

Sustainability Report FY - 2021

Epidemic Sound Holding II AB





Introduction

2022

Epidemic Sound is on a mission to soundtrack the world. We empower creators to bring their stories to life and engage their audiences with world-class soundtracks and sound effects.

We're the market leading platform for restriction-free music that collaborates with music creators all over the world to produce quality music that soundtracks everything from videos on social media to TV and film productions - consumers can also listen to tracks on music streaming platforms.

As the market leading platform for restriction-free music it is our responsibility to hold our partners and suppliers, storytellers and music creators, and employees to the highest ethical standards.

As Epidemic Sound grows, so does our responsibility to be a force for good in the world and we stand proudly as we commit to advancing our sustainability efforts and to ensure we have a positive impact on our stakeholders, the communities and economies we are a part of and the world at large.

This is Epidemic Sound Holding II AB ("Epidemic Sound") first sustainability report and refers to the financial year 2021. The report is based on the requirements in the Swedish Annual Accounts Act and it covers our work within our main focus areas, as well as the policies and ways of working that support us.

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Our Business Model

2022

Epidemic Sound is a music as a service business model that licenses soundtracks to anyone looking to bring their story to life through music.

How we create value for storytellers

Storytellers from all over the world can discover, license and share soundtracks and sound effects to help shape a mood or create a moment in any video content, podcast or space all over the world. With our monthly and yearly subscriptions, there are no additional costs and our storytellers don't have to worry about claims — our music has all the necessary rights included and is cleared for use globally, forever.

We're trusted by the world's biggest YouTubers, broadcasters, ad agencies and brands. Storytellers who all rely on our music to take their productions to the next level. Also, via our in-store offering, our music creates the perfect atmosphere in over 24,000 physical locations around the globe.

How we create value for music creators

Our music creators can build an audience, make a living and thrive creatively and commercially through making music.

Our music catalog is used by leading content creators, broadcasters, ad agencies, and world-renowned brands to take their productions to the next level. Our network of storytellers opens up their music to audiences of millions.

We offer short, flexible, non-exclusive agreements with competitive upfront payments for each track. On top of that our music gets hundreds of million streams every month thanks to the reach of our

storytellers' channels and we split all royalties **50/50** with our music creators, even if they are no longer working with Epidemic Sound. Music creators also get a share of our **\$2,000,000 (2022)** yearly soundtrack bonus, proportional to the performance of their tracks in our player. On average our active music creators earn around twice as much as the industry average**.

We work closely with our network of talented artists and music creators to nourish creativity and help our roster of music creators to grow. From first demo to final mix, they collaborate closely with our team of songwriters, producers and sound engineers to produce world-class music.

We work hard on making sure we are as inclusive as possible, giving everyone equal opportunities to build a diverse roster of music creators. We make this happen by targeted scouting efforts, partnerships with key music creator communities and also by making sure our internal processes are allowing for equal opportunities. This includes fair evaluation, limitation of bias/unconscious bias, policies to amplify and level up underrepresented groups as well as educating employees.

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Our People

2022

Our company culture and our people are the keys to our success. Epidemic Sound has during 2021 continued to grow in terms of number of permanent full-time employees to 439 EOY2021 (336 EOY2020). We currently employ people in Amsterdam, Stockholm, Los Angeles, New York, Hamburg, Berlin, London and Seoul.

We use equality data as a method to ensure that we have an inclusive work environment for all. Equality data is an equal, ethical and scientific way to collect data based on the grounds for discrimination according to the Swedish Discrimination Act (see more information in the section Diversity and Inclusion).

We do regular yearly mappings so that our equality and anti-discrimination work can be fact-based and goal-oriented. At Epidemic Sound all people should have equal opportunity to operate at their full potential and to be able to come to work and feel respected and welcomed regardless of who they are or how they identify.

Our company employee net promoter score (eNPS) increased from **46.76 (EOY 2020) to 47.53 (EYO 2021)**. Our eNPS has **less than 10 points (+/-) deviation** for groups that are currently underrepresented at Epidemic Sound. Our goal is to continue to increase the Company eNPS, including ensuring that the score for groups that are currently underrepresented also increases and stays consistent with the overall number.

