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ESG-REPORT

Environmental, Social & Governance Report

2024

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ESG at the heart of our company

In everything we do, we are mindful of our responsibility to ensure a diverse workforce and a positive work environment; to source responsibly through our supply chain; to reduce our impact on the planet and to engage compassionately with our communities.

生き甲斐 - 'IKIGAI'

is at the heart of our corporate Environmental, Social and Governance commitment to our social development goals.

Ikigai (pronounced ick-ee-guy) is a Japanese concept that means "a reason for being" and refers to having a meaningful direction or purpose in life, constituting the sense of one's life being made worthwhile.

We are committing 1% of our key resources – People, Product and Profit – to meet 6 of the 17 United Nations' sustainable development goals to help change our world. These goals have been nominated by the staff and executives from across Aferian companies, as being the ones that they felt most passionate about and wished to pledge their allegiance to.

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NO POVERTY www.un.org/sustainabledevelopment/poverty	**GOOD HEALTH AND WELLBEING** www.un.org/sustainabledevelopment/hunger	**QUALITY EDUCATION** www.un.org/sustainabledevelopment/education
GENDER EQUALITY www.un.org/sustainabledevelopment/gender-equality	**INDUSTRY INNOVATION** www.un.org/sustainabledevelopment/infrastructure-industrialisation	**RESPONSIBLE CONSUMPTION** www.un.org/sustainabledevelopment/sustainable-consumption-production

Our ESG directive is not a campaign. It is the foundation for an ongoing transformation of the mindset about our planet and the people who inhabit it. We know that ending global poverty and building economic growth to address a range of social needs, while at the same time tackling climate change and environmental protection, will be an enduring challenge: and we have been taking action.

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# Index

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Introduction

This report sets out the Environmental, Social and Governance ("ESG") policies and information of the Aferian plc Group ("Aferian", "the Company", or "the Group"). This includes Aferian's commitment to the United Nations Sustainable Development Goals ("SDGs") and disclosure of the Group's progress against certain key metrics. The Group has also reported using the Sustainable Accounting Standards Board's ("SASB") Software and IT Services and Hardware sustainability accounting standards where practicable.

The Group has adopted the QCA Corporate Governance Code ("the Code") as the benchmark for measuring our adherence to good governance principles. The Group has reported separately against the principles of the Corporate Governance Code. This report can be found in the policies section of the Group's ESG webpage at aferian.com/esg along with the Group's supplier code of conduct; modern slavery and human trafficking statement and the Group's ESG frequently asked questions document.

The Group has committed to working with the Science Based Targets Initiative using a streamlined target validation route exclusive to small and medium-sized enterprises (SMEs). https://sciencebasedtargets.org/faqs-for-smes to reduce scope 1 and scope 2 GHG emissions by 2030 and to measure and reduce its scope 3 emissions.

The Group's Executives were set ESG-related targets as part of their bonus arrangements for FY2023. These targets were met in full, including the removal of all non-recyclable packaging from the Group's supply chain.

Aferian's Vision

To define iconic video streaming experiences with the most versatile technologies for what's next in media delivery ... sustainably. [OBJ]

Aferian's Values

The Aferian values are core to the Group's culture and reflect the passion of our people:

We trust each other
We have the courage to pursue and share new ideas with colleagues. We experience teamwork through personal accountability and a shared vision of success.

We are driven by innovative thinking
With a continuous improvement mindset, we develop impactful solutions because we understand how to create value and take calculated risks.

We are invested in the success of our customers and partners
Based on establishing strong relationships, we address their unique needs to help ensure growth and market leadership.

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We value personal fulfilment
By building a diverse and inclusive community, we create an environment that celebrates individuality, purpose and creativity.

We strive to be financially and environmentally responsible
In everything we do, we focus on delivering value, while reducing our impact on the planet.

ESG Approach

Aferian's approach to ESG uses the wonderful Japanese concept of Ikigai meaning "a reason for being" and which refers to having a meaningful direction or purpose in life, constituting the sense of one's life being made worthwhile.

