

VONQ.

Environmental, Social & Governance Report 2022

VONQ Group BV



The 2022 Environmental, Social, and Governance (ESG) report for VONQ, a software-as-a-service company committed to sustainability and social responsibility, encompasses the following content:

1. **Environmental Impact:** Comprehensive information on VONQ's environmental initiatives, such as energy usage, waste management, and carbon emissions. Specific details about VONQ's efforts to reduce its carbon footprint.
2. **Social Impact:** Overview of VONQ's efforts to create a positive social impact through its professional and personal development investments, contributions to local communities, and commitment to diversity and inclusion.
3. **Governance:** VONQ's commitment to ethical business practices and corporate governance. The company's adherence to transparency and accountability standards and commitment to conducting its business ethically and responsibly.
4. **Risk Management:** VONQ's risk management process, including the steps taken to identify, assess, and mitigate risks. VONQ's risk management policies and procedures provide an overview of the business's potential risks.
5. **Opportunities for Improvements:** Overview of potential areas for improvement in which VONQ could reduce its environmental or social impact. Actionable recommendations that VONQ plans to implement to enhance its sustainability and social responsibility further.

March 2023

Dear stakeholders,

VONQ is committed to creating a sustainable and responsible business and providing stakeholders with a clear and transparent view of its sustainability and social responsibility efforts.

As VONQ continues to expand globally, we recognize the increasing importance of our responsibility to society, our employees, and our customers. Therefore, we strive for a better future through various initiatives and programs that internally and externally promote environmental, social, and governance (ESG) practices.

This report is VONQ's second Sustainability Report, covering the year 2022. This report details our efforts in our key focus areas and the policies and practices that support our ESG commitments.

In late 2022, we began using Greenly's carbon accounting platform, which provides the necessary tools and insights to monitor and reduce our carbon footprint. In addition, it enables us to meet our sustainability goals, enhance our brand reputation and comply with relevant regulations.

In 2021, we established an ESG committee comprising representatives from departments across the company. This committee creates an ESG framework with KPIs and sets annual objectives and activities.

The framework will serve as our baseline for measuring progress, determining what information goes into our sustainability reports, and aligning with the UN's Sustainable Development Goals (SDGs).

At VONQ, we remain committed to our ESG goals and will continue to work towards a sustainable future for all.

Arno Schäfer
CEO



1 Environmental impact

Greenhouse gas emissions report

As part of our commitment to transparency and accountability, we have analyzed our greenhouse gas (GHG) emissions for 2022. This analysis provides valuable insights into our emissions per employee, broken down by three scopes, and underscores our efforts to assess and manage our environmental impact.

Scope 1 emissions, direct emissions from sources owned or controlled by our company, totaled 64 tCO₂e (metric tons of carbon dioxide equivalent).

These emissions primarily result from our operational activities, such as the combustion of fossil fuels in company-owned vehicles and equipment. We are actively working to reduce our Scope 1 emissions by implementing energy-efficient technologies and exploring alternative, low-carbon energy sources.

Scope 2 emissions, which are indirect emissions from the generation of purchased electricity and heat consumed by our company, totaled 26 tCO₂e.

These emissions are associated with the electricity and heat we purchase from external sources to power our operations. We are actively working to reduce our Scope 2 emissions by increasing our use of renewable energy sources, such as solar and wind power, and by implementing energy conservation measures across our facilities.

Scope 3 emissions, which are indirect emissions in our value chain outside of our operational boundaries, totaled 2800 tCO₂e.

These emissions result from transporting goods, business travel, and using products sold by customers. We recognize the importance of addressing Scope 3 emissions as part of our commitment to sustainability. As a result, we are actively working with our suppliers, customers, and other stakeholders to identify and implement strategies to reduce these emissions.

Overall, our total GHG emissions for 2022 were 2.864 tCO₂e. We have made good progress in reducing our emissions through various initiatives. Our commitment is to continually improve our environmental performance by implementing sustainable practices, investing in renewable energy, optimizing our operations, and collaborating with stakeholders to address climate change's challenges collectively.

GHG emission assessment result

Scope 1 & 2	89 tCO ₂ e	0.6 t/employee
Scope 3	2.8 ktCO ₂ e	19 t/employee
Total	2.9 ktCO₂e	19 t/employee

These results provide valuable insights into the distribution of our emissions across different scopes and allow us to identify areas where we can further reduce our environmental impact. We recognize that addressing GHG emissions is a collective effort that requires ongoing collaboration among our employees, suppliers, customers, and other stakeholders.

Sector Benchmark Comparison

As a company operating in the platforms, software, and applications sector, we are dedicated to measuring and managing our environmental impact to drive sustainability performance.

