



# Breathe Better Report

Airthings Sustainability Journey 2021



Reaching new heights on our  
**sustainability journey**



# About the Breathe Better Report

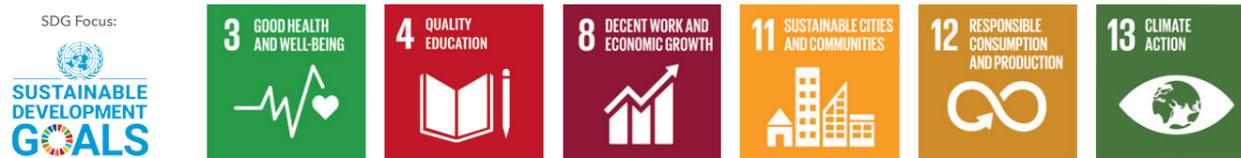
Airthings is a purpose-driven company that cares about making a difference for our people, planet, and the way we do business. Our mission is to empower the world to breathe better. As leaders in indoor air quality monitoring focused on the health and wellbeing of people, sustainability is close to our hearts and is fundamental in our core values. As part of our commitment to building a sustainable future, we are dedicated to transparency and ongoing reporting of our progress towards our sustainability goals. In this Breathe Better Report, we included our official Communication on Progress (COP), covering the period of March 2021 - March 2022, as part of the UN Global Compact initiative.

This Breathe Better Report was prepared in accordance with the principles of the United Nations Global Compact (UNGC) initiative and in line with the Sustainable Development Goals (SDGs). We use the SDGs as a framework to create our Environmental, Social, and Governance (ESG) actions, which map into our goals for planet, for people, and for business.

In this report, we cover the second year of Airthings' sustainability journey. Since 2020, the 17 United Nations (UN) Sustainable Development Goals (SDGs) have been the pillars of our framework. We are committed to embedding them in all aspects of our business and have prioritized 6 goals where we can contribute directly and indirectly:

- 3 health and wellbeing
- 4 quality education
- 8 decent work and economic growth
- 11 sustainable cities and communities
- 12 responsible consumption and production
- 13 climate action

In this annual report, we describe the actions taken in 2021 and how these actions helped with integrating the UN Global Compact Principles into our business, culture and daily operations. This report includes forward-looking initiatives that we will work on during 2022, which may evolve as we learn and grow. We also commit to sharing this information with our stakeholders and publishing our reports on [airthings.com/sustainability](https://airthings.com/sustainability).



# Contents

<b>About the Breathe Better Report</b> . . . . .	2	Airthings by the numbers in 2021 . . .	31
<b>Letter from the CEO</b> . . . . .	4	Pursuing social responsibility from within . . . . .	32
<b>This is Airthings</b> . . . . .	6	<b>For Business</b> . . . . .	35
<b>Highlights from 2021</b> . . . . .	10	Improving the health, wellbeing & productivity of our customers' stakeholders . . . . .	36
<b>Goals for 2022</b> . . . . .	11	CO <sub>2</sub> monitoring is vital . . . . .	38
<b>Airthings Sustainability Timeline</b> . . . . .	12	Building a case for sustainable buildings . . . . .	39
<hr/>		Awarded silver and going for gold . . . . .	40
<b>Breathe Better Progress Report</b> . . . . .	13	Strengthening our governance . . . . .	41
<b>For Planet</b> . . . . .	17	Policies, principles & guidelines . . . . .	42
Helping our customers improve their environment . . . . .	18	Community engagement . . . . .	45
Monitoring and taking action across the value chain . . . . .	20	<b>Conclusion</b> . . . . .	46
A life cycle perspective . . . . .	22		
The road to zero waste: Redesigning our packaging . . . . .	24		
<b>For People</b> . . . . .	26		
Educating and enabling people to breathe healthier air . . . . .	27		
Pursuing social responsibility for the next generation . . . . .	29		
Communication and outreach . . . . .	30		

# Letter from the CEO

Dear Airthings Community,

2021 was another outstanding year for Airthings and I want to take the opportunity to thank our team of highly skilled and passionate employees for the efforts they have put in over the past year. We have so much to be proud of including:

- Growing our revenues by 60%, with continuing solid growth for Consumer and Pro segments, and a step-change in revenue for Airthings for Business
- Airthings for Business signed a groundbreaking deal with the Quebec government for long-term air quality monitoring in over 10,000 classrooms
- We successfully launched View Plus series - the most advanced air quality monitors on the market - receiving great reviews
- We continued our work to help increase global awareness around air quality promoting Airthings as the best solution to help families, students and employees everywhere to breathe healthier air

We continue full steam ahead on our sustainability journey, and by gaining a deeper understanding of our impact, we are improving our practices considerably. We continue to uphold our commitment to the 6 UN Sustainable Development Goals (SDGs) that we have prioritized. Airthings is a purpose-driven company that cares about making a difference for our people, planet and the way we do business. We have now set 9 key performance indicators to help us reach these goals.

Airthings is not only working on our own improvement but helps our customers make sustainable decisions. About 40% of the global energy consumption comes from buildings<sup>1</sup>. Together with our Airthings for Business partners, we create smart insights to help facility managers and building owners operate their buildings more efficiently and sustainably. We make their job easier by enabling proactive facility management rather than reactive. We enable our Airthings for Business customers to see and solve problems in buildings before they are detected by tenants, moving from manual timer-based to demand-based Heating, Ventilation, and Cooling (HVAC). We see that making existing buildings smarter through easily understandable and accessible data from smart sensors is a tremendous opportunity to save global GHG emissions as well as to provide healthier indoor environments for the people inhabiting them.

In 2021, we completed 20 deep-dive case studies to evaluate the energy-saving potential of our products. We found that these 20 buildings reduced their energy usage by over 2,000 tons of CO<sub>2</sub> emissions. That's equivalent to taking 431 cars off the road for a year<sup>2</sup>. Today, we have our Airthings for Business solution installed in more than 3000 buildings, and we will grow that number significantly. This shows that we are already saving tremendous amount of energy, and this is just the beginning.

We also help homeowners visualize what is in the air they breathe, which means they can reduce their exposure to indoor air pollutants. Interviews, feedback and insights have revealed that most of our

<sup>1</sup> <https://c2e2.unepdtu.org/wp-content/uploads/sites/2/2016/11/gabc-global-status-report.pdf>  
<sup>2</sup> Used this calculator <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator#results>

customers are improving their air quality by bringing in more ventilation, installing radon mitigation systems, and using air purifiers, humidifiers, or dehumidifiers. Airthings allows consumers to make small changes around their home, and see that it's working.

At the same time, we have incorporated sustainability into how we run our company, and have defined circular principles that we follow for all new product development. We ensure that our devices are designed, sourced, and manufactured responsibly. We create high-quality, low-power hardware and electronics with an expected lifetime of more than 10 years. We are committed to do what we can to make a sustainable future for everyone- from our customers and business partners to everyone throughout our value chain.

One of our most significant achievements of 2021 was earning silver in "The World's Most Trusted Business Sustainability Ratings"; Ecovadis. We are thrilled to have been ranked in the top 25% of companies evaluated and higher than 78% of our peers. As this is our first year being considered, we feel encouraged by the high score and are dedicated to working towards further improvement. We have now completed Life Cycle Assessments for 5 of our key products, discovering 11 material issues and challenges that our new 9 key performance indicators will help to resolve, and we completed a successful pilot study examining our potential positive impact on energy savings.

As the CEO of Airthings, I speak for all of us when I say we remain fully committed to the UN Sustainable Development Goals (SDGs), and we strongly believe that our solutions have the potential to improve many of the environmental and societal challenges we face. We commit to continually improving the integration of the UN Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this with our stakeholders. At Airthings we believe a sustainable business is a good business.

All the best,



**Oyvind Birkenes**  
 CEO, Airthings  
 12th of May 2022



# This is Airthings

## About us

Airthings is a global tech company and producer of award-winning radon and indoor air quality monitors for consumers, businesses, and professionals. Established in 2008, the company is led by a team of experienced scientists, engineers, leaders, and visionaries. Airthings is on a mission to empower the world to breathe better through simple, affordable, and accurate technology solutions that enable stakeholders to make data-driven decisions to improve their health, save money, and help the planet.

## Our story

Every good idea starts with a problem. Radon testing for homeowners hadn't improved in almost 30 years. Several particle physicists working together at CERN (European Organization for Nuclear Research) saw a gap in the radon market. Traditionally, consumers only had two options: call a professional to test their radon levels or purchase a single-use charcoal test, which had to be sent to a lab for the analysis.

Airthings' founders went to work creating the very first consumer digital radon detector. Airthings was founded to break free from these traditions and put consumers back in control of their indoor air quality. Today, we have branched out to empower data-driven decision making and automated control of a wide range of air quality issues for homes, businesses, and schools. Headquartered in the heart of Oslo, with offices in the US, Canada, and Sweden. Airthings had 139 employees from over 35 nationalities (and counting) (by the end of 2021).

## Our technology

Airthings has introduced a steady stream of innovative solutions for consumers, businesses, and professionals, allowing them to see what's in the air around them and empowering them to take steps to improve their indoor environment for people and the planet. The heart of our system is in the cloud, where the magic happens: Airthings transforms massive amounts of data from sensors in homes and buildings around the

world and processes it to provide our customers with meaningful insights.

Our technology and solutions are created in-house: from industrial design and radio protocol, to app, software, and firmware development. The majority of products are "smart" with corresponding apps, online dashboards, and APIs, which enable our users to

stay connected and access a constant stream of new features. From our beginning with digital radon detectors, Airthings' offerings now include indoor air quality monitors and solutions for homes, schools, offices, restaurants, and other commercial buildings—earning our reputation as a true leader in the industry.

To address a serious health issue, Airthings founders created the very first consumer digital radon detector



## International recognition

Airthings was ranked highly by EcoVadis in 2021 and receive the silver medal in ferbruary 2022. Our cumulative score across 4 different categories (environment, ethics, labor & human rights, and sustainable procurement) earned us a silver medal and put us in the top 25% of companies.

