



# ESG Report

2021



## About the Report

The Qt Group is committed to Corporate Social Responsibility. For the 2021 report, we have increased the environmental reporting to twelve office locations from the previous three, included a description of our risk mitigation practices, and introduced several more personnel metrics. The report follows Sustainability Accounting Standards Board (SASB) Software and IT Services Standard, and CO<sub>2</sub> emission calculations are based on the GHG Protocol.



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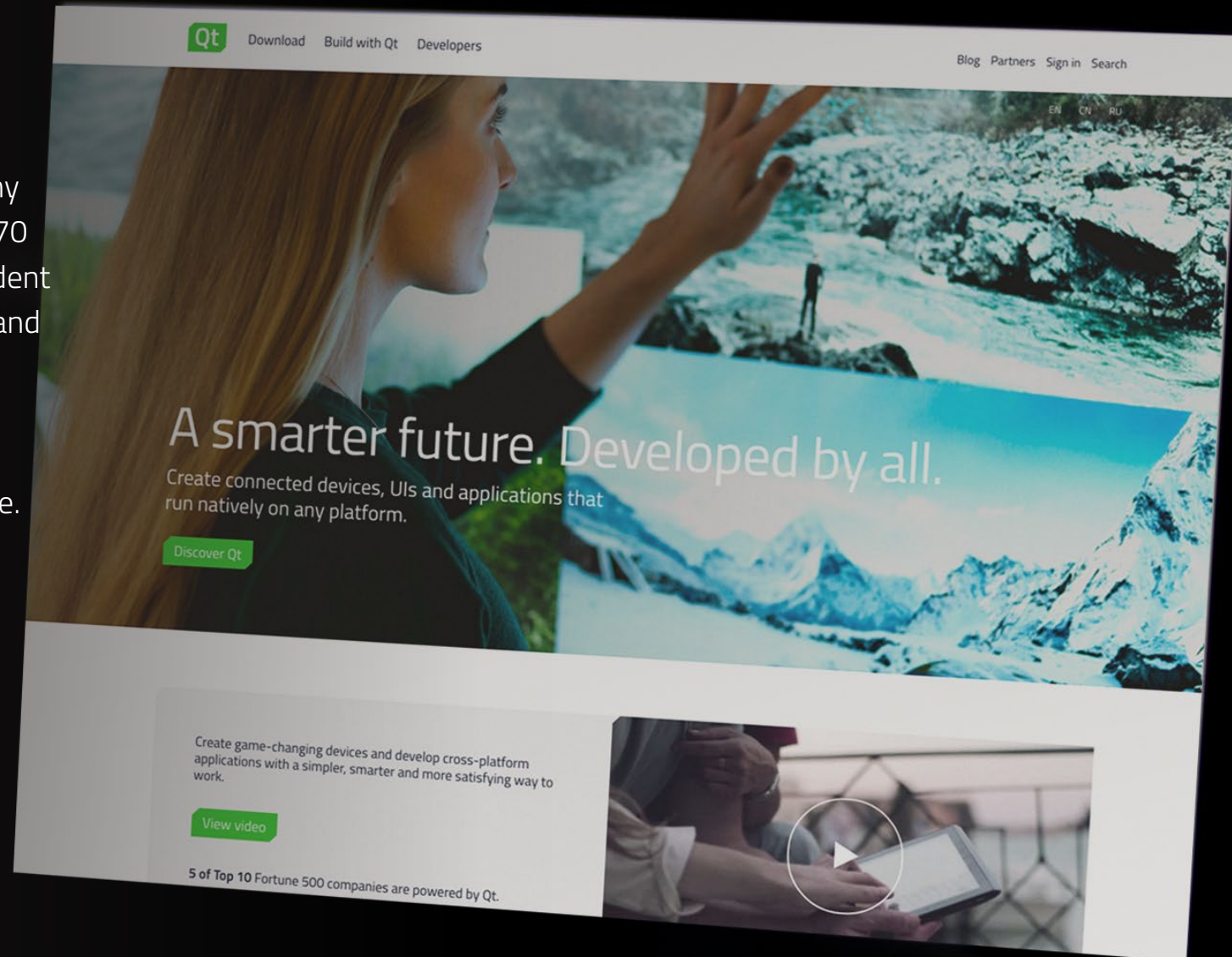
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## What We Do

Qt Group is a global software company with a strong presence in more than 70 industries and is the leading independent technology behind 1+ billion devices and applications.