Using the concepts of Ikigai, we have developed our ESG framework as follows:

What everybody loves	Aferian's vision	To define iconic video streaming experiences with the most versatile technologies for what's next in media delivery … sustainably
What the world needs	UN SDGs relevant to Aferian	1. End poverty in all its forms everywhere 3. Ensure healthy lives and promote well-being for all at all ages 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 5. Achieve gender equality and empower all women and girls 9. Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation 12. Ensure sustainable consumption and production patterns
Beyond what you get paid	Aferian's ESG mission statement	In everything we do, we are mindful of our responsibility to ensure a diverse workforce and a positive work environment; to source responsibly through our supply chain; to reduce our impact on the planet and to engage compassionately with our communities.
Passion and what you are good at	Aferian's commitment of resources	1% of People, Product and Profit, including the passion of our people and our partners.

United Nations Sustainable Development Goals

In 2015, the United Nations created 17 SGDs along with 169 underlying targets which are designed to be a blueprint to achieve a better and more sustainable future for all. These SDGs and underlying targets are intended to be achieved by 2030. As part of our approach to ESG we have identified 6 SDGs which we believe are relevant to the Group's businesses and therefore to which we can contribute. We set these SDGs and underlying targets out below, along with the relevance to our business and our planned and actual contributions towards these goals.

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SDG 1: End poverty in all its forms everywhere

Target 1.4

By 2030, to ensure that everyone, in particular the poor and the vulnerable, has equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services - including microfinance.

Aferian's approach and contribution

We have a number of initiatives within the Group that are focussed on ending poverty in all its forms everywhere:

- As set out in SDG3, 100% of our Tier 1 suppliers are signed up to our supplier Code of Conduct.
- As set out in SDG4 we partner with organisations to promote access to IT skills and learning for all; and
- As set out in SDG9 we supply products and services to broadband operators in developing countries such as Moldova, Mongolia, Bolivia and Chile which help to build reliable infrastructure, which connects local audiences to sources of education and entertainment.

SDG 3: Ensure healthy lives and promote well-being for all at all ages

Target 3.9

By 2030, to substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.

Aferian's approach and contribution

To ensure that our Amino business's hardware products are sourced responsibly, the Group uses a supplier Code of Conduct. 100% of our Tier 1 hardware suppliers operate under our Code of Conduct, which aligns with the RBA Code of Conduct and the UN Global Compact.

SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Target 4.4

By 2030, to substantially increase the number of youth and adults who have relevant skills - including technical and vocational skills - for employment, decent jobs and entrepreneurship

Aferian's approach and contribution

Our intention is to partner with local organisations across the globe in countries where we operate, to increase the number of people who have access to IT skills.

Czechitas is an NGO in the Czech Republic, which is focused on IT education for children and women of all ages – particularly those returning to work following a break for childcare. Our team has supported mock interviews, provided office tours and participated in the opening and closing ceremonies with the Academy.

We encourage all our employees to foster a growth mindset of continual learning. We run the following formal processes to invest in and develop our employees, whatever stage of their career:

- Our #futureisbright graduate programme identifies and nurtures future talent across multiple departments, for our Company and the wider industry.
- We invest in our staff with an online learning platform called Cornerstone which allows staff 24-hour access to over 7000 courses on technical and soft skill topics. Following our employee engagement survey, we launched our career pathways where all employees have a personal

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development plan. This is now part of our development review process so that our people processes are approached in a holistic manner.

- We have an Aferian Job Architecture model to classify all roles in the business and link career paths and development plans to the model, so that our staff are recruited, developed and retained effectively.
- We run a formal half-yearly talent management review process which is linked to a fair and transparent job architecture structure across the business. We have recently upgraded and automated our process and is now available online as part of our Cornerstone platform.

SDG 5. Achieve gender equality and empower all women and girls

Target 5.5

Whenever and wherever possible, to promote and encourage women's full and effective participation in, and equal opportunities for, leadership at all levels of decision-making in political, economic and public life.

We are keenly aware of the need for both diversity and a balance between Executive and Non-Executive Directors on the Board. We are currently reviewing the composition of the Board and expect to improve the diversity of its membership in the coming year.

Aferian's approach and contribution

Our internal and external marketing activities support diversity and equality in all initiatives, globally. We do not publish any content, anywhere, which does not reflect our principles on gender and race diversity. This includes the tone and style of our communication and all images on our website, in our social media and PR activities and all sales and marketing collateral. When considering images, we plan for a wide range of images to be as inclusive as possible that also reflects our global customer footprint. We actively promote the voices of our female staff, executives and graduate trainees in the workplace, at every opportunity.