In line with this commitment, we have compared our greenhouse gas (GHG) emissions per employee with the sector benchmark for 2022, which stands at 23 tCO₂e (metric tons of carbon dioxide equivalent) per employee.

We are pleased to report that our company's GHG emissions per employee are lower than the sector benchmark, with Scope 1 emissions at 0.6 tCO₂e, Scope 2 emissions at 19 tCO₂e, and Scope 3 at 19 tCO₂e. These results reflect our ongoing efforts to minimize emissions by investing in energy-efficient technologies, optimizing our operations, and promoting sustainable practices across our value chain.

We take pride in our environmental performance and are committed to continuous improvement. We recognize that addressing climate change and reducing our environmental impact is critical to ensuring a sustainable future for our planet and future generations. As a responsible company, we will continue to work towards further reducing our emissions and contributing to the transition towards a low-carbon economy.

Carbon off-set for our carbon emissions

In 2022, our company invested in three projects to offset 10% of our carbon emissions - equal to 300 T CO₂.

- The first project was Nepal High-Efficiency Cookstoves, which introduced improved cooking stoves to marginalized communities in Nepal.
- The second project was Pacajai REDD+ Forest Protection, which aimed to prevent deforestation and promote forest regeneration.
- The third project was Mount Sandy EcoAustralia Biodiversity Conservation, which aimed to protect Australia's regionally and culturally significant pocket of biodiversity-rich land in partnership with its Traditional Owners.

These projects align with several UN Sustainable Development Goals, including Good Health and Well-Being, Gender Equality, Affordable and Clean Energy, Decent Work and Economic Growth, Climate Action, and Life on Land.

Our carbon footprint target for 2030

Our company's reduction target on the total tCO_{2e} (metric tons of carbon dioxide equivalent) indicator aligns with the Paris Agreement 2.0, which aims to reduce greenhouse gas (GHG) emissions.

We aim to reduce -40% from the reference year (2022) to 2030+. This indicates our commitment to significantly reducing GHG emissions and contributing to global efforts to mitigate climate change.

We recognize the urgent need to address GHG emissions, prioritize monitoring, and reduce our total tCO_{2e} indicator as a critical performance metric in our sustainability and environmental initiatives.

2 Social impacts

At VONQ, we're dedicated to making a positive social impact through our professional and personal development investments. We believe that fostering a culture of sustainability and well-being among our employees can create a ripple effect extending to our communities and beyond.

As part of our commitment to social responsibility, we prioritize initiatives that support education, diversity and inclusion, and environmental sustainability. We aim to create a more equitable and sustainable future for all.

To amplify a holistic, practical, and lasting social impact, our focus is to take action in the following areas:

- Our People
- Employee benefits
- Professional and personal development of our employees
- Nominations and awards
- Donations & voluntary work

Our People

At VONQ, our people are at the heart of everything we do. We recognize that our success directly results from our employee's hard work, creativity, and dedication. As such, we strive to create a supportive, inclusive, and collaborative work environment that empowers our people to thrive personally and professionally.

Our team comprises individuals from diverse backgrounds and experiences, bringing unique perspectives and skills. We value and celebrate this diversity, recognizing that it drives innovation and enables us to serve our customers better.

Ultimately, investing in our people is vital to serving our customers a better company. Therefore, we commit to providing opportunities for growth, development, and advancement to all our employees.

In 2022, we took an important step towards fostering a more diverse and inclusive workplace by conducting a workshop on Diversity and Inclusion.

Fernanda Groenendijk led the workshop and provided valuable insights and practical tools to help us identify and overcome unconscious biases and promote a more inclusive culture. Through this initiative, we aim to create an environment where everyone feels valued and respected, regardless of their background, identity, or personal beliefs.

We are committed to continuing to work towards a more diverse and inclusive workplace, recognizing that this is not only the right thing to do but also a key driver of business success and long-term sustainability.

Employee retention rate

We are pleased to report that our employee retention rate has increased to 74% in 2022, compared to 64% in the previous year. This is a significant achievement, given that our headcount increased by 32% during the same period.

While our retention rate is slightly below the industry average of 80% for the software industry, as reported by LinkedIn, it is still within a reasonable range, especially considering the challenges posed by the COVID-19 pandemic.

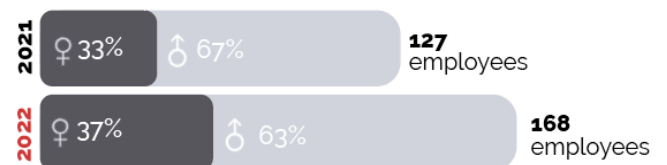
At VONQ, we are committed to continually improving our employee satisfaction, engagement, and retention. We plan to achieve this by focusing on key areas such as employee compensation, work-life balance, growth opportunities, and leadership quality. We firmly believe that our employees are our greatest asset, and their well-being and success are crucial to our long-term success as a company.