Our net sales were EUR 121.1 million in 2021, and we employed 445 people. We have offices in Finland, Norway, Germany, France, the USA, China, Japan, South Korea, and India.



# Our business model

Qt is a software development platform for designing, developing, and testing. With Qt, companies are able to create industry-leading products with next-generation user experience. Qt's cross-platform software framework can be used to develop applications and devices under both commercial and open-source licenses.

More than 3,500 commercial customers use our solutions in over 70 different industries. Our mission is to increase the productivity of our customers' product development. Qt's streamlined workflows make the collaboration between software developers and designers faster and easier. With Qt, companies can design, develop, test, and deploy the software for their products. The same codebase can be used for any hardware, operating system, or bare metal. The customer brand's look and feel can be easily duplicated in any device, from large, high-end touch screens to a more straightforward, low-end screen with physical buttons. As a result, with Qt, companies are able to build products or applications with lower production costs and faster time-to-market. Furthermore, we also provide Quality Assurance tools for graphical user interface (GUI) testing and multi-platform code coverage analysis and profiling.

Qt Group's revenue consists of developer and distribution license sales, consulting, and maintenance revenue. We offer professional services to help customers benefit fully from the Qt software development platform. In addition, we have a separate Ventures business unit, which explores new business opportunities and M&A.

## Financial development

In 2021, Qt Group's net sales increased by 52 percent, reaching EUR 121 million. The operating profit was EUR 29 million, and the operating profit margin was 24 percent. Qt employed 496 people at the end of the year. Of total net sales in 2021, approximately 62% were from Europe and Asia-Pacific and 38% from North America.

### APPROACH TO TAX

Qt Group complies with relevant tax laws and practices in every country and jurisdiction it operates. We maintain policies and procedures to ensure the integrity of our tax filings and other obligations, and review our tax processes regularly. Qt Group's effective tax rate was 23% in 2021.

## Highlights 2021

NET SALES GROWTH

52%

OPERATING PROFIT

29

MEUR

PERSONNEL AT THE END OF THE YEAR

496

PEOPLE

OPERATING PROFIT MARGIN

24

PERCENT

# Customer success stories

For more customer use cases, visit <https://www.qt.io/why-qt>

## Clarius Mobile Health

### MEDICAL

Clarius Mobile Health brought handheld ultrasound scanners to the market faster with Qt.

[Read more »](#)

## Zühlke Engineering

### INDUSTRIAL

Qt was the best choice for Zühlke Engineering to enable the rapid development of low-noise digital laser control.

[Read more »](#)

## Tableau

### APPLIED

The responsive user interfaces in Tableau's data analysis platform utilize Qt's cross-platform framework.

[Read more »](#)

## LG

### CONSUMER ELECTRONICS

LG's innovative products, from flatscreen TVs to washing machines, are built with Qt.

[Read more »](#)

## Hyundai Motor Group

### AUTOMOTIVE

Qt is the key HMI technology partner for all Hyundai, Kia, and Genesis brand vehicles.