Airthings' radon and air quality monitors have received several awards including the TIME's Best Inventions of 2019 award and CES 2021 Innovation Award Honoree. Recently, the company received Frost & Sullivan's 2020 Global Product Leadership Award in the indoor air quality monitoring industry. The award

recognizes companies that offer a product or solution that deliver the best quality, reliability, and performance in the industry. Airthings is a proud supporter of the American Lung Association's LUNG FORCE initiative and the Norwegian Asthma and Allergy Association. The Airthings View Plus won the 2022 BIG Innovation Award. Likewise our product, View Plus Joins RESET's List of Accredited Air Quality Monitors, while the Airthings for Business Dashboard Becomes an Accredited Data Provider. Customers can also use Airthings for Business IAQ monitors to satisfy certain air requirements for the Well Building Standard.



## CORE VALUES

- ➔ **DARE**  
to innovate, to take risks, to collaborate, to be curious, to lead, and to make a difference
- ➔ **LOVE**  
our planet, our people, our products, our impact, and the experiences we create
- ➔ **FOCUS**  
on creating the best experiences and solutions, on our customers, on speed, and on quality



# UN Sustainable Development Goals (SDGs) priorities

The United Nations Sustainable Development Goals (SDGs) are 17 targets adopted by all UN member states. Together they create a shared framework and a call-to-action for peace and prosperity for people and the planet by 2030. These goals have become the pillars of our framework, and we are committed to embedding them in all aspects of our business strategy.

All of the SDGs are interconnected, but in order to focus our efforts and create an achievable strategy, we have prioritized 6 SDGs where we can make the most impact. Read why below:

**3 GOOD HEALTH AND WELL-BEING**  
 This SDG is in the DNA of Airthings. It is core to our mission as we aim to empower the world to breathe better, which improves people's health and wellbeing. Our products are designed to help people take control of their air quality.

**4 QUALITY EDUCATION**  
 As part of our mission to ensure people take control of their air quality, we recognize the importance of educating everyone about what is in the air they breathe. This is why this year we have added goal 4 to our priority areas. Last year, we launched our non-branded educational platform called Air for Kids and Airthings Academy. This year we expanded the platforms and laid the groundwork for how we will educate 10 million people about air quality.

**8 DECENT WORK AND ECONOMIC GROWTH**  
 Our employees are our most important assets and we treat them equally no matter gender, cultural background or disability. We are very proud of our diverse team with 35 nationalities and counting. Additionally, we want to avoid

any form of modern slavery, child labor and ensure good health & wellbeing for our employees and all people involved in our supply chain.

**11 SUSTAINABLE CITIES AND COMMUNITIES**  
 Innovation is the essence of Airthings. We dare to create loveable experiences and technology solutions to help improve indoor air quality and the health and productivity of building occupants. Our solutions also enable users to reduce the energy consumption in their buildings.

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**  
 As a growing company, we are aware of our responsibility to not only our stakeholders but also to our future. Therefore, we dove deep into our value chain and analyzed our social and environmental impacts. We want to improve the sustainability of our practices in our value chain by developing an innovative business model that we're proud of.

**13 CLIMATE ACTION**  
 There is no doubt that the biggest challenge humanity is facing is mitigating global warming and enhancing our resilience to climate change. We take this issue seriously both internally and externally. Our solutions offer customers the potential to decrease up to 20% of the energy consumption in buildings. Since the building sector accounts for 40% of the total global energy consumption, directly tackling these emissions can help mitigate the climate impact of our customers. Internally, we want to lead by example so we are examining our product life cycle, collecting the data on the impacts in each stage, and taking actions to decrease our own GHG emissions.

# Airthings sustainability key performance indicators

We have now set our bold new key performance indicators. In the graph below our top-level goals in each of the dimensions are the three main ways we hope our business can benefit different parts of society—the environment, the people, and the businesses. The lower-level goals are how we plan to improve our internal operations to we ensure that we are a business working for the benefit of the people and the planet.



For planet

**REDUCE**  
**>1 000 000** tons of CO<sub>2e</sub>  
 through energy optimization in buildings and homes by 2026

BECOME a **CLIMATE POSITIVE** company by 2026

ACHIEVE **ZERO WASTE** in our daily business activities by 2026



For people

**ENABLE**  
**>4 000 000**  
 people to breath healthier air by 2026

COMMITTED to build a **DIVERSE & INCLUSIVE** company

**ZERO** HARASSMENT OR HUMAN RIGHTS VIOLATIONS



For business

**EDUCATE**  
**>10 000 000**  
 people about air quality by 2026

GAIN a **GOLD RATING** from Ecovadis Sustainability

All **NEW PROJECTS** to be measured by Airthings  
**CIRCULAR PRINCIPLES**

# Highlights from 2021



Key Performance Indicators set



Material issues & challenges identified



Sustainable Development Goals (SDG's) prioritized



Established policies & guidelines for ESG (or SDG) topics like human rights, diversity, and inclusion; circular design; travel, procurement; and suppliers code of conduct



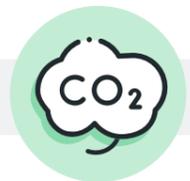
Awarded Ecovadis Silver Medal, scoring higher than 78% of the companies in our industry



Maintained balanced board members: 4 women and 4 men



Educated >500,000 people about air quality



Quantified scope 1, 2, & 3 emissions from 2019 to 2021

AIR FOR KIDS

Launched airforkids.com & developed strategy to reach goals in 2022



Successful pilot study examining our potential positive impact for energy savings



Created an anonymous whistle-blower platform/channel for our entire supply chain



Embedded a circular design tool into our product design process



Completed Life Cycle Assessments for 5 of our products



Broadened the internationality of our workforce, with 35 nationalities represented



Calculated the carbon emission factor for 5 of our products

# Goals for 2022



Create an effective, continuous CO<sub>2</sub> Savings Calculator for our clients



Create the Air Quality Index for air improvements



100% of main manufacturing suppliers sign code of conduct

ecovadis Sustainability Rating

Increase our average Ecovadis score



Certification on Information Security Management - ISO 27001



Ensure new products pass the threshold of our Circular Principles assessment tool



100% of all employees receive training on human rights, diversity and inclusion



Educate 1.000.000 people about air quality



Complete a Life Cycle Assessment of all of our products



AIRTHINGS ACADEMY

Launch Airthings Academy



100% of new suppliers sign the code of conduct

# Airthings sustainability journey



For planet



For people



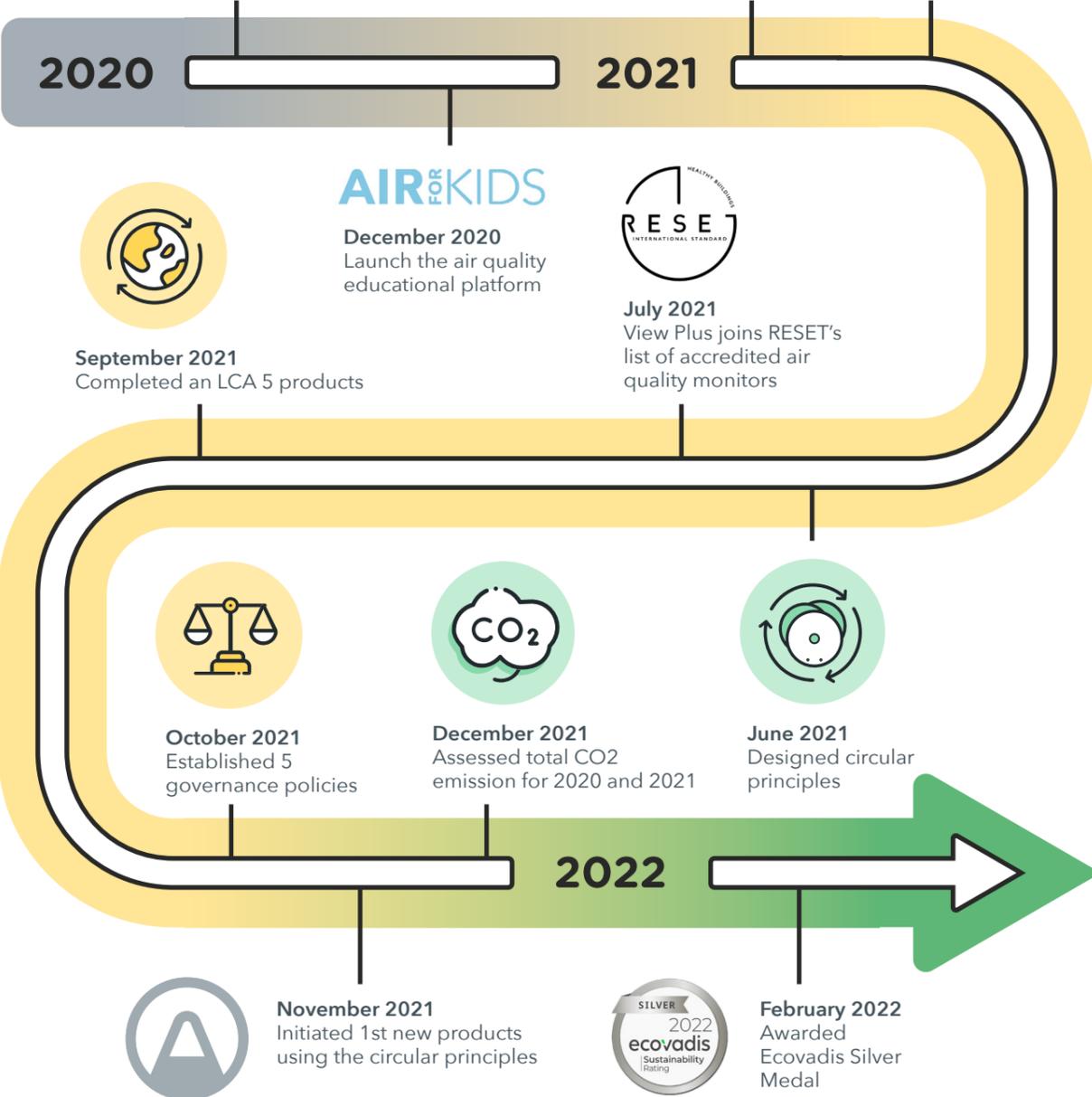
For business



**March 2020** Incorporated UN SDGs into our strategy. 12 volunteers join the "Sustainability Ambassadors."

**February 2021** Set Sustainability Key Performance Indicators

**May 2021** 1st Sustainability Report published



**AIRTHINGS**

# Breathe Better Progress Report

for planet, for people, for business

# Airthings' approach to a sustainable future

At Airthings, when we work for the planet, we strive to have an overall positive impact on our environment. To do this, we plan on both reducing the negative impact from our operations while using our solution to empower users to make sustainable choices. Internally, our main goals for helping the planet involve understanding and reducing our environmental impact throughout our supply chain, in terms of carbon emissions and waste. We want to help our customers reduce their emissions by reducing

**Drive action for a sustainable future:**

Drive action for a sustainable future:

Reduce CO<sub>2</sub> emissions from buildings & our operations.

