volume, profitability and ethics.
- Governance Policy – ensures effective internal control and management in accordance with regulatory requirements as well as the internal framework, in order to have effective independent control functions and for the Board's ability to effectively monitor Qliro's operations.

Qliro's Code of Conduct and guidelines are fundamental and cover all employees, senior management and Board members. All employees have access through the intranet to the Code of Conduct, and it is part of the mandatory training that Qliro's employees are required to take. Qliro has three levels of control functions, the three lines of defense, to manage corruption risks and ensure that Qliro does business and enters into business relationships on the basis of value creation and on ethical grounds. For more information on current control levels, see page 29.

The key to this work is to continuously monitor trends, patterns and monetary flows to prevent the business from being exploited for purposes of money laundering and terrorism financing, for instance. In the event that suspicious patterns and transactions arise, reporting routines are in place. In collaboration with the Swedish Bankers' Association and the Swedish Police Authority, opportunities are available to share experiences and information on money laundering and fraud in the banking sector.

It is critical that employees are aware of the risk of corruption and the reporting routines that are used. The priority therefore is to continuously educate employees on how corruption can be combated and provide them with skills that make it easier to see the warning signs. A number of online courses are available as support and guidance. For example, Qliro offers ten mandatory online courses, five of which are considered especially important, and participation is continuously reported to the Board. In a measurement in the fourth quarter 2021 more than 90 percent of Qliro's employees had completed these courses:

- Qliro's Code of Conduct, which is also included in introductory training for new employees.
- Introduction to data privacy
- Compliance onboarding
- Managing conflicts of interest and anti-corruption
- Risk control awareness

Anonymous channel for whistleblowers

Employees who anonymously want to report improper activity can use the whistleblower channel available on Qliro's intranet. The information is also found in the mandatory training on Qliro's Code of Conduct.

Customer privacy and information security

On a daily basis, Qliro processes a large volume of personal data on the consumers who use its services. The EU has adopted the General Data Protection Regulation (GDPR, Regulation 2016/679/EU), which governs Qliro's ability to collect, store, share and otherwise process information on consumers. Qliro's compliance with GDPR is also monitored by national data protection authorities. Failure to follow GDPR can lead to high financial sanctions for Qliro.

»Qliro's employees are aware of the risk exposure towards corruption and which routines that apply for reporting. Continuous education is a top priority.«

Qliro works continuously to safeguard customer privacy in an effective and robust way. Qliro has established a privacy organization that, together with other expertise, is brought in at an early stage in new processes where personal information is handled to ensure that data are processed legally and that the necessary security measures have been taken.

All business entails risks, and in Qliro's case it faces information risks, along with organizational or product changes that potentially could impact information security. Oversight and control are critical therefore to minimize vulnerability. Proactive risk and incident management ensures a high level of protection in terms of information and assets in every aspect of operations.

It is also a question, with the help of control systems, of identifying transactions and monetary flows that deviate from the normal, as well as maintaining adequate control of levels of authority for handling information and executing services. All Qliro employees are responsible for reporting incidents; Qliro's risk control function ensures that an incident owner in the first line is assigned responsibility for managing the incident. Qliro's information security and risk management function (ISRM) is responsible for publishing the latest versions of policies and guidelines on customer privacy and information security on the intranet for easy access.

FOCUS AREA 3

Attractive employer



Qliro has high ambitions when it comes to being an attractive employer, and we try to create a WOW-experience in everything we do. Qliro is defined by its results-oriented organization and a modern, diverse and inclusive culture that promotes learning and the health, safety and well-being of our employees. An important basis for this ambition is our shared working environment, promoted by consideration and sound values. Processes for employee reviews and professional development are well-established. Examples of benefits includes pension, flexible working hours, supplemental pay during parental leave and wellness allowances.

Diversity

Qliro's ability to attract, develop and retain employees with the right skills is a prerequisite for maintaining a profitable business. When recruiting, Qliro looks for a variety of skills and other qualities in terms of gender, age, etc. Qliro does not tolerate any form of discrimination or harassment. As part of the onboarding process for new employees, they are informed of Qliro's values regarding gender equality, diversity and discrimination.