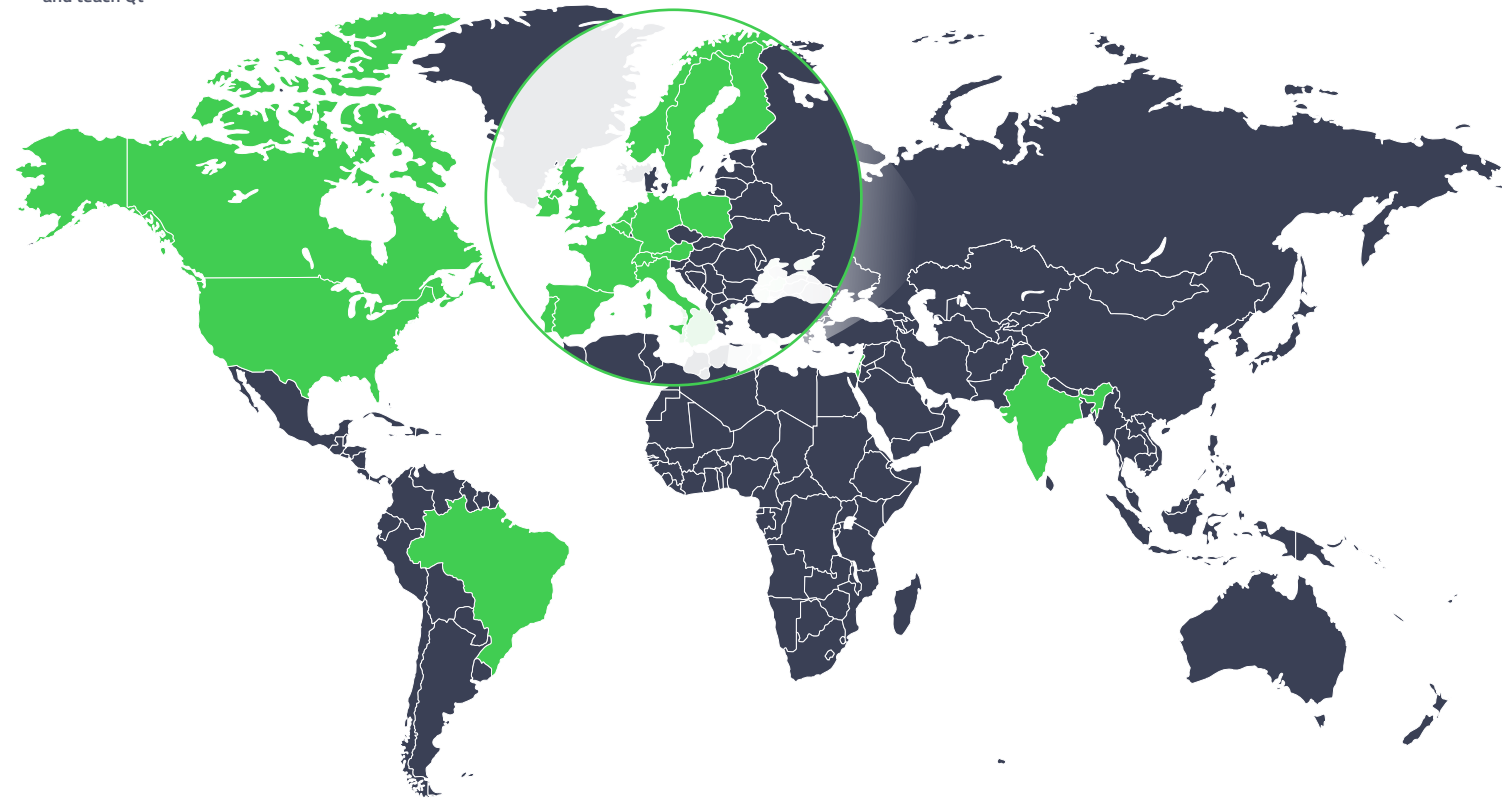
[Read more »](#)

# Qt Community and Qt for Educational Programs

The Qt Community consists of more than 1.5 million developers around the world. Part of the success of Qt is due to its strong community, which contributes to the quality of the framework by finding and fixing bugs and adding to the Qt codebase by sharing various features of their software development projects. Several free, non-commercial applications are using Qt's open-source licenses ranging from Krita, a professional painting program, to VLC, a cross-platform multimedia player.