Create and deliver products using sustainable and circular principles.

Improve health by visualizing & removing air contaminants.

energy use and protecting the longevity of their buildings.

We have very ambitious goals and recognize that for us to accomplish them, we must create behavioral change and promote sustainable practices.

Ensuring that our devices are designed, sourced, and manufactured responsibly is the first step in our circular product journey. Secondly, we must create high-quality hardware that is able to last 10 years. When we send our devices off into the world, we enable the users' insights for data-driven decisions to optimize indoor air quality and energy use, making homes and buildings smarter for sustainable communities. Together with our educational platforms, our insights give the competencies and knowledge to empower people to breathe better, warranted by a long-term product experience, increasing the lifetime of our products and minimizing the environmental impact. As a company supporting a transition to circular economies, we want to close the loop of our products. This is what we need to ensure for our new products so they are easily disassembled to be properly repaired, refurbished, and/or recycled.



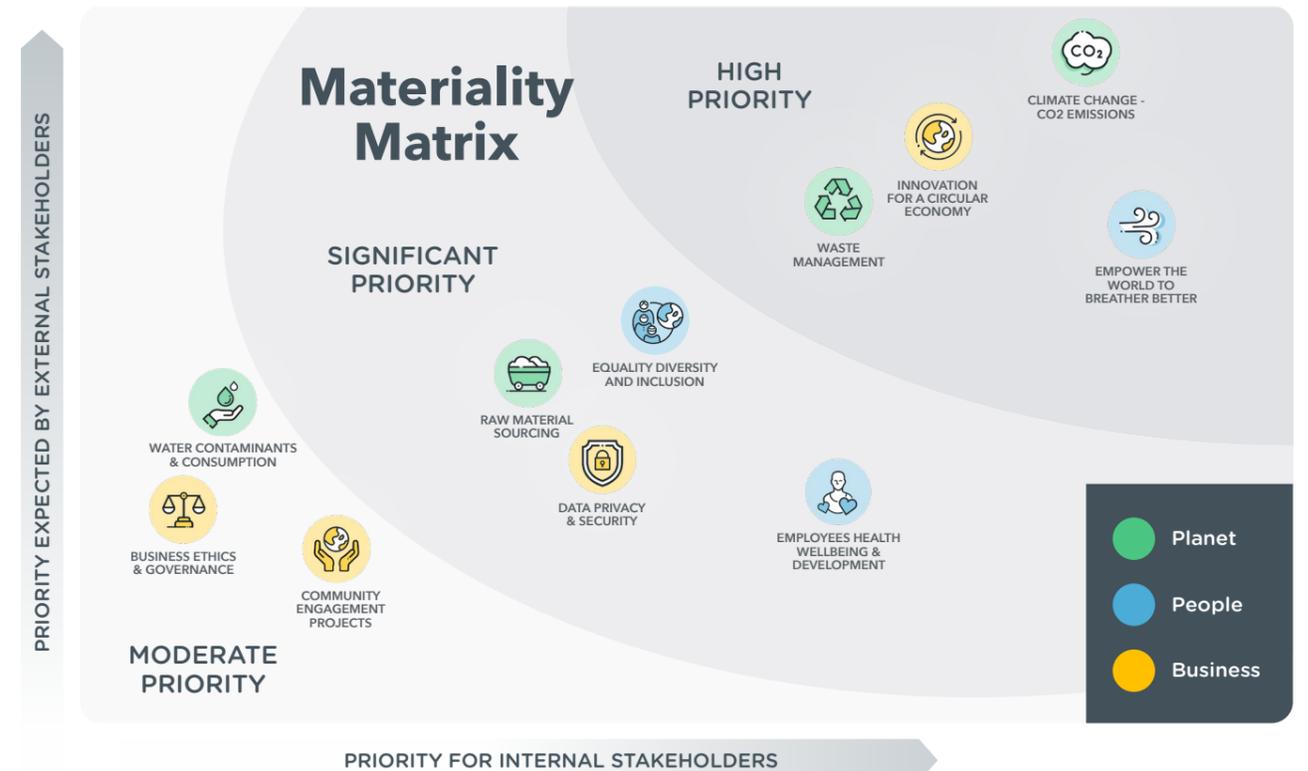
## Stakeholder engagement and materiality assessment

We work closely with our internal and external stakeholders to build a resilient strategy, and strongly believe that this close relationship encourages a chain reaction for a shared commitment.

The first biannual sustainability survey took place in 2020 to set the baseline for the prioritization of our challenges, opportunities, and our Sustainable Development Goals.

The next sustainability survey will happen in 2022 and will include internal and external stakeholders.

From our 2020 prioritization, we developed the following materiality matrix, following the SDGs and our 3 pillars for sustainability. For more information, see our 2020 Sustainability Report.



# Risk assessment

In our 2020 Sustainability Report, we detailed the potential risks throughout our value chain. We identified major threats throughout our product's life cycle and value chain. Most of our risks are indirect as we outsource our production line. According to secondary research, one of the largest social and environmental risks in the technology industry stems from how and where the raw materials are being sourced. The potential risks include child labor, abuses of human rights, and the handling of hazardous chemicals.

Since our first Sustainability Report, we have taken steps to mitigate these risks, including

creating a suppliers code of conduct and whistleblower platform (see page 44), understanding our GHG emissions by doing a company-level carbon footprint assessment (see page 20), and looking at the end of life of our product to understand our full impact (see page 22). We have also created policies in the most important areas identified in our risk assessment. These policies lay the foundation for how we work within areas such as circular design and human rights and clarifying our expectations as a company. In 2022 we will work to ensure these policies are known, understood and followed, throughout our company and supply chain.



**For Planet**

# Helping our customers improve their environment

Buildings are responsible for **40%** greenhouse gas emissions<sup>1</sup>

## Empowering sustainable decisions

Airthings products enable homes and businesses to make data-driven choices for a sustainable future. Of total building

emissions, 65% of greenhouse gasses come from indirect emissions through electricity and heat production<sup>2</sup>. This is where we can help.



28% of emissions come from the use-phase of buildings

We enable customers to reduce their energy consumption by giving them tools to make effective decisions while managing their buildings. By providing insights to customers, we can help them optimize indoor comfort while reducing energy wasted when the building is not in use. In 2021, we completed case studies to evaluate the potential of our products for indirectly saving energy. In the 20 case studies we analyzed, 2,000 tons of CO<sub>2</sub> emissions were avoided. This is more CO<sub>2</sub> than Airthings' total operations emissions in 2020. (Go to the business section of this report to see the case studies on energy optimization.)

But our impact doesn't end there. Through continual monitoring of other contaminants and environmental factors, we can also help our customers increase the longevity of their properties. For instance, our mold risk indicator can help alert users of mold risk before it becomes an issue.

## CO<sub>2</sub>

Monitoring CO<sub>2</sub> is one of the most important ways we help reduce environmental impact. High CO<sub>2</sub> levels indicate occupied rooms. The best way to improve efficiency in your building is to ensure you are not wasting energy on heating, cooling, and lighting rooms that aren't being used. Tracking occupancy and using this to inform HVAC operations will optimize energy usage, while ensuring a healthy and productive indoor environment.



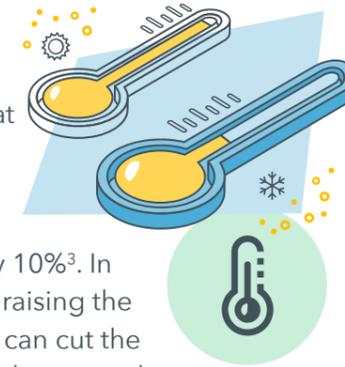
## Humidity and mold

Water vapor can get trapped in walls, leading to moisture damage and promoting mold growth. By understanding your mold risk, you can prevent this and maintain a healthy building. Preventing long-term damage also reduces costs of mitigation and the environmental impact associated with mold remediation.



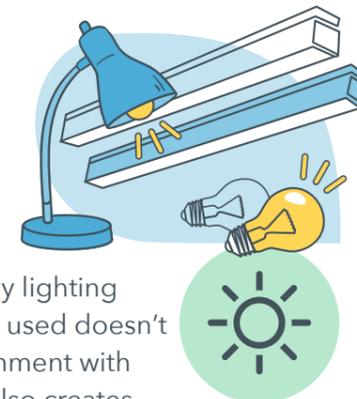
## Temperature

Lowering the thermostat just 1 degree Celsius, from 19 to 18, in the winter can reduce energy consumption by 10%<sup>3</sup>. In some warmer climates, raising the temperature 4 degrees can cut the energy used on cooling by as much as two thirds.



## Light

Turning the lights on only when needed is a great way to reduce your energy bill and environmental impact. Wasting energy lighting areas that aren't being used doesn't just pollute the environment with greenhouse gases, it also creates light pollution, which can be detrimental to flora and fauna.



## Particulate matter (PM)

High levels of PM could indicate an issue with your boiler or HVAC system. Inefficient furnaces or malfunctioning HVACs waste energy can contribute to pollution and global warming.

