Three. Two. Online

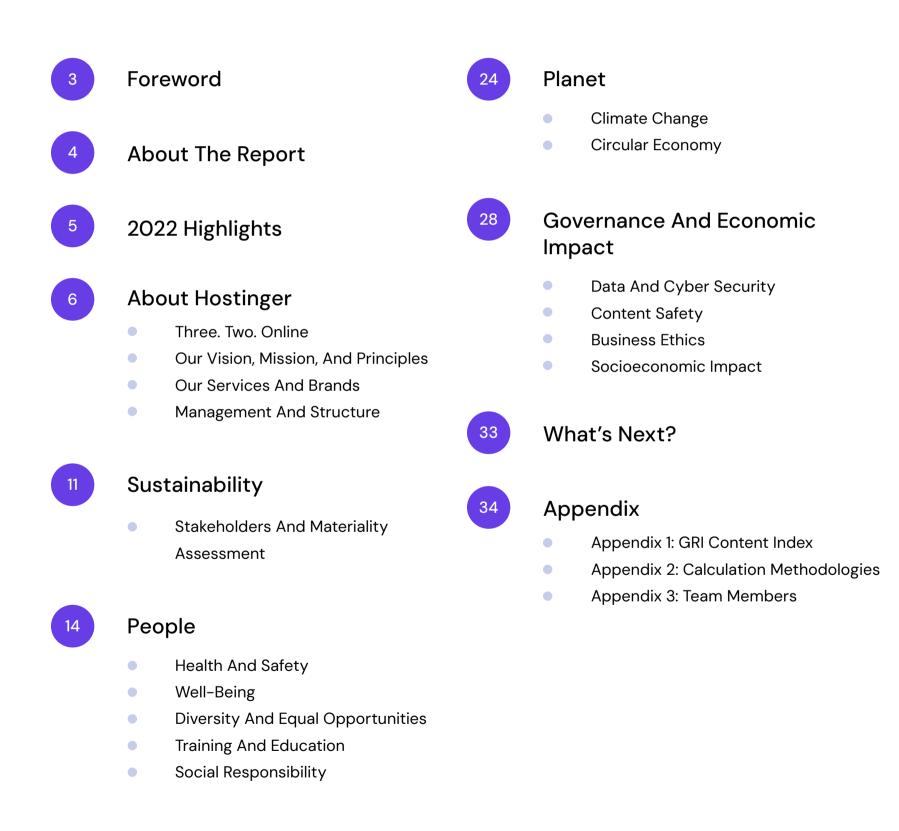


Hostinger 2022 Sustainability Report



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Foreword

At Hostinger, our mission is to empower millions of people worldwide to unlock the power of the internet. We believe everyone should have the opportunity to learn, create, and grow online – regardless of their background or circumstances.

Committed to innovation, our team provides top-notch tools and round-the-clock support to help customers succeed online. From fast hosting and user-friendly control panels to our Al-powered website builder, we've made building a website and launching an online business simpler than ever. To support our clients' growth, we offer a wealth of resources like Hostinger Tutorials, Hostinger Academy, our blog, and an array of webinars and podcasts.

Our commitment extends beyond excellent products and services – we also strive to be a responsible company. We stood in solidarity with those affected by russia's war in Ukraine, recognizing the urgency of aid during difficult times. Guided by our ethical values, we allocated financial resources to support initiatives that uplifted communities, families, and individuals. This was our collaborative and compassionate effort to help those who need it most.

While we're committed to addressing urgent issues, we know our responsibility continues beyond there. Taking care of our planet and future generations is important for us. Although some of our work aligns naturally with sustainability, we understand that creating a positive impact requires us to go further. Our recent Sustainability Report has been an eye-opener, shedding light on our company's sustainability practices. It has helped us pinpoint where to focus our resources for lasting positive change.

We're excited for you to review our Sustainability Report and share your thoughts. Your insights are more than just feedback – they're vital to our collaborative success.



HOSTINGER



About The Report

Hostinger's 2022 Sustainability Report is the first publication highlighting our current state and journey toward sustainable development. Referring to the **Global Reporting Initiative (GRI) standards**, it covers the period from **January 1 to December 31, 2022**, and presents our future commitments. However, since this report was released in the second part of 2023, some key post-reporting events from 2023 could not have been skipped and, thus, are also mentioned in the report.

Part of our initiatives at Hostinger have already implemented sustainable practices, and we are eager to contribute more consistently in that direction – starting with this report. This document outlines our current state and progress, identifies areas that need more attention, and informs stakeholders of our commitment to tackling them in the future.

This report provides materiality assessment disclosures, **the scope** of which has been expanded to include stakeholder expectations. The content consists of the latest available information at the time of publication, which has not been formally audited. From now on, we plan to publish the reports annually.

This Sustainability Report covers information from both Hostinger Group's parent company and all of its subsidiaries. Unless otherwise stated, the material topics in the document refer to all Hostinger Group companies. A detailed report for each subsidiary was not prepared.

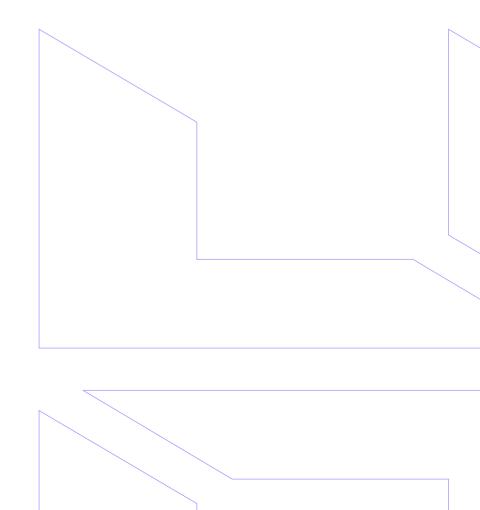
If you have questions about this Sustainability Report or Hostinger's sustainable practices, please email:



Rūta Grigaliūnaitė (Sustainability Manager)



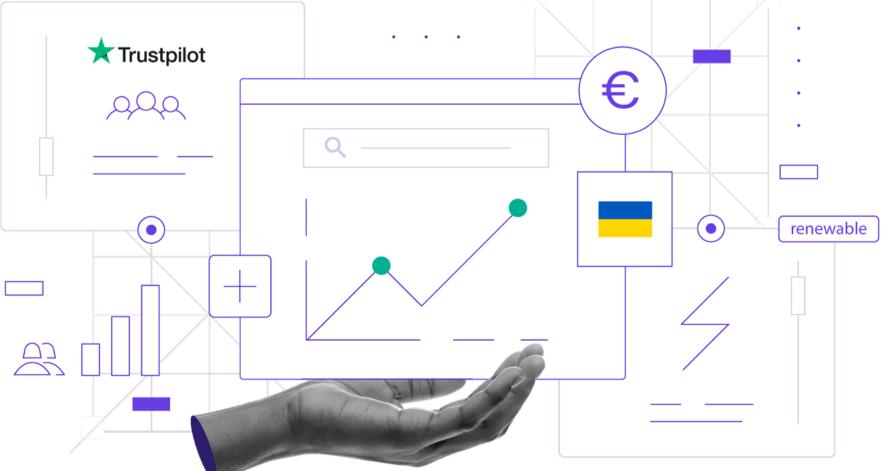
sustainability@hostinger.com





2022 Highlights

We increased our Trustpilot Score from 4.2 in 2021 to 4.5 in 2022.
Our average Employee Net Promoter Score (eNPS) was 71.75.
Women held 43.6% of our leadership positions, while men held 56.4%. In total, women constituted 43.9% of our team members, and men, 56.1%.
35% of electricity in our data centers came from renewable energy.
Our data centers had an average power usage effectiveness (PUE) of 1.42.
For the first time, we calculated the emissions for Scope 1 and 2, which totaled 1,071.59 tCO2e.
We contributed over €150,000 to social responsibility initiatives, mostly supporting Ukraine during the wartime.



About Hostinger

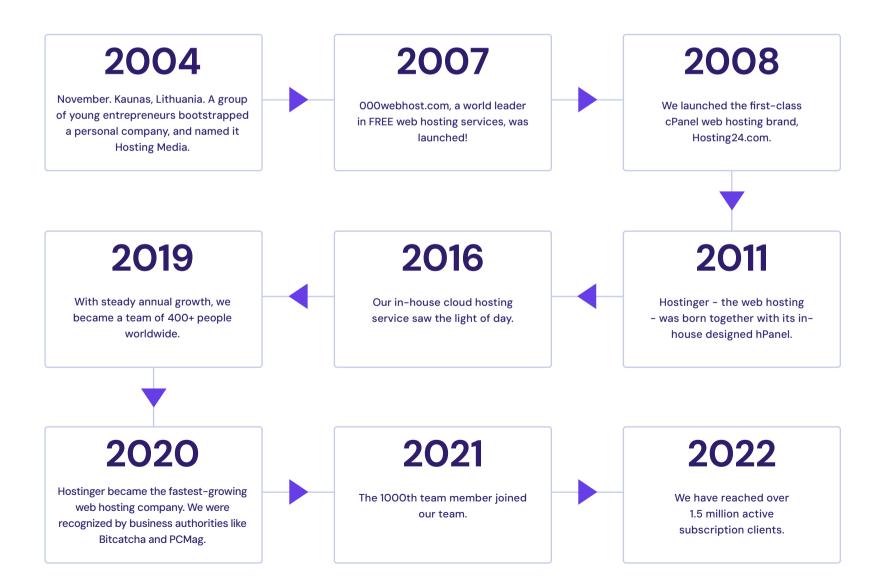
Three. Two. Online

Hostinger is an international hosting company dedicated to helping everyone succeed online – from bloggers and developers to business owners and creative agencies. With our advanced hosting technology, userfriendly control panel, and Al-powered website builder, creating a site has never been easier.