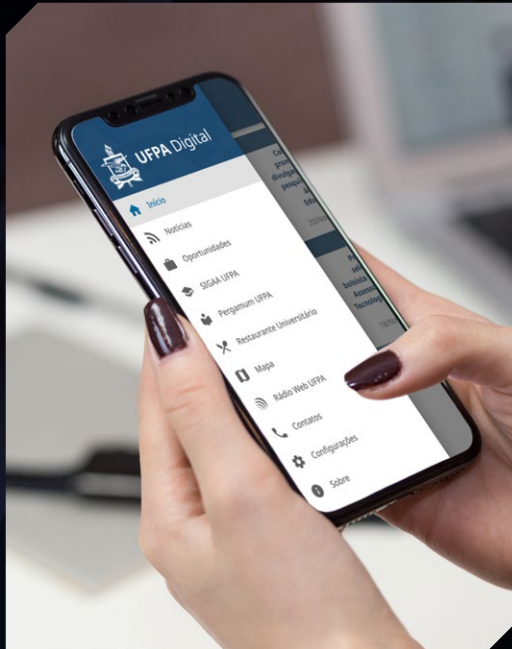
We also offer Qt Education licenses for educational institutions with non-commercial development projects – free of charge. With Qt, students can learn to program cross-platform backends and frontends for any platform, from IoT-connected microcontrollers to mobile applications.

Educational institutions around the world use and teach Qt



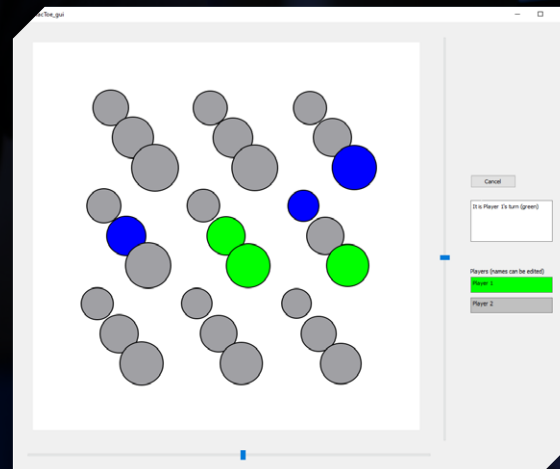


## Examples of Qt projects we are proud of

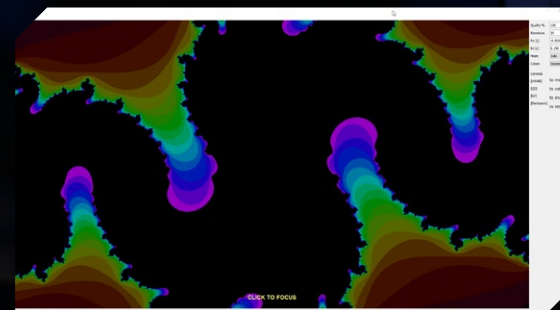


With Qt, a team of students and staff from the Federal University of Pará in Brazil has made a mobile app UFPA Digital to provide all necessary information for students, staff, and campus visitors.

Electrical engineering students learning how to build simple GUI with Qt



3D Tic Tac Toe



Julia set UI

In the Embedded Systems course at Nicolaus Copernicus University (Automation and Robotics, in an engineering study program), a student based their course work on building a fully operational thermoelectric module temperature controller with a graphical user interface (GUI). The final paper describes the use of Qt Creator and graphic libraries in building the touch panel and analyzes the underlying theory and architecture of thermoelectric system controllers.





# Corporate governance

Qt Group's corporate governance is based on the Finnish Companies Act, Securities Market Act, general recommendations on corporate governance, the company's Articles of Association, and in-company rules and regulations on corporate governance. Qt Group adheres to the Finnish Corporate Governance Code 2020 issued by the Securities Market Association.

Qt Group has its own Code of Conduct applicable to everyone in the company. Qt Code of Conduct covers topics from conducting our business with the highest moral, ethical, and legal standards; contributing toward a positive working environment; avoiding conflicts of interest; committing to transparency towards all relevant stakeholders, and finally, expecting everyone to act on concern or any violations of the Code. In addition, Qt Group has a Human Rights Policy and Anti-bribery and Corruption Policy.

## Reporting concerns

We encourage our employees to speak up when they have questions or concerns about practices or behavior that may not meet our ethical standards. Our employees can report any concerns they might have to their closest manager, General Counsel or Human Resources.

## Main operational risks and mitigation

Qt Group's risk management is a continuous process, by which the major risks are identified and assessed, the key persons in charge of risk management are appointed and risks are prioritized according to an assessment scale to compare the effects and mutual significance of risks. The Board of Directors reviews risks regularly. The Chief Financial Officer is responsible for the risk management's practical implementation together with the business divisions. Risks are also evaluated as part of Qt Group's Quality Management System, which is ISO 9001 certified.