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Over the last year (EOY2020 to EOY2021), we have seen improvements made in our key demographic communities:

- For our Board of Directors we have **27% female** and **73% male** (11% female and 89% male EOY2020)*.
- Our average age within Epidemic Sound is **35 years old** EOY2021 (34 EOY 2020).
- **25.5%** EOY 2021 (17.6% EOY 2020) of our workforce self-identify as other than white.
- **18.7%** EOY 2021 (14.6% EOY 2020) self-identify as having a religion or other belief system.
- **15.6%** EOY 2021 (14.4% EOY 2020) self-identify as other than heterosexual.
- **98.4%** EOY 2021 (96.8% EOY 2020) self-identify as the gender they were assigned at birth.
- **5.2%** EOY 2021 (5.8% EOY 2020) self-identify as having a disability.

While we have seen progress this year, we acknowledge that there is more work to be done. These actions are described in the next section (Diversity and Inclusion).

For our company as a whole:

55%
self-identify as **female or non-binary**

45%
self-identify as **male**

EOY 2021 (44% female/non-binary and 56% male EOY2020).

For our senior management group:

49%
self-identify as **female or non-binary**

51%
self-identify as **male**

(53% female/non-binary and 47% male EOY 2020).

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Diversity and Inclusion

2022

Diversity and Inclusion (D&I) is a top priority for Epidemic Sound. Our D&I Strategy defines our approach and is applicable to each department's initiatives and to all people at Epidemic Sound.

We have one overarching ambition for this work; to create an equitable ecosystem for everyone. To get there we acknowledge that we need to raise awareness on limiting and exclusionary structures and find ways to remove barriers.

We take a holistic view by considering all seven grounds of discrimination according to the Swedish Discrimination Act within our definition of diversity and our objectives for this work:

- Sex
- Transgender identity or expression
- Ethnicity
- Religion or other belief
- Disability
- Sexual orientation
- Age

The Epidemic Sound Management Team is accountable for delivering on the objectives and key results (OKRs) and initiatives stated in the D&I strategy.

- Our CEO is overall accountable to ensure an inclusive workplace for all people at Epidemic Sound and to reduce the difference in employee net promoter score (eNPS) for the protected grounds of discrimination.

- Our Chief People and Culture is overall accountable for D&I strategy and to support the organization in creating a more diversified workforce (recruitment) and leadership (recruitment and promotion).
- Our Director of D&I is responsible for the strategic direction and day to day execution and evaluation of the program. They monitor progress through the annual D&I mapping survey and by analyzing the delivery of D&I related programs on an ongoing basis. The Director of D&I also facilitate key stakeholder groups:
 - D&I Advisory Board: The D&I Advisory Board represents and amplifies the voices of Epidemic Sound employees. All employees are welcome to apply to our D&I Advisory Board in our yearly selection process. Through open, frank and collaborative conversations, the Board shares insights and raises awareness to the People and Culture team and other departments within Epidemic Sound to help form enlightened decisions. Members of the D&I Advisory Board are diversity and inclusion ambassadors and a crucial part of driving change both within and outside of the organization. They have a dedicated part of their roles (5-10% of full time) devoted to this with monthly meetings, led by the Sustainability team, where members advise on issues and support in forming decisions.

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- Employee Resource Groups (ERGs): ERGs aim to be safe spaces for employees who share a common identity or interest to come together, connect and share experiences. ERGs have a grassroots nature. Our ERGs have the experiences and passion to come up with ideas that are ambitious and visionary and play an important part in turning Epidemic Sound into a more diverse and inclusive space.
- D&I Development Forum: The D&I Development Forum aims to create cross department alignment and accountability for feedback/actions raised by employees, D&I Advisory Board and/or ERGs not already owned and implemented by one of our departments.

employees to be inspired and enabled to be able to operate at their full potential at Epidemic Sound. It is key for Epidemic Sound to attract and retain top talent and we need our workforce to be equipped for our journey ahead. That is why all recruitment and promotion decisions are always made based solely on meritocratic grounds. Meaning that we will never hire or promote a person based on their gender, age, background, or other protected characteristic nor based on wealth, social class, or connections. We acknowledge that talent comes in all forms and we'll work actively to attract a broader pool of candidates. We're also extending this focus to the outside world, by fueling more diversity in our industry.