Code of Conduct and working environment

All employees are informed of and expected to follow Qliro's Code of Conduct. The Employee Code of Conduct clarifies the obligations of employees and covers the following areas:

- Relationships with customers
- Colleagues and working environment – including health and safety, human rights, the right to collective bargaining, fair pay, no discrimination by position or profession
- Relationships with suppliers, other business partners and competitors
- External communication and information processing
- Contact with authorities
- Whistleblower function
- Consequences of violating the code

Qliro and its employees together are responsible for a healthy working environment and that every employee is appreciated and respected. Qliro has an instruction on working environments and has established a work environment committee.

Risk management in the area of attractive employer

Qliro's risks as an employer mainly include:

- Risk of not being seen as an attractive employer
- Risk that gender equality and diversity initiatives are unsuccessful

Being an attractive employer is critical to the business. The risk is otherwise that talented people cannot be recruited or leave the company, which could lead to a talent gap, efficiency losses or a lack of continuity.

Competition for talent in the tech sector in Stockholm is fierce and hiring competent employees is the key to achieving the strategic ambition and surpassing the expectations of partners and customers. Working conditions and compensation help to attract and retain employees, but even more important is to have sound values and offer an attractive workplace and inclusive culture where employees have the opportunity to develop and take responsibility. Using a digital tool, Qliro takes the weekly "temperature" of the organization on issues such as engagement, well-being and corporate culture. The measurements serve as a catalyst for discussions within and between functions on these issues and also help to provide input on where special measures or improvements may be needed.

For Qliro, diversity and gender equality are imperative, partly to offer an attractive and inclusive workplace and partly to have the knowledge and understanding of what customers and markets need. A lack of gender equality and diversity may lead to an inability to understand the market. When recruiting new employees, Qliro looks for a variety of skills and other qualities in terms of gender, age, etc. and strives for gender parity at the management level with equal wages. A salary audit is conducted each year by an external party. This year's audit did not find a gender pay gap for equal or similar work.

Qliro has a whistleblower function to report acts of discrimination or harassment. The function provides all employees a way to report violations without fear of repercussion. Employees should also feel assured that reports are handled professionally. The whistleblower policy is available on Qliro's intranet and is also included in the mandatory digital Compliance Onboarding Education.

Culture and values – a key for Qliro as an attractive employer

At Qliro, we believe that all employees want to succeed and contribute. We believe that a strong corporate culture will result in greater engagement, higher productivity, increased creativity and more motivated employees. We also believe that it will create greater cooperation between functions, more innovation and ultimately that our strategy will be realized and that we create better results.

Qliro's values:

- Through collaboration
- Everyday curiosity
- We empower
- My accountability

All employees of the company has been involved in helping to shape Qliro's values, which serve as the inner compass for how we work.

Among the ways we use our values to strengthen the culture are:

- Sharing success stories where the values played a key role.
- All company events we hold are tied in with our values.
- Longer personal reviews with self-assessments tied to our values.
- Living by the values is one of several factors in the wage setting process.

Qliro's business culture :



Leadership

We at Qliro believe that our leaders are the key to creating a culture of success through their leadership and encouragement. Leaders play a key role in improving their function's results, encouraging cooperation within the function and between functions, and helping our employees to grow as professionals.

Among the many ways we work with leadership are:

- A leadership program with three modules led by Qliro's Head of Empowerment within the People function.
- Monthly leadership forum for networking, sharing information, additional leadership training and as a forum for leaders and executive management to dialogue and trade experiences.
- Continuous coaching for leaders, through Qliro's Head of Empowerment.
- A strong People function that supports Qliro's leaders.

The leadership program and forum help to build a network between leaders, which impacts more than just leadership. We are also seeing positive effects on collaboration between functions and increased job rotation between functions.