SDG 9. Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

Target 9.5

To enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries - in particular developing countries. Also, by 2030, to encourage innovation and substantially increase the number of research and development workers per 1 million people and boost public and private research and development spending.

Target 9.c

To significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries.

Aferian's approach and contribution

The Group develops and supplies low-cost products and services specifically to broadband operators in developing countries such as Moldova, Mongolia, Bolivia and Chile, which helps to build reliable infrastructure that connects local audiences to sources of education and entertainment.

We have a commitment to recruit based on 'ability to do the job', and this reflects the multicultural composition and diverse nationalities represented within our employee community. Investing in the right technology has enabled us to increase the global footprint of our employee group as we recruit

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and work with individuals from multiple global locations across Asia, Europe, North and South America.

SDG 12. Ensure sustainable consumption and production patterns

Target 12.5

By 2030, to substantially reduce waste generation through prevention, reduction, recycling and re-use.

Target 12.6

Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

Aferian's approach and contribution

Aferian's approach to sustainable consumption and production patterns is split across its customer products and solutions and its use of its own internal resources.

Customer products and solutions - Amino

Within the Group, it is the Amino businesses' products and solutions that have the largest potential impact when it comes to adopting sustainable practices. These include Amino's hardware and associated software which are used by customers to deliver Pay TV and content streaming services both within domestic and commercial enterprise environments.

To increase the sustainability of delivering these services, Amino has developed SaaS platforms which are significantly reducing the need for installers to visit a viewer's home or commercial premises. This 'self-install' software, together with our remote device management platform, allows customer support teams to control, upgrade and analyse the set-top-boxes, remotely. We estimate that the use of our 'self-install' software and remote device management platform reduces engineering visits by 50%.

Amino continues to use software to upcycle its own - and other manufacturers' - Pay TV devices. Upcycling extends the life of deployed set-top boxes by replacing the existing device firmware. This gives our customers the flexibility to update and enhance their Pay TV service, providing their viewers with a modern user experience, without having to replace any hardware.

Packaging is always kept to the absolute minimum to optimise container shipping, and where it is used, it is made from recycled material and is recyclable. We have removed plastic bags and use paper ties to wrap cables, and recycled paper bags for remote control units. New devices are being manufactured without logos to eliminate the need for plastic protective packaging used for shipping.

User-guides for devices and remote controls are now easily accessed online via QR codes to reduce the use of paper. Customers are provided with options to reduce the amount of packing materials used in the shipping process - such as bulk packaging. We also consult with customers to determine the number and size of cables required to be shipped with each streaming device to reduce the number of unwanted cables in consumer homes.

We achieved our target of shipping all streaming devices and accessories using recyclable packaging in 2022.

Customer products and solutions – 24i

Although 24i is undoubtedly in an earlier phase of its sustainability journey than Amino, the 24i team has been inspired by the efforts made at their sister company and is now working to emulate their progress.

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During the past year, 24i has begun a program of migrating all remaining on-premises customer deployments to shared cloud resources where it makes sense. In addition, dynamic scaling is now in place on key customer accounts to reduce unnecessary hardware duplication and the associated power demands.

At the same time, we have undertaken a detailed exercise to right-size our cloud infrastructure, scaling down where possible to reduce our compute demand. This has included making strategic choices on infrastructure, such as moving away from x86 architecture and towards ARM processors, to achieve a higher level of compute per watt of power consumed. Furthermore, we have eliminated server rooms and cabinets in all 24i offices which has significantly reduced our power consumption and carbon footprint.

Not only has this action collectively led to more effective use of hardware and a lower overall compute footprint, but it has also enabled us to reduce the amount of travel that is needed to undertake support tasks.

Use of internal resources

As a business we have laid out our commitment to work towards net-zero carbon targets across the group and we are mindful that as we travel (both internationally and domestically) this leaves a carbon footprint on the earth that we need to address.

Staff have been encouraged to limit business travel, where possible, and to consider train travel, including overnight trains across Europe, before booking flights whenever possible.