Our D&I work focuses on:

- **Inclusion:** Inclusion isn't about fitting in, it means being able to come to work knowing that you'll always be respected and valued for who you are. That's why we're ensuring Epidemic Sound is an inclusive space for everyone.
- **Equity:** Whilst talent is evenly distributed, opportunity isn't. We acknowledge the impact of inequality and are taking active measures to fight against it.
- **Representation:** It's hard to be what you can't see, which is why we're making diversity across all levels a top priority; we want our

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D&I Initiatives 2021

2022

Throughout 2021 we set ourselves the challenge to understand more about our people and how they experience life at Epidemic Sound and take action on the insights. We took a few key steps:

- 1. D&I data mapping:** we worked with Make Equal to devise an anonymous method of surveying our employees to find out more about the diversity and inclusion of our business, how our people experience working here, and some of the common themes which arise for us to build our strategic outlook for improving the culture at Epidemic. The mapping consisted of a survey and interviews. All respondents are asked to self-identify based on seven grounds of discrimination covered by Swedish law anonymously. The survey and interview is carried out by a third party, Make Equal. We got a 59% EOY 2021 response rate.
- 2. D&I governance process:** to ensure ownership and accountability across the whole business, we have appointed accountabilities, formed a D&I Development Forum, and introduced a carefully selected employee-led D&I Advisory Board to add a more diverse range of perspectives to the work.
- 3. Raise a concern:** we launched an external whistleblowing channel as well as an updated process to raise general or employee concerns, or D&I-related matters.
- 4. Employee Resource Groups (ERGs):** we formalized our approach to ERGs. Currently, we have five ERGs:
 - BLK|Sound: our community for Black employees
 - Amplify: our community for People of Color employees
 - Queer Epidemic: our LGBTQIA+ community for employees
 - Women@ Epidemic: our community for employees that identify as Women
 - Green Team: our environmental community for employees
- 5. D&I learning journey:** we believe everyone has a role in making Epidemic Sound an inclusive place to be, and increasing your knowledge is just one of the ways each of us can play our part. We have built and are running an annual D&I learning journey that includes several training modules and team exercises. For example topics such as i) anti-racism and Intersectionality, ii) unconscious bias, iii) inclusive language, iii) inclusive culture training iv) counteract master Suppression techniques.

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- 6. Inclusive hiring:** We have introduced inclusive hiring practices that identified aspirational goals to increase representation. Through external market analysis, headcount forecasting and succession planning, we have defined a roadmap to increasing diverse representation. For example:

 - Epidemic Sound takes part in an annual program where girls are invited to learn more about working in Tech and inspired to follow a career in this area, where women are still underrepresented.
 - Epidemic Sound takes part and supports several external programs to increase the diversity of our talent pipeline.
 - Epidemic Sound is regularly auditing its own recruitment processes and policies in order to improve our ability to increase diverse representation. Methods include: i) collecting feedback from internal/external stakeholders and ii) analyzing recruitment data.
- 7. Equity practices:** managers are responsible to ensure their teams have performance and development plans so employees know how to improve and meet their career goals. We have created a job-mapping framework and growth framework to help level the playing field through clear career progression and salary setting to bring transparency and fairness.
- 8. D&I roster mapping:** we worked with Make Equal to devise an anonymous method of surveying our music creators to find out more about the diversity and inclusion of our roster. From this we have developed goals around improving underrepresentation on the roster, pushing the numbers each quarter. It has so far resulted in a great increase of e.g. non-male producers and composers working with us (from 11% to 22%).
- 9. Process review - limiting bias:** we worked with Make Equal to review all the Music teams, and processes, involved with music creators. To make sure we create a more fair process, that limits bias and gives everyone equal opportunities. We started the year with reviewing the scouting and evaluation pipeline when recruiting talent, followed by artist services and music development - making sure we are fair once the music creators have started working with us.
- 10. Track assignment review:** We did a review of possible inequalities and biases when it comes to assigning tracks to our music creators, to not favor groups that are already amplified. We now have a set, regular track assignment review included in our existing ordering processes to always eliminate any discrepancies.
- 11. Targeted scouting efforts:** We have hired new scouts with access to networks within key music creator communities representing underrepresented groups, and that has high engagement with D&I. This will support us in finding more great and diverse talent.