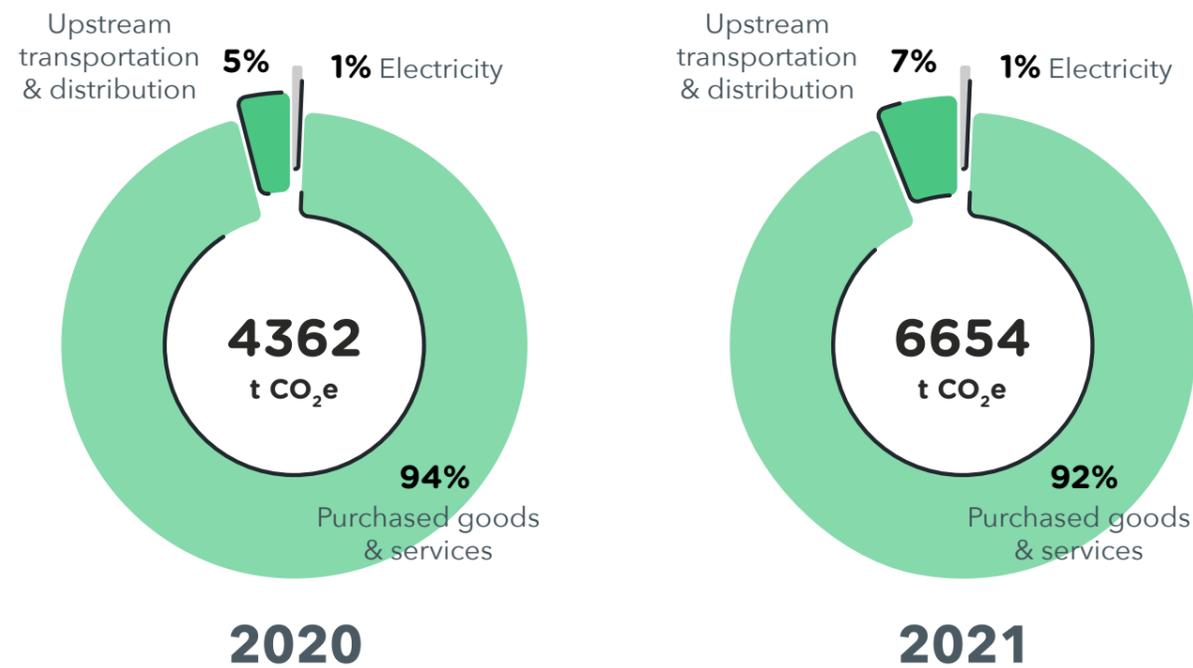


<sup>1</sup> <https://architecture2030.org/why-the-building-sector/>  
<sup>2</sup> <https://architecture2030.org/why-the-building-sector/>  
<sup>3</sup> <https://www.enova.no/privat/alle-energitak/smart-stromstyring/>

# Monitoring and taking action across the value chain

In 2021, we took the next big step on our sustainability journey by evaluating our baseline carbon metrics. To do this, we relied on two main measurement tools: Life Cycle Assessment (LCA) and financial carbon

footprinting following guidelines from the Greenhouse Gas Protocol. Through both of these analyses, we calculated our CO2 emissions from scope 1, 2, and 3.



## The scopes

Scope 1 emissions are all those for direct processes within the company's property. Airthings has zero scope 1 emissions as we do not own any internal combustion engines,

Airthings had **0 tons CO<sub>2</sub>e** SCOPE 1 greenhouse gas emissions

furnaces heating our buildings, or have any other direct emissions from our operations.

In 2021, we had **20 tons CO<sub>2</sub>e** SCOPE 2 greenhouse gas emissions

Our scope 2 stemmed from purchased electricity, steam, heating, and cooling in all of our rented office spaces, in Norway, Sweden, and the US. For our Oslo and Stockholm offices, the emissions factors were calculated based on market-based conversion factors for the European Energy mix. To calculate the emissions for the US offices,



PHOTOGRAPHER: ETIENNE GIRARDET

we used the calculation tool from the Environmental Protection Agency (EPA).

As a growing company, we saw an increase in our total energy consumption emissions for 2021. We rented more space in our building facilities, growing the physical footprint of our organization, as more new employees started last year. Yet, the increase in energy consumption was not proportional based on our 2020 numbers. This was due to the renewed work-from-home restrictions in Oslo put in place as part of the Covid-19 pandemic during 2021. Therefore, we expect that the energy consump-

tion in 2022 will be a more accurate reflection of our increase in size.

The scope 3 emissions include impacts both upstream and downstream of our operations along our value chain. This large category of emissions, therefore, makes up the vast majority

In 2021, we had **6634 tons CO<sub>2</sub>e** SCOPE 3 greenhouse gas emissions

of our impact, over 95% of our emissions.

# A life cycle perspective

To get a clearer picture of our Scope 3 impact, we performed a life cycle assessment (LCA) to trace our impacts throughout the life of the products. Although there are many potential social and environmental impacts one could focus on, we decided to address the impact our products had on climate change through the emission of carbon dioxide equivalents. Using a set methodology, LCA traces all the components that go into the product, from their creation (cradle) to their disposal (grave). This includes everything from the gold that was mined to create the printed circuit boards (PCBs) to how the batteries are disposed of (recycled) once they no longer work. For the LCA, Airthings collaborated with a Canadian consultancy, Ellio, to externally assess the impact of 5 of our products. We followed the ISO 140001 Standard guidelines to detail the goals & scope of the study, select the functional unit for the products, collect data from each of the phases, and set the scope for all of the inventory analysis. We continued with an analysis of the

collected data using the Ecoinvent database and OpenLCA to assess the environmental impact across each of the 5 life stages (raw material sourcing, manufacturing, logistics, use phase, and disposal) for each product. The results of our LCA expanded our understanding of the full scope of our indirect emissions over the lifetime of our products. Together with the scope 3 analysis, we could pinpoint some hot spots in our supply chain. As these are indirect emissions, the full responsibility does not fall entirely on us; but, as we want to ensure we minimize our carbon emissions while increasing production and revenue, we have concluded that there are potential actions we can take to reduce our environmental impact. We have used both the scope 3 analysis, as well as the life cycle assessment, to understand the origin of our emissions and developed a new set of circular principles to design our products with lower environmental impacts (more on pg 42).

We identified the pressure points to make more environmentally responsible products.

## End: Grave

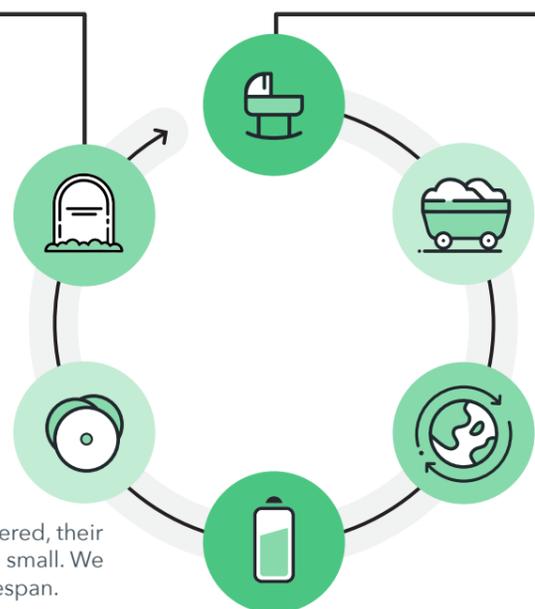
Finally, what happens at the end of our product's life? How much can be recycled? Can we close the loop? What are the negative environmental effects of batteries if disposed of incorrectly?

## Software

We analyzed the power consumption needed to enable the transfer of data to the cloud servers as well as, the energy used by the cloud servers. We also analyzed the energy used by the developers to actually create the code.

## Use phase

Since our products are battery-powered, their GHG emissions during their use are small. We are still working to increase their lifespan.



## Start: Cradle

We start by gathering data on all the raw materials included in our products.

## Production

Then we look at the production process. How are our products put together? What impacts do these processes have on the environment? How much waste is created in these stages?

## Logistics

Our products are shipped all over the world. By planes, trains, and trucks, multiple means are used to reach our customers.

## Key findings

Based on our dual carbon assessments, we found that over 70% of our emissions are coming from 2 main drivers: the manufacturing of our PCBs & the integrated circuits and our global logistics and distributions. Now that we understand the sources of impact, we can better work to address them. This will be a continual process as we grow.

Being data-driven means we will incorporate all that we learned from our assessment into our

design and decision making moving forward. As we are currently in a scale-up phase and rapidly growing as a company, we rely heavily on air freight, which has higher environmental impacts. We will continue to grow and work to improve the sustainability of our delivery, which will become easier as we scale further.

One of our top priorities is focusing on high quality products and we are aiming to increase the lifetime of our products to >10 years for the hardware and the service experience.

<p><b>Improving scope 3</b></p>	<p>The manufacturing of the Printed Circuit Boards (PCB) and Integrated Circuits (ICTs) account for &gt;70% of the total emissions of our products. We have now begun working on maximizing panel utilization and reducing the size of the PCB to avoid waste.</p>
<p><b>Our advantage in the use phase</b></p>	<p>As our devices are not plugged into the energy grid, their energy consumption level is very low compared to other electronics pulling power from the energy grid 24hrs a day. Batteries have low CO2 emissions, although they have other environmental recycling and social impacts in manufacturing and disposal. Our main cloud service provider is AWS, which is rapidly shifting towards 100% renewable energy, which will help us decrease our indirect emissions during the use phase.</p>
<p><b>Understanding logistics</b></p>	<p>Our second-highest emissions come from our distribution channels, primarily from our air freight shipments to the US. This is a long-term challenge we want to address in the years to come. We will work on carbon offset programs to start with compensation while we decrease our logistics emissions.</p>

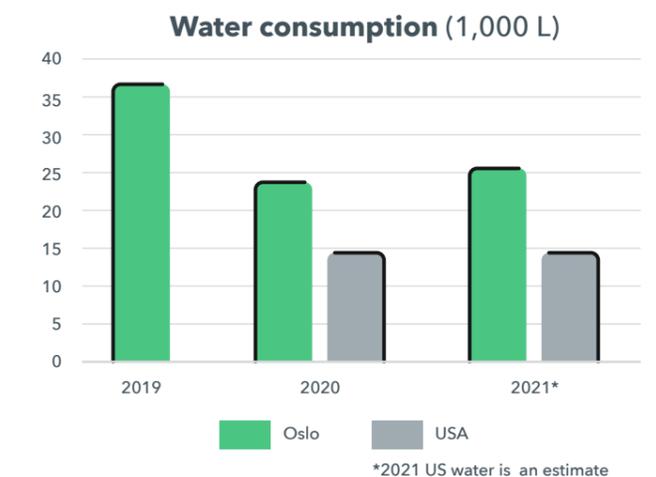
## What we're doing about water

Airthings manufacturing is outsourced to companies located in Norway, Tunisia, and Israel.