To support sustainable employee travel to the office, we continually review the location of offices to ensure there are good public transport options available. We are also working with, and lobbying, owners of the office buildings we lease to ensure they understand our focus on the need to reduce the energy consumption of our workplaces, as well as promoting renewable energy and recycling practises. ⒪ⒷⒿ

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Sustainability Disclosure Topics and Accounting Metrics

Recruiting and Managing a Global, Diverse & Skilled Workforce

SASB codes: TC-HW-230a.1, TC-SI-330a.1, TC-SI-330a.2, TC-SI-330a.3

Accounting Metric	Unit of Measure	Result
Percentage of employees that are 1. foreign nationals 2. located offshore	Percentage (%)	As of 30 June 2024, there were c140 employees, including contractors, in the Group made up of 21 different nationalities. Our offices are in 9 different countries in Europe, the US and Asia. 66cal (47%) of our staff are permanently home-based in 11 different countries and we have 29 contractors and on call workers (20%) in 10 different countries.
Employee engagement	Description	On an annual basis, we conduct an employee engagement survey to determine employee satisfaction levels. The surveys are conducted by a third-party partner and are anonymous which allows our people the opportunity to voice their opinions freely. The results of the latest survey conducted in July 2024 showed that there is a clear understanding of what is expected in employee's roles (8.2), and they are comfortable voicing their own opinions (8.2). Though the scores are not considered negative, through this survey we have identified a couple of areas where we need to improve: • Managers and employees having regular conversations about their development (6.6) • Trust in senior leaders to do what is right for the organisation (6.9) These results have been shared with the teams and action plans are being development.
Percentage of gender and racial/ethnic group representation for 1. management, 2. technical staff, and	Percentage (%)	Gender percentages as of 30th June 2023: Board: Male 100%, Female 0% Executive team: Male 83%, Female 17% Rest of group: Male 77%, Female 23% As of 30th June 2024, the gender percentages were; Board: Male 100%, Female 0% Executive team: Male 75%, Female 25% Rest of group: Male 74%, Female 26%

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SASB codes: TC-HW-230a.1, TC-SI-330a.1, TC-SI-330a.2, TC-SI-330a.3

Accounting Metric	Unit of Measure	Result
3. all other employees	Percentage (%)	Total: Male 74%: Female 26%: Racial/Ethnic group percentages: As of 30 June 2024, there were c140 employees, including contractors, in the Group made up of 21 different nationalities.
Employee learning and development	Description	Managers within the Group have been enrolled on the Aferian Leadership Programme designed to increase productivity, performance, and engagement across the business. As well as on-the-job training and development, the Group provides specific support for individuals with clearly defined training needs that will benefit the Group. Individuals also have personal development plans, linked to career paths, and learning & development initiatives. We also have a learning & development platform called Cornerstone which hosts over 7000 courses online available to staff 24/7 to address role skill needs and areas for personal development. The #futureisbright graduate programme launched in October 2020 to attract talent and provide opportunities to people graduating during the COVID-19 pandemic, is still ongoing. With the success of our first cohort who graduated in 2022, we recruited our second intake in September 2022. The graduates were recruited across multiple locations and in several departments and are currently completing their programme whereupon they will join the business in a full-time capacity. Our next intake is planned for 2025.
Employee wellbeing	Description	We care about our people; we know that when our people are healthy and well, they bring their best selves to work. Our global Employee Wellness and Engagement Programme is designed to inspire and engage our people to make achievable positive changes to their daily routines, with the goal of keeping them healthy, engaged, and thriving. The programme includes monthly activities focused on Physical, Mental, Financial, and Social Wellbeing, with local wellbeing champions established in each region to oversee implementation, as there in not one size fits all. Moreover, the Group offers a variety of resources to support employee wellbeing. Employees can choose to participate in these resources based on their individual preferences. Some of the available resources include:

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		1. Online training in Cornerstone (training platform which has over 400 courses on wellbeing) 2. Yoga (Mindfulness and Exercise) 3. Themed company events (Global Mental Health Day, team building activities and monthly staff health packs) In addition to supporting employee wellbeing, we believe in giving back to our local communities and society. We actively encourage our staff to contribute to charities and participate in school and university career fairs, providing them with opportunities to make a positive impact and give back to those around them.

