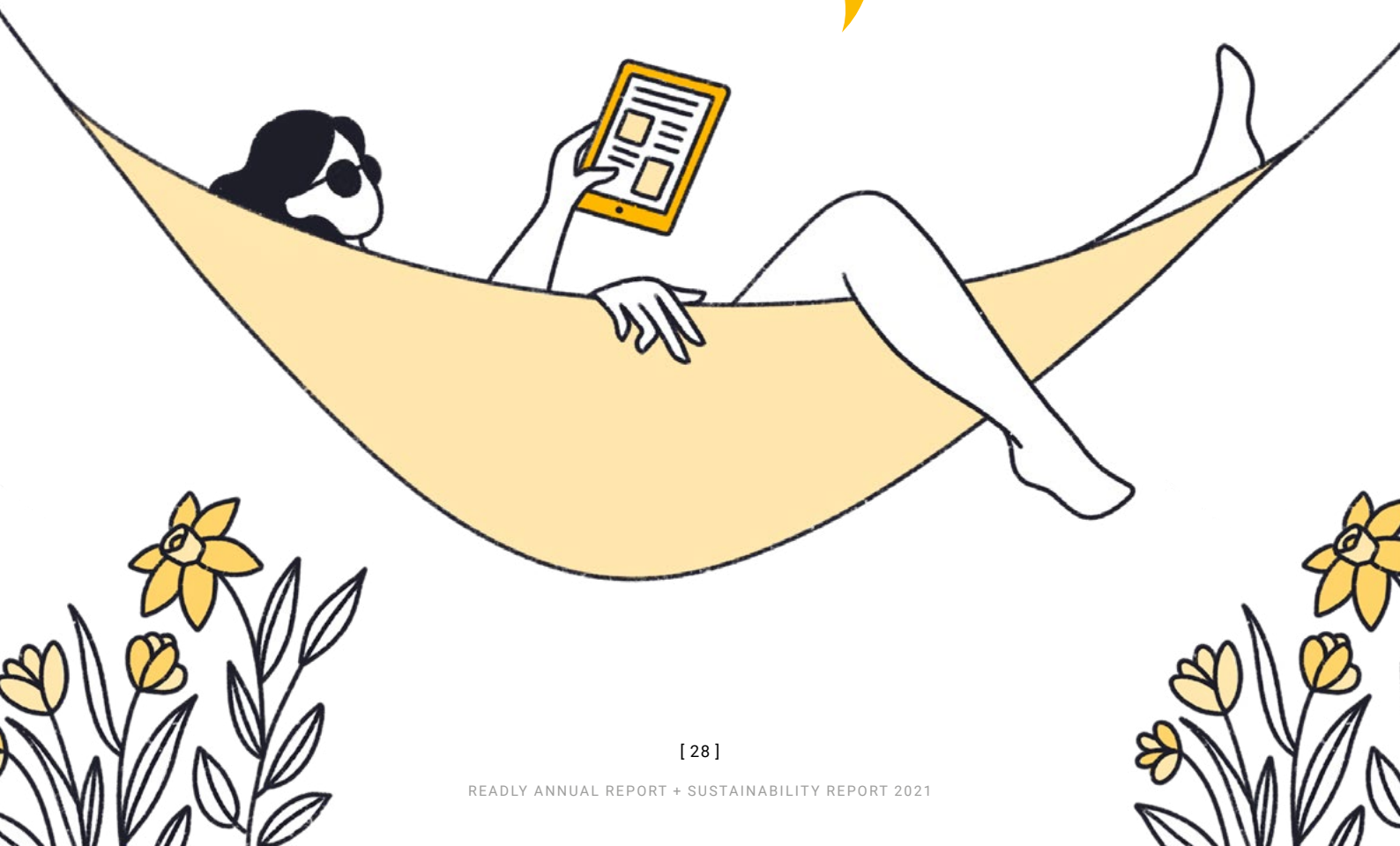


Sustainable digitalisation of magazines and newspapers

Ready's Sustainability Report 2021



A WORD FROM THE CHAIRMAN

Readly has a category leading position in four of Europe's largest magazine markets. During the year, the base of subscribers has grown to 478,362 readers across 50 countries and more than a thousand publishers and commercial partners are now part of the Readly ecosystem. Readly has also grown as an organisation. Following completion of the Toutabo acquisition, in November we welcomed the new team members to the Readly family.

All our stakeholders are affected by Readly in terms of social and environmental footprint. And for that reason we must continuously ask ourselves – what can Readly do, as a company, as a partner and as an employer to address, improve and create value within the sustainability spectrum.

We must continuously ask ourselves
– what can Readly do to create value within
the sustainability spectrum.”



Many of the answers are found in this second annual sustainability report. I am excited to see Readly's sustainability strategy presented, including long term ambitions and targets for 2022. This is how Readly will address challenges that demand action at global, national and regional levels. It shows how efforts are prioritised and how impact is maximised. This is the commitment from the company and what we should expect for next year.

I also applaud the strategic emphasis Readly puts on a collaborative approach to sustainability. Not only is that a great way to scale initiatives and share knowledge, but also important in order to build stronger relationships. And since Readly has a lot of those I can not wait to see what lies ahead.

Patrick Svensk
Chairman of the Board of Directors
Readly



Moving the needle on sustainability

The world is facing major global challenges and these require initiatives on many fronts to ensure the health of our planet and the wellbeing of people today as well as future generations.

Together with our stakeholders, Readly is committed to continuously explore and take action to build a sustainable future. Through the digitalisation of the magazine and newspaper industry we strive to have a positive impact on society and create long-term value for the world we operate in.

During the year we have further developed our sustainability strategy and defined long-term ambitions as well as targets for 2022. The key performance indicators are presented throughout this report for the areas with highest level of importance (USP) according to our materiality assessment.

In the era of digitalisation Readly must continually grow and evolve. We also need to adapt to the rapid changes in our business environment that in recent years has been heavily impacted by the pandemic. We continually monitor opportunities and challenges and how they might affect our targets. The 2022 targets are therefore defined with the aim of setting a baseline as 2020 and 2021 have been exceptional years due to Covid-19.

This year's sustainability report is Readly's second and summarises how Readly is working to maximise our positive impacts from environmental, social, business ethics and governance perspectives.

OUR 5-STAGE SUSTAINABILITY JOURNEY

Stakeholder dialogue

Stakeholder dialogues were conducted in 2020 where key aspects and expectations have been included in Readly's sustainability work and strategy.

Materiality analysis

Readly has identified three sustainability aspects that are judged to be impacted most by Readly, and can at the same time drive our business.

Strategic sustainability work

Our sustainability strategy has been further developed during 2021 and serves as a foundation for long-term sustainable value creation for both Readly and our stakeholders.

Measurable targets & follow-up

Aspects with measurable targets and opportunities for follow-up exist in the statutory requirements and are expected by stakeholders. These are included in our sustainability strategy.

A digitalised sustainable future

The result of our sustainability work is to lead digitalisation of the magazine industry and thereby make a positive contribution to people, the environment and society.

5 SUSTAINABILITY HIGHLIGHTS 2021



A MORE DIVERSE CONTENT PORTFOLIO

This year Readly has welcomed many new magazines that diversify our catalogue. We are especially happy to have titles such as *Cocoa Girl* and *Cocoa Boy* which teach children about black history and culture whilst profiling black role models. Read more about our diverse portfolio on page 44.

A Sustainability Committee is established

Readly has appointed several employees from various teams to form a Sustainability Committee. The committee will be responsible for identifying and executing activities in order to achieve the annual targets defined in Readly's sustainability strategy.

Readly placed on Allbrights Green List for Equal Gender Balance 2021

We are very proud to be presented on the Green List in The Allbright Report 2021 that monitors gender diversity in the management teams of listed companies in Sweden. Readly has a 45/55% ratio of women and men on the Senior Leadership team and among those who have leadership responsibilities the split is 50/50%.

READLY GENDER DIVERSITY STRATEGY

In autumn 2021 a strategy and action plan were developed to promote diversity and inclusion within the whole organisation. One focus area is how to achieve gender balance in the tech team, and the action plan includes elevating awareness among managers.

New policies in place

We have developed and implemented an Environmental Policy including planned activities to reduce our environmental footprint. Instead of a separate anti-corruption policy we have complemented our Code of Conduct with a more detailed section regarding bribery, corruption and facilitation payments. A Board Diversity Policy has been approved by the Board of Directors which will be implemented by the Nomination Committee.



Sustainability strategy

At its core, our sustainability strategy sets out how Ready, through the digitalisation of our industry, can contribute to thriving societies and a healthy planet.



Our purpose is leading the way

We strive to lead the digitalisation of the magazine and newspaper industry and thereby have a positive impact on all our stakeholders. By doing so, Readly takes an active part in moving the world closer to overcoming global challenges for a sustainable future.