According to the World Wildlife Fund (WWF 2020), Tunisia and Israel, are countries with a high risk of water scarcity. Therefore, it is important that we, together with our suppliers, monitor the amount of water consumed. Water consumption has been included in the list of monitored elements for our main manufacturers and is included in our suppliers' code of conduct. In 2022, we will implement a monitoring system for water use across our 1st tier suppliers.

As Airthings is a growing company, yet even though the office in Oslo and number of

employees has grown, the water consumption has decreased. This is due to government restrictions during the pandemic. See the graph below for water consumption levels from 2019.



# The road to zero waste: Redesigning our packaging

We made major changes to our packaging design for our latest product: Airthings View Plus. We went from a thick, drawer box with a plastic mold insert to an inner, cardboard box with a thick paper printed outer box. How did this help the environmental impact of our products?

- Reduced plastic: now only transparent stickers used, switched the hang tab to paper
- Reducing the amount of paper: went from thick cardboard box to thin sleeve around the box
- Optimized space within cardboard box: compact by design, less air in container
- Switched to recycled/recyclable material: brown cardboard box and the paper used for the sleeve, removed coating (shiny layer added to the paper)
- All paper and cardboard are certified by Forest Stewardship Council
- White natural ink used (the Airthings logo + mountains on the box)
- More compact box to reduce the shipping footprint
- The same box used for B2B and B2C (only the sleeve is removed) - we used stickers before
- Switched from heavy metal screw to lighter double-sided tape
- The cardboard box can be unfolded and upcycled to create a display box featuring the beautiful mountains of Norway for a keepsake
- Shorter instructions and added QR code to reduce the number of pages printed for the quick start manual
- For the US market retailers, we are using plastic blister packagings, pull cards or empty boxes to fit the different point of sale requirements

Changing the packaging enables less waste and a reduced impact on the natural resources needed to pack and ship our products to end users.

## OLD PACKAGING EXAMPLES:



## NEW PACKAGING EXAMPLES:





# Educating and enabling people to breathe healthier air

Our mission is to empower the world to breathe better. It is therefore the core of our operations and central to what we do.

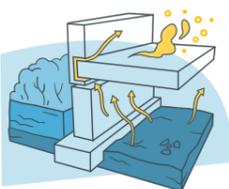
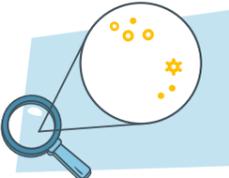
Globally, 99% of people breathe air that exceeds WHO pollution guidelines. We also spend 90% of our time indoors, where contaminants can circulate due to poor ventilation. Therefore, understanding indoor air quality is vital to taking control of our health. Our Airthings-made algorithm uses existing sensors and historical data to empower people (both homeowners and businesses) to make a change when there is an air quality issue.

*By helping our customers visualize what is in their air, we can help them mitigate air pollutants, reducing their risk of exposure and potentially disease. We have witnessed through customers' interviews and feedback that they are taking actions like improving ventilation, installing radon mitigation systems, air purifiers, and humidifiers or dehumidifiers based on the insights from Airthings.*



For People

PHOTOGRAPHER: NOOR DAWOD

Air quality contaminant	Health impacts	Key stats and citations
<b>RADON</b> 	<ul style="list-style-type: none"> <li>• Damages DNA</li> <li>• Number 1 cause of lung cancer among non-smokers</li> <li>• 21,000 deaths/yr in the US alone</li> </ul>	<p>"Radon is the number 1 cause of lung cancer amongst non-smokers"</p> <p><a href="https://www.epa.gov/radon/health-risk-radon">https://www.epa.gov/radon/health-risk-radon</a></p>
<b>PARTICULATES</b> 	<ul style="list-style-type: none"> <li>• Fine particles (PM2.5) can get deep into lungs and some may even get into the bloodstream</li> </ul>	<p>7 million people die every year from exposure to fine particles in polluted air</p> <p>3.8 million people die every year from exposure to household air pollution</p> <p><a href="https://www.who.int/airpollution/data/en/">https://www.who.int/airpollution/data/en/</a></p>
<b>CO<sub>2</sub></b> 	<ul style="list-style-type: none"> <li>• Higher risk of spreading viruses &amp; bacteria</li> <li>• Restlessness &amp; drowsiness</li> <li>• Increased heart rate &amp; higher blood pressure</li> <li>• Excess sweating &amp; headaches</li> <li>• Decreased cognitive function &amp; test scores</li> </ul>	<p>12% decrease in sick days and 100% improvement in cognitive scores when the indoor air quality in buildings was improved</p> <p><a href="https://pubmed.ncbi.nlm.nih.gov/25789698/">https://pubmed.ncbi.nlm.nih.gov/25789698/</a></p> <p><a href="https://green.harvard.edu/tools-resources/research-highlight/impact-green-buildings-cognitive-function">https://green.harvard.edu/tools-resources/research-highlight/impact-green-buildings-cognitive-function</a></p>
<b>HUMIDITY</b> 	<ul style="list-style-type: none"> <li>• Mold</li> <li>• Dry skin &amp; eczema</li> <li>• Asthma allergies and respiratory illness</li> <li>• Dust mites</li> <li>• Flu</li> <li>• Poor concentration</li> </ul>	<p>In the US, just over 10.1% of the population have some form of eczema, with the prevalence rising to 12% of children.</p> <p><a href="https://nationaleczema.org/research/eczema-facts/">https://nationaleczema.org/research/eczema-facts/</a></p>

Air Quality Contaminant	Health Impacts	Key Stats and Citations
<b>VIRUS RISK</b> 	<ul style="list-style-type: none"> <li>• CO<sub>2</sub>, temperature, and humidity combined affect the risk of virus transmission</li> </ul>	Raising humidity levels to 43% reduced the percentage of infectious particles to just 14% <a href="https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0057485">journals.plos.org/plosone/article?id=10.1371/journal.pone.0057485</a>
<b>LIGHT</b> 	<ul style="list-style-type: none"> <li>• Eye strain and eye irritation</li> <li>• Fatigue</li> <li>• Headache</li> <li>• Sleep problems</li> <li>• Disruptions of circadian rhythms</li> <li>• Seasonal Affective Disorder (SAD)</li> </ul>	
<b>MOLD</b> 	<ul style="list-style-type: none"> <li>• Bodily reactions: sneezing, runny nose, red eyes and skin rash</li> <li>• Irritate the eyes, skin, nose, throat and lungs</li> </ul>	21% of Americans with asthma can be attributed to dampness and mold at home 42% of asthma sufferers found mold to be a trigger <a href="https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7596174/pdf/11783_2020_Article_1357.pdf">https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7596174/pdf/11783_2020_Article_1357.pdf</a>
<b>NOISE</b> 	<ul style="list-style-type: none"> <li>• Impaired concentration</li> <li>• Lower cognitive performance</li> <li>• Hearing damage or loss</li> <li>• Disturbed sleep</li> <li>• Cardiovascular issues</li> <li>• Reduced performance</li> <li>• Changes in social behavior</li> </ul>	86% of schools exposed to road traffic in the UK 22 million workers are exposed to potentially damaging noise at work each year (CDC)
<b>VOC</b> 	<b>Short term:</b> <ul style="list-style-type: none"> <li>• Headache, pneumonia, bronchitis</li> <li>• Nose, throat, eye inflammation, skin irritation</li> <li>• Coughing, painful breathing</li> </ul> <b>Long term:</b> <ul style="list-style-type: none"> <li>• Affects the central nervous system (headache, anxiety)</li> <li>• Cardiovascular diseases</li> <li>• Respiratory diseases (asthma, cancer)</li> <li>• Impacts on liver, spleen, blood</li> </ul>	Just after 1 week of exposure to VOCs during ordinary life can affect airway inflammation Concentrations of many VOCs are up to ten times higher indoors than outdoors. <a href="https://ehjournal.biomedcentral.com/articles/10.1186/s12940-018-0410-1">https://ehjournal.biomedcentral.com/articles/10.1186/s12940-018-0410-1</a> <a href="https://www.epa.gov/indoor-air-quality-iaq/volatile-organic-compounds-impact-indoor-air-quality">https://www.epa.gov/indoor-air-quality-iaq/volatile-organic-compounds-impact-indoor-air-quality</a>
<b>PRESSURE</b> 	<ul style="list-style-type: none"> <li>• Joint pain</li> <li>• Headaches and more frequent migraines</li> <li>• Decreased productivity in the workplace</li> </ul>	
<b>TEMP</b> 	<ul style="list-style-type: none"> <li>• Concentration</li> <li>• Cognitive performance</li> <li>• Risk of asthma attack</li> </ul>	Optimizing temperature reduced worker errors by 44% & increased keying output by 150% <a href="http://ergo.human.cornell.edu/Conferences/EECE_IEQ%20and%20Productivity_ABBR.pdf">http://ergo.human.cornell.edu/Conferences/EECE_IEQ%20and%20Productivity_ABBR.pdf</a>
<b>POLLEN</b> 	<ul style="list-style-type: none"> <li>• Allergic and asthmatic reactions</li> <li>• Increased absenteeism</li> <li>• Reduced health-related quality of life</li> </ul>	54% increased risk of asthma attacks Hay fever affects 6.1 million children & 20 million adults in the USA <a href="http://www.sciencedirect.com/science/article/pii/S0954611115001870">www.sciencedirect.com/science/article/pii/S0954611115001870</a> <a href="http://www.aafa.org/allergy-facts">www.aafa.org/allergy-facts</a>

# Pursuing social responsibility for the next generation

As a science-driven, thought leader in the field of air quality, we understand the importance of healthy air, not just for our customers but for people everywhere. We are on a mission to empower the world to breathe better and the first step is educating people on what's in the air they breathe and how different contaminants can affect our health. In 2021, we took big steps to our goal of educating 10 million people about air by educating >500,000 people in air quality through our digital platforms. We also launched Air for Kids, our playful educational project about what's in the air we breathe for curious kids, parents, and teachers everywhere.



We are working on expanding this to include more topics related to what's in the air we breathe and develop new ways to use these topics to let kids express themselves through art and make observations and test hypotheses with science. In September, we held our first poster contest.