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Product and Data Security

SASB codes: TC-HW-230a.1, TC-SI-230a.1, TC-SI-230a.2

Accounting Metric	Unit of Measure	Result
Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Description	The Group runs a Product and Data Security Committee (the "Committee"), reporting to the Aferian Plc Board of Directors, which is responsible for identifying and addressing data security risks across the Group. The Committee meets monthly.
		The Group uses the NIST and CIS frameworks as the basis for the Group's IT security readiness. Based on the outcome of reviews performed against these frameworks, the Group implements a continuous improvement process which is monitored by the Committee.
		This process applies to Group IT facilities, Software Development Processes and software embedded in the Group's products.
		IT security training is provided to all employees as part of the new employee induction process, and on an ongoing basis to embed IT security in the culture of the business.
		Particular emphasis is put on access control with administraion access strictly limited.
		The Group subscribes to a full suite of security products to ensure the continued safety of client and internal data. This suite includes network infrastructure, endpoint protection, email filtering, and end-user training. We have also invested in additional security monitoring from security experts to ensure that we have proactive remediation around the clock for any highlighted cyber incidents.
		The Group uses third party tooling, directly integrated into its development processes to record all 3rd party packages and opensource software used by the Group's products: this ensures that the latest versions with all security enhancements are used.
		A Responsible Disclosure Policy is published on 24i.com and amino.tv websites allowing independent security researchers to share any vulnerability found in any Group product in a responsible and professional manner.
1. Number of data breaches 2. Percentage involving personally identifiable information	Number. Percentage (%)	None.

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Device product lifecycle management

SASB codes: TC-HW-410a.1, TC-HW-410a.2, TC-HW-410a.3, TC-HW-410a.4

Accounting Metric	Unit of Measure	Result
Percentage of products by revenue that contain IEC 62474 declarable substances	Percentage (%)	All Amino devices contain IEC 62474 declarable substances.
Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	Percentage (%)	Not applicable. Our products are not in this category.
Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria	Percentage (%)	All our set top box devices sold globally comply with European Directive 2009/125/EC. We are also members of the Voluntary Industry Agreement to improve the energy consumption of Complex Set Top Boxes within the EU.
Weight of end-of-life products and e-waste recovered, percentage recycled	Metric tonnes, Percentage	During the last twelve months, the Group upcycled c2.5 metric tonnes of devices which extended the life of these devices by an estimated 5 years.

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Device supply chain management and materials sourcing

SASB Codes: TC-HW-430a.1, TC-HW-430a.2, TC-HW-440a.1

Accounting Metric	Unit of Measure	Result
Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	Percentage (%)	100% of our Tier 1 hardware suppliers operate under our Code of Conduct, which aligns with the RBA Code of Conduct and the UN Global Compact. In 2021 we launched a Tier 1 hardware supplier sustainability audit programme using RBA recognized auditors, to enhance and complement our existing facility audit programmes. All our supplier facilities have been audited to RBA VAP or equivalent within the last 24 months.
Tier 1 suppliers' 1. non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and 2. associated corrective action rate for:	Rate and description	Some instances of excessive overtime working have been reported. We are working with our suppliers to plan production further in advance to eliminate the requirement for weekend working.

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Device supply chain management and materials sourcing (Continued)

SASB Codes: TC-HW-430a.1, TC-HW-430a.2, TC-HW-440a.1

Accounting Metric	Unit of Measure	Result
Description of the management of risks associated with the use of critical materials	Description and analysis	Amino and its Tier 1 hardware suppliers do not directly utilise critical materials but rely on Tier 2 suppliers who do. To minimise the indirect risks from the use of critical materials, in sourced components we: • utilise multiple suppliers where possible • work at design stage and beyond to develop additional suppliers for unique or sole-source components • work at design stage to find components that are free of critical materials • maintain safety stock for components that may be subject to supply restrictions for any reason. We have conducted a desktop analysis regarding downstream suppliers beyond our Tier 1 hardware supply chain, who provide components used in our products. 43% by number, and 73% by component value are members of RBA or equivalent assessment programmes. We do not verify whether these downstream suppliers have been audited in the RBA Validated Audit Process or equivalent. We align with industry best practices to minimise the environmental and societal impacts associated with conflict minerals, and our Tier 1 suppliers disclose their supply chain information in line with the Responsible Minerals Initiative (RMI) protocols.