Employeeeship

Employeeeship is Qliro's way to enable all employees to grow and take responsibility and initiative for their own and Qliro's results, but also to provide the right support for them. Employeeeship is also important because it shows a focus and commitment to everyone at Qliro. We are all important to create a successful culture.

» **During the year, the tendency to recommend Qliro as workplace increased.**«

Transparent organization

To create ownership, participation and accountability, employees have to be kept informed and understand the business. Only then will they make the right decisions, which builds confidence and is the key to delivering on the other strategic cultural dimensions. As a transparent organization, our focus has been to transition from limited information sharing to a more open approach to sharing information within the company. Among the ways we are building a transparent organization are:

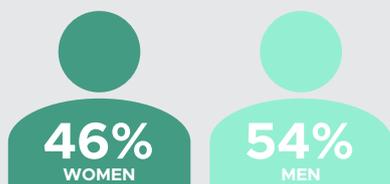
- Company information is shared at monthly employee meetings, through brief updates on Slack or in longer updates on the intranet.
 - Brief updates through Slack when, for example, Qliro is in the news or on job openings, company success stories, personal reflections, knowledge sharing, customer feedback, etc.
- All employees are encouraged to participate and share information as well as actively seek out information. Through the updates we create engagement and inclusion.

Learning organization

To maximize performance in today's high-speed society, people and organizations have to constantly surpass themselves. We believe that one way to accomplish this is to design a culture and an organization that support continuous learning and development for our employees. Creating a learning organization depends on the other four focus areas. It is a continuous process and is built up over time. What we have done so far and are doing are:

- Structured customer and merchant feedback to the organisation to continuously improve us and our offering.
- Leadership and employeeeship training, which are good platforms to create opportunities for learning, information sharing and collaboration.
- We have visualized and discussed how we see personal development and career building within Qliro, which largely involve learning and development.

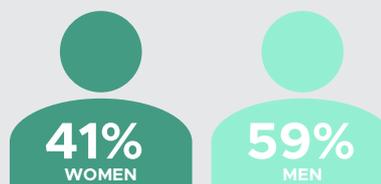
Gender distribution employees



	2021		
	Women	Men	Total
Below 30 year	45	32	77
30–50 year	46	74	120
Above 50 year	5	6	11
Total	96	112	208

	2020		
	Women	Men	Total
Below 30 year	40	25	65
30–50 year	48	74	122
Above 50 year	4	7	11
Total	92	106	198

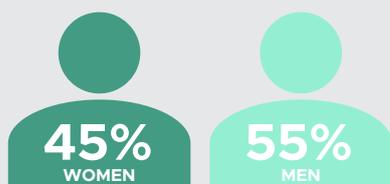
Gender distribution managers



	2021		
	Women	Men	Total
Below 30 year	3	0	3
30–50 year	12	24	36
Above 50 year	2	0	2
Total	17	24	41

	2020		
	Women	Men	Total
Below 30 year	1	1	2
30–50 year	12	22	34
Above 50 year	3	2	5
Total	16	25	41

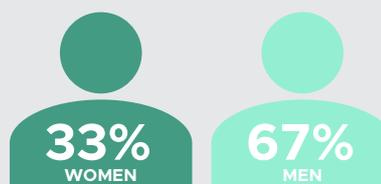
Gender distribution Executive management



	2021		
	Women	Men	Total
Below 30 year	0	0	0
30–50 year	4	6	10
Above 50 year	1	0	1
Total	5	6	11

	2020		
	Women	Men	Total
Below 30 year	0	0	0
30–50 year	4	5	9
Above 50 year	1	0	1
Total	5	5	10

Gender distribution Board of Directors



	2021		
	Women	Men	Total
Below 30 year	0	0	0
30–50 year	0	1	1
Above 50 year	2	3	5
Total	2	4	6

	2020		
	Women	Men	Total
Below 30 year	0	0	0
30–50 year	0	1	1
Above 50 year	2	3	5
Total	2	4	6

- We have clearly communicated and visualized job rotation as a way to inspire our employees to develop and learn within Qliro.
- We offer mindfulness training, through an internal resource, to all employees to support focus, reflection and learning.
- Training and information sharing by departments or specialists for the rest of the company on, for example, Tech Expos or Qliro's financial model.
- All employees are provided a number of digital courses on Qliro, some of which are mandatory and where the results are tracked and reported to the Board of Directors.