In December 2020, we launched Air for Kids and even though we are still piloting the program, we are already seeing an interest in the platform with quizzes being answered by 245 unique visitors. Our most loved quiz was on indoor air quality, which was completed by 180 visitors in 2021. We also educated 30 people directly and had 2900 visits to our website. We have big plans for Air for Kids moving forward. Check out our website, [airforkids.com](http://airforkids.com), to stay up to date on our latest developments as we work towards our goal.

Air for Kids is a digital education platform full of educational content with accompanying quizzes for the kids to see how much they have learned. Currently, we have content on indoor air pollution, outdoor air pollution, radon, and pollen.

## AIR FOR KIDS



Andreja, 11, Norway



# Communication and outreach

## Airthings Radonmap.com

High levels of radon over long periods of time can be dangerous, and levels fluctuate daily. Radon comes from the breaking down of particles in rocks underground and levels can be different from home to home. Therefore, your risk is related to where you live. The [www.radonmap.com](http://www.radonmap.com) website uses Airthings sensors from around the world to show live radon levels, broken down by location and anonymized. See the yearly and monthly approximate risk calculations in this easy-to-use, interactive map. Long-term monitoring is vital to know your individual levels.



## Airthings Library Program

In 2021, Airthings partnered with libraries in Canada to create a new program. Through this project, libraries in Canada are able to purchase Airthings Corentium Home devices at a discounted rate and then lend them out to their patrons, as they would a library book. This enables even more people to have access to our products and learn about the risk of radon in their homes. Through this program, we hope to empower even more people to breathe better and reach those that might not otherwise have access to our products. So far, we have hundreds of products in over 100 libraries all across Canada.

## Air Summit

More than one hundred people from all over Europe gathered at the Air Summit in Oslo's Gamle Museet on September 23, 2021. The conference, hosted by Airthings for Business, brought together international leaders from the Proptech industry to explore the future of our buildings and how we can make them healthier, smarter, and more sustainable.

The conference highlighted both problems seen in the building management industry as well as how sensor technology can lead to solutions. By having a better understanding of a building, building owners can help reduce energy use, cut costs, and create a healthier indoor environment for occupants.



# Airthings by the numbers in 2021

139

Number of employees

46

High employee satisfaction  
Employee net promoter score (ENPS)

3.8%

Absence due to sickness

0

Personal injuries or damage to the material

30%

Employees received professional courses development in 2021

35

Nationalities

28%

Identify as female

18

Interns in our Internship program

50:50

Gender breakdown of board of directors

40%

Females in top leader positions

13%

Increase in total full time employees (FTE)

0

Reported cases of harassment or child labor

1

Environment, health, safety and human rights assessment team established

35

Average age of employees

24

Number of employees having Norwegian language class

100%

Employees covered by social benefits

100%

Employees with private health care

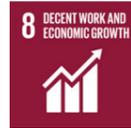


Continued to meet KPI of 0 labor violations

>500k

Educated >500,000 people about air quality

# Pursuing social responsibility from within



The first step Airthings took toward improving our social responsibility within our daily operations and our supply chain was to develop governance policies. We drafted a policy on human rights, diversity and inclusion following the principles laid out in the Universal Declaration of Human Rights. Our goal is to foster a diverse and inclusive work culture.

## Our culture

The culture at Airthings is something we have spent a lot of time on from the very beginning, and it is one of the aspects we are most proud of as a company. A positive and healthy culture is key to creating an organization that upholds our company values of Dare, Love, and Focus. In 2021, we continued investing in our people, bringing more people on board to help expand our business and reach our goals. We are continually improving our hiring processes to ensure we find and attract a diverse group of top talent which we onboard through training programs to cultivate an inclusive community.

We have a quarterly eNPS survey, and the most common response as to why employees love working at Airthings is the people. We are people that are passionate about our company and what we do, that want to spend time having fun together, and are supportive, friendly and open. As we always say, we are a company that loves to work hard and play hard too.

Our everyday culture at the office is one of communication. We use multiple means of digital communication and always have our cameras on if we take virtual meetings. We treasure our time

spent together in person. While we try to avoid too many meetings, one-on-one meetings are essential to making sure every voice is heard. Our calendars are open and anyone in the company can ask for a meeting or a coffee with anyone else- including the CEO.

"A positive and healthy culture is key to creating an organization that upholds our company values"

In-person events are important to us, and we try to get employees from around the world to meet up as much as we can. One of these events is our annual strategy summit. This is where we set our big hairy goals for the next several years or decades. We invite the whole company to participate and bring their ideas and voices to create actionable output.

The pandemic greatly challenged culture in companies around the world. While we do value in-person time, we also know that we work to live. We have always been a company that offers great trust and flexibility, we have added even more now. We value that our culture is ever-changing and developing. Many companies talk about culture fit, whereas we believe in "culture add." Overall, we are a group of people that care about people and planet, and value being able to help people around the world breathe better.



## Hackathons

As every year, 2021 was full of great hackathons. We pride ourselves on these company-wide events that help promote cross-department innovation. In 2021, we had 4 hackathons, one each quarter. Some of the ideas from hackathons have become favorite features, including an

Airthings ticker for video calls. Our employees love the freedom to work on projects they are truly passionate about and the team-building that comes with these types of events. The winner of the Q4 2021 Hackathon led to the development of Radon Run, a fun educational game for our Air for Kids that will be launched in 2022.



## Our Internship program

Even as we grow, we aim to maintain an egalitarian atmosphere where everyone feels valued, heard, and empowered. This is exemplified by our annual internship program, where we give interns projects that they can take ownership of and complete within the summer. The internship program includes fun events throughout the summer. Some favorites from 2021 include a group paint and sip and zip-lining down the Holmenkollen ski jump.

## Balancing gender in the IT industry

The IT industry in general is characterized by a low share of female employees. To counter this, Airthings works systematically to improve the share of female employees at all levels. We are aiming for a balance of 40-60% women. One of the company's objectives is to offer equal salary levels and career opportunities regardless of gender. We are working thoroughly in improving our gender gap not only as a total number of employees but also aiming for gender balance in each department in the company. Likewise, we are setting new targets per team in 2022.

Percent of team self-identifying as female

50%

Board members  
Team Consumer Administration  
Team Pro



Balanced

51-65%

Finance  
Marketing  
Operations



Over-represented

1-25%

Project management  
Hardware  
Product  
Software  
Airthings for Business



Under-represented

## International Women's Day 2022

In 2021, we began planning our first International Women's Day Event for 2022. This is just one of the many steps we are taking to close the gender gap. The first annual Women's Day Event also celebrated a key achievement from 2021: having gender balance in our board of directors.

Some of the women on the board were a part of the great discussions during the event. Through these discussions, we learned more about ways to improve gender equality as a company and the importance of breaking biases and shattering glass ceilings.



**You are invited!**

**International Women's Day - March 8th**

Be part of the movement to #breakthebias

Calling all Airthings! He, she, they, men, women, guys 'n gals, chicas & chicos - it's time to celebrate International Women's Day and this year's theme is "Break the Bias".

At Airthings we are proud of our diversity, but today we still have a way to go to reach our goal of at least 40% women in the company by 2026. So we want to take the opportunity on March 8th to gather the company to discuss this theme.

- We will reflect on why diversity and inclusion is important, from a people, planet and business perspective.
- We will hear from some of the inspiring women in our company and on the Airthings Board of Directors (if you haven't met Emma, Karin or Liv from the Airthings Board yet, this is your chance!).
- Then we will all have a chance to chat together about how we as individuals, team members, employees, managers and human beings can help #breakthebias.

The presentations and discussions will run from 15:00 CET - 16:30 CET and will be followed by drinks and snacks at the office.

Please RSVP ASAP so we can make this a great event. We hope to see as many of you there as possible!

internationalwomensday.com

## Supply chain monitoring

We recognize that our actions as a company have impacts beyond our employees. This is why we have stepped up our level of supply chain monitoring and implemented our new Supplier's Code of Conduct (See page 43). We aim to have all of our 1st tier suppliers sign the code of conduct by 2022. Likewise, we aim for 100% of all new suppliers to sign the code of conduct and go through a monitoring assessment from 2022 on. We will pursue suppliers with both a high-quality standard and environmental and social certifications that follow our values. Likewise, we are aiming to have a training program with our 1st tiers suppliers in 2022 for our new whistleblower platform, so it is available to everyone in our supply chain. We have recently joined Sedex, a membership organization that provides one of the world's leading online platforms for companies to

manage and improve working conditions in global supply chains. With this we aim to:

- Enable responsible sourcing through collaboration and information gathering with our supply chain partners
- Make supply chain transparency simple through easy to use tools and services that are available to all businesses
- Protect people, the environment and business by proactively identifying and managing risk
- Enable sustainable and responsible business through technological solutions.
- By the end of 2022 our main manufacturer would be audited by Sedex Members Ethical Trade Audit (SMETA)

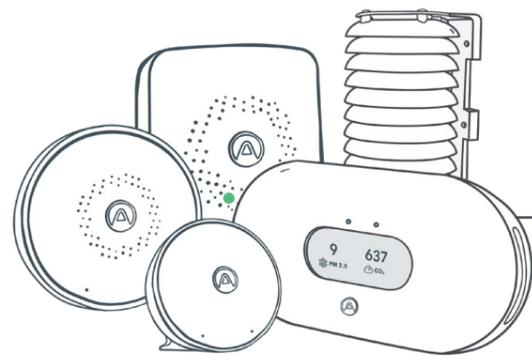
As of today, we have had no reported cases of human rights violations or child labor from our main manufacturers.