Environmental Footprint of Hardware Infrastructure

SASB Codes: TC-SI-130a.1, TC-SI-130a.2, TC-SI-130a.3

Accounting Metric	Unit of Measure	Result
1. Total energy consumed 2. Percentage grid electricity; and 3. Percentage renewable	Gigajoules (GJ), Percentage (%)	The total energy consumed by the Group's offices and servers directly within its control (i.e., Scope 1 Green House Gas emissions) are disclosed in Appendix 1 to this document. The Group uses third party cloud hosting providers such as Amazon Web Services and Microsoft Azure for the majority of its data centre needs.

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Environmental Footprint of Hardware Infrastructure (Continued)

SASB Codes: TC-SI-130a.1, TC-SI-130a.2, TC-SI-130a.3

Accounting Metric	Unit of Measure	Result
1. Total water withdrawn 2. Total water consumed; and 3. Percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic meters (m³), Percentage (%)	Not applicable.
Discussion of the integration of environmental considerations into strategic planning for data centre needs	Discussion and analysis	The Group uses third party cloud hosting providers such as Amazon Web Services and Microsoft Azure for the majority of its data centre needs. Consequently, the environmental considerations of its data centre needs are controlled by third parties. During the past year, 24i has begun a program of migrating all remaining on-premises customer deployments to shared cloud resources where it makes sense. In addition, dynamic scaling is now in place on key customer accounts to reduce unnecessary hardware duplication and the associated power demands. At the same time, we have undertaken a detailed exercise to right-size our cloud infrastructure, scaling down where possible to reduce our compute demand. This has included making strategic choices on infrastructure, such as moving away from x86 architecture and towards ARM processors, to achieve a higher level of compute per watt of power consumed. Furthermore, we have eliminated data rooms in all 24i offices which has significantly reduced our power consumption and carbon footprint. Not only has this action collectively led to more effective use of hardware and a lower overall compute footprint, but it has also enabled us to reduce the amount of travel that is needed to undertake support tasks.

Data Privacy & Freedom of Expression

SASB Codes: TC-SI-220a.1, TC-SI-220a.2, TC-SI-220a.3, TC-SI-220a.4, TC-SI-220a.5

Accounting Metric	Unit of Measure	Result

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Description of policies and practices relating to behavioural advertising and user privacy	Discussion and analysis	Not applicable.
Number of users whose information is used for secondary purposes	Number	None.
Total amount of monetary losses as a result of legal proceedings associated with user privacy	US Dollars	US$ nil.
1. Number of law enforcement requests for user information 2. Number of users whose information was requested; and 3. Percentage resulting in disclosure	Number, Percentage (%)	None.
List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Description	None.

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Intellectual Property Protection & Competitive Behaviour

SASB Code: TC-SI-520a.1

Accounting Metric	Unit of Measure	Result
Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations.	US Dollars	US$ nil.

Managing Systemic Risks from Technology Disruptions

SASB Codes: TC-SI-550a.1, TC-SI-550a.2

Accounting Metric	Unit of Measure	Result
Number of: 1. Performance issues and 2. Service disruptions; and 3. Total customer downtime	Percentage uptime	The Company monitors the percentage uptime of its device management SaaS platform. During the last twelve months the percentage uptime has been 99.9%. The Company uses a customer support ticketing system. After each ticket is resolved, the customer can complete a satisfaction indicator and optional comments on closure of each ticket. These results are monitored by senior management throughout the year and reviewed in more detail as part of the half yearly team meetings. Sales and product management teams obtain feedback from customers regarding current products, new product ideas and customer service. This is conducted through quarterly business reviews and/or regular interactions with customers, including face-to-face meetings and online surveys.
Description of business continuity risks related to disruptions of operations	Discussion and analysis	The principal risks and uncertainties along with mitigating actions and controls are set out in our Annual Report and have been replicated in Appendix 2 to this document.

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Appendix 1

Environmental matters

The Group is mindful of its role as a provider of electronics equipment and recognizes its specific duty to minimize environmental impact. This entails full compliance with a spectrum of national, regional, and international guidelines concerning safety, EMC emissions, and energy efficiency.

This commitment spans from packaging to the development of devices aimed at reducing power consumption in consumers' homes. All core product packaging is 100% recyclable, with the majority crafted from recycled materials, and has been designed to minimize waste and transportation costs. Redundant devices returned to the Group are recycled in accordance with WEEE regulations to ensure responsible and environmentally friendly disposal.