Our purpose statement is “We bring inspiration and insight into people’s daily lives and unlock meaningful moments of relaxation”. A strong sense of purpose is an important factor for strong engagement within our ecosystem and a guiding star for everyone.

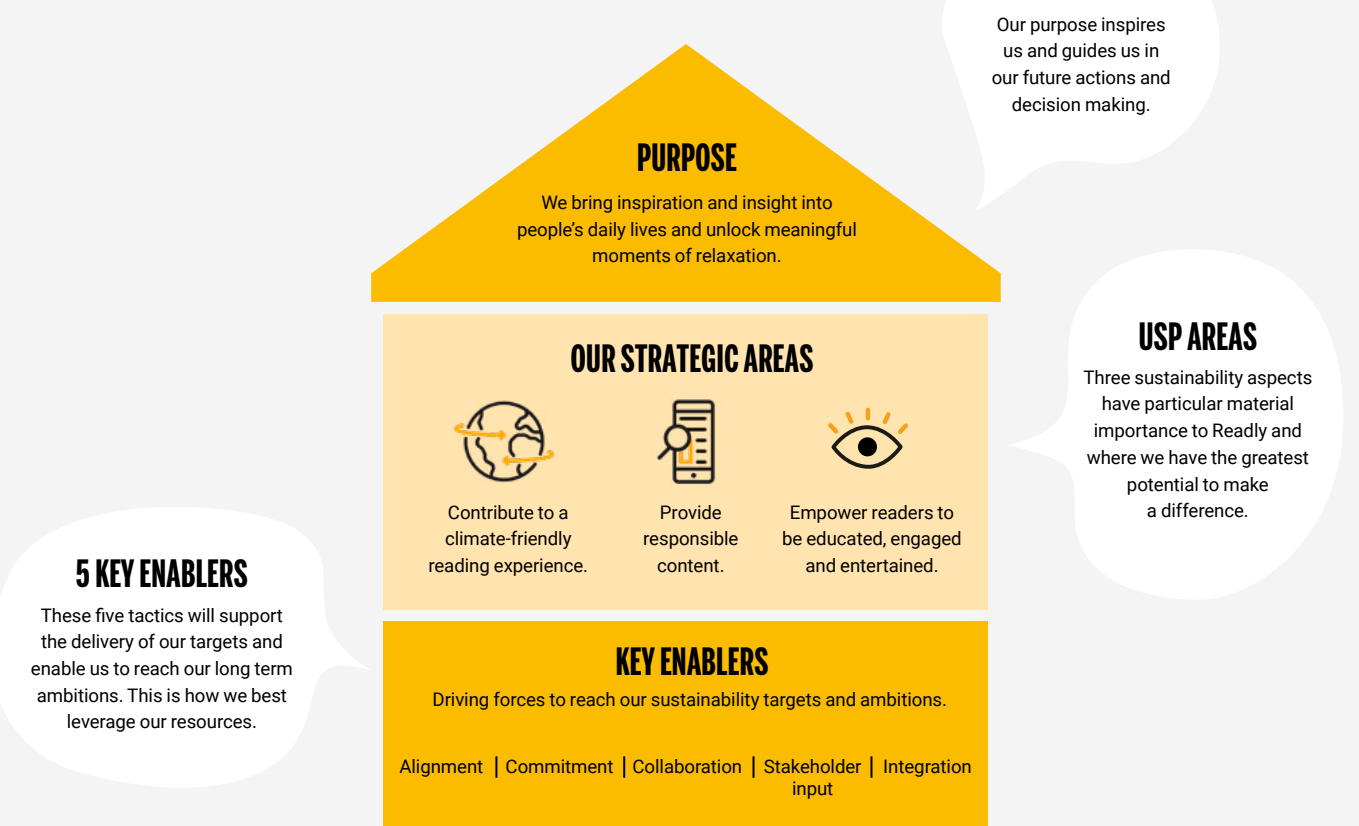
The Readly team is committed to join forces with our subscribers, publishers and partners across the world. Together we increase the consumption of quality journalism to bring about positive change.

Stakeholder dialogues at the centre of our strategy
In 2020, we conducted stakeholder dialogues and a materiality assessment to identify the material environmental and societal issues where Readly can have the greatest impact, can drive our business and which are important to our stakeholders. At the heart of our sustainability strategy is our focus on what really matters for Readly and our stakeholders – three USP areas about climate friendly reading, empowerment and responsible content.

READLY’S MATERIALITY PYRAMID – HOW WE PRIORITISE OUR MOST MATERIAL SUSTAINABILITY ASPECTS

USP FOCUS FOUNDATION	<ul style="list-style-type: none">Contribute to climate-friendly magazine and newspaper reading through digitalisation. Read more ▶	<ul style="list-style-type: none">Provide responsible content and counter the spread of fake news.Empower people to be educated, engaged and entertained. Read more ▶
	<ul style="list-style-type: none">Minimisation of Readly’s environmental impact.Guarantee data security.Secure handling of personal data.	<ul style="list-style-type: none">Strengthen the joy of reading among children and young adults.Promote diversity and inclusion in the entire organisation.Support and develop an inclusive reading experience.
	<ul style="list-style-type: none">Upholding high business ethics and countering corruption.Ensure business resilience.Attract talent.	<ul style="list-style-type: none">Ensure a sustainable supply chain.Be a responsible employer that promotes personal development.

OUR STRATEGY AND FIVE KEY ENABLERS FOR SUCCESSFUL PROGRESS AND FULFILLMENT



Alignment: Our sustainability efforts are aligned with the global sustainable development agenda and frameworks including, UN Global Compact and the OECD Guidelines for Multinational Enterprises.

Commitment: We are committed to tracking and reporting on our targets and long-term ambitions. Our public commitments propel us to work persistently and reach our objectives.

Collaboration: We engage with both internal and external stakeholders, to create greater impact across our ecosystem. We believe in joint capabilities to make the most meaningful impact on a bigger scale.

Stakeholder input: We are continuously listening to and inviting our stakeholders to bring different perspectives together and learn from each other.

Integration: Sustainability is integrated in all aspects of our business to create value and support our business objectives.

READLY'S SUSTAINABILITY COMMITTEE

A dedicated Readly committee has been appointed to give advice, explore ideas and take initiatives that support the long term ambitions and annual targets. All members should be able to engage on Readly's various sustainability aspects and gain a good understanding of how sustainability considerations can affect and should support our company strategy. This also includes any potential risks that we might face.

Engaged employees from different teams are encouraged to volunteer for the committee by their manager. That way members' expertise and skill sets extend across all areas of our business, and initiatives can be delegated to departments and teams, coordinated across the company. Read more about the Sustainability Committee under *Governance* in this report.



The environment in focus

The health of our planet is top of mind for many consumers across the world. We all need to make stronger efforts toward battling the climate crisis and minimising any harmful environmental impacts from our way of living. This is reflected in personal values among consumers who are paying more attention to sustainability and are increasingly willing to pay more for sustainable products and services.



CONTRIBUTE TO CLIMATE-FRIENDLY MAGAZINE AND NEWSPAPER READING THROUGH DIGITALISATION

USP 1

1) https://www.apple.com/environment/pdf/products/iphone/iPhone_13_PER_Sept2021.pdf

2) Yougov survey, 24 Nov - 2 Dec, 2021. 12374 respondents across SE, DE, UK, AT, CH, FR, NL, US, IT and AU.

A major benefit of reading magazines and newspapers in a digital format is the positive effect it has on consumers' carbon footprint. It is an important factor that brings distinct meaning to our service in times when many consumers choose brands that help them make a difference.

Ready has conducted a study that calculates the amount of reduced greenhouse gas emissions through reading a digital publication on Ready's platform. The study compares the carbon footprint from reading a digital magazine with the printed equivalent. The difference in reading habits between printed and digital versions as well as the split between tablets and smartphones was taken into account. The study results for 2021 indicate that reading a digital magazine on the Ready platform results in 86 per cent lower greenhouse gas emissions than reading the printed equivalent.