**For Business**

# Improving the health, wellbeing & productivity of our customers' stakeholders

Enabling data-driven decisions



>35,000

Airthings for Business devices

>10,000

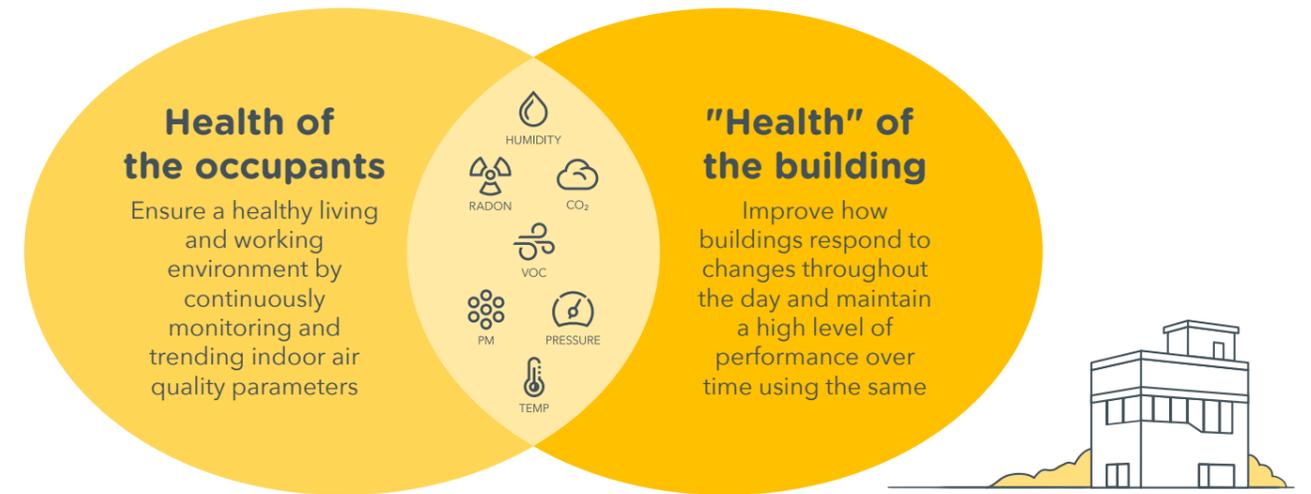
classrooms



>3,000

buildings

to empower the world to breathe better



We are continually striving to improve both the insights we provide our customers so they can optimize their indoor air quality as well as how we measure our impact. In 2022, we are working on developing an improved index to measure our contribution to a world of healthier air and energy savings.

Researchers have found that higher concentrations of carbon dioxide can lead to building visitors becoming dissatisfied<sup>4</sup>. One study reported a 12 percent decrease in sick days when the indoor air quality in educational buildings was improved<sup>5</sup>. A review of many separate studies on the subject concluded: 'There is evidence that reduced respiratory health effects and reduced student absence are associated with increased ventilation rates'<sup>6</sup>.

There is a wealth of evidence showing that both students and staff think more clearly and perform better in low carbon dioxide environments. The following studies showed that high levels of CO<sub>2</sub> make people feel sluggish and compromise their decision-making ability.

Research by Harvard T.H. Chan School of Public Health found that improved indoor air quality, including lower levels of carbon dioxide, resulted in a 100% improvement in cognitive scores<sup>7</sup>. In educational buildings specifically, researchers

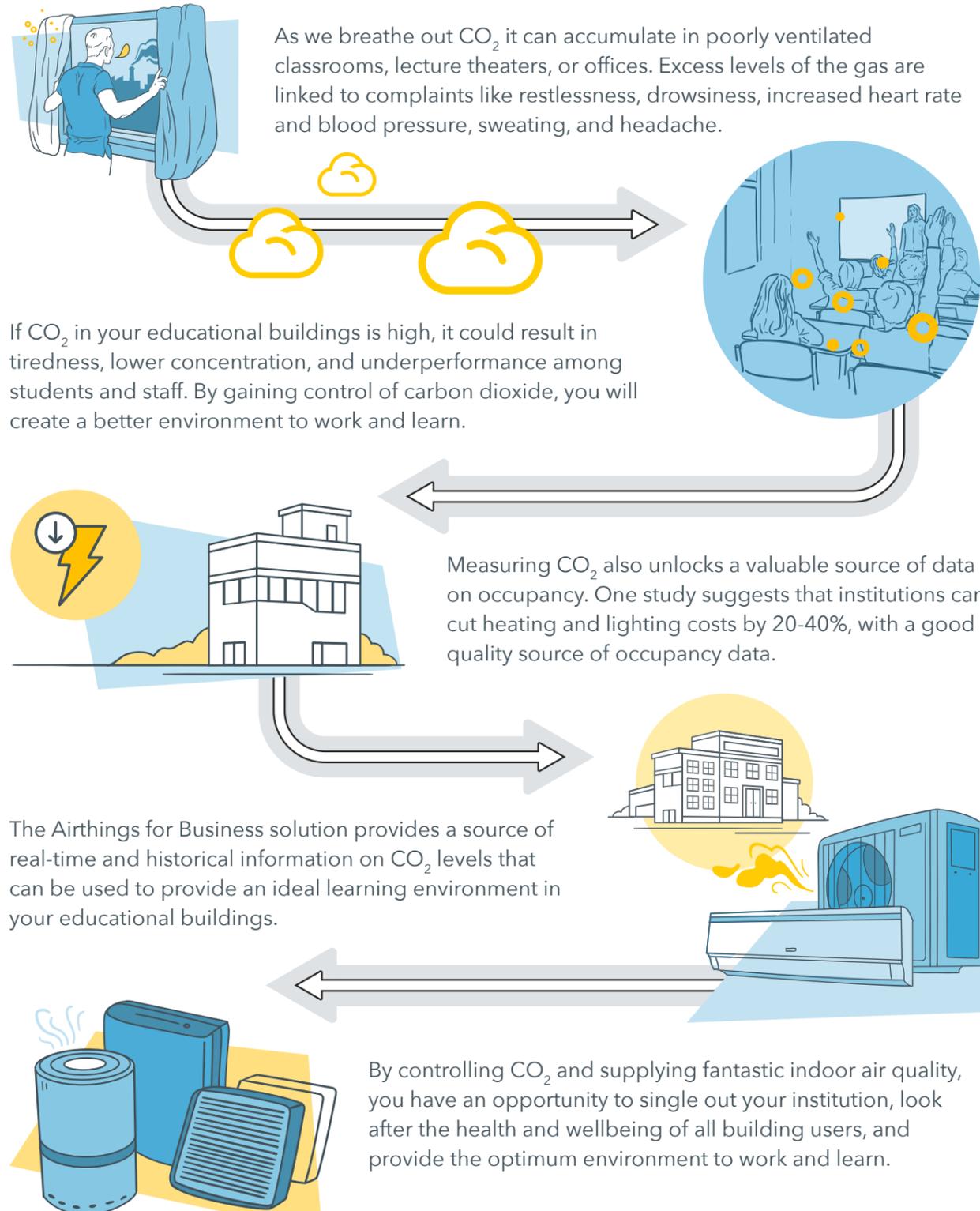
have uncovered 'compelling evidence of an association of increased student performance with increased ventilation rates'<sup>8</sup>.

When it comes to staff productivity, the results are comparable. A Harvard paper showed that investing \$40 per person, per year in improved air quality produced a \$6,500 productivity benefit for each employee<sup>9</sup>.



4 [www.ncbi.nlm.nih.gov/pubmed/15330777](https://pubmed.ncbi.nlm.nih.gov/pubmed/15330777)  
 5 <https://pubmed.ncbi.nlm.nih.gov/25789698/>  
 6 <https://onlinelibrary.wiley.com/doi/abs/10.1111/ina.12403>  
 7 <https://ehp.niehs.nih.gov/doi/10.1289/ehp.1510037>  
 8 <https://onlinelibrary.wiley.com/doi/full/10.1111/ina.12403>  
 9 <https://www.hsph.harvard.edu/news/hsph-in-the-news/healthy-buildings-can-improve-workers-performance/>

# CO<sub>2</sub> monitoring is vital



# Building a case for sustainable buildings



## We're proud of our customers

Airthings has the opportunity to empower people to change their energy consumption practices using our products. We want to highlight a small sample of our customers. These leaders have been using the data from our sensors to create smarter buildings and make smarter decisions. In 2021, we saw that these 20 buildings avoided over 2,000 tons of CO<sub>2</sub> emissions. This is more

CO<sub>2</sub> than Airthings' logistics emissions in 2020. We are continually improving our integrations to automate building ventilation and exploring how we can scale up the technology. Already, the potential for this is undeniable. Our advanced cloud analytics use current and historical data from our devices to empower people (both individuals and businesses) to control air quality, climate, and energy usage.



### Frydenbø

Improved energy efficiency by over 16% by integrating the Airthings for Business solution into their systems. On track to reach 20% with the latest Airthings technology.

### East Porter County Schools

Airthings for Business enabled a total reduction of 155,000 kWh, and saved almost \$23,000.



With these case studies we see that when facility managers are able to measure air quality, they can minimize the energy consumed and maximize comfort. The best way to improve efficiency in the building is to ensure you are not wasting energy on heating, cooling, and lighting rooms that aren't being used. Tracking patterns of occupancy and using this to inform HVAC systems can minimize wasted energy and maximize employee performance. These case studies became a driving

force for the capacity Airthings products have to optimize energy consumption in buildings. With our easy-to-use APIs, our next step is to further automate systems to optimize air quality with minimal manual effort. However, globally, much of the current building stock is older and has numerous systems. Although automation is a goal, Airthings' design enables even older HVAC systems to be more data-driven with our new insights for facility managers.

# Awarded silver and going for gold

One of our most significant achievements of 2021 was earning a silver EcoVadis sustainability rating entitled "The World's Most Trusted Business Sustainability Ratings." The independent and unbiased evaluation covers four different categories namely the environment, ethics, labor, human rights, and sustainable procurement of a company. Using their evidence-based assessment, the organization ranks companies in each category on a scale of 0-100. The cumulative weighted scores from these categories are then used to assign companies to one of the following levels: no designation, bronze, silver, gold, and platinum.

We are thrilled to have been awarded a silver rating, putting us in the top 25% of companies evaluated. As this is our first year being rated, we are encouraged by the high score and are dedicated to working towards an even higher one. Compared to the overall industry, we rank higher than 78% of our peers.

## What's next with Airthings & EcoVadis?

We are going for gold! Now that we have received our results, we see where we can improve. Additionally, as members of the EcoVadis network, we can use their platform to find partners and suppliers that align with our values. This is especially important as we continue to grow as a company and expand our offering. With each new supplier or partner, we have a chance to improve the overall sustainability of our supply chain. We will also work with our existing suppliers to continuously improve our collective performance.

We see that our current strengths are our environmental and human rights policies. Additionally, we scored well due to our relatively low carbon emissions and detailed product life cycle assessments. We plan to continue working in this area and develop plans to tackle any of our potential environmental and social risks.