Qt Group operates in the software industry and has limited exposure to risks or threats concerning physical assets. The company has identified its main operational risks as relating to:

- customers
- personnel (see p. 12)
- data security and privacy (see p. 14)
- finance

The company manages customer risk by actively developing its customer portfolio structure and avoiding any potential risk positions. Qt Group has no customers representing more than 10 percent of its net sales. Overall, Qt Group's customers operate in more than 70 different industries, so the potential impact of a disruption in a specific customer industry is minimal.

Personnel risks are managed through various HR processes, such as goal and development discussions and employee surveys. Qt Group uses feedback from employees to further improve personnel commitment. Read more on HR strategy on p. 12.

Data security and privacy risks are managed through the continuous development of working models, security practices, and processes. Read more in the section on Data security on p. 14. Risks typical to software business, especially to the international product business, relating to the appropriate protection of the company's own IPRs and violation of IPRs of third parties are managed through comprehensive internal policies, standard contracts, and appropriate follow-up and analysis.

Financial risks and short-term risks relating to changes in the market environment, such as the Covid-19 pandemic and supply chain issues in global trade, are disclosed in Qt Group's financial reports.

[Read more in Corporate Governance Statement 2021 »](#)

## Our People

People are the cornerstone of Qt's success. Maintaining our continued growth and position as a leading provider of technological solutions requires a people strategy focused on attracting, developing, and retaining exceptional talent.



## Qt Values

Our values guide our everyday work.



### INNOVATION

Our technology stems from innovation.

We enable our customers' innovative product development.

We think boldly and strive for continuous improvement.



### TRANSPARENCY

Our product development as well as our business model is based on transparency, trust and openness.

We are transparent in our objectives and communication.

Our effectiveness is based on sharing, caring and transparency in our way of working.



### COLLABORATION

Collaboration is at the center of everything we do.

We are strategic partners to our customers and help them create best-in-class solutions.

We enable collaboration in our communities.

We nurture learning, sharing and discovering together.

## Qt culture

At Qt Group, people work with a truly global team in an innovative environment and with world-leading customers. Our products are great, but our people make us exceptional.

### Policies and guidelines for fair employment and work environment

Qt Group honors internationally recognized human rights standards. Human rights are rights inherent to all human beings, regardless of race, gender, sexual preference, nationality, ethnicity, language, religion, or any other status. We are committed to acting according to the values declared within the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. Qt Group has a Code of Conduct, which sets ethical standards and guidelines for all employees. Employees are to familiarize themselves with the Code of Conduct as part of their onboarding process.

We offer employees equal opportunities for professional growth and career development, regardless of gender, age, ethnicity, disabilities, nationality, sexual orientation, or position within the company. We have zero tolerance for sexual, physical, or psychological violence and harassment, or any form of abuse, intimidation, and workplace bullying. We encourage employees to report any violation of the Code of Conduct, suspicion of crime or wrongdoing, or other misconduct to their manager, General Counsel, or any member of the HR team.

Qt Group is committed to being fair and competitive in employee compensation. We have a global sales compensation policy and a bonus program called One Qt for all other permanent employees, based on Qt Group business performance and team targets. We review our salaries annually based on global guidelines and salary benchmarks to ensure that our salaries continue to be fair, competitive, and attractive. In addition, Qt Group has a global recognition program for small rewards.

We strive to maintain a constructive employee dialogue and labor relations locally in all countries where we operate. Qt Group partners with local employee representatives to discuss and collaborate on the work environment. For example, in 2021, in Finland, the company has negotiated and signed its own The Qt Company-specific collective agreement for 2022-2023, and in Germany, Qt Group has a Works Council.

### Performance appraisal

Qt Group organizes performance evaluation meetings called Goal and Development Discussions, in which employees sit down with their managers to review the outcome of previous targets, agree on development topics and confirm new targets. Goal and Development Discussions are organized when nec-

essary, but at least twice per year. The targets and decisions of the discussions are documented in the HR system or according to local legislation. Goal and Development Discussions aim to provide positive and constructive feedback and to align the manager and employee on achievable goals for the next period.