56%

of the respondents in Ready's global survey said it is important to them that their reading habits are as environmentally and climate friendly as possible.²

36%

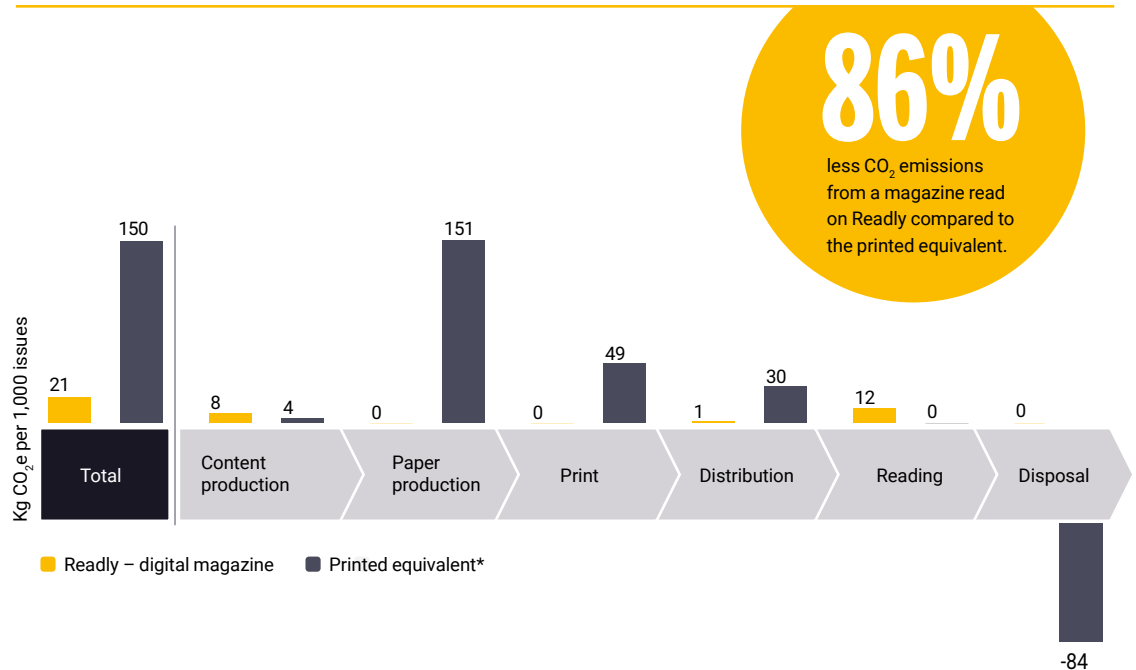
reduction of emissions during 2021 compared to 2020.

The reduction in CO₂ emissions in 2021 corresponds to approximately 15,400 tonnes of CO₂e, or the equivalent to the emissions of producing and recycling over 240,000 iPhones¹ – an 36 per cent increase from 2020. The main reason behind this increase is that the data centres we use are now entirely powered by renewable energy.

Avoided paper production and printing are the two biggest reasons why reading digitally is better for the climate. Emissions from business travel and data centres are Ready's largest sources of emissions.

Due to our ongoing discussion with AWS, we have for this year been able to confirm that 100 per cent of our data hosted are powered by renewable energy from AWS's Irish wind power farms. This accounts for a major decrease in emissions.

CLIMATE IMPACT FROM MAGAZINES – DIGITAL VERSUS A PRINTED EQUIVALENT



Read more in the full study found on <https://corporate.ready.com/about-us/sustainability/>.

MINIMISATION OF READLY'S ENVIRONMENTAL IMPACT

Readly's environmental footprint includes emissions generated from business travel, energy use from our offices, data centres and servers and waste management from our operations. Impact from all of these areas has been reduced to a minimum as a result of the Covid-19 pandemic, Readly's offices have stood empty for several months during 2021 and business travel was reduced significantly.

Energy consumption at Readly's offices

Measuring Readly's energy use is the first step to reducing it. This year we report on energy use per FTE and our goal is to ensure that it does not increase on a yearly basis. Examples of what we do to reduce energy levels are buying energy-efficient

14%

lower energy intensity
per FTE in 2021
compared to 2020.

devices that automatically power down during extended inactivity and to educate and encourage employees to be energy-conscious. We always ensure to follow environmental laws and regulations on the markets we are present on.

Besides reducing our energy consumption we also strive to increase our share of purchased energy from renewable sources. For instance, during 2021 we signed a new contract with an energy supplier in Stockholm (Elkraft Sverige) who sells electricity that is 100 per cent produced with hydro power. Another great example is that the property owner of our Berlin office, GSG Real Estates, has committed to moving to 100 per cent

EMISSIONS GENERATED FROM READLY'S BUSINESS TRAVEL IN 2019, 2020 AND 2021*

Business travel emission, tonnes CO ₂ e	2021	2020	2019
Air	6.4	35.5	124.2
Rail	0.04	0.07	0.55
Business travel emission intensity, tonnes CO ₂ e/FTE	0.07	0.80	2.31

ENERGY CONSUMPTION AT READLY'S OFFICES 2020 AND 2021*

Year	Total (MWh)		Total energy intensity (MWh/FTE)	
	2021	2020	2021	2020
Electricity (kWh)	33.1	35.3	0.4	0.5
Heat (kWh)	97.7	95.6	1.1	1.3
Cooling (kWh)	22.0	23.3	0.3	0.3
Total	152.8	154.2	1.8	2.1

* The emissions and FTE numbers from Toutabo are not included.

green electricity from 2022 onwards. Through our Supplier Code of Conduct we also encourage suppliers to transition to renewable electricity.

Energy use by servers and data centres

As a company, we strive to have a positive influence on suppliers of IT systems and equipment to ensure that they are as energy-efficient as possible and continuously upgraded to greener technologies. Ready's

content is stored externally at Amazon Web Services' (AWS) servers in Ireland which are completely powered by renewable wind power. Although AWS at present has chosen to not share emissions data, we are aware that our external data storage capacity accounts for a large share of Ready's CO₂ emissions and electricity needs.

Our ambition is to engage with AWS to gain a better understanding of how we can collaborate to further reduce our carbon footprint from servers and data centres.



Waste management in operations

As Ready provides a digital service for magazine reading, only household, office and electronic waste arise in operations. Our aim is to minimise the amount of waste to the greatest extent possible and that our reuse/recycling alternatives shall cover as many materials and products as possible. As an example, new employees re-use equipment from their predecessors, and new models are bought only if existing equipment is no longer fit for purpose.

Moreover, digital alternatives shall be prioritised whenever possible, use of packaging and single-use products shall be minimised, waste sorting is conducted at all offices and electronic waste is disposed of at designated environmental collection sites. During 2021 we introduced an improved waste sorting system in our Stockholm office where waste is picked up on demand for material that does not fill up on a regular basis, such as glass and metal, and monthly for more frequently disposed of material, such as paper and cardboard.

CLIMATE FRIENDLY READING – LONG TERM AMBITIONS AND TARGETS FOR 2022

LONG TERM AMBITIONS

- Increase the amount of emissions saved through digital reading on Ready.
- Reduce negative environmental impacts from Ready operations
- Reduce negative environmental impact from Ready's supplier chain.

TARGETS FOR 2022

- 20% increase of emissions saved from digital magazine consumption.
- Implement an environmental policy
 - Business travel emission intensity per FTE shall not exceed 2019 pre-pandemic levels.
 - Start measuring the share of renewable energy sources.
- Quarterly meetings with AWS.
- 10 of Ready's core suppliers to sign our Supplier Code of Conduct.



Our readers in focus

By providing our subscribers with the opportunity to digitally access a global portfolio of thousands of magazines and newspapers, Readly promotes journalism and its contribution to a more sustainable society. Through the growth of our company and geographical expansion of our service, we aim to contribute with positive social effects such as popularising knowledge, safeguarding democracy and inspire millions of people to discover and enjoy the power of great journalistic content from across the world.