Our story began in 2004 as **Hosting Media**, a bootstrapped company in Kaunas, Lithuania. Through our unwavering commitment and continuous growth, we saw the opportunity to expand our reach further. To achieve this goal, we officially rebranded the company to **Hostinger** in 2011.

Since then, Hostinger has experienced remarkable growth and emerged as one of the <u>fastest-growing hosting</u>. <u>brands worldwide in 2020</u>. By the end of 2022, we proudly served over 1.5 million customers from more than 150 countries. With offices located in Lithuania and Indonesia, we have established a strong presence across different regions to better serve our valued customers.

We offer comprehensive solutions tailored to meet the evolving needs of our customers' online journey. Our services encompass shared hosting, website builder, cloud hosting, VPS hosting, WordPress hosting, domain registration, and email hosting. Whether starting small or scaling up, we ensure websites perform optimally, delivering speed, reliability, and security.



Our Vision, Mission, and Principles

Our Vision

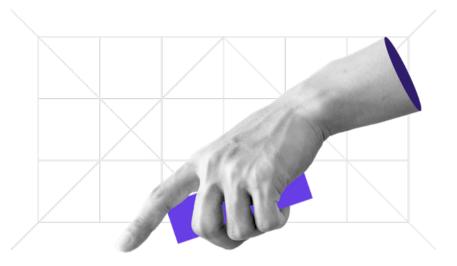
To empower millions of people across the globe to unlock the power of the internet. To do that, we give them the tools to learn, create, and grow online.

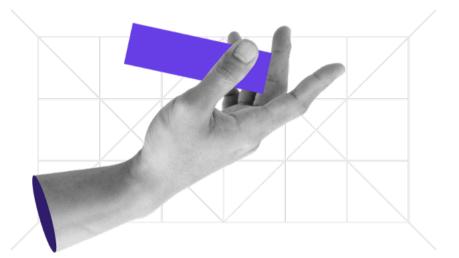
Our Mission

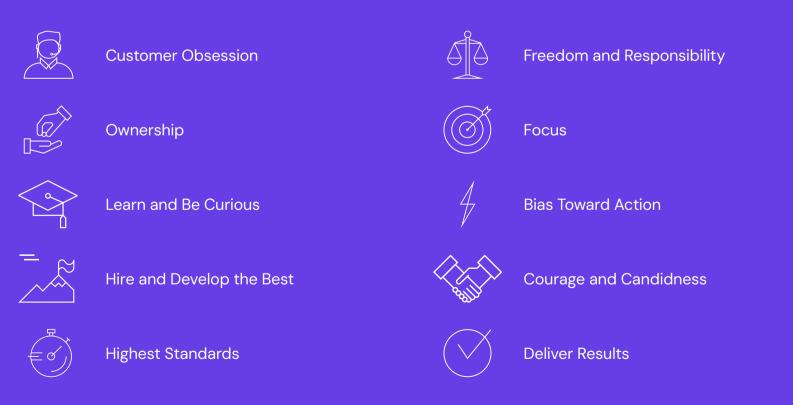
To offer easy-to-use hosting services for anyone – whether you're running a personal blog, an online store, or a web development agency. To deliver our promise, we constantly update our server technology, fine-tune our control panel, improve customer support, and find new ways to better serve our customers.

Our Principles

The <u>10 Hostinger Principles</u> unite and guide us as a company to solve everyday problems and achieve our vision and mission. We focus on the success of our customers and work our way toward it.







Our Services and Brands

Getting started with their website is the most difficult part for many users. At Hostinger, we strive to make website building as effortless as possible.

That's why we built hPanel, a custom-built hosting control panel. Its intuitive interface allows beginner and advanced users to manage their websites with ease. If customers need assistance, our 24/7 multilingual **Customer Success** team is always happy to help via live chat.

Speed matters in business. The faster a website loads, the more likely visitors will stay and convert into customers. To ensure maximum performance, all our hosting services are powered by LiteSpeed – one of the industry-leading web servers on the market.

Building a website is just the beginning – users also need the resources to grow their online presence. Hostinger offers services to help them in every step of their journey:



Web hosting. The ideal hosting service for personal projects and small business websites.



Website builder. An Al-powered platform designed to build a site easily and quickly.



VPS hosting. Best for web developers that need easy-to-scale resources for their projects.



WordPress hosting. Optimized to make WordPress websites load faster.



Hosting for professionals. Perfect for freelancers or agencies with multiple clients.



Domain registration. A vast choice of domain names at competitive prices.



Email hosting. Professional domainbased email addresses are perfect for online businesses.



Cloud hosting. An excellent hosting solution for large-scale websites.

To reach even more users worldwide, Hostinger has subsidiaries in **Brazil, the United Kingdom, the United States, Singapore, Cyprus, and Indonesia**, with the latter under the brand Niagahoster. We are also the home of <u>OOOWebHost</u>, a free web hosting platform.

Thanks to our ongoing innovations and commitment to improving customer experience, Hostinger has achieved remarkable growth across established and emerging markets. In 2022, India, Brazil, Indonesia, the United States, and France stood out as our largest markets, with the United Kingdom, Mexico, Colombia, Argentina, and Spain completing the top ten.

Our customers include residents from over **150 countries**. Due to the war in Ukraine, Hostinger has ceased operations in russia and Belarus. Services are also not available in other countries subject to international sanctions.



HOSTINGER

Management and Structure

Hostinger is an international group of companies governed by the Board. In 2022, the Board included the Chief Executive Officer (CEO) Arnas Stuopelis, who took the chair role too.

The Board advises the CEO and other Core Leadership Team members to scale the business, make important decisions, and identify profitable opportunities, innovations, and investments.

Our Board is elected according to company statutes. Our Board members possess a varied portfolio of professional backgrounds and skill sets, allowing them to bring diverse perspectives to the table. In 2022, our Board members were not paid any bonuses for their services.

Board Members





Arnas Stuopelis

Jochen Dominik Berger



Tobias Mohr



Tomas

Okmanas



Eimantas Sabaliauskas

Hostinger has eight departments: **Product, Marketing, Customer Success, Communications, Finance, People, Business Operations, Revenue and Data.** Each department is led by a Core Leadership Team member who reports to the company's CEO.

The Core Leadership Team, or C-level executives, is a group of high-level managers and executives in charge of the strategic direction, development, and success of Hostinger. Together, they work to ensure that the core business areas operate efficiently while supporting the CEO in driving the organization to its objectives. They are responsible for the decisions and risk management affecting the whole company.





Core Members

		Female	Male
Core members by number		10	
Core members by gender		30%	70%
Core members by age	27-35	2	4
, 0	36-45	1	3

*Numbers represent 2022 structure and data.

- Arnas Stuopelis Chief Executive Officer (CEO) at UAB Hostinger
- **Giedrius Zakaitis** Chief Product Officer (CPO)
- Daugirdas Jankus Chief Marketing Officer (CMO) until April 24, 2023; CEO at UAB Hostinger Operations from April 24
- Kristina Strimaitė Chief Marketing Officer (CMO) since April 24, 2023

*The core structure presented here is as of September 1, 2023.

- Aivaras Šimkus Chief Operating Officer (COO)
- Domantas Beržanskis Chief Finance Officer (CFO)

leva Jacunskienė – Chief Revenue Officer (CRO)

- Gabija Marganavičė Chief People Officer
- Darius Grigorjevas Chief Customer Officer (CCO)
- Milena Žilinskaitė Chief of Staff (COS)

Core Members Information

The Extended Core Leadership Team are managers who are not part of the Core Leadership Team but can gain valuable insights by attending their meetings. Attendance is optional and based on the agenda items being discussed. The team members may be rotated to ensure diverse views from different business functions.

At Hostinger, we are dedicated to minimizing hierarchy and bureaucracy. While our company tree shows, who reports to whom, we strive to keep teams effective as we grow. We keep collaboration as flat as possible and empower team members to have ownership over their initiatives. This approach allows us to scale as an organization without sacrificing efficiency or creativity.