# Strengthening our governance

We have strengthened our governance by establishing five new policies and guidelines for our way of working to be a highly trusted company:



As we continue to grow as a company, we hope to continually improve our ways of working to reach our goals. This includes educating customers about what to do with their devices at the end of their life and enabling us to have a circular supply chain in the near future.

# Policies, principles and guidelines

## Circular design principles

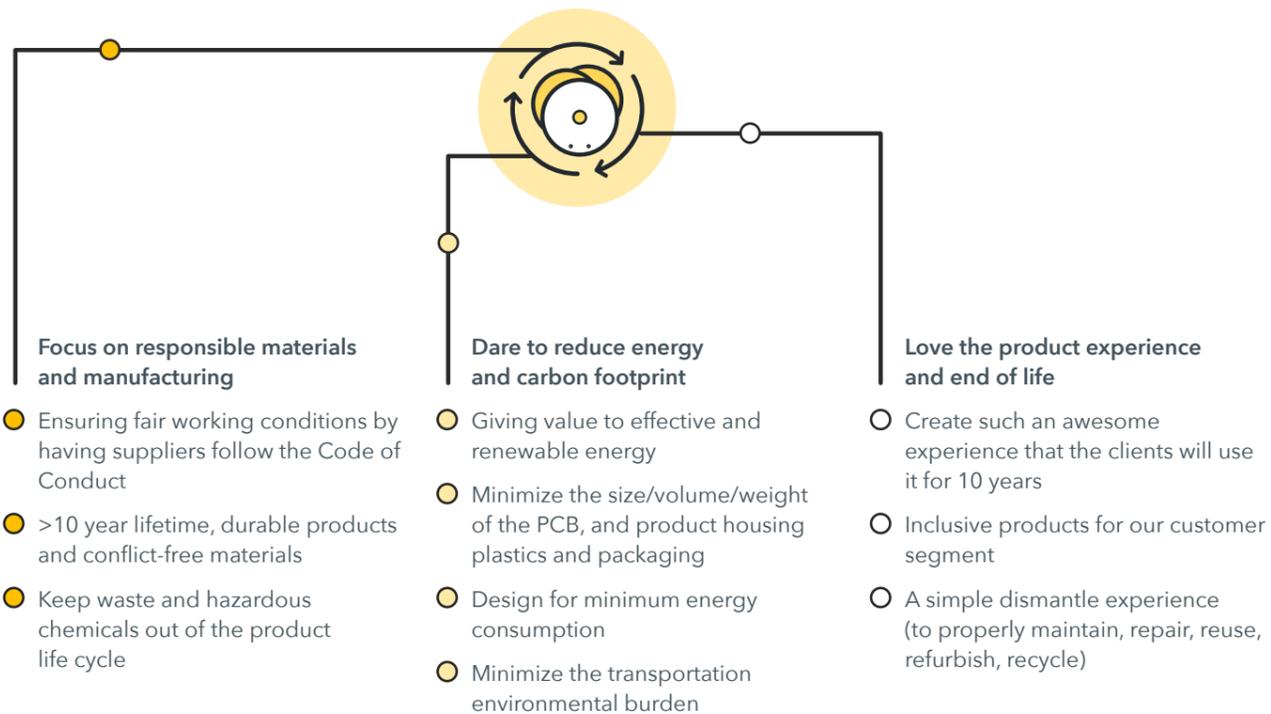
Airthings' circular principles are a key driver for the development of our new products. By guiding us toward the best decision from the beginning of the design phase, by focusing on responsible materials and manufacturing, daring to reduce energy and carbon footprint and loving the product experience and end of life.

Throughout 2021, we have been working on establishing the framework for product design. The Airthings Circular Principles are key tenets that we consider and discuss in starting a new product, to release to market, and throughout the product experience of the design phases of the products. This helps us to ensure that new and old products and/or services are assessed,

therefore providing the best overall value with the lowest environmental and social impact. The diagnosis sets measurable thresholds to find the points where we can improve the circularity of our products. This is a self-reflective process that fosters a conscious discussion about choices and tradeoffs. We have implemented these principles and are using them actively in all new product development.

This has led to establishing an internal circular index for our new product to evaluate them in each phase, having a quantitative analysis of where we have improved and where we need improvement.

In order to empower the world to breathe better we:



## Human Rights Diversity and Inclusion policy

We want to improve our daily activities by taking responsibility to respect and contribute positively to human rights, and a commitment to be a diverse and inclusive company. We believe a diverse and inclusive workforce and work environment are essential for a purpose-led business.

We understand our principles require constant feedback for improvement. This will help us to achieve our KPIs for zero harassment and human rights violations and our commitment to a diverse and inclusive company. Our approach to doing business responsibly and sustainably is reflected in our commitment to the United Nations' Sustainable Development Goals (SDGs), especially SDGs 3, 8, 11, 12, and 13.

Airthings' Human Rights, Diversity, and Inclusion policy apply to all Airthings employees and employees of subsidiaries and joint ventures where Airthings has a controlling interest. It should be seen in conjunction with the Airthings Personal Handbook. Therefore we are aiming for 100% of our employees to receive training on Airthings Human Rights, Diversity and Inclusion Policy by the end of 2022.



## Travel guidelines

As a fast-growing international company, we know the importance of connecting to people across the globe. But we also know this comes with environmental, social, and financial impacts as well. Our travel policy provides tools for our employees when they need to make decisions regarding business travel and gives tips on how to balance the carbon emissions, time, and cost associated with transportation. We are aiming to offset over 50% of the business travels from 2022.

## Procurement guideline

This guideline follows our circular principle to reduce our environmental footprint and our responsibility for ensuring fair materials and working conditions from our suppliers. It structures Airthings' purchasing processes so that the acquired products or services are the result of a transparent, objective, cost-effective decision, providing the best overall value with the lowest environmental and social impact, and following business ethical standards.

## Suppliers code of conduct

To mitigate indirect environmental and social risks, we established a Suppliers Code of Conduct in October 2021. We developed our first version based on the electronic industry standards, following the Responsible Business Alliance and the Responsible Mining Association standards as a guide. As stakeholder engagement is a priority in the way we work, we held workshops with our main manufacturers through participatory methodology to create this policy.

We expect our suppliers to share our commitment to the pursuit of fair working conditions, responsible sourcing and high-quality standards in manufacturing. Thus, we aim to have all our 1st tier manufacturers sign the code of conduct by 2022. Likewise, we plan to have 100% of all new suppliers sign this code of conduct and go through a monitoring assessment.

We aim that our main manufacturer will go through EcoVadis analysis and running assessment in order to improve their environmental performance.

### IT security

In Airthings, we see information security as a fundamental part of our business. To ensure a process of continuous improvement, we have an information security management system (ISMS) that is based on ISO 27001 and integrated into our overall risk management and corporate governance structure. By the end of 2022, we aim to be certified on ISO 27001.

A fundamental part of our ISMS is our policy for information security. The purpose of this policy is to outline a strategy and define the principles, objectives, roles and responsibilities for information security at Airthings. Moreover, the policy demonstrates the management team's commitment to information security.

Airthings' policy for information security applies to all information processing at Airthings, both internally and where Airthings is the responsible party externally. This includes all processing, storage, and communication of information (orally, on paper and digitally), as well as all use of information communication technology (ICT) tools. The policy for information security is valid both for how Airthings operates internally and for the products that we create and sell.

### Whistleblower policy

An important step we took towards better governance was the development of a whistleblower program, including a non-retaliation policy, that ensures anonymity for those reporting. We have developed a platform to receive complaints that will ensure confidentiality is maintained. The policy and platform is available to all employees, suppliers, customers, and other third parties. Since we started using our new program, we have not received any reports.

The "Assessment Team" is responsible for a professional and efficient follow-up of any reported cases violating the human rights and diversity policy for internal operations and vendors, manufacturers, and suppliers. The Assessment Team is a group of people within the company who follow standardized procedures and ensure full confidentiality for the whistleblower person and the reported cases. If any employee or stakeholder believes that someone is violating the Human Rights Policy or the law, they are asked to report it immediately to the Assessment Team through the whistleblower channel.



### Board statistics

The Board of Directors is equally balanced in terms of gender; it is composed of 4 women and 4 men. Employee representatives serve on the company's board of directors. In the board, 3 out of 8 members are independent. No nominally independent directors are affiliated with the company, controlling shareholder, the CEO or other insiders. Three are affiliated with Firda AS and there are 2 employee representatives. The company does not have a controlling shareholder. The company undergoes an external audit every year.

# Community engagement

Throughout the year, Airthings has launched numerous campaigns in support of global causes. Airthings donated \$1 from each Airthings Wave, Wave Plus, Wave Mini and Corentium Home radon and indoor air quality monitors sold on Airthings.com from September to December 31, 2021, with a minimum donation of \$25,000 to the American Lung Association's LUNG FORCE initiative to support lung cancer research. We also partnered with the American Lung Association to create the 'Indoor Air Quality in Schools Guide to help schools with a useful overview

of indoor air quality, share tools to improve air quality and offer guidance for navigating CARES/CRSSA funding to improve air quality in schools.

Since 2020, members of the Norwegian Asthma and Allergy Association have received education on Airthings air quality monitors and have access to Airthings monitors at a reduced price allowing for even more people to receive the insight they need to take effective and correct measures to improve the air that they breathe.



# Conclusion

Airthings is a purpose-driven company that cares about making a difference for our people, planet, and business. Without our employees' continued support of our sustainability efforts, we would not be able to accomplish what we have today. Without a doubt, this is a team effort. Our continued efforts will lead us to become a sustainable company. This report has presented a holistic overview of Airthings' second year of sustainability efforts to embed the SDGs and the UN Global Compact Principles into Airthings main strategy.

During 2021 we worked to understand and quantify our impact internally and externally and we continue to work to make Airthings a sustainable company. We worked on quantifying our emissions and understanding our products' environmental impact throughout its lifecycle. We have met all our goals intended for 2021 and are on track to achieve our bold Sustainability KPIs. As first-timers being ranked by Ecovadis with a

silver medal, we feel encouraged. This ranking supports that the work we have started in sustainability is heading in the right direction.

There's a fascinating road ahead of us and we are looking forward to continuing this journey and contributing our efforts to achieve the Sustainable Development Goals following the UN Global Compact Principles. The future will only be sustainable if we all act together towards a common goal.



**AIRTHINGS**

**Breathe better. Live better.**