**PROVIDE
RESPONSIBLE
CONTENT AND
COUNTER THE
SPREAD
OF FAKE NEWS**

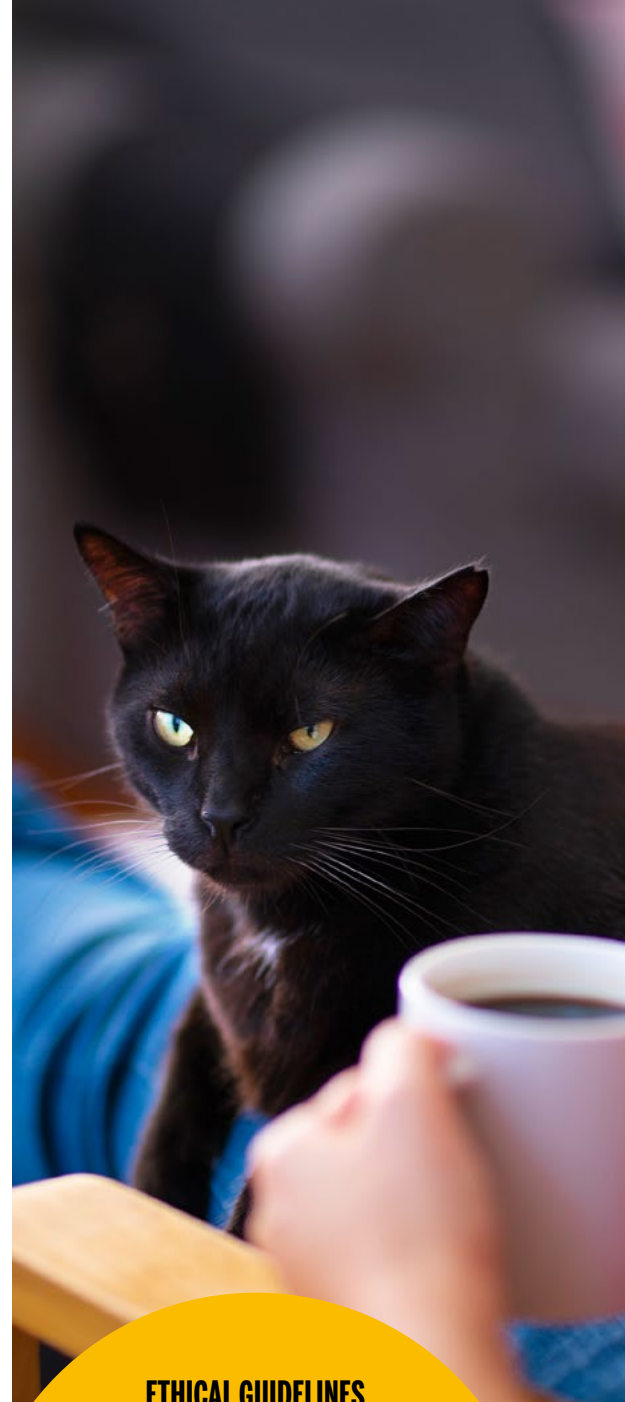
USP 2

Readly provides an offering in which there is a publisher and an editor-in-chief behind all content on the platform who is responsible for the respective publications' operations, content and policies. Content on Readly must also be in compliance with the respective countries' laws and regulation, be relevant for our subscribers, and meet our ethical guidelines.

The rapidly spreading wave of false and misleading information during 2021 has continued to raise debate about people's news consumption using reliable or unreliable sources, and the increased trust in established news outlets. Viral spread of fabricated news can have profound impacts on the behaviours, attitudes and opinions of the public, and can ultimately endanger democracy and put people's lives at risk. This year we have seen Covid-19 vaccine conspiracies infest social media platforms which in return become criticised for not combating disinformation on their sites properly.

As a platform with 7,500 magazines and newspapers from across the globe, we promote easy access to journalistic content from responsible publishers and a diversity of news reporting. Journalists' work is also affected by disinformation which sometimes leaks into the real news system. But our long-term goal of acquiring and distributing world-class content from trusted publishing sources and increasing the number of newspaper titles in all markets is based on the focus these publishers place on the work of independent fact-checking for verified news reporting.

During 2021 we expanded our partnership with one of Germany's largest publishers, Axel Springer, by adding its three leading dailies to our platform. Readly's global audience now has digital access to B.Z., DIE WELT and Europe's largest daily newspaper – BILD. We launched newspapers in Ireland and Switzerland for the first time



ETHICAL GUIDELINES

It is important for Readly that the content we provide from third-party publishers is relevant to our audience and in line with our ethical guidelines as laid out in our Code of Conduct.

Our content team is made up of local specialists who vet all magazines manually before they are included on our platform. In our distribution agreements the publishers legally warrant that it has obtained all the rights necessary for content distribution, and that all content is free of libellous, defamatory, unethical or unlawful material.

71%

of the respondents in Readly's global survey say they believe it is important to them that they read verified news and content. (21% disagree)

61%

are concerned about the spread of "fake news".

43%

think they are being exposed to fake news on a daily basis.

Source: Yougov survey, 24 Nov - 2 Dec, 2021. 12374 respondents across SE, DE, UK, AT, CH, FR, NL, US, IT and AU.



with the addition of The Irish Daily Mirror, Irish Sunday People, Irish Sunday Mirror and the Irish editions of The Daily Express and The Sunday Express, and Swiss daily newspaper NZZ International and the Sunday edition NZZ am Sonntag.

Developing a filter for regional newspapers is one of our targets for 2022 so that we can give readers access to even more regional newspapers and support the local news sector. This will initially be a filter for the 300 French titles that will be brought onto our platform.



PROVIDE RESPONSIBLE CONTENT – LONG TERM AMBITIONS AND TARGETS FOR 2022

LONG TERM AMBITIONS

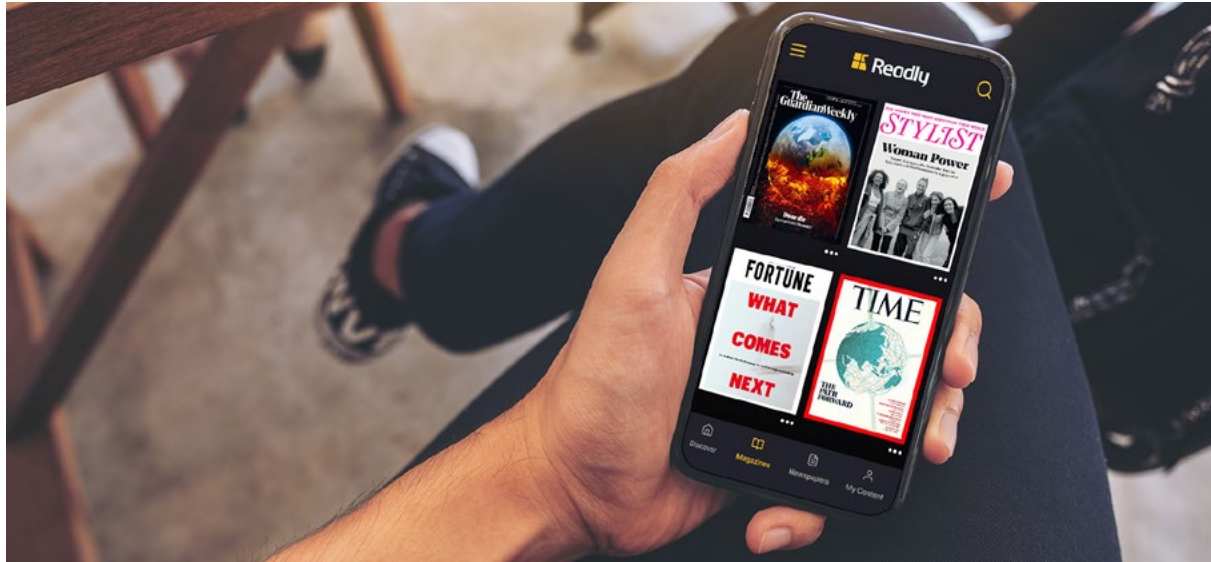
- Continue to acquire and distribute world class content from trusted publishing sources.
- Increase the portfolio of newspaper titles across all markets.
- Raise awareness of the importance of quality journalism among our subscribers.

TARGETS FOR 2022

- Develop a filter for regional titles to enable a wider portfolio of newspapers in the UK and France.
- 1 yearly user survey about attitudes and perceptions of misinformation to highlight in own channels as well as social and earned media.
- 2 yearly editorial campaigns with reading tips about responsible news reporting.

EMPOWER
PEOPLE
TO BE EDUCATED,
ENGAGED AND
ENTERTAINED

USP 3



There are many definitions of empowerment; becoming stronger and more confident, being able to act or take decisions to affect self and others, a tool to increase civic engagement, the capacity of individuals to maximise the quality of their lives and feel good, and so on. Empowering people is one of the key purposes of journalism, whether it be through investigative articles, reviews, breaking news or lifestyle feature stories. And given the many global challenges the world faces, journalists play a central role to help empower people to take charge and drive change.

We strive to empower our subscribers through different ways. Primarily by offering unlimited access to both

national and international magazines and newspapers plus a vast catalogue of back issues. Furthermore, we look to offer both a depth and breadth of our portfolio which we define as category excellence. Breadth of titles refers to the full span of the 36 topic based categories we have. Depth of titles refers to the extent to which a specific category is filled with different magazines which together offer different perspectives and expertise on the same topic.

In addition, supporting our users to be as empowered as possible also includes diversifying reading behaviour and enabling the discovery of new titles or topics they would not have otherwise explored. Part of that

Has your consumption of journalistic content made a difference in your life?

33%

of the respondents in Readly's global survey say it has increased their level of knowledge and understanding.

28%

have learned about important issues that might otherwise have gone unnoticed.

18%

say it has formed their political views and 16% say it has formed their attitudes and values.

15%

say it has affected their consumption choices, 13% say it has changed my mind and 9% say it has affected their life choices.

Source: Yougov survey, 24 Nov – 2 Dec, 2021. 12374 respondents across SE, DE, UK, AT, CH, FR, NL, US, IT and AU.

job is done by our editorial team who highlight the best and most engaging content on our platform, for daily publishing through our social media channels and email newsletters, as well as our Discovery tab and Featured Articles feed in the Readly app.