OKR1 closing party, 2022-04-08

GRI 2-10

GRI 405-



Sustainability

As a **responsible company**, Hostinger has always been ready to respond to growing global needs. We've supported millions of businesses transition to the digital landscape throughout the COVID-19 pandemic and beyond. Additionally, we've contributed resources and donations for families and communities in Ukraine during wartime. Learn more at <u>Social Responsibility</u>, page 22.

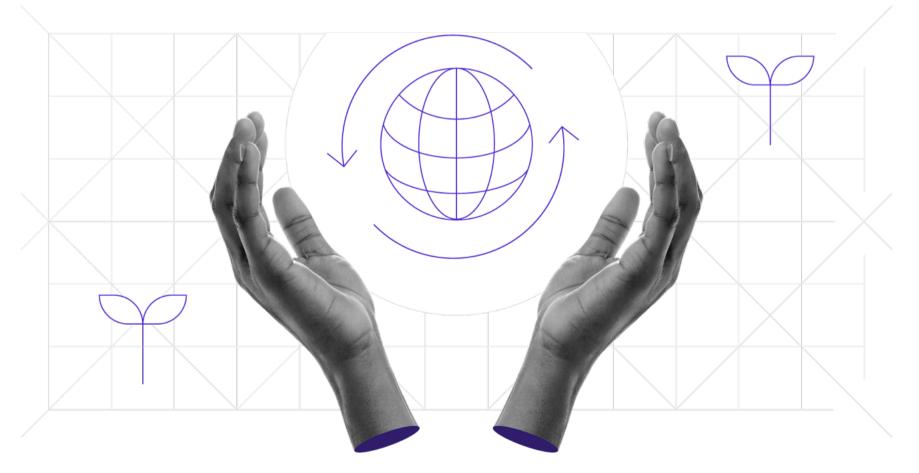
We're eager to continue in that direction by contributing more toward sustainable development. While a part of our current initiatives has already implemented sustainable practices, we're committed to being more consistent at it.

As we aim to offer services to the Highest Standards, working toward sustainability will help us cater to our stakeholders' growing expectations better, increase transparency, seize new relevant opportunities, and attract and maintain talents.

In 2022, the company Board members and management agreed to begin efforts for Hostinger to reach its **sustainability goals**. Hostinger welcomed **Rūta Grigaliūnaitė as Sustainability Manager** in 2023 – kickstarting the company's mission toward this direction.

Reporting to the COO, Sustainability Manager is a role that encompasses developing and executing a comprehensive sustainability strategy that covers all aspects of **environmental**, **social**, **governance** (ESG), and **economic impacts**, **opportunities**, **and risks**. They will strive to reduce negative sustainability impacts generated by the company and maximize our contribution to sustainable development where most relevant.

Besides sustainability impact management, we also have plans to further develop clear functions, reporting lines, and responsibilities to ensure effective implementation.





Stakeholders and Materiality Assessment

Engaging stakeholders is essential for creating inclusive, informed, and effective decision-making processes that address the complex challenges we face today. It is also important to ensure the responsible management of Hostinger's sustainability impacts.

We have multiple channels of communication for stakeholder engagement – to seek feedback and advice on our policies and practices, as well as to monitor the advancing trends in sustainability. We aim to keep up with relevant emerging issues, seeking opportunities to further improve our sustainability standards.

Stakeholders	How we engage		
Shareholders and investors	• Board meetings		
Team members	 Slack One-on-one meetings Team meetings Team member surveys 	 Feedback dot tool Internal documents and handbook Company events OKR review meetings 	
Management	 Weekly and monthly meetings OKR review meetings All-directs meetings 	• Company events • Leadership narrative meetings	
Customers	 Client interviews Customer Success Hostinger Tutorials Hostinger Academy 	 Hostinger Blog Webinars and podcasts Conferences Surveys 	
Suppliers	 Individual meetings Email and phone communication Various events, conferences 		
Regulators and governments	 Corporate website Finance statements Sustainability Report 		
Communities	 Corporate website and publicatio Various events and partnerships Social media 	ins	
Industry peers	 Knowledge-sharing sessions Conferences 		

GRI 2-6

GRI 2-25

Throughout the upcoming years, we will strengthen stakeholder engagement strategies to gather all the relevant feedback from our key stakeholders on planning and executing our sustainability efforts.

In 2023, we conducted a materiality assessment to **identify and evaluate the environmental**, **social**, **governance**, **and economic impacts** of Hostinger's operations. This evaluation was based on **2021's Global Reporting Initiative (GRI) standards** and revealed positive and negative impacts that are currently happening or may potentially occur. We based this Sustainability Report on the insights from this assessment.

Our materiality analysis involved four steps:

Understanding the company's sustainability context. Hostinger analyzed sector-relevant and industry-specific standards, such as the Green Web Foundation, Climate Neutral Data Centers Pact, SASB Standards (Software and IT Services as well as Internet Media and Services), and relevant peers. Doing so let us discover the impacts commonly associated with the sector we operate in.

Identifying the impacts. We gathered multiple sources to compile a list of Hostinger's potential environmental, social, governance, and economic impacts – including ones related to human rights. The sources include stakeholders' expectations of our sustainability development, market and sector trends, European Union (EU) regulations and directives, the company's strategy, organization culture, and overall sustainability context. The list consisted of actual and potential impacts, reflecting negative and positive, short-term and long-term, and reversible and irreversible impacts.

Assessing the impact significance. We evaluated the list of impacts based on their severity, defined by scale, scope, and irremediability. We assigned a O to 5 score for each category – the higher the score, the more severe the impact is. The concept of scale refers to how serious a negative or positive impact is or can potentially become.

Prioritizing the most significant materials to report. We prioritized the materials based on their average scores in terms of scale, scope, irreversibility, and likelihood, where applicable. We also evaluated positive and negative impacts separately – only those with scores exceeding 3 (for positives) and 8 (for negatives) were included in the report.

Based on our assessment, this Sustainability Report contains the following material topics:

- Health and safety
- Well-being
- Diversity and equal opportunities
- Training and education
- Social responsibility
- Climate change

- Circular economy
- Data and cyber security
- Content safety
- Business ethics
- Supply chain
- Socio-economic impact

GRI 3-2



People

Hostinger can only succeed if its people succeed, too. As a fast-growing company, we recognize the importance of providing a safe and healthy environment for our team members to grow. We're committed to fostering their well-being, creating an inclusive workplace, offering training and education, and ensuring equal opportunities for everyone. Today, Hostinger has team members in more than 35 countries.



Hostinger Summerhub, 2022-07-11



Hostinger activities

Health and Safety

Hostinger consists of **talented and hardworking individuals** who go above and beyond to serve our valued customers daily. To ensure they perform at their best, we strive to prioritize their needs at all times. All team members can access various physical well-being benefits, some of which are applicable company-wide or in specific locations.

Company-Wide Benefits

• Private health insurance.

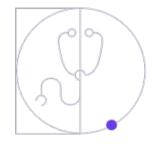
Eligible team members can get health coverage for various outpatient and inpatient treatments. The availability varies according to the team member's site, probation status, and length of employment.

Mental health consultation.

To help team members cope with stress, anxiety, burnout, and other concerns, Hostinger has partnered with a psychology clinic to offer oneon-one counseling.

• Sports initiatives.

These aim to promote an active and healthy lifestyle among our team members. Hostinger has multiple communities dedicated to specific activities, like tennis, fitness, badminton, and more. We also launch sports challenges year-round with rewards to encourage team member participation.



Sick days.

Depending on where the team member is based, they can take between one to two days of leave if they are ill. If they need more time to recover, they can submit extra leaves with a doctor's note attached.

Health seminars and workshops.

To further support our team members' physical well-being, we invite external experts to discuss topics like emotional resilience, healthy living, mindfulness, and work-life balance.

Site-Specific Benefits

Annual health checks.

Every year, the Lithuanian office organizes blood tests, offering team members the chance to have a medical screening.



Gympass.

Available to Brazilian team members, this platform allows access to various physical fitness apps and gyms.

Menstrual leave.

Indonesian female team members can take time off of up to two days per month to recover from menstrual symptoms and illnesses.

Besides offering physical well-being benefits, Hostinger educates team members about potential workplace hazards and how to prevent them. We've partnered with SDG UAB to organize health and safety training and documentation that anyone can follow.

In 2022, SDG held **Fire Safety and First Aid training** for team members in Lithuania. Before the session, Hostinger ensured that all participants were given specific safety and health conditions instructions. The training was tailored to the event's location, time, and activities. After the training, participants took a short test to evaluate their knowledge and a feedback survey.

Well-Being

In addition to physical well-being benefits, Hostinger provides various ways to care for team members' financial, emotional, and social well-being. After every well-being initiative, we send our team members an instant feedback survey to assess its value and usefulness. In 2022, we conducted our first Benefits Survey to evaluate our current well-being offerings and gather input from team members on how to make Hostinger the best workplace possible. Going forward, we intend to carry out this survey annually.