The Group has committed to working with the Science Based Targets Initiative using a streamlined target validation route exclusive to small and medium-sized enterprises (SMEs). https://sciencebasedtargets.org/faqs-for-smes to reduce scope 1 and scope 2 GHG emissions by 2030 and to measure and reduce its scope 3 emissions.

The following table details the Group's direct energy usage, GHG emissions and intensity ratio for the current and prior year. The UK is disclosed separately from the Rest of the World. Environmental matters in respect of our key suppliers, for example, transport fuel and emissions relating to the delivery of the Group's devices, are not disclosed here. However, the Group has regular quarterly business reviews with those key suppliers to understand how their own practices and policies will impact the environment and climate change.

	UK 2023	UK 2022	RoW 2023	RoW 2022	Total 2023	Total 2022
Energy use (kwh)						
Electricity	7,178	19,085	407,444	678,627	414,622	697,712
Gas	2,614	5,728	30,968	56,140	33,582	61,868
Transport fuel	-	-	-	-	-	-
GHG emissions (CO2e tonnes)						
Electricity	1.7	4.4	95.0	158.2	96.7	162.6
Gas	0.5	1.1	7.2	13.1	7.7	14.2
Transport	-	-	-	-	-	-
Intensity ratio						
Average number of employees	48	43	225	320	273	363
Total GHG emission per employee (Co2e kg)	45.8	130.1	453.3	532.0	499.1	662.1

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Total energy use and GHG emissions have decreased in the year as a result of office closures during the year. The Total GHG emission per employee has decreased as a result of the higher proportion of employees working remotely.

The methodology used for the UK includes TM46 Benchmarking to estimate energy consumption where actual figures are not available. For the RoW, data – where available – has been collected and reported. Where not available, a reasonable approximation has been used to estimate energy usage.

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Appendix 2

Principal risks and uncertainties

The Group conducts an annual risk review to identify risks that the Board deems significant to the development, performance, position, or future prospects of the Group. Aferian does not have a dedicated risk management or internal audit function, leading to the execution of the risk management review by the executive management team. Risks within the Group are classified into four categories: Strategic, Operational, Financial, and Compliance-related. The ensuing risks are regarded as material, and a summary of the associated mitigations is provided in the table below. The risks and mitigations are not presented in priority order.

Risks		Description and potential impact	Mitigation action/Control
Consumer viewing habits/industry disruption	In a world where more content is being produced than ever before, consumers are shifting viewing habits. If the Group fails to adapt and/or innovate and respond effectively to these rapidly changing consumer trends, the Group's solutions may become less competitive or obsolete.	The Group continually monitors the markets of its products and solutions. The Board undertakes a strategic review of the Group's go-to-market propositions twice per year in order to make investment decisions. The Group's business model and go-to-market strategy is set out on page 5 of the Annual Report.	
Cyber Security	A security breach of the Groups' IT systems or Denial of Service ("DoS") attack could significantly disrupt its operations, damage its reputation and potentially expose it to fines under legislation such as GDPR.	The Group has a Security Committee, responsible for the IT security of the Group which continually monitors IT security threats and reviews the Group's IT security policies and procedures.	
Reliance on a limited number of key suppliers	The Amino Device business is dependent on a limited number of key suppliers for key components such as Silicon and Memory.	The Group mitigates this risk by maintaining close relationships with key suppliers and diversifying product portfolios using multiple suppliers.	
Disruption to the global supply chain		The supply chain for the Group's products and services is global. It is therefore subject to disruption from political, social and economic forces as well as pandemics (for example, Covid-19) and natural disasters across multiple countries. This includes both disruption to the availability of components and distribution channels to deliver the Group's products. Climate change has the potential to cause disruption to the Group's supply chain as rising global temperatures result in an increasing incidence and severity of extreme weather conditions.	This risk is managed by the Group's Amino Device business using multiple hardware suppliers in the Southeast Asia region, particularly China, Hong Kong, Taiwan and Malaysia. In respect of the increased risk from challenges in the logistics industry to transport products, the Group maintains relationships with several major freight forwarders and is in constant dialogue with those suppliers and customers for transport arrangements. In 2022 the Group invested in additional inventory to de-risk the well-publicised, industry-wide hardware supply chain challenges.