### Employee wellbeing

Qt Group personnel's health and well-being are ensured through wide benefits programs and comprehensive occupational health care for all employees. As the employees are engaged in office work, the risk of work-related injuries, illnesses or fatalities is minimal. Office spaces have been equipped with electric tables and adjustable chairs to ensure better ergonomics. We ensure that our employees receive help also for mental health issues confidentially through occupational health care.



# Qt people in 2021

Our employees are spread over offices in nine countries in Europe, Asia and North America and we are proud of our global and diverse team. When hiring new talent, we look for candidates with diverse background and skillset. In 2021 our employees represented 43 different nationalities, of which Finnish, American, German, Chinese and Japanese were the five biggest. Qt employees are 18% women, and the average age is 40.2 years.

The company has more than doubled in size from 209 employees in 2016 to 445 in 2021. In line with its growth strategy, Qt Group had around 170 positions open for applications globally in 2021 and the total number of employees increased by 134. The employee contracts are 98% permanent and full-time. Qt Group may occasionally use third-party service providers, consultants or freelancers in different R&D or professional services projects, which is not reflected in the personnel figures. The average employment tenure is 4.7 years.

## Personnel highlights

**NATIONALITIES REPRESENTED**

43

IN 2021

**AVERAGE AGE OF EMPLOYEES**

40.2

YEARS

**PERMANENT & FULL-TIME CONTRACTS**

98

PERCENT

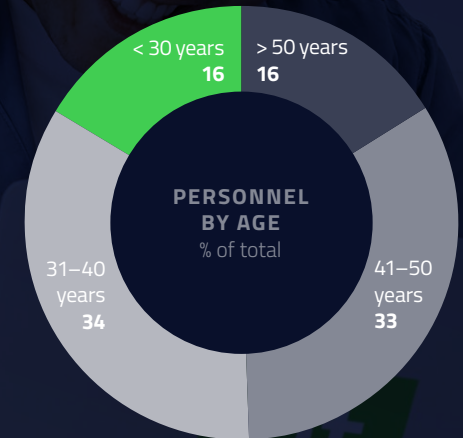
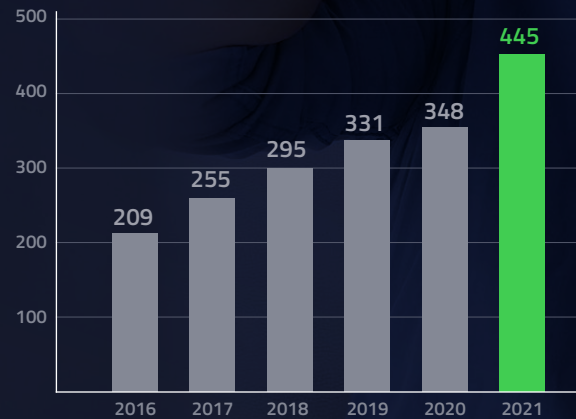
**AVERAGE EMPLOYMENT TENURE**

4.7

YEARS

### PERSONNEL

on average



## Data Security and Privacy

Qt Group recognizes various cyber and information security risks related to the software industry. We are committed to protecting our customers and our own information and assets. We constantly develop security processes and use the latest technology to mitigate all identified risks.



## Ensuring data security and service availability

With Qt, companies can design and build software-based products for any platform or device with fewer production costs and faster time-to-market. We offer subscription licenses to software development tools and testing hosted on-premise by the customers, which decreases our need for data centers. We provide the tools for customers to develop their products, and as such, the security risks related to our product portfolio are relatively small.

Qt Group has identified service availability issues in third-party software, infrastructure, and platform products as its primary business continuity risks. In addition, disruptions in third-party public cloud or co-location data center can cause service downtime to customers. Cyber-attacks, information phishing or other service threats are likely to increase along with business growth.

We follow the industry best practices regarding data security. Qt Group has identified certain software, infrastructure, and platform suppliers to be critical for its business continuity and service availability. The suppliers are chosen with care to ensure they have high data security standards. For example, our data center and public cloud providers are certified with ISO 27001 or equivalent. We complete third-party security data assessments at customer request.