Result 2021: Attractive employer

The tendency to recommend Qliro as an employer (e-NPS) increased on average from +16 to +24 (on a scale from -100 to +100). For the comparison group Swedish TECH companies, the e-NPS value averaged +15.

All sub-categories that we measure in our continuous temperature measurements of the organization show stable results. All categories are above average for Qliro's comparison group. No cases of so-called whistle-blowing occurred during the year.

Results of Qliro's employee survey

Scale of 1-10	2021	2020
Leadership	8.4	8.3
Meaningfulness	7.6	7.7
Team cohesion	8.5	8.4
Participation	7.9	7.9
Total	7.7	7.7

During the year, a review was carried out by the Swedish Work Environment Authority where it was confirmed that Qliro's work regarding work environment conducted in a satisfactory manner. In 2021, we have also trained the staff in ergonomics "Guerrilla Ergonomics", and focused on working remotely. We have implemented safety rounds with participants from the Work Environment Committee and carried out a risk assessment prior to returning to the office.

We have trained and coached our leaders (all leaders take our leadership course), coached leader, done so-called 360-degree evaluation with all leaders and followed up with individual coaching & action plans.

Our employees have been offered communication training and Empower yourself courses aimed at educating a little deeper around different parts of our business.

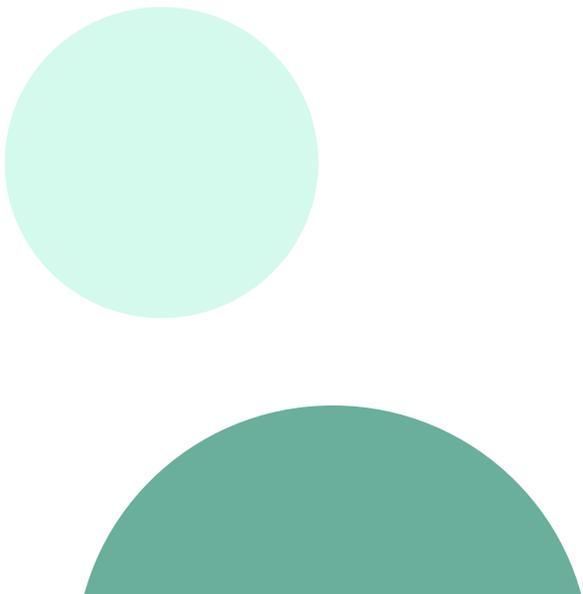
Launched the internal digital program "Good morning Qliro" as a way to create interest and holistic understanding for Qliro's business and to get to know our colleagues better.

Ambition 2022

In 2022, the focus remains on strengthening leadership and employeeship within Qliro.

Some of our focus areas include:

- Focus on commitment, employer branding and recruitment to ensure that the organization has the skills required to deliver on Qliro's long-term strategy.
- Maintain an e-NPS in line that is at least on par with industries
- Increase knowledge of Qliro's strategy and how all employees are connected to it.
- Strengthen cross-functional collaboration
- Leadership and employee development
- Communication training
- Greater focus on employer branding and recruitment with several initiatives planned.



Auditor's opinion regarding the statutory sustainability report

To the general meeting of the shareholders in Qliro AB, corporate identity number 556962-2441

Engagement and responsibility

It is the board of directors who is responsible for the sustainability report for the year 2021 on pages 9-21 and that it is prepared in accordance with the Annual Accounts Act.

The scope of the examination

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means

that our examination of the statutory sustainability re-port is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Stockholm 7th of April 2022

KPMG AB

Mårten Asplund
Authorized Public Accountant