We also distribute team pulse surveys to support team member happiness and fulfillment. Through these, team members answer questions related to psychological safety, work-life balance, dependability, work meaning, effort impact, structure and clarity, and so on. Team leaders receive the answers in real-time and can use them during one-on-one sessions to address issues their direct reports may face.

Every quarter, we assess our **Employee Net Promoter Score** (eNPS) to gauge satisfaction, loyalty, and areas where Hostinger needs to improve. In 2022, our average eNPS score was **71.75 out of 100**, indicating that most Hostinger team members consider the company a great place to work.



Hostinger OKR3 closing party 2021-10-08

GRI 401-2 GRI 403-5 GRI 403-6



• Emotional benefits

• Appreciation gifts.

Hostinger sends gifts to recognize team members with exceptional performance and celebrate special occasions, like weddings and graduations.

• Anniversary gifts.

Every time a team member celebrates a work anniversary, they receive a special recognition gift.

Recharge leave.

Team members who have been with Hostinger for over 5 years are eligible to get extra paid time off of 30 calendar days.

Ambassadorship Program.

Team members can get prizes by promoting Hostinger on social media, participating in conferences, referring qualified candidates, and more.

In-office refreshments⁴.

To keep team members energized throughout the day, Hostinger offices provide complimentary drinks and snacks for various dietary needs.

Whistleblow policy.

Hostinger provides a safe and confidential communication channel for anyone to report unethical or fraudulent behavior that can endanger other team members¹ mental and/or physical well-being.

Transparent communication.

As a fast-growing company, we strive to communicate important decisions with full context and transparency to minimize confusion and uncertainty.

1 Lithuanian team members

2 Brazilian team members

3 Indonesian and Brazilian team members

4 Lithuanian and Indonesian team members

Social benefits

 End-of-quarter events.
 Special events celebrating Hostinger's quarterly achievements.

Team buildings.

Every department and team can organize activities that promote bonding and solidarity among its members.

Team lunches.

They encourage team members to get to know each other while enjoying a delicious meal covered by Hostinger.

Lunch or coffee mates.

Three to four team members are chosen randomly to get a meal or snack paid for by the company and get to know each other in a call or meeting.

Workations.

Short for 'work vacation,' it refers to when teams can work at a location of their choice and have the expenses paid by the company.

All-directed meetings.

To maintain transparency and discuss key business updates, Core Leadership Team members and their direct reports hold quarterly off-site meetings.

Financial benefits

- **Product and service discounts.** Team members get various exclusive offers from fitness centers, restaurants, entertainment venues, and more.
- Stock Options Program.
 Senior specialists and mid/senior managers are eligible to buy shares of the company.
- **Food and internet allowance³.** Every month, Hostinger sends vouchers for team members to purchase meals and pay for their internet services, along with their monthly salary.
- FGTS (Employee Guarantee Fund)².

FGTS is a fund created to protect workers dismissed without just cause. The company deposits an amount proportional to 8% of the team member's salary to their guarantee fund.

Diversity and Equal Opportunities

With hundreds of team members from **45 countries** and counting, Hostinger has always embraced global remote working.

As an international brand, collaborating with individuals from different cultures and backgrounds is crucial. Again and again, we've seen how diversity and inclusion introduced out-of-the-box thinking that led Hostinger to success. The more local market insights we gain, the better we understand and serve our customers.

To help our team members succeed, we aspire to nurture a multicultural work environment where everyone feels heard and has access to equal opportunities – regardless of location or cultural background. This is one of the driving forces behind our Hostinger Principles. No matter our personality traits or cultural aspects, every team member can refer to these same 10 values to set goals, make decisions, and complete tasks.

We also acknowledge the important role of compensation and career opportunities in creating workplace equality. That's why we have a comprehensive **Salary Philosophy** to guide all managers in evaluating their direct reports' salaries based on various factors like:

- How the team member's behavior aligns with Hostinger Principles
- Performance achievements
- Organizational outputs
- Professional competencies
- The market value of the team member's competencies



Hostinger - employees meeting, 2022-01-01

For more information on how Hostinger has nurtured a healthy and multicultural workplace, check out our Blog post: <u>Hostinger's DNA: How Are We Nourishing a Multicultural Environment?</u>

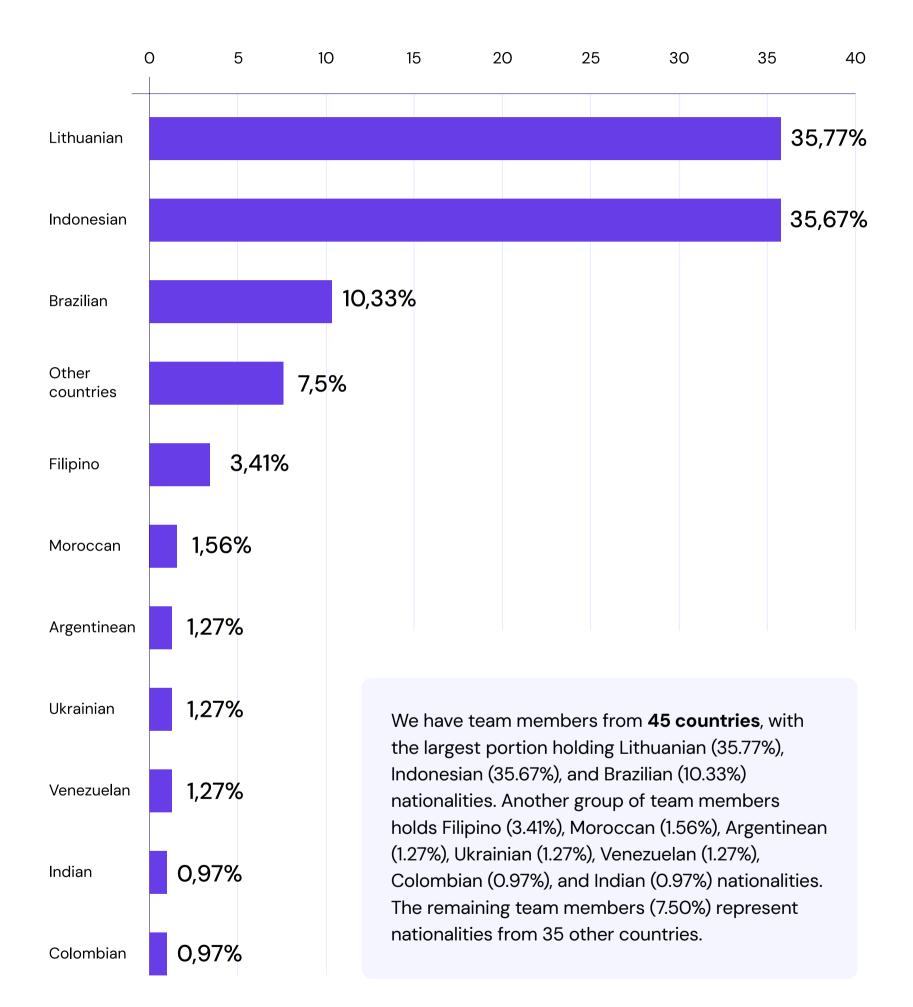
Even though there were no confirmed incidents of discrimination in 2022, we constantly aim to strengthen the management of equal opportunities – for example, by implementing our Equal Rights Policy. This document defines the principles of Equal Rights, establishes monitoring procedures, provides measures for preventing violations, sets guidelines for investigating violations, and outlines the consequences for team members who violate the policy.

Of all our team members, 43.9% are women, and 56.1% are men. Women hold 43.6% of leading positions, while men occupy 56.4%. **The leading position includes all team members who manage at least one person.**

GRI 2-19 GRI 406-1



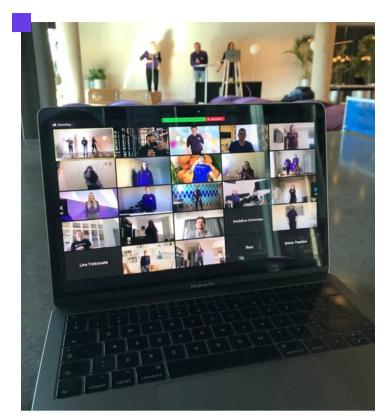
Team Members by Nationality



Training and Education

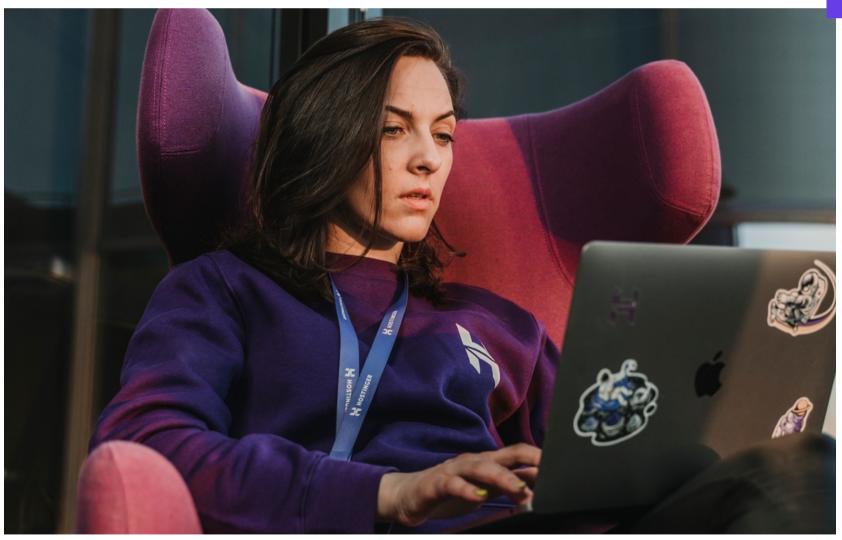
Our goal to help users build success online is not exclusive to our customers. At Hostinger, we constantly seek new ways to empower our team members to grow and advance in their careers. To support them to Learn and Be Curious, we make it a priority to offer them development resources and opportunities that ultimately contribute to their achievements.