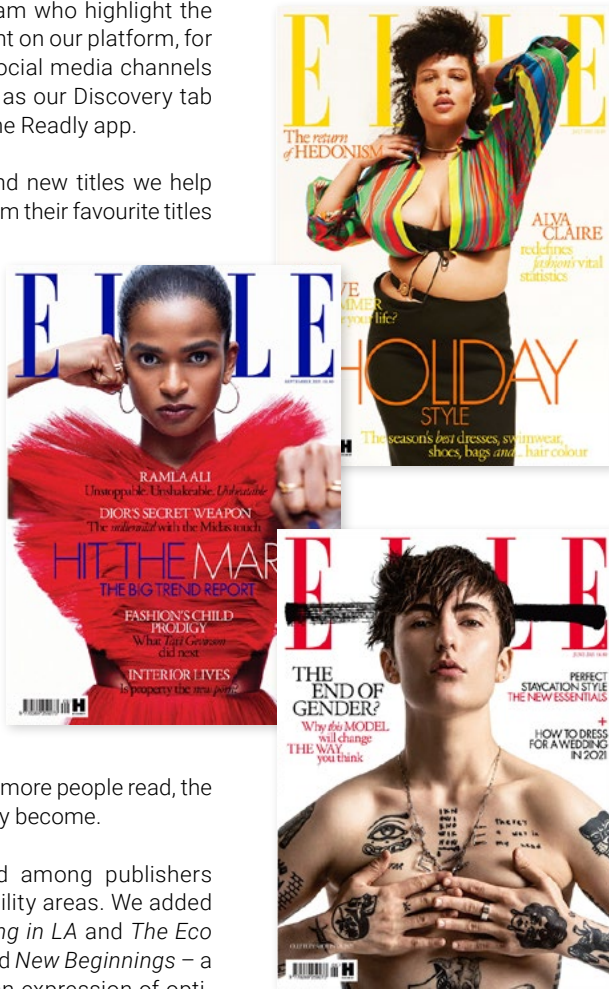
By helping users discover brand new titles we help them to discover new issues from their favourite titles by sending pushes or emails when a new issue arrives. The editorial team makes real-time decisions based on daily events, and interacts with Readly's publishing partners to deliver a compelling reading experience.

We believe that the consumption of quality journalism through Readly can empower people to take action and make a positive difference for themselves and for future generations. We use total reading time on our platform as a metric for the amount of journalistic content that has been consumed on Readly. The more people read, the more empowered they hopefully become.

During 2021 we saw a trend among publishers dedicating issues to sustainability areas. We added magazines such as *It's Freezing in LA* and *The Eco News*. Our readers have enjoyed *New Beginnings* – a shared theme for Vogue and an expression of optimism over the way the industry is becoming more sustainable, more inclusive, and more global.³

We are impressed by Elle UK for its June, July and September issue with history-making Somali boxer – Ramla Ali speaking of her fight against sexism and gender stereotypes in sport, Alva Claire about making it as a model while defying fashion industry norms, and Olly Eley about floating between two genders.

According to Readly's global user survey, more than 50 per cent of 25,000 respondents say they spend more time reading, read a bigger variety of categories, and read titles they never read before since they started using Readly.



Three covers from Elle UK that educate and inform readers, raising awareness of sustainability issues.

A SELECTION OF READLY'S EDITORIAL CAMPAIGNS DURING 2021

International Women's Day in March

Readly celebrated International Women's Day on 8 March 2021, which this year was like no other. As communities started to slowly recover from the pandemic, UN Women themed the event, *Women in leadership: Achieving an equal future in a Covid-19 world*. Readly supported the campaign editorially through its curated articles feature with articles such as Good Housekeeping's *Empowered Women Empower Women* in which four inspiring female leaders share how they are bringing other women up the ladder with them, as well as Women's Health's: *12 Ways to be your own cheerleader*.

German Election in September

September was a momentous month for Germany's politics as its citizens headed to the polls to elect a new Bundestag. Readly invited debate and discussion around the election through a series of push notifications and a dedicated customer email to our German subscriber base. Promoted content included an article from B.Z am Sonntag which interviewed 16 year olds wanting to be able to vote, and a feature from *enorm Magazin* analysing the sustainability strategy of each political party.

COP26 in the UK in November

In November, all eyes were on Glasgow as it prepared to host the world's most important climate change summit, COP26. Readly promoted a series of articles on the topic. Readers enjoyed an article from *Country Living* titled, *All you need to know about COP26*, and *The Big Issue's*, *2050: A Day in the Life*.

3) <https://www.condenast.com/news/vogue-announces-new-beginnings>



Content that entertains

Last but not least, many people read magazines quite simply as a form of entertainment – to unwind from daily routines, relax, enjoy “me-time” and for a bit of escapism. Categories such as crosswords, DIY, celebrity & entertainment, and food & drink are all examples of popular content. Entertainment as such can therefore have a positive impact on a person’s well-being and be a source of happiness. The highest rate of longform reading (up to 50 minutes in average session length) has categories such as comics and history. One of the issues that got the most lengthy reading sessions during 2021 was the special paperback edition of Donald Duck in Swedish.

Support and develop an inclusive reading experience

We also aim to provide a portfolio of content that mirrors all of society and fosters inclusion, diversity and equality regardless of age, gender, ethnicity, sexual orientation, political opinion or faith. There are many great examples of this from 2021. One is the addition of the UK’s first magazine aimed at representing black children. Cocoa Girl and Cocoa Boy magazines contain inspiring and empowering content for young girls and boys of all races and it teaches children about black

One of the issues that got the most lengthy reading sessions during 2021 was the special paperback edition of Donald Duck in Swedish.



history and culture whilst profiling black role models. The title has received much attention in the UK over the last year and through Readly, it will reach a global, digital audience.

We are also happy that readers now also can read the German titles women’s Bundesliga magazine ELFEN Magazin, the business and career magazine SHE works! and Courage, a finance magazine primarily aimed at women. The sports category for instance holds mostly titles with a large male audience and ELFEN is an important addition to those. Its aim is to stimulate interest in women’s football and was launched in 2020 – the same year as Germany celebrated that women’s football has been officially allowed in Germany for 50 years.

Our collaboration with Swedish freelancer network Gazzine continues with our own parenting title Boom. The second issue of 2021 featured Michael and Nicklas Binfeld with their 5-year-old son. It received a lot of positive feedback from readers who, among many things, learnt that other children at times were jealous of little Simeon for having not only one, but two daddies.

Strengthen the joy of reading among children and young adults

Reading magazines and newspapers at an early age can be an important step in developing a strong sense of well-being and active citizenship later in life. We know that many children use Readly. Our portfolio of titles for children and teens has continued to grow during 2021 and so has our commitment to encourage parents and children to read more together. Our "Reading break" campaign in October included a collaboration with Swedish newspaper Aftonbladet who launched a Readly exclusive of their title Sportbladet especially aimed towards children (Sportbladet Kids). In the UK we collaborated with Fay Lant, Head of School Programmes at the National Literacy Trust, who gave her top tips to encourage reading.

Readly's study of families' reading habits shows that 30 per cent of parents and grandparents do not read to their children at all. As many as 60 per cent state that they neither read newspapers nor discuss journalistic content with their children. Many children thus lose out on establishing early habits of taking part in journalism that explains news events and happenings in society.

At the same time, readers on Readly have shown an increased interest in comic magazines. Whilst reading fiction is often the go-to for parents to read to their kids, it is also beneficial for children to read newspapers and magazines to open up a discussion with an adult for example or start a conversation on a current topic.