		Some of the Group's key manufacturing and assembly suppliers are located in areas that are at risk from extreme weather conditions or natural disasters. Where possible, production is spread across multiple suppliers and sites to limit the impact this could have. In addition, the Group retains an insurance policy that provides some financial protection against any disruption at our supplier's premises.
International trade barriers	There is a risk that supply chains and sales are interrupted as cross border tariffs and/or sanctions are imposed by individual countries.	The Group has put in place contingency plans and monitors global events closely to be able to react quickly to political events that would have an adverse impact on its activities. The Group considered the impact of the UK leaving the EU and put mitigating controls in place that ensured the supply chain was not disrupted.
People	If the Group fails to recruit and retain individuals with the appropriate skills and experience its performance may suffer.	The Group undertakes an annual succession planning exercise to identify individuals that are key to retain as well as the training and development needs of its people. Annual reviews of performance and remuneration structure are undertaken to promote retention and reward superior performance.
Banking facility	The Group has a multicurrency working capital facility with Barclays Bank plc, HSBC plc, and Bank of Ireland secured on 23 December 2021, of which $10.6m was drawn on 30 November 2023 (2022: $7.5m). The banking facility requires the Group to adhere with various obligations including compliance with financial covenants. Failure to comply with a financial covenant will result in an Event of Default which may result in the facility being withdrawn with all amounts accrued becoming immediately due and payable which would impact the Group's cashflow. In April 2024, the term of the banking facility was extended to September 2025 and the leverage, interest cover and fixed charge cover ratio covenants were	The risk of failing to adhere with financial covenants is mitigated by additional actions including new sales pipeline conversion, management of cash and cost base, that could be taken over and above those already included in the covenant forecast to avoid or reduce the impact or occurrence of the underlying risks. The directors have prepared a base case and severe but plausible downside cashflow forecasts for the Group covering a period of at least 12 months from the date of approval of the financial statement However, if the Group fails to deliver their plausible downside cashflow forecast, the Group may be unable to operate within its multicurrency working capital facility limits as a result of non-

Aferian plc

	removed, and the available liquidity covenant was relaxed.	compliance with the financial covenants associated with its existing facilities potentially resulting in the facilities not being available.
Foreign exchange	The majority of the Group's revenues are denominated in US Dollars and Euros. The Group's cost base is primarily denominated in US Dollars, Euros and British Pounds. Consequently the Group's cash flows are exposed to fluctuations in currency rates. In addition, the Group also has a large proportion of its intangible assets denominated in Euros whilst the Group's reporting currency is US Dollars.	There are a number of natural cash flow hedges across the Group where revenues and costs are matched in the same currency, consequently the Group does not use hedging instruments to manage fluctuations in currencies. The exposures to exchange rates of the Group's current assets and liabilities and impact on the profit and loss account are set out in note 3.
Customer changing buying habits	Customer buying decisions may change depending on a number of factors including macro-economic factors and changes in strategy. This may have a material impact on Group revenues.	The Aferian product portfolio and strategy is diversified and focussed on growing predictable and recurring software and services revenues. In addition, the Group maintains close relationships with its customers and management reviews the sales pipeline and order book monthly.
Customer credit worthiness	The Group seeks to minimise its exposure to credit risk using credit insurance for material balances. Where credit insurance cannot be obtained the Group seeks letters of credit and up-front payments. In a limited number of customers where these are not available the Group may provide credit terms based on good trading history. However, this may expose the group to material credit risk if circumstances change.	Using credit insurance, the Group constantly monitors the credit worthiness of its customers and can set credit limits appropriately. Where credit insurance cannot be obtained the Group sets payment terms and credit limits, accordingly, asking for up-front payments on order and before delivery.
ESG strategy including the impact from climate change	In response to demand from multiple stakeholders the Group proactively addresses environmental, social and governance ("ESG") risks and has set out and reports on its ESG policy annually. However, the Group is exposed to reputational risk if these ESG objectives and targets are not met or do not meet the expectations of its stakeholders. Should the Group's policies not meet the needs of customers or prospective customers this could have a material negative impact on revenue.	The Group publishes its ESG policies and reports on progress against these annually. In addition, it has established ESG Steering Committee to ensure that these policies are implemented and reviewed in line with stakeholder requirements. Further details are provided on page 6 of the annual report.