Team member satisfaction comes down to three main components – they need to have a sense of personal accomplishment, fulfillment, and excitement as a professional. To ensure team members improve in their current job and expand their impact, we've established performance evaluation guidelines that all managers and team members can refer to.



Hostinger - employees meeting

During the performance evaluation, the team members will do a self-review while also being reviewed by their manager based on <u>Hostinger's Principles</u>.



Hostinger - Apple collab photoshoot

GRI 404-2

GRI 404-3



We also provide learning opportunities and resources for team members to improve their skills, including:

- English language courses. For many Hostinger team members, English is their second language. These courses are designed to improve their proficiency and confidence in using the language.
- Physical and digital books. Team members can request to purchase a book, borrow one from our library, or access a digital or audiobook using the company's Scribd account.
- Successor's Academy. A three-week long workshop where team members can improve their soft skills and professional competencies, such as time management and growth mindset.
- Manager's Academy. A five-day course for team leaders to improve their managerial skills. The topics covered include emotional intelligence, strategic leadership, decisionmaking, and hiring.
- Tovuti learning management system. This platform contains Hostinger-related learning materials, from product knowledge and cyber security training to our principles.
- Guild events. These are knowledge-sharing sessions where team members or external speakers can discuss their expertise. Currently, we have guild events for design, content, tech, and Al.
- Online courses. Hostinger provides team members access to digital learning platforms like Udemy, Reforge, and BitDegree to develop their hard and soft skills.
- CoachHub. We've partnered with the coaching provider to offer managers one-on-one sessions on sharpening their leadership skills.

- Business trips and conferences. Team members who want to attend a conference that is relevant to their position can request a ticket, transportation, and accommodation from the company.
- Learning days. Team members can dedicate an equivalent of one day each month or one hour a day to learning new skills that can benefit their position.
- Growth plan. Together with their direct reports, managers can create a growth plan to set their goals, align them with company objectives, and track their progress.
- Feedback culture. At Hostinger, we strive to
 foster an environment where everyone can feel
 comfortable receiving and delivering feedback
 even when it's difficult. We refer to the Radical
 Candor philosophy, conduct workshops, and share
 resources with our team members.
- **Feedback Dot.** In 2022, we created an instant feedback feature called Feedback Dot. It allows team members and leaders to send feedback to their peers or request it from them via Slack, our office communication tool. It has helped many team members initiate conversations about improving their skills and contributing more to the company. To maintain transparency, all team members can view all feedback messages sent and requested with this tool. Team members gave over 18,000 feedback dots in 2022. 790 of our team members sent at least one dot, and 826 of them received at least one dot.
- Workshops. Depending on the necessity, we invite internal or external speakers to discuss important topics for Hostinger team members. In 2022, we held over 30 hours of such events.

GRI 404-3

Social Responsibility

The world has faced numerous challenges in recent years. Although the number of COVID-19 cases has decreased, many people still struggle with the aftermath of the pandemic. russia's war in Ukraine has also impacted millions of individuals and communities, leading to global financial crises.

As part of our commitment to giving back to society, **Hostinger donated over €150,000** – most of which was for those affected by russia's war in Ukraine. Additionally, we bought one Gryphon GH35L thermal monocular device, protective headsets, and a portable radio station. 15 Samsung Galaxy A12 cell phones were also provided for Ukrainian kids at orphanages. We also donated our 67 used Apple MacBook computers.



Jonas Ohman, the founder of Blue/Yellow and Aivaras Šimkus, our COO

Our team members also made personal donations for Ukraine, totaling more than €10,000. Hostinger matched some of the team members donation rounds, doubling the impact of their contributions. This initiative encouraged other companies to follow suit, increasing support for similar projects to aid Ukraine.

Our Indonesian subsidiary, Niagahoster, took on an impactful corporate social responsibility project, too. In 2021, Hostinger and Niagahoster partnered with **Happy Hearts Indonesia** to address the urgent need for better education infrastructure for the Wali Ate school. Located in the Nusa Tenggara province, this region faces challenges accessing basic amenities, such as electricity, running water, and proper sanitation.



Wali Ate school construction

GRI 203-1



In 2022, we successfully constructed a new school facility. The rebuilt school brought renewed enthusiasm to both students and teachers in Wali Ate. Despite the pandemic's challenges, the school managed to maintain over **80 students** enrolled, defying the trend of dropouts seen in many schools.

We partnered with **Groundbreaker** (former Entrepreneur for Knowledge) to discover and support this project. Groundbreaker acts as a bridge, connecting businesses and individuals with a passion for supporting education and making long-term changes worldwide. Through partnerships with non-profit organizations, we continue to empower individuals and provide growth opportunities.



Wali Ate school construction

Find more information about the project in our blog post: <u>Indonesia</u>: <u>Hostinger and Niagahoster Rebuilt a School to</u> <u>Improve the Quality of Education for a Local Community</u>.



Wali Ate school construction

GRI 203-1





Planet

Climate Change

As a company, we acknowledge our crucial role in mitigating climate change. We are dedicated to making our dayto-day operations and hosting technology sustainable to prioritize the environment. For example, local train trips are our preferred choice as they are one of the most environmentally-friendly travel options. In 2022, our team members made over 400 train trips for both business and commuting purposes.

To make informed decisions on reducing our greenhouse gas emissions (GHG), we conducted our first-ever Scope 1 and 2 assessments of GHG.

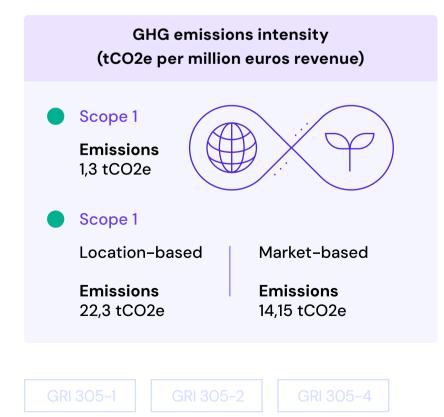
Scope 1 refers to emissions that the company owns or controls directly. In Hostinger's case, it was leased cars and fuel consumption for team members' business trips. The total emissions from this source amounted **to 87.04 tCO2e.**

Meanwhile, Scope 2 covers emissions that the company causes indirectly through the purchase or use of energy. This included our office spaces and servers in data centers.

Following the GHG Protocol, we report our Scope 2 emissions using two approaches – market-based and location-based. The first one calculates the emissions from electricity the company has chosen, while the latter accounts for the average emission intensity from energy consumption – regardless of whether it is renewable or not.

In 2022, Hostinger rented office spaces in Lithuania (Vilnius and Kaunas) and Indonesia (Yogyakarta) business centers. According to current market-based approaches, our Vilnius and Kaunas offices and several data centers operate on renewable energy, resulting in **0 tCO2e**.

The total emissions of **Scope 2** amounted to **984.55 tCO2e** when calculated using a market-based approach and **1,554.79 tCO2e** using the location-based method. Find more information about the calculations in <u>Appendix 2</u>.



By conducting this initial assessment, we were able to pinpoint ways to reduce emissions in our own operations and make better choices regarding energy procurement and efficiency measures.

In the near future, we will improve our sustainability efforts by including Scope 3 calculations, which consist of emissions caused by our value chains. This can range from business travel, team member commuting, product and service purchases to the disposal of them. Doing so will help us measure our GHG emissions and environmental impact more precisely. We're currently improving our information channels to prepare for **Scope 3**.



Data Centers

The Climate Neutral Data Center Pact is a commitment made by European cloud infrastructure service providers and data center organizations to reach climate neutrality by 2030. Companies can achieve this by reducing Power Usage Effectiveness (PUE), an index that measures how much energy a data center uses.