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Engagement

2022

As said we believe our culture and people and therefore our employees' engagement and wellbeing are key to our success. Therefore, we measure our employee engagement and take active measures to improve how our employees experience life at Epidemic Sound based on the data. We measure the following areas; 1) relationships with peers and managers, 2) ambassadorships, 3) alignment, 4) happiness, 5) wellness, 6) recognition, 7) feedback, 8) personal growth and 9) satisfaction.

Our **engagement score** has continued to increase over the year to **7.9 EOY 2021** (7.7 EOY 2020). Our **top scores are ambassadorship 8.2 EOY 2021** (8.2 EOY 2020) and **relationship with peers 8.3 EOY 2021** (8.2 EOY 2020) and **manager 8.6 EOY 2021** (8.4 EOY 2020).

While we have seen progress this year, we know that our employees' engagement is key to our success and therefore a key focus area in our people strategy.

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Relationship with peers 8.3 EOY 2021 (8.2 EOY 2020) and **manager 8.6 EOY 2021** (8.4 EOY 2020).

While we have seen progress this year, we know that our employees' engagement is key to our success and therefore a key focus area in our people strategy.

Our engagement score has continued to increase over the year to:

7.9

EOY 2021
(7.7 EOY 2020)

Our top scores are ambassadorship:

8.2

EOY 2021
(8.2 EOY 2020)

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Wellness

2022

We want our employees to feel safe and well at work so that they can perform well and reach their career goals. In our pulse survey **87% EOY 2021** (85% EOY 2020) of our employees say Epidemic Sound cares about the mental health of their employees.

We consider our biggest risk within wellness to be stress. We take active measures against stress in the workplace through our business governance structures, working with leadership and mental health support via Better Help and Skandia.

Approximately **40%** of our **employees in the US** and approx **21%** in **Stockholm** utilize our **mental health support service** during 2021. We also offer wellness grants, flexible work hours and parental leave top-up. We offer insurances (both legally required and additional), wellbeing benefits, and have workplace processes in place. In 2020 and again in 2021, Epidemic Sound organized workshops, and talks to mark World Mental Health Day where employees had the opportunity to explore mental health and learn about resources and tools available to support mental wellbeing.

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Community

2022

We offer all our employees to have three days to use to do skills-based volunteering in their Community. The project they volunteer at is their choice; whether it's health focussed, overcoming environmental issues or supporting the homeless. As long as the work they do is in line with our values. Our employees have participated in a variety of volunteering during 2021 they share their experiences through a open slack channel with the Company.

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Human Rights

2022

We're committed to being fair and equal and respecting the fundamental human rights of all people across our value chain — in our own operations, our music creators and in the communities where we operate. Everyone should be treated equally with respect and dignity, and empowered to be who they want to be. Respect and support for human rights is at the heart of our culture and values, and cuts across everything we do. It's a basic responsibility that we uphold the rights of people, music creators and storytellers across our value chain. We focus on meaningful jobs with fair compensation and benefits in safe and secure workplaces free from discrimination, where everyone has the right to freedom of association — in our own operations and for our music creators.