Qt Group's information and data security operations are led by Chief Information Officer, who reports to the Chief Financial Officer and member of the Management Team. The company has established internal processes to react and deal with any risks, vulnerabilities or issues that arise in its product environment.

# Governing data security

In order to manage data security risks, Qt Group has implemented the following practices:



## TRAININGS

We organize mandatory GDPR, information security and data protection trainings for all new employees globally. The online trainings aim to improve personnel security awareness and increase knowledge of data protection and privacy laws. Qt Group reviews the training completion rate regularly.



## SECURITY MECHANISMS

We have implemented security-by-default mechanisms in our system architecture. All connections between systems, data controllers and processors are encrypted to protect data in transit.



## REGULAR MONITORING AND REVIEWS

We organize regular reviews and monitor scans to identify possible risks. Qt Group maintains a risk management list and business continuity plan to mitigate operational disruptions. The Board of Directors reviews the risk management list when necessary but at least annually. Qt Group conducts regular vulnerability scanning for relevant services and has implemented a quarterly security review.



# Data privacy

We take appropriate technical and organizational measures to ensure that our customers' data is protected, secured, and handled with care. Any personal information of the users of Qt Group products, services, or website is processed only in accordance with the applicable data protection legislation, including lawful purposes relating to recruitment, marketing, and license management. Customer data is stored for the duration of the use of the services provided by the company and as long as their account is valid. Qt Group does not sell personal information to third parties. Read more in Qt Group's general, Telemetry and Marketplace privacy policies at [qt.io](https://qt.io)

## Governing data and information privacy

General Counsel and Chief Information Officer are responsible for developing, implementing, and managing procedures for tracking and complying with privacy requirements and policies, and work with key stakeholders to implement the requirements. Qt Group complies with all relevant local and international legislation on privacy including GDPR (EU General Data Protection Regulation).

Qt Group organizes mandatory information security and data protection training, which focuses on each employee's understanding of their role in exercising best practices when it comes to privacy and cybersecurity. In addition, employees are to familiarize themselves with GDPR and the related principles, roles, responsibilities and processes that ensure Qt Group's compliance with the regulation.

During 2021, Qt Group was not involved in any data breaches as defined in GDPR article 33.

## Our Environmental Footprint

As Qt Group operates in the software industry, our main material environmental impacts relate to energy and water consumption at office locations, business travel and data centers. We are committed to improving our transparency regarding the environmental footprint of our business operations.



## Qt Offices

In 2021, Qt Group had a total of 17 offices across nine different countries. We were able to widen our data coverage to a total of 12 offices, from only three in the previous report, covering approximately 87% of personnel.

Office locations in the below table are organized from largest to smallest based on average employee headcount in 2021. Water consumption is calculated as a share of total consumption in the entire building based on leased office space, which means that the offices in buildings with restaurants or cafes typically have higher water consumption.

Espoo, Oslo and Oulu offices' electricity is produced with 100% renewable energy.

## Data centers

We only use data center providers with ambitious sustainability goals. Our own data center is co-located in Equinix premises, which have a thorough sustainability program and they report transparently on their energy consumption and GHG emissions. In addition, we are using a low-carbon cloud provider Amazon Web Services (AWS). AWS is committed to running its business in an environmentally friendly way and is on a path to powering its operations with 100% renewable energy by 2025.

## Qt Group office site emissions in 2021

Office	Energy consumption		Emissions ton CO <sub>2</sub>	Water m <sup>3</sup>
	Mwh			
Oulu	368		23	252
Berlin	131		6	579
Espoo	31		3	44
Oslo	205		1	242
Boston	122		28	400
Shanghai <sup>1</sup>	12		10	130
Tokyo	20		6	260
Seoul <sup>1</sup>	4		2	n/a
Santa Clara	68		14	1
Detroit	25		15	2
Beijing <sup>1</sup>	1		1	10
Shenzen <sup>1</sup>	0.1		0.1	1
<b>TOTAL</b>	<b>987</b>		<b>110</b>	<b>1,919</b>

<sup>1</sup>Data for heating energy consumption not available

### NOTES ON ENVIRONMENTAL REPORTING

Emissions are reported according to GHG protocol. Based on the GHG protocol guidelines, Qt Group has not identified any Scope 1 emissions and the majority of the emissions related to business activities are in Scope 2. There are activities such as business travel and employee commuting in Scope 3, which Qt Group is working on including in its emissions reporting in the future.