EMPOWER READERS – LONG TERM AMBITIONS AND TARGETS FOR 2022

LONG TERM AMBITIONS

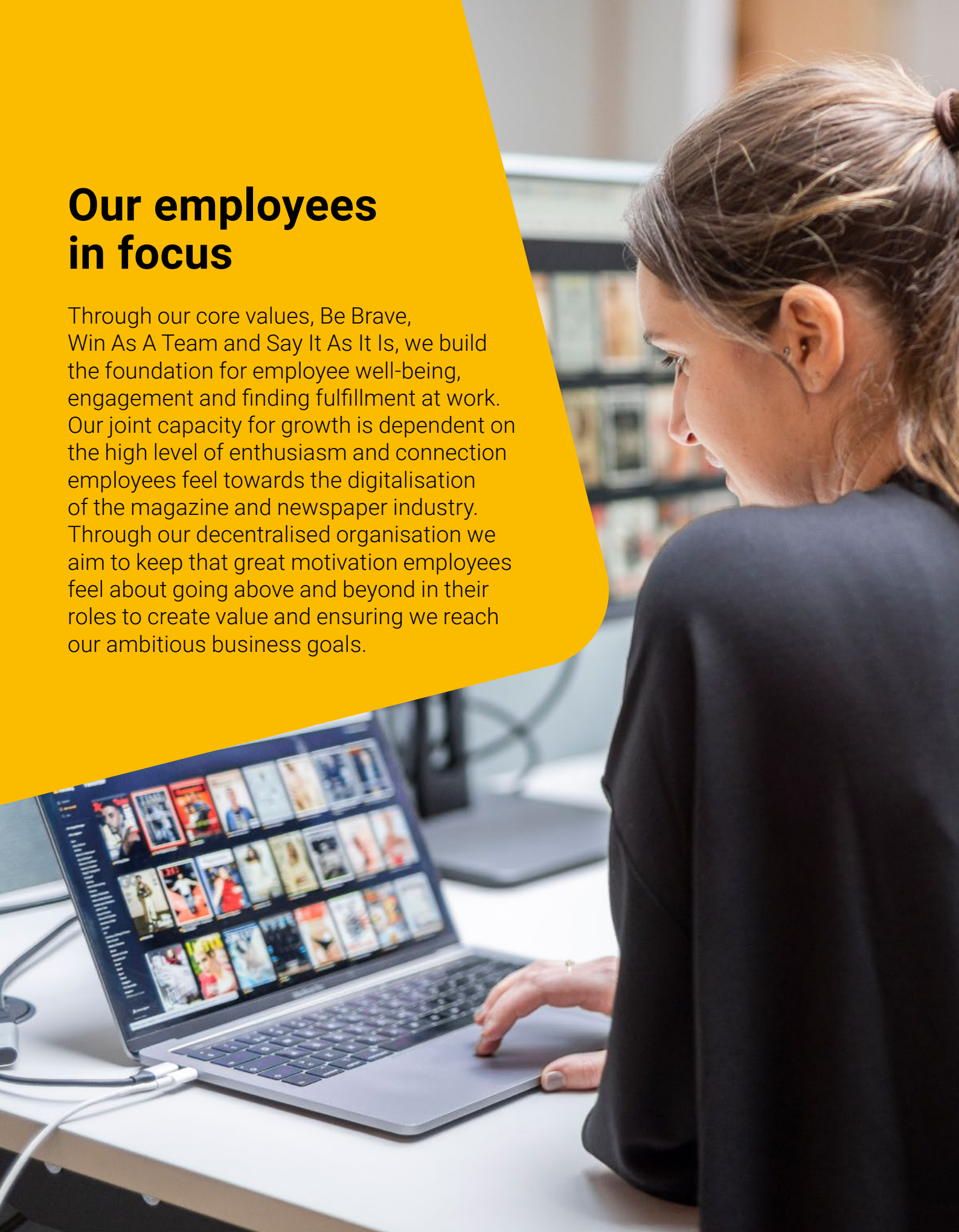
- Continue developing our product to inspire users constantly discover new content and diversify their reading behaviour.
- Use our portfolio to curate engaging content for our readers.
- Partner with new and existing publishers to ensure that subscribers can access content that represents the whole society and covers sustainability issues.

TARGETS FOR 2022

- ≥15 % increase in total reading time.
- ≥ 90 % category excellence in core markets.
- ≥ 4 editorial campaigns that focus on topics related to sustainability.

Our employees in focus

Through our core values, Be Brave, Win As A Team and Say It As It Is, we build the foundation for employee well-being, engagement and finding fulfillment at work. Our joint capacity for growth is dependent on the high level of enthusiasm and connection employees feel towards the digitalisation of the magazine and newspaper industry. Through our decentralised organisation we aim to keep that great motivation employees feel about going above and beyond in their roles to create value and ensuring we reach our ambitious business goals.



OUR TEAM AT READLY

Our people define us – we are high-performing team players, passionate about our product and proud of the large portfolio we have. Readly is in a rapid growth phase, and maintaining and developing our culture is essential for the company's continued success.

People join Readly to be involved and have a chance to influence the development of the future magazine and newspaper experience. Today we are a passionate team of approximately 166 employees including consultants. By the end of 2021 we acquired Toutabo and joined forces with 14 new colleagues working from a Paris office. During 2022 we look forward to integrating the French team introducing them to the Readly culture and fellow team members.

We are continuously recruiting new talent and forming teams of dedicated consultants from different parts of the world. We work through behaviours that

we have developed together and which we believe will take us towards our purpose and vision.

The Readly Mindset – our culture

The Readly Mindset reflects our aspiration to Be Brave, Say It As It Is, and Win As A Team. It defines how we differ from others and what expectations we put on each other internally. Our ambition is, among other things, to encourage cross-departmental collaboration and use the collective knowledge of our various teams in the best way possible.

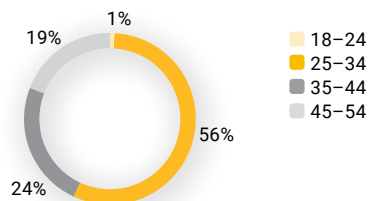
We want everyone to feel an equally great responsibility and have equal opportunities to contribute to Readly's sustainability procedures. In doing so we will have the best foundation to instil engagement among our people and promote creativity and innovation to achieve the best possible results.

EMPLOYEE STATISTICS

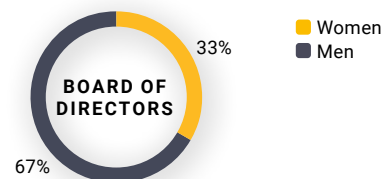
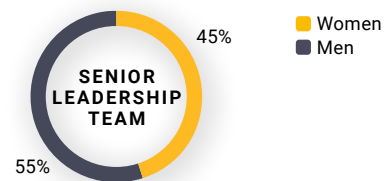
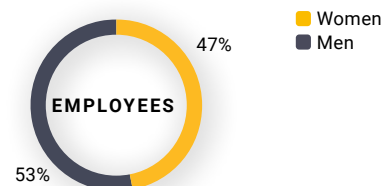
Number of employees	166*
Average number of FTEs	89
Sales per avg FTE (SEK m)	5.2
Operating result per avg FTE (SEK m)	-2,4
Nationalities	>10

* of whom 61 are consultants

AGE DISTRIBUTION



GENDER BREAKDOWN



For us it is essential that recruitment and negotiations of pay and benefits are based only on the individual's abilities and performance. We do not tolerate discrimination of any form, which is also stipulated in Readly's Code of Conduct. This is positively reflected in our employee survey where 99 per cent believe that at Readly employees are treated fairly regardless of background.

Promote equality and diversity throughout the organisation

We believe that equality and diversity are of strategic importance for our company. Our user base from more than 50 countries is evenly represented by men and women, and therefore it is important that we develop the product to ensure it meets diverse needs and user patterns.

We offer a workplace that stands for diversity and working actively to make everyone feel included is important to us. Over the years, we have recruited with a focus on gender balance and have been highly successful in regards to our Senior Leadership Team, among our managers and in the company as a whole, as the distribution between women and men is at least 40/60. We now face the challenge of recruiting more women to our tech organisation, where men still are over-represented.

During 2021 we took further steps towards a gender equal, diverse and inclusive Readly. A strategy for Diversity & Inclusion has been developed which in summary describes our commitment towards gender diversity and how we intend to keep the gender balance that we have created in our departments, among our leaders and in our Senior Leadership Team as well as actions we will try to increase the gender balance in our tech team. We have also done an interview series with employees to highlight cultural diversity in our workplace which has been published on our career site and on our LinkedIn page.

Attract talent

To successfully attract talent, regardless of gender, we emphasise in our recruitment advertisements as well as on our career site and social media channels that

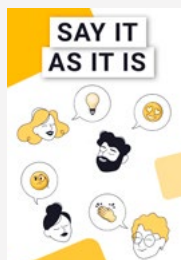
The Readly Mindset



BE BRAVE

Behaviours reflecting a Be Brave mindset include:

- I challenge the status quo
- I take initiative and ownership
- A mistake that we learn from is not a failure
- I bring passion and grit
- I constantly seize new opportunities to grow our business



SAY IT AS IT IS

Behaviours reflecting a Say It as It is mindset include:

- I build trust through honesty, transparency and mutual feedback
- I share information openly and proactively
- I communicate in a clear, crisp and respectful way
- I listen actively to fully understand