We love music and music creators. Our vision is to create a world where music flows freely and fairly. Helping music creators to make a living in music and to have time – more than just spare time – to create is key. Our aim is to not only remunerate music creators for their work, but also to provide them with predictability and stability in their profession. This means remunerating them for the work that they put in, as well as for commercial success. Our remuneration model is transparent, in order to allow for music creators to make informed choices. In an ever-changing world, it is our ambition to continuously develop our remuneration model.

We recognise that unmanaged negative impact on human rights through inadequate labor conditions at companies owned by or suppliers of Epidemic Sound could entail a negative reputational risk

for Epidemic Sound. Epidemic Sound may also risk its customers misuse of our products in ways that infringed human rights. Going forward we will continue these initiatives and integrate human rights management and due diligence across our business, with a focus on our people and our music creators. We will review and update our governance of human rights risks. We will engage on emerging regulation such as EU mandatory due diligence, and ensure Epidemic Sound meets any new requirements.

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Climate

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Epidemic Sound recognizes that our climate is changing, and in response, we urgently need to change our behavior. The consequences of climate change are increasing by the day, and we all must work to be a part of the solution. Not only do we, Epidemic Sound, have a responsibility to handle our own impact as a company, but we also have the opportunity to use our global reach to raise awareness of the climate crisis and make an impactful, long-lasting difference to our planet.

As a platform for restriction-free music, our impact on the climate is not always obvious. We exist in the digital space, but ultimately, our business is grounded in the physical world, in our office spaces, our storytellers, our music creators and our suppliers' energy consumption, our travel and we're a growing company in an energy intensive industry.

Epidemic Sound commits to be a net-zero carbon company (by 2030, at the latest). This means a commitment to reach a state of no impact on the climate from greenhouse gas emissions. We will, according to the Science Based Target Initiative, make changes to reduce carbon emissions to the lowest amount possible – and offset as a last resort.

We have addressed our carbon dioxide emissions from our business travel, office energy use and data centers. The total carbon footprint of Epidemic Sound's operations for the calendar year 2021 was 1,341.1 metric tonnes of carbon dioxide equivalent (tCO₂e). The carbon footprint is increased by 89% in 2021 compared to the equivalent period in 2020.

The largest source of emissions arose from Scope 3 emissions relating to the purchasing of goods and services (2021; 98%, 2020; 78%). In both reporting years, the second largest source of emissions arose from Scope 3 emissions relating to business travel (2021: 3% 2020: 9%).

The environmental review and carbon footprint measurement highlighted that we have made progress in scope 1 and scope 2 but there is a need to and we committed to implement an environmental action plan to guide our efforts in 2022, especially to reduce our impact from goods and services. This environmental action plan is based upon four environmental priorities;

- Tackling climate change
- Consume less
- Responsible sourcing
- Be an advocate for change

Also, we have committed to, by the end of 2022, reduce emissions from air travel by 33% compared to the 2019 baseline (we choose 2019 as baseline due to COVID-19 affecting the travel in 2020). This will be done through the implemented initiatives:

- Implement an updated travel policy
- Implement a travel software
- Implement a carbon offsetting tool
- Raise awareness regarding travel carbon emission through training for all employees

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Sustainability Governance

2022

At Epidemic Sound, we aim for sustainability to be integrated into, and a natural part of, everything we do. We continuously assess the impact we have on the world and our stakeholders. We have numerous vital policies, along with complementing instructions and guidelines, in place to steer each and every representative of Epidemic Sound to act ethically and responsibly and in line with our policies, including our Code of Conduct.

The Board of Directors is the ultimate governance and supervisory body for our strategy and sustainability efforts, whereas the senior management is responsible for execution of our strategy and ensuring that it is implemented throughout the group. The General Counsel is, together with the VP Strategic Communication, policy custodians and managers, responsible for awareness of and compliance with our standards and policies. Operationally, our Chief of People and Culture is responsible for our sustainability goals, whereas our success is dependent on each and every individual taking responsibility for achieving such goals.