# SASB Index

Code	Accounting metric	Category	Unit of measurement	Response
<b>Environmental Footprint of Hardware Infrastructure</b>				
TC-SI-130a.1	(1) Total energy consumed (2) Percentage grid Electricity (3) Percentage renewable	Quantitative	N/A	Qt Group operates in a license model, in which customer downloads the software and hosts it on their own hardware. As a result, Qt Group uses has only limited environmental footprint from public cloud and co-location data center. Environmental footprint from office locations and further details about data centers on page 19.
TC-SI-130a.2	(1) Total water withdrawn (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	N/A	See above response for TC-SI-130a.1
TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs.	Discussion and analysis	N/A	See above response for TC-SI-130a.1
<b>Data Privacy &amp; Freedom of Expression</b>				
TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	Discussion and Analysis	N/A	See privacy policy here.
TC-SI-220a.2	Number of users whose information is used for secondary purposes	Quantitative	Number	0
TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Quantitative	Reporting currency	0
TC-SI-220a.4	(1) Number of law enforcement requests for user information 2) number of users whose information was requested (3) percentage resulting in disclosure	Quantitative	Number, Percentage (%)	0

SASB Index

Code	Accounting metric	Category	Unit of measurement	Response
<b>Data Security</b>				
TC-SI-230a.1	(1) Number of data breaches (2) percentage involving personally identifiable information (PII) (3) number of users affected	Quantitative	Number, Percentage (%)	1) 0 2) 0 3) 0
TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Discussion and Analysis	N/A	See: Ensuring Data Security and Service Continuity, and Governing Data security p. 14-17.
<b>Recruiting &amp; Managing a Global, Diverse &amp; Skilled Workforce</b>				
TC-SI-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	Quantitative	Percentage (%)	1) 22% of employees globally 2) Qt Group's personnel is located on average 28% in its domicile Finland, 58% in rest of Europe and APAC and 14% in North America.
TC-SI-330a.2	Employee engagement as a percentage	Quantitative	Percentage (%)	81%. Qt Group measures employee engagement annually through a third-party survey. Engagement is measured with a question "On a scale of 1-100, rate how satisfied you currently are with your workplace?" In 2021, responses were 81% positive and average response to the question on scale 1-100 was 78.
TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management (2) technical staff, and (3) all other employees	Quantitative	Percentage (%)	(1) US management: 25% female. 100% White or Caucasian; (2) US technical staff: 8% female. 12% Asian, 4% two or more races, 85% Caucasian; (3) US other employees: 34% female. 3% Asian, 3% Hispanic/Latino, 3% American Indian or Alaska native, 8% decline to respond, 5% Black or African American, 79% White or Caucasian. See page 13 for further disclosure regarding total personnel.



SASB Index

Code	Accounting metric	Category	Unit of measurement	Response
<b>Intellectual Property Protection &amp; Competitive Behavior</b>				
TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	Reporting currency	0
<b>Managing Systemic Risks from Technology Disruptions</b>				
TC-SI-550a.1	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	Quantitative	Number, Days	1) 0 2) 0 3) 0
TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	Discussion and Analysis	N/A	See: Ensuring Data Security and Service Continuity, and Governing Data security p. 14-17.
TC-SI-000.A	(1) Number of licenses or subscriptions (2) percentage cloud based	Quantitative	Number, Percentage (%)	1) Not disclosed 2) 0
TC-SI-000.B	1) Data processing capacity (2) percentage outsourced	Quantitative	Racks, Percentage (%)	1) 4 racks at co-location datacenter in addition to capacity from Public Cloud 2) Not disclosed
TC-SI-000.C	(1) Amount of data storage (2) percentage outsourced	Quantitative	Petabytes, Percentage (%)	1) 0.11 P 2) Approximately 50%



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