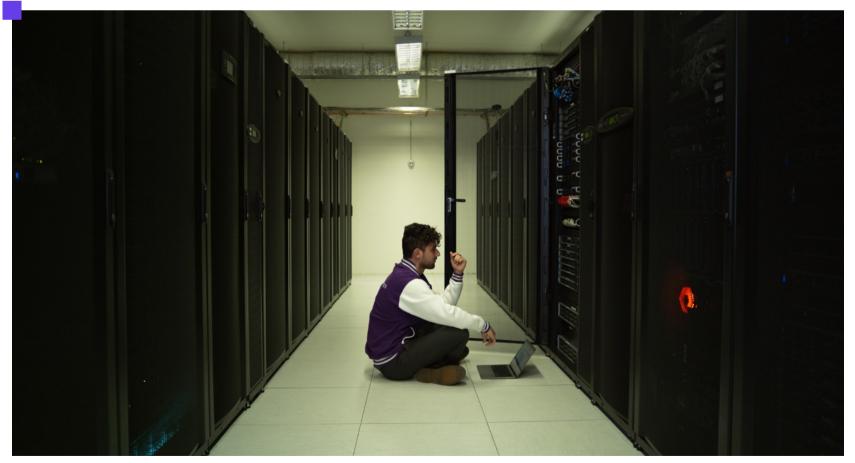
Recently, the pact pledged that by January 1, 2025, new data centers operating at full capacity in cool climates will need to meet an annual PUE of 1.3. For new data centers in warm temperatures, the target is 1.4.

Currently, most Hostinger data centers (DCs) already meet the PUE target, except for those in São Paulo (Brazil), Mumbai (India), and Asheville (United States). We will explore possibilities to ensure all our DCs can reach this objective.

In 2022, four out of nine DCs (Phoenix, Vilnius, Manchester, and São Paulo) utilized renewable energy, making 35% of our data center energy renewable. We will explore possibilities to increase renewable energy consumption in our DCs.

Asheville, United States	1,68
Meppel, Netherlands	1,2
Phoenix, United States	1,325
Jakarta, Indonesia	1,39
Manchester, United Kingdom	1,3
Singapore	1,42
Vilnius, Lithuania	1,35
São Paulo, Brazil	1,45
Mumbai, India	1,7
Average PUE	1,42

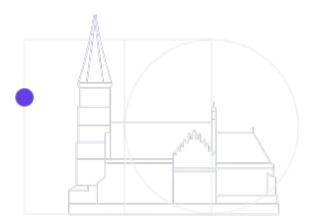
Hostinger Data Centers' Power Usage Effectiveness (PUE)



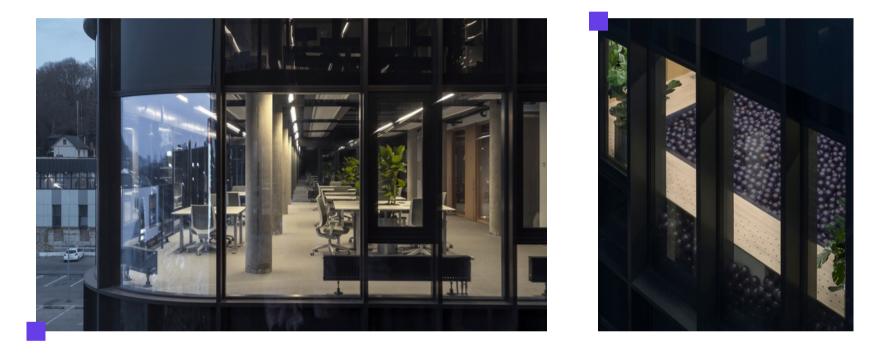
Hostinger - employee in data center

Offices

All Hostinger offices are leased, and we do not own any real estate.



Our **Kaunas office** has a "Good" certificate from the Building Research Establishment Environmental Assessment Methodology (BREEAM) New Construction – demonstrating the building's quality, performance, and sustainability credentials.







In 2022 and beyond, we sought out possibilities to make our Vilnius and Yogyakarta offices more energy-efficient. The achieved results will be published in the next sustainability report.

Circular Economy

A circular economy is all about minimizing our impact on the environment – whether by prioritizing resource efficiency, reducing waste generation, extending equipment's lifespan, optimizing resource use, or all of the above. To do that, **we can minimize energy consumption, reuse or repurpose hardware and equipment, and recycle materials.**

- In 2022, we coordinated the disposal of our servers. Most of them were sold to a secondary market, where they were either kept for use or dismantled piece by piece. The third party that purchased the servers disposed of their unused residue.
- In 2023, we will continue establishing plans and a tracking system to ensure that all of our servers are disposed of in a targeted manner and further analyze how we can contribute toward a circular economy.



Hostinger - employee in data center

Governance and Economic Impact

Data and Cyber Security

Millions of people have chosen to launch their websites with Hostinger. Every day, we strive to keep their sites private, safe, and secure from cyber threats to maintain their trust.

Navigating the current cyber security landscape can be challenging. A single error can severely affect the data of our customers, team members, and, consequently, our entire company. At Hostinger, we have a proactive **Cyber Security department** dedicated to preventing the worst from happening. We prioritize transparency, safeguarding our users' data, and staying up-to-date with industry developments.

We take a cross-functional and risk-based approach to **cyber security and user privacy**. Every quarter, we set goals, continuously track key performance indicators to improve our security, and constantly monitor our progress in reaching them.

Due to security reasons, we cannot disclose every single technical detail about our security measures, but we will share key information on how we've enacted them.

• Operational Security Measures

- We have an in-house Cyber Security department that keeps our day-to-day operations secure at all times.
- We protect our public-facing servers with a web application firewall (WAF).
- We enable two-factor authentication on all applicable systems.
- We have established access management and security incident management procedures.
- Our endpoints and servers are protected with appropriate anti-malware solutions.
- We protect our servers using a firewall. Access to our servers is only permitted from trusted networks.
- All of our databases are encrypted with secure hashing algorithms. We back up our data regularly.
- We use automation to manage infrastructure changes and ensure all servers have the same security configuration.
- We use static code analysis tools to detect potential code security vulnerabilities.
- We keep our operating systems up-to-date and regularly deploy security patches.
- We follow industry best practices, including OWASP Secure Coding practices, to ensure the utmost security of our products.

Risk Management and Proactive Monitoring

- We regularly scan our infrastructure for vulnerabilities and conduct penetration testing to evaluate its security.
- We offer an external bug bounty program. As a result, our services also continuously get tested for vulnerabilities by multiple security researchers worldwide.
- We've established risk assessment processes for evaluating third parties we will work with.
- We monitor our systems 24/7.
- We conduct regular risk assessments with our teams to identify the biggest risks and agree on how we want to approach them.

• Cyber Security Training and Internal Communication

- All team members store their passwords in a secure password manager.
- We provide regular security awareness training to all Hostinger team members.
- We have released an awareness training policy.
- We conduct phishing and social engineering campaigns to test our team members' security awareness.
- Team member access to certain systems is limited to a need-to-know basis.
- We have implemented internal policies and procedures to support information security, including:
 - Personal Data Breach Management Policy
 - Personal Data Protection Policy
 - Data Subject Request Procedure
 - Data and Document Retention Policy
 - Cookie Policy

- Rules of Processing and Use of Personal Data
- Privacy Policy
- Password Protection Policy
- IT Security Policy
- Team Member Personal Data Protection Policy

Security Frameworks

We follow the latest and best security industry standards and practices to protect our customers' information and comply with local laws and regulations, like GDPR.

In 2022, we did not identify significant leaks, theft, or loss of customer data. We constantly adapt our security measures to improve our company and hosting security.

GRI 418-1



Content Safety

Hostinger strictly prohibits creating harmful content that promotes, encourages, or engages in violence or any illegal activities.

We value both **Freedom and Responsibility** – freedom of expression is essential for innovation, but we also understand our responsibility to prevent harmful content that could negatively impact others. We take complaints and feedback from stakeholders seriously to enhance our services and maintain positive relationships with relevant parties.

Find our content safety philosophy in our <u>Terms of Service</u> (ToS).

Examples of harmful content that violate our Terms of Service are those promoting, encouraging, or engaging in violence or any illegal activity, such as but not limited to:

- Child pornography or exploitation of children
- Terrorism
- Violence against people, animals, or property
- Sale or distribution of prescription medication without a valid prescription
- Infringes on intellectual property rights of another customer or any other person or entity

To ensure the best service possible, we periodically review our Terms of Service and policies.

Hostinger has a dedicated **Abuse and Compliance team**. Whenever they receive a complaint, they will review it carefully within 24 hours for abuse cases and within 2 business days for compliance cases to determine whether it violates Hostinger's Terms of Service and policies. If so, they will decide on the appropriate response, including informing the client to make the necessary changes, service suspension or termination, among other actions. In 2022, our team responded to over 161,000 abuse reports. We accept abuse forms via email at **abuse@hostinger.com**.

Business Ethics

Hostinger is committed to upholding ethical business practices. To achieve this, we have established principles, communication channels, and tools to encourage a culture of ethical behavior.