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Policies and Standards

2022

Code of Conduct

Our Code of Conduct (Code) reflects who we are and our values. We have a responsibility to our colleagues, customers, suppliers, authorities, and the world in general to act ethically and within legal frameworks. Our Code sets out the general principles governing how we act (and do not act), and is in place to help guide us through ethical and legal situations that we may come across while doing business, or to at least point us in the right direction for further guidance. We expect everyone working for or on behalf of Epidemic Sound to be aware of and adhere to the Code. Each employee is required to sign and acknowledge their compliance with our Code of Conduct before joining Epidemic Sound.

Anti-Bribery and Corruption

Epidemic Sound strongly believes in open and fair competition and is committed to conducting its business in an honest and ethical manner, acting with integrity, openness and accountability - always in accordance with applicable law. We base our success on the quality of our products and services, never on unethical or illegal business practices. On our journey to soundtrack the world, we believe that any initiative promoting a society where storytellers and music creators thrive works to the benefit of not just us and those around us, but the world at large. We conduct our business with integrity and do not tolerate any form of bribery or corruption, regardless of whether such would be allowed under local legislation. Likewise, we want our suppliers, business partners and others doing business with us to embrace and share our standards and conduct themselves in a manner consistent with our

values. We continuously monitor and measure the effectiveness of all of our compliance efforts. As a growing company, we recognize that our presence throughout the world grows, including in countries in which the ethical landscape and the perception of what constitutes corrupt behavior may differ from what we are used to. We also recognize that a lack of awareness in the area of anti-bribery and corruption can entail a risk for Epidemic Sound, not only in relation to external facing employees of the company, but also our business partners. Epidemic Sound has a global Anti-Bribery and Corruption policy that sets out our no-tolerance approach to bribery and corruption, and which applies in relation to anyone we do business with. The policy is complemented with detailed guidelines containing practical guidance on how to conduct oneself in an ethical manner. In addition, we encourage anyone to bring any concerns to our attention, including through our recently launched external whistleblowing channel.

During the year, Epidemic Sound has launched updated versions of the policy and the thereto related guidelines, as well as initiated a company-wide training programme in this area, to ensure everyone working for or on behalf of Epidemic Sound knows how to act honestly and ethically in all situations. While everyone at Epidemic Sound is expected to take part in such training, the frequency as well as the level and extent of training is based on risk assessments taking into account the individuals' roles and responsibilities. Going forward, we will continue and increase our risk identification and mitigation efforts, including education of our representatives and integrated risk-based due diligence of our business partners across our business.

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Data Protection

The basis of any good relationship is trust. We respect the fundamental right to privacy and take our responsibility and obligations to anyone entrusting us with information about them seriously. We're responsible for complying with all data protection laws and regulations wherever we operate, which among other things means that we're responsible to collect, use, and store personal data only as necessary for legitimate reasons and protect it from unauthorised access or other forms of unintended or unlawful disclosure, loss or misuse.

Anti-Discrimination and Harassment

Everyone shall have equal opportunities, the same rights, and be treated with respect. Epidemic Sound does not accept any incidents of discrimination or harassment from its workers in the course of or related to the work. All forms of discrimination and harassment are strictly prohibited at Epidemic Sound. Epidemic Sound is committed to being a value-driven workplace and is taking active measures to fight against inequality and discrimination. Everyone at Epidemic Sound plays a vital role in achieving a culture of inclusion, trust, and respect. Epidemic Sound is taking active measures to stop, address and prevent discrimination and harassment from occurring.

Reporting violations of our policies and standards

All Epidemic Sound employees, including members of the executive management team, consultants, contractors, interns, job applicants, shareholders with an active or operative role within the company and temporary workers having concerns about

suspected wrongdoings, are encouraged to come forward and speak up. During 2021, Epidemic Sound has launched an updated Whistleblowing Policy, as well as an external whistleblowing channel. The policy is a clear statement that Epidemic Sound will take all concerns seriously, conduct appropriate investigations and if any wrongdoings have occurred, take measures to rectify such and prevent future irregularities. Epidemic Sound has a strict zero retaliation policy, meaning that everyone should rest assured that they can raise genuine concerns without fear of reprisal, even if the concerns turn out to be mistaken, that confidentiality will be respected and that it is in no way disloyal to Epidemic Sound or ones colleagues to speak up and alert the company to any wrongdoings.