WIN AS A TEAM

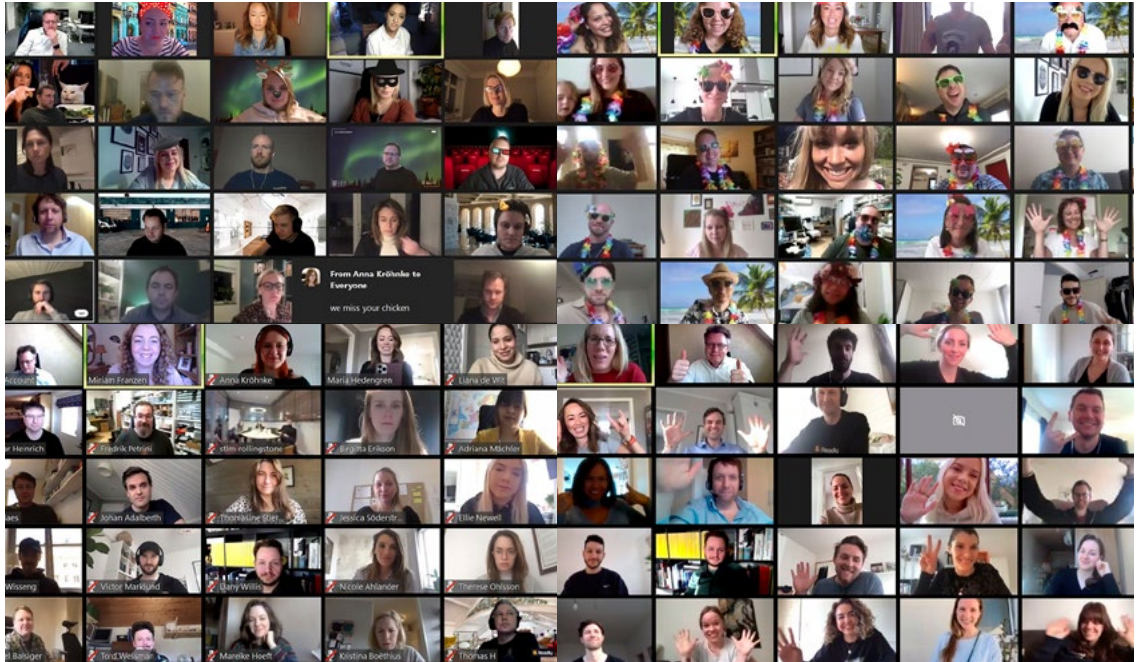
Behaviours reflecting a Win as a Team mindset include:

- I am curious and always willing to learn
- I seek different perspectives, ideas and opinions
- Disagree, discuss and commit
- We help each other and share credit
- Our ecosystem's success is my driving force

Readly wants to make sure that all our people can perform to the best of their abilities by tailoring the working environment to each individual in the best possible way.

Based on employee feedback, we believe that a combination of working from home and from the office is the best way to achieve job satisfaction, cultivate the Readly Mindset, support productivity and reach our business targets.

A hybrid work setup has been implemented with all people present in the office two days a week with certain exceptions.



employees grow together with the company and that we all play a positive role in society. In addition, we refer frequently to the importance of diversity and equality, such as through the blog on our careers site, on our LinkedIn page, at external events and in media interviews. We also have employees who are engaged in the Women in Tech organisation in Växjö. In 2021, 52.5 per cent of new hires were men and 47.5 per cent were women.

Be a responsible employer that promotes personal development

Employee health and safety has high priority at Readly. The company has a Work Environment Policy, Work Environment Officer and a Work Environment Committee. During 2021 all managers have participated in a work environment course where for example risk assessments is now a natural part of our continued work.

During the year we have launched our new Leadership forum where all 25 of our people managers are meeting monthly to discuss leadership at Readly. Frequent topics have been our mindset, the importance of leading by example and a lot of fruitful discussions in groups and pairs have been to help each other with leadership challenges. Through this forum we have created a better, stronger and more united team of leaders at Readly.

Among other online courses that our employees have taken part in the Growth organisation was this spring part of the Google Growth Academy. 24 people from

Readly attended various courses of interest to the Growth, Analytics, Product, Tech and Senior Leadership Team.

During this year the pandemic has of course continued to direct our focus towards protecting our employees from exposure to the coronavirus and potential negative impacts on mental health caused by a prolonged period of social distancing. Our work from home policy for all employees has continued for most of the year as well as our expanded all company meetings set-up, internal surveys on well-being and engagement. Our health activities, including workout challenges, music recommendations and mindfulness exercises have been appreciated and helped us to connect to each other even outside of normal work routines.

In addition to offering an equal opportunity workplace where well-being is prioritised, we strive to always offer working terms and conditions that are in line with market practice. We continuously make sure that we offer benefits such as pay, pensions and insurance in line with market standards. In addition, we provide the opportunity for flexible work hours.

My name is Bastian and I'm a Swede born in Syria.



When I was 19 year-old my family moved to the United Arab Emirates to work and live there. The work culture in Dubai is quite different from Sweden. The workload is very heavy and company rules are more strict. I have learned early that personal relationships and connections are fundamental for your career path and key to successfully collaborating with colleagues. You need to invest time to grow your network of personal contacts. As you can imagine that also includes a lot of socialising during evenings, eating out and spending very little time at home.

Joining a company during the pandemic can be tough since people are working remotely.

It's not easy to take the floor on zoom calls and share different perspectives. It's more natural when you sit together. At Ready, people have so many varying backgrounds with different skills and experiences. Now that we are returning to the office we can also go back to more spontaneous conversations where we can seize the benefits of diversity better.

I really enjoy our multicultural team, but I also have to admit that I've failed to maintain the Dubai culture of socialising after work. I guess I'm a true Swede now, so when I leave work I wave 'bye bye – see you tomorrow!'"

When I'm asked where I'm from, I have a short answer and a long answer, depending on context and who is asking. I'm ½ Swedish ½ Icelandic, but had an unusual childhood. Because of my father's job as an electrical engineer, my family moved across the world depending on where his next project was. By the time I graduated high school I had lived in 8 countries.

Cultural diversity to me is a group of people with different backgrounds (values, customs, language) and lived experiences. Besides typical diversity aspects like gender, age,

ethnicity etc, I really believe that it is our whole background that shapes and differentiates us. Where you were brought up, places you have travelled to, people you know, interests you have. At work you often get to know colleagues on a professional level like their role and competencies. But there is so much more to learn about each other. I've been so surprised and impressed by people in this organisation that have done so many exciting things in their lives and sit on so much knowledge, perspectives and experiences."

My name is Charlotte, and I'm a classic 3rd Culture kid!



I'm Francesco from Italy, living in Germany.



I moved to Germany, seven years ago, as a 19 year old. I started studying journalism at the university and had to learn the German language fairly quickly. Now I'm not only fluent in German but also have adapted to German culture.

One thing I noticed in the beginning was how calm Germans are. Italians, stereotypically speaking, are much more hot-tempered and even everyday conversations are very lively. I'm now being a bit of both. That's the beauty of diversity – learning about different perspectives and behaviours and bringing the best of different cultures together.

I have only worked a few months for Ready and I have already reflected on how diverse the team is. Half of the team based at the Berlin office actually speaks Italian but only a few are indeed native Italian. That is such a cool coincidence. And I got a very good impression of Ready as a Swedish company in terms of inclusion and corporate culture. I love that company meetings don't have to be very formal. The leadership has a personal touch and a lot of trust is placed in people regardless of background, age or title. Anyone and everyone has an opinion worth listening to."

A collage of various magazine covers. The 'Wij' magazine cover is prominent in the center, featuring a baby and the headline 'De druk op ouders loopt op Ontploffingsgevaar?!'. Other visible covers include 'Weekend', 'Nieuw Beland', 'Quest', 'Happ', and 'BAZAAR'. The 'BAZAAR' cover features a woman in a blue and white patterned dress. The collage is set against a yellow background.

A collage of various magazine covers, including Men's Health, Quest, Weekend, and others. A yellow arrow points to a specific article on the Men's Health cover titled 'no beauty issues'. The collage is set against a black background with a yellow arrow pointing towards the center. The magazines are arranged in a way that shows multiple covers, some overlapping. The covers feature various celebrities and headlines, such as 'HAPPY DATING', 'Vrouw hebben geen HUMOR', and 'Weekend'. The overall theme is entertainment and lifestyle.