- Hostinger Handbook. To keep all team members aligned with the company principles, we have a comprehensive handbook that covers all the standards, principles, and norms at Hostinger and its departments. All members can use it to find a wide range of information, such as company structure, product offerings, brand book and style guide, salary philosophy, financial reporting, and more. Currently, it contains more than 1,000 pages.
- Hostinger Principles. At Hostinger, team members at all levels refer to the <u>10 principles</u> to approach their tasks and make everyday decisions.

- Policies. These are rules and procedures that every team member must follow, including the handbook and the aforementioned cyber security policies. Additionally, our policies encompass various aspects such as the Equal Rights Policy, which upholds gender equality and non-discrimination principles; the Prevention of Violence and Harassment at Work Policy; the Remote Work Policy; the Whistleblower Policy; procedures for managing conflicts of interest; and updated internal work rules.
- **Transparency**. Our company moves and grows fast. Even so, size and hierarchy should never get in the way of effective processes and communication especially regarding important decisions. We strongly encourage all members to communicate questions and decisions in their teams through public communication channels rather than private messages. Doing so fosters diversity in perspectives, promotes collaboration, prevents misalignment, and discourages a culture of secrets, suspicion, and politics. In 2021, 18.67% of all Slack messages were sent via public channels. The number increased to 27.64% in 2022.
- Risk management. Our Chief Risk Officer and his team continuously work to prevent risks from becoming incidents. They are responsible for creating Hostinger's risk map, crafting mitigation plans, and developing processes for timely risk identification and incident management, among others. We also strive to foster a risk culture and awareness across the entire organization by conducting risk self-assessments, holding workshops, and enacting internal policies. The ultimate goal is to ensure every team member can make decisions based on the company's potential financial, security, and safety risks.
- Whistleblower and critical concerns management. The whistleblowing channel aims to prevent unethical and fraudulent behavior in the company. It allows all team members and other third parties to call attention to any serious and illegal wrongdoing within Hostinger. We guarantee complete confidentiality of the provided information regarding the violation and anonymity of the whistleblower(s) (the person or people who shared about possible misconduct). We also collect critical concerns via Slack and other communication channels that involve Board members, the CEO, the CFO, and other managers.
- Anti-corruption. Hostinger does not have a written policy on anti-corruption and anti-competition, and we plan to prepare them in 2023. Regardless, we understand our ethical and moral responsibility to act with integrity and transparency to uphold fair competition, prevent market distortion, and maintain public trust. Our management assessment from 2022 revealed no confirmed incidents of corruption or anti-competitive behavior.
- **Supply chain.** As an international company, we constantly monitor and assess the global and local legislations applicable to our multiple legal entities. For instance, we have restricted our business relationship with partners and customers from OFAC-sanctioned countries. We do not support registrations from such countries, and payments made using cards from these regions will not be accepted. Our handbook also includes policies and procedures on spending company money to prevent business and financial risks. In 2022, we proactively evaluated our compliance using GDPR, privacy, and safety criteria. We also assessed all material purchases that had high data security risks. We will continue to do the same in 2023 and look for ways to integrate ESG criteria into our procurement processes.
- **Conflicts of interest.** Hostinger's Employment and Service Agreements include clauses to regulate situations where conflicts of interest may appear. In 2023, we plan to prepare a Procedure for Avoiding and Declaring Conflicts of Interest, which will be a more comprehensive and detailed description of actions that should be taken in case of such situations. Individuals who suspect their actions could cause a conflict of interest should inform their direct manager about this possibility. The procedure for handling conflicts of interest among Board members is in the company statutes.

 GRI 2-6
 GRI 2-15
 GRI 2-16
 GRI 2-24
 GRI 2-25
 GRI 2-26
 GRI 205-3
 GRI 206-1

Socioeconomic Impact

In 2022, Hostinger continued to empower more users to unlock **the power of the internet**. We broke multiple records throughout the year, reaching over **1.5 million customers** with active subscriptions and more than **3.3 million websites** across the globe.

Customer satisfaction also significantly improved. Our score on **Trustpilot**, an online review platform, **increased from 4.2 in 2021 to 4.5** in 2022.

Besides offering our clients an easy-to-use product, we also provide them with plenty of resources to make the most out of their hosting and websites, such as:

• 24/7 customer support.

If a client needs help, they can contact our Customer Success team via live chat. The service is available in English, Lithuanian, Ukrainian, French, Portuguese, Spanish, Indonesian, Thai, Vietnamese, Chinese, and Arabic.

Hostinger Academy.

A YouTube channel dedicated to educating users on how to get started with their web hosting, manage their websites, and solve errors along the way. Besides English, the videos are available in Portuguese, Spanish, French, Indonesian, Hindi, and Arabic. Today, the Hostinger Academy channel in English has 160,000 subscribers and counting.

Knowledge base.

Our Help Center has a comprehensive collection of content to assist clients with solving hosting-related errors.

Hostinger Tutorials.

We offer how-to guides, tips and tricks, and tool recommendations to manage websites, grow online businesses, and optimize marketing efforts. We also have an email newsletter subscription so readers can receive weekly updates on our latest content.

Hostinger WordPress plugin. WordPress users can install this plugin to receive guidance on how to build their WordPress website. Hostinger Blog.

This is where we share the latest updates on Hostinger products, the success stories of Hostinger customers, and sneak peeks of our team.

 Webinars and podcasts.
 We've invited various experts in web development, eCommerce, and digital marketing to talk about the latest industry trends.
 In 2022, Hostinger Academy hosted six webinars in English and one podcast episode with Josepha Haden Chomphosy, Executive Director of WordPress.

In addition to paid services, we are dedicated to providing opportunities for individuals to learn, experiment, and build their online presence without any financial investment. Our free hosting platform, 000webhost, serves as the perfect place for aspiring creators to unleash their potential. At the end of 2022, 000webhost hosted over 1.7 million websites.

Last year, we started sharing stories about customers who moved to Hostinger and how much their online businesses have grown after the migration. <u>Chris W. Balmer</u>, a web developer based in the UK, reduced his hosting costs by eight times and made his clients' websites up to 40% faster after migrating to Hostinger.

We also continued publishing Blog posts about our customers and their business success stories, a segment we call Customer Spotlight. Hostinger is also proud to be the home of <u>Notepad++</u>, a popular open-source text editor with over 28 million downloads worldwide. Find more <u>Client Stories</u> at Hostinger Blog.

What's Next?

This **Sustainability Report 2022** has given us valuable insights into Hostinger's current state and progress toward sustainable development. Based on the materiality assessment, report, and Hostinger's business strategy, we will create an action plan for managing the company's environmental, social, economic, and governance impacts, risks, and opportunities in the long term – which we will implement throughout 2023 and beyond.

While a part of our current social and governance initiatives already contribute toward sustainable development, we are excited to be more consistent in helping the environment from now on. We are also constantly working on raising sustainability awareness among our team members.

We will keep you updated on the progress of our sustainability strategy. Stay tuned!



Appendix

Appendix 1: GRI Content Index

Statem	nent of use Hostinger has reported the information cited in this GRI content index for the period 2022.01.01-2022.12.31 with reference to the GRI Standards.			
GRI 1 us	sed	GRI 1: Foundation 20	21	
GRI STANDARD AND DISCLOSURE			LOCATION	
GRI 2: 0	GENERAL DISCLOS	SURES 2021		
1. The o	rganization and it	s reporting practices		
2-1	Organizational	details	Hostinger, UAB. Private limited company. Jonavos g. 60C, LT-44192 Kaunas. p. 8	
2-2	Entities include sustainability r	ed in the organization's eporting	All the Hostinger financial reporting entities are also included in this sustainability reporting.	
2-3	Reporting perio	od, frequency and	p. 4	
2-4	Restatements	of information	No restatements were made as it's the first Hostinger's sustainability report.	
2-5	External assurance		p. 4	
2. Activities and workers				
2-6	Activities, valu business relati	e chain and other onships	Hostinger operates in the IT services sector. pp. 8; 12; 31	
2-7	Employees		рр. 41–42	
2-8	Workers who a	re not employees	рр. 41–42	

3. Governance

3. GOVE	3. Governance			
2-9	Governance structure and composition	рр. 9–10		
2-10	Nomination and selection of the highest governance body	рр. 9–10		
2-11	Chair of the highest governance body	p. 9		
2-12	Role of the highest governance body in overseeing the management of impacts	The management of impacts is coordinated by the sustainability manager, with oversight from senior management. To align with best		
2-13	Delegation of responsibility for managing impacts	governance practices, management procedures are currently being developed internally.		
2-14	Role of the highest governance body in sustainability reporting			
2-15	Conflicts of interest	p. 31		
2-16	Communication of critical concerns	p. 31		
2-17	Collective knowledge of the highest governance body	The level of collective knowledge of sustainability within Hostinger varies depending on the knowledge and experience of individual employees and management. However, we are committed to raising awareness and improving knowledge throughout 2023 and beyond.		
2-18	Evaluation of the performance of the highest governance body	The highest governance body does not have a formal process for evaluating its performance in overseeing the management of impacts on the economy, environment, and people.		
2-19	Remuneration policies	р. 18		
2-20	Process to determine remuneration	-		
2-21	Annual total compensation ratio	-		
2-22	Statement on sustainable development strategy	_		

4. Strategy, policies and practices				
2-23	Policy commitments	-		
2-24	Embedding policy commitments	рр. 29; 31		
2-25	Processes to remediate negative impacts	pp. 11-12; 31 Currently, we are preparing procedures to address remediation of negative impacts.		
2-26	Mechanisms for seeking advice and raising concerns	рр. 11–12; 31		
2-27	Compliance with laws and regulations	During the reporting period in 2022, Hostinger did not have any significant instances of non-compliance with laws and regulations.		
2-28	Membership associations	Unicorns Lithuania, Association Chambre de Commerce Franco-Lituanienne.		
5. Stakeholder engagement				
2-29	Approach to stakeholder engagement	p. 12		
2-30	Collective bargaining agreements	Hostinger does not have a collective agreement with team members.		