In addition to the whistleblowing channel, everyone is always encouraged to raise concerns to their manager or to the People & Culture department. In relation to the latter, Epidemic Sound has during 2021 in connection to launching the external whistleblowing channel, launched an internal channel for raising concerns only accessible to certain designated recipients.

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Environment

Epidemic Sound accepts responsibility for and is committed to reducing the impact of our operations on the environment. We're committed to achieving net zero carbon by 2030 at the latest. All employees have a responsibility to follow this policy and our Sustainability team is responsible for setting and implementing activities to keep improving our performance. We adhere to the following objectives:

- Measure and take action to mitigate climate change by reducing the carbon footprint of our activities.
- Comply with environmental legislation where we operate.
- Use an accredited program to offset carbon emissions.
- Conduct annual research to identify areas of improvement and commit to improving upon those. The research will be supported by a consultancy or other non-biased contractor.

Travel

All employees at Epidemic Sound have the responsibility to assess if a business trip is necessary or not. For a trip to be approved it needs to follow these criteria;

- The physical presence is needed to reach company/department/team objectives
- The specific tasks that need to be completed cannot be accomplished over video call
- The trip needs to have a clear agenda

For those instances where we believe travel is deemed necessary; Epidemic Sound makes sure to offset the carbon emission (CO₂). Epidemic Sound is connected to a carbon offsetting program called GreenPerk. GreenPerk offsets 100% of the carbon dioxide (CO₂) emissions for all business trips booked via our travel booking system. GreenPerk works with Atmosfair, a non-profit organization that selects carbon offsetting projects. These projects are fully certified to the highest standards by global bodies, including the United Nations.

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About This Report

2022

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The Sustainability Report covers the parent company, Epidemic Sound Holding II AB (corporate ID no. 559286-5231), headquartered in Stockholm, Sweden, and all subsidiaries of Epidemic Sound Holding II AB annual financial statements. In signing the annual financial statements, the Board of Directors has also approved the Sustainability Report, which will be published as a separate document from the Annual report and available on the website.

People Data

The information on our people refers to full-time employees per year end 2021. In addition to our permanent headcount of 439 EOY 2021 (336 EOY 2020), we had 58 EOY 2021 (65 EOY 2020) fixed term employees or intern/student contractors working at Epidemic Sound in December 2021.

With regard to diversity, we ask employees to anonymously identify themselves based on all discrimination grounds determined in the Swedish Discrimination Act through a third party mapping (via consulting firm Make Equal AB). Employees are also given the option of not responding. 59% of our full time employees have responded to the report.

With regards to engagement we ask our employees to anonymously answer an employee survey in the tool Officevibe on a bi-weekly basis.

Emission Data

Epidemic Sound has partnered with Adapt Sustainability Reporting and the emissions data is compiled in accordance with the Greenhouse gas protocol for scope 1, 2 and 3. Adapt has looked at Epidemic Sound billing data for electricity and natural gas consumption for its leased office spaces. To calculate the resulting Scope 1 and 2 emissions, emissions factors from the International Energy Agency (IEA) (2021) have been applied to energy usage outside of the United States, while US country-specific emission factors have been applied to the energy usage in the New York and Los Angeles offices. To support the calculation of business travel-related emissions actual flight records were provided. Using these records, the flight distance between the start and end destinations was calculated and emission factors applied from the International Council on Clean Transportation (ICCT). Where data records were not available for the reporting periods, the GHG Protocol Scope 3 Evaluator web-based tool was used to calculate Scope 3 emissions.

Other Data

If not otherwise stated, data is per December 31st 2021.

Epidemic Sound

*Legal Gender

**<https://www.rollingstone.com/pro/news/the-median-u-s-musician-is-still-making-under-25000-a-year-666833/>