UPHOLDING HIGH BUSINESS ETHICS AND COUNTERING CORRUPTION

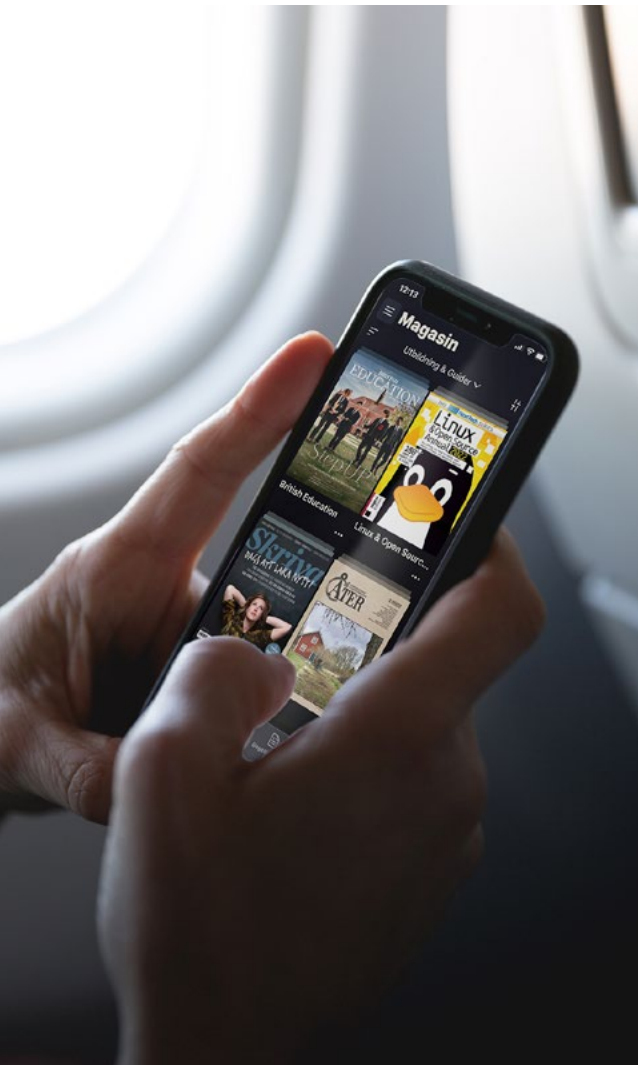
At Readly, we always conduct business in the utmost professional manner that fosters long-term relationships. The way we do business is stipulated in our Code of Conduct. In 2021, we've updated the anti-corruption part of our Code of Conduct to further exemplify conduct where Readly shows zero tolerance.

To make sure that our suppliers and business partners uphold the same standards that we do, the Supplier Code of Conduct stipulates ethical conduct for suppliers as well. The Supplier Code of Conduct was established in 2020, and implementation within the supplier base will be carried out during 2021. In 2021 we had zero registered cases of corruption or breaches of the Code of Conduct.



DATA SECURITY ON READLY'S PLATFORM

Readly has a responsibility to every user to protect sensitive data such as log-in credentials, payment information and personal data both from intrusions and incidents. An incident involving loss of data would imply negative impacts both for our readers and for Readly and is therefore an area of high priority at Readly. In addition to responsible handling of sensitive information, our readers also expect access to the service on all types of devices we support, 24 hours a day. To ensure this we have established routines for minimising any operational outages, and we are well prepared for unforeseen events. The routines and measures we take are based on selected parts of the ISO 27001 information security standard and other relevant industry practice.



CAREFUL HANDLING OF PERSONAL INFORMATION

With respect to customer integrity and collection of personal data and user habits, our position is that our readers should be able to trust that their integrity is always respected and that their personal information is handled with care. Our privacy policy, which all users receive when they register an account for the service, describes which information is stored and for what purposes. The latest version of the privacy policy is always available on the website. For example, we collect and store information in order to be able to provide the service, including to offer the best possible experience, since understanding our readers and their habits can enable us to personalise tips and lists. At the request of users, or when information no longer serves the purpose it was collected for, information is erased or anonymised. We never sell personal data, but we do share aggregated and anonymised information with a limited number of recipients in accordance with the terms of our privacy policy. We have internal

routines in place to respect users' rights, e.g., to respond to requests for access for personal data. To protect personal data and prevent unauthorised use, agreements (Data Processor Agreement) are entered into with all types of subcontractors that have access to our customer data. Our technical solutions and internal routines are updated continuously to ensure that handling of information is done in accordance with the EU's General Data Protection Regulation (GDPR) and complementary data protection rules. Our privacy policy is reviewed regularly. In 2021 foundation training sessions on GDPR were introduced, to be given to all Ready managers. The foundation training sessions will be an ongoing feature going forward, ensuring that the Ready managers maintain the necessary knowledge and awareness of GDPR to safeguard compliance within their respective fields as the business grows and develops.

ENSURE A SUSTAINABLE SUPPLY CHAIN

Our supply chain is made up of physical suppliers (mainly of office equipment and IT equipment), cloud and other software services, digital marketing platforms, and publishers that provide us with content.

In 2021 the Supplier Code of Conduct was incorporated in all new contracts and contract renewals with our publishers. As for other suppliers and partners, we have either incorporated the Supplier Code of Conduct

in all new agreements or ensured that the suppliers have their own policies and codes of conduct that are of similar standards as ours.

In 2022, our aim is to update our contract templates with more detailed information about our SCoC and aim to have our ten biggest suppliers signing the SCoC.

OUR SUPPLY CHAIN



Sustainability governance

The aim of our sustainability governance model is to be able to conduct effective sustainability efforts and deliver long-term sustainable results to our stakeholders.

The Board is the governing body of Ready's sustainability work and responsible for implementing effective governance practises. That includes, but is not limited to, promoting responsible decision-making, monitoring the performance and the delivery of Ready's sustainability strategy and outcomes. We believe that an efficient Board is diverse and in 2021, a Board of Diversity policy was developed and implemented to further reinforce this.

The Senior Leadership Team (SLT) has formed a steering group which will report to the Board and is responsible for the implementation of the sustainability strategy in the company including long term ambitions and targets. The sustainability committee will take initiatives and ensure that targets are met with the help of departments and teams across the company.

During the IPO process in 2020, Ready's governance models were reviewed by the company's auditors, who certified that Ready has a satisfactory system of governance and control. A thorough policy structure is in place, and several company policies have been further developed or updated during 2021. Where appropriate, certain of these are obligatory for all employees and consultants to read and confirm they have read and understood the information. Read more under Policies & documentation.

SUSTAINABILITY GOVERNANCE – FOR EFFECTIVE WORK AND LONG-TERM RESULTS

READYLY BOARD OF DIRECTORS

Ultimate responsibility for sustainability governance and approval of policies.

SLT STEERING GROUP

Responsible for overarching sustainability strategy, targets and follow-up.

SUSTAINABILITY COMMITTEE

Follows up the sustainability efforts and prepares the sustainability activity related to policies, guidelines and strategy.

DEPARTMENTS AND TEAMS

Implementing strategy and activities, ideation and project management.

**STRONGER
BUSINESS
RESILIENCE**

With the ongoing pandemic, 2021 was – like 2020 – a challenging year globally. For most of the year our employees worked from home. Being a tech company, we were fortunate to be able to do so fairly easily and without too much negative impact whilst continuing working on executing on our strategy and growing. Having said that, it was great to be able to welcome our employees back to the offices (in accordance with local regulations and recommendations) towards the end of the year.

To ensure proper handling and delegation of responsibility in the event of a crisis, such as a pandemic, fire or threat, Readly has a Crisis Management Plan. Readly also has a Business Continuity Plan to ensure that operational disruptions or similar challenges have as little impact on the business as possible.

**POLICIES &
DOCUMENTATION**

Readly's structure for policies and governance documents is highly developed and covers all sustainability areas, with policies for IT, crisis management, Codes of Conduct, workplace routines and much more. All our governance documents are revised on a regular basis, and approved by either the Board or our Executive Management team. During 2021, apart from regular revisions, we've strengthened the anti-corruption part of the Code of Conduct, as well as developed Environmental and Board Diversity policies.

Our Code of Conduct, which includes guidance on all sustainability areas – human rights, labour rights, the environment and anti-corruption. Reading and understanding the Code is required of all employees and is part of our new employee orientation process. During 2021 94 per cent of all employees confirmed that they had done so.

Readly has implemented the COSO⁴ internal audit framework to ensure reliable reporting, compliance, risk minimisation and prevention of fraud.

About this report and its content

This report has been prepared based on the materiality analysis that was conducted in 2020. The stakeholder dialogue was conducted in accordance with the AA1000SES stakeholder engagement standard, which is the global benchmark for conducting stakeholder dialogues.

The stakeholder groups consisted of subscribers, publishers, employees including Readly's Senior Leadership Team (SLT), the Board of Directors, investors and equity analysts. By combining the stakeholder groups' expectations and the SLT's joint assessment of long-term commercial value, three aspects were singled out as having particularly material importance, where we have the greatest potential to make a difference. The prioritisation serves as the basis for Readly's strategic sustainability work, including the setting of KPIs, targets and action plans. Readly's Senior Leadership Team adopted the materiality analysis in 2020 and the Sustainability Strategy in 2021.

Sustainability data has been collected through internal systems and suppliers. Employee data is presented per FTE. Environmental data has been calculated according to the GHG protocol⁵ based on information from suppliers and estimates. This is Readly's second annual sustainability report.

4) www.coso.org

5) www.ghgprotocol.org

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Readly International AB,
corporate identity number 556912-9553

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2021 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

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 report is substantially different and 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
25 March 2022

Öhrlings PricewaterhouseCoopers AB

Aleksander Lyckow
Authorised Public Accountant