GRI 3: Material Topics 2021			
3-1	Process to determine material topics	p. 13	
3-2	List of material topics	p. 13	
3-3	Management of material topics	The management principles for material topics are described in sections that represent material topics.	

ECONOMIC TOPICS

GRI 203:	GRI 203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	рр. 22–23		
GRI 205: Anti-corruption 2016				
205-3	Confirmed incidents of corruption and actions taken	p. 31		
GRI 206: Anti-competitive Behavior 2016				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p. 31		

ENVIRONMENTAL TOPICS

GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	p. 24; 39–40	
305-2	Energy indirect (Scope 2) GHG emissions	p. 24; 39–40	
305-4	GHG emissions intensity	p. 24	

SOCIAL TOPICS

GRI 401: Employment 2016				
401-1	New employee hires and employee turnover	p. 41		
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	рр. 15–17		
GRI 403:	Occupational Health and Safety 2018			
403-5	Worker training on occupational health and safety	р. 16		
403-6	Promotion of worker health	рр. 15–16		
GRI 404:	Training and Education 2016			
404-2	Programs for upgrading employee skills and transition assistance programs	рр. 20–21		
404-3	Percentage of employees receiving regular performance and career development reviews	рр. 20–21		
GRI 405:	Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	p. 10; 41–42		
GRI 406: Non-discrimination 2016				
406-1	Incidents of discrimination and corrective actions taken	р. 18		
GRI 418: Customer Privacy 2016				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	р. 29		

Appendix 2: Calculation Methodologies

We have calculated our day-to-day operations' greenhouse gas emissions for the first time for the year 2022. The emissions accounting is based on the international **GHG Protocol Corporate Accounting** and **Reporting Standard**.

We used the operational method consolidation approach, which means that the company accounts for 100% of the GHG emissions over which it has operational control. It does not consider GHG emissions from operations where it owns an interest but has no operational control.

Scope 1: Direct Emissions

Direct emissions come from sources owned or controlled by the company, such as emissions from energy generation, fugitive emissions of refrigerant gases, and emissions from mobile combustion.

Hostinger is an asset-light company, so our Scope 1 calculation only included fuel consumption from rented and team member-owned cars for business travels.

The Scope 1 GHG calculations include the three GHGs of the Kyoto Protocol of the United Nations Framework Convention on Climate Change, which are carbon dioxide (CO2), methane (CH4), and dinitrogen monoxide (N2O). The remaining gases (HFC, PFC, SF8, and NF3) were not formed during fuel burning or due to a leakage of freons used in the company. Therefore, there were none to report in 2022.

The GHG emissions were converted to CO2 equivalents using the Global Warming Potential (GWP) values for a 100-year time horizon in the IPCC Fifth Assessment Report publication.

Unit	tCO2/TJ	Reference	kgCH4/TJ	Reference	kgN2O/TJ	Reference
Gasoline	70.13	NIR 2023, CS	20	IPCC 1996 Revised, D	0.6	IPCC 1996 Revised, D
Diesel	72.8	NIR 2023, CS	5	IPCC 1996 Revised, D	0.6	IPCC 1996 Revised, D
Bioethanol	70.8	IPCC 2006, D	3	IPCC 2006, D	0.6	IPCC 2006, D
Biodiesel	75.81	Ioannis Sempos et al., 2018, D	3	IPCC 2006, D	0.6	IPCC 2006, D
LPG	66.81	NIR 2023, CS	62	IPCC 1996 Revised, D	0.2	IPCC 1996 Revised, D

The table below presents the emission factors used for each type of fuel and their data sources.

We collected fuel consumption data from invoices of gas stations and team member travel expense reports for the year 2022.



Scope 2: Indirect Emissions

Indirect emissions come from generated electricity and heat consumption.

Hostinger rents office spaces in Lithuania (Vilnius and Kaunas) and Indonesia (Yogyakarta) business centers. We also have nine collocation agreements for our data centers in the US (Phoenix and Asheville), Brazil (São Paulo), the UK (Manchester), Lithuania (Vilnius), Netherlands (Meppel), India (Mumbai), Indonesia (Jakarta), and Singapore.

In 2022, Kaunas and Vilnius offices only used certified renewable energy. Additionally, several data centers used certified renewable energy too.

Scope 2 is reported in two approaches:

- Market-based, which reflects emissions from the electricity the company has intentionally chosen.
- Location-based, which calculates the average emissions intensity of grids on which energy consumption occurs (using grid average emission factor data).

The table below shows the CO2 emission factors used for electricity and heating, as well as their data sources.

Unit	kgCO2/kWh	Reference
LT Electricity energy mix	0.46636	Residual mix 2022, CS
UK Electricity energy mix	0.36515	Residual mix 2022, CS
NL Electricity energy mix	0.43897	Residual mix 2022, CS
FR Electricity energy mix	0.12496	Residual mix 2022, CS
AZ (US) Electricity energy mix	0.3856	EPA 2022, CS
NC (US) Electricity energy mix	0.2941	EPA 2022, CS
SG Electricity energy mix	0.4057	EMA 2021, CS
IN Electricity energy mix	0.7132	CT 2022, CS
ID Electricity energy mix	0.7848	CT 2022, CS
BR Electricity energy mix	0.1295	CT 2022, CS
LT Heating	0.17073	DEFRA 2022, D

For offices, we gathered electricity and heating consumption data from utility bills.

For data centers, we used our electricity agreements to determine our electricity consumption for the year. We have data for the entire reporting period.

GRI 305-1 GRI 305-



Appendix 3: Team Members

Team members		Female, %	Male, %
		43.9	56.1
Team members by age	18-26	46.7	37.0
	27-35	48.7	53.3
	36-45	4.7	9.0
	46-55	0.0	0.5
	56-64	0.0	0.2
Team members by seniority	Trainee*	1.8	1.2
	Junior	29.1	27.3
	Mid	29.6	28.1
	Senior	24.2	25.9
	Super Senior**	3.3	4.5
	N/A***	12.0	13.0

*Trainee is only used for Customer Success specialists during their first month to evaluate its seniority.

 $\ast\ast$ Super Senior is applicable only to Customer Success specialists.

***Not applicable (N/A) is used in cases where team members didn't have associated seniority level.

New team members		Female, %	Male, %
		47.1	52.9
New team members by age	18-26	59.0	47.9
	27-35	35.8	44.1
	36-45	4.7	8.0
	46-55	0.0	0.0
	56-64	0.5	0.0
New team members by region	Lithuania	24.1	27.7
	Indonesia	38.7	26.5
	Brazil	1.9	0.4
	Cyprus	35.4	45.0
	UK	0.0	0.4

GRI 2-7

GRI 2-8

GRI 405-1

Team members	Female, %	Male, %
	43.9	56.1
Permanent	90.2	96.2
Temporary	9.8	3.8
Full-timers	99.3	98.8
Part-timers	0.7	1.2

Team members	Lithuania, %	Indonesia, %	Brazil, %	Cyprus, %	UK, %
reall members	37.6	35.5	5.3	21.5	0.1
Permanent	99.7	81.9	100.0	100.0	100.0
Temporary	0.3	18.1	0.0	0.0	0.0
Full-timers	99.2	99.7	100.0	97.3	100.0
Part-timers	0.8	0.3	0.0	2.7	0.0

Leading team members		Female, %	Male, %
		43.6	56.4
Leading team members by age	18-26	19.2	17.8
	27-35	67.9	62.4
	36-45	12.8	18.8
	46-55	0.0	1.0
	56-64	0.0	0.0
Leading team members by region	Lithuania	57.7	64.4
	Indonesia	24.4	28.7
	Cyprus	14.1	3.0
	Brazil	3.8	4.0
	UK	0.0	0.0

*Leading team members are the ones who have people reporting to them, even if it's just one person.

GRI 2-7

iRI 2-8