In addition, as we continue to grow as a company, we see positive progress in our workforce representation. We have 23 nationalities and will continue to take intentional and measurable steps forward to accelerate more excellent diverse representation in hiring and leadership ranks.

Gender Equality and Representation

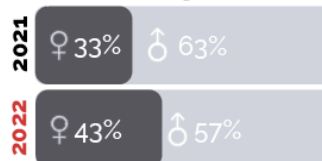
As of January 2022, our company had a total of 127 employees, with 67% male and 33% female representation. At the start of the year, we had 33% female representation in leadership roles.

Total



However, we are proud to report that by the end of December 2022, our company had grown significantly to a total of 168 employees, with 63% male and 37% female representation.

Leadership



Furthermore, we are pleased to report that by the end of 2022, we had increased the number of women in leadership roles to 43%.

At VONQ, we recognize the importance of promoting diversity and inclusion in the workplace and are committed to ensuring equal opportunities for all employees, regardless of gender or other characteristics.

We will continue implementing strategies to improve gender representation across all levels of our organization and foster a culture of inclusion and equity.

Gender Pay Gap

We also recognize the importance of promoting gender equality and reducing gender pay gaps in the workplace. In 2022, we conducted an analysis of our unadjusted gender pay gap, which calculates the difference between the average pay of men and women without taking into account factors such as job level, experience, and qualifications.

Our analysis revealed that the unadjusted gender pay gap at VONQ is 17%, based on the formula $((\text{average pay of men} - \text{average pay of women}) / \text{average pay of men}) \times 100$. The average pay of men at our company is 32,35, while women's average pay is 28,32.

At VONQ, we are committed to promoting gender equality and ensuring that all our employees are compensated fairly and equitably for their work. We will continue to review our pay policies and practices to identify any areas for improvement and take action to reduce the gender pay gap.

Employee benefits

At VONQ, we understand the importance of providing our employees with competitive and comprehensive benefits packages. We believe that supporting our employees' well-being and financial security can help them focus on their work better and contribute to our shared success.

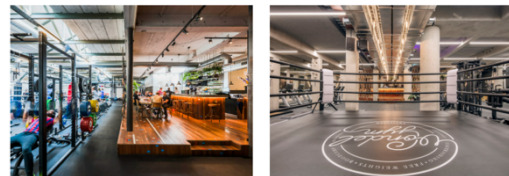
One of our key benefits is providing unlimited holidays. We want our employees to feel free to take the time off they need without worrying about counting the days. Employees can take time off to recharge and care for themselves if their performance meets our expectations.

We also recognize the importance of remote work, especially during the COVID-19 pandemic. At the end of December 2021, we began employing people remotely, allowing our employees to work from locations where VONQ has no entity. To ensure compliance with local laws and regulations, we have shifted non-core processes to vendors

who can help us accelerate this shift. This includes keeping us compliant with local tax laws, regardless of where an employee resides.

Mental health and well-being

In today's fast-paced world, stress can affect anyone. At VONQ, we prioritize the well-being of our employees and understand the importance of investing in their mental health. That's why we offer all of our employees a free subscription to Headspace, the world's leading meditation and mindfulness app. Scientific research has proven that just 30 days of using Headspace can reduce stress levels by a third. By providing our employees with access to this valuable resource, we aim to support their mental health and help them achieve a better work-life balance.



In addition, we have partnered with Vondelgym in the Netherlands to offer our employees discounted access to fitness facilities and wellness programs. Physical and mental health is crucial for our employees to perform at their best.

Professional and personal development of our employees

At VONQ, we believe that investing in our employees is key to our continued success. We are committed to providing a supportive and rewarding workplace culture that enables our team members to thrive both personally and professionally.

Performance Management Cycles

At VONQ, we are committed to creating a culture of continuous feedback and professional growth for our employees. To achieve this, we have re-developed our 'performance' management cycles, which now consist of four cycles per year.

These cycles give every employee the opportunity to set personal goals, reflect on their performance, request feedback from peers, and receive quarterly feedback from their superiors.

We aim to build the highest-performing teams by ensuring that employees are in roles they enjoy and that we attract talent in all areas of our business. We strive to establish an equal and rewarding employee pay system through transparent year-end evaluations and manager panel groups.

Leadership Development

At VONQ, we believe in the importance of leading by example. That's why one of our priorities was to offer several workshops to our core leadership team.

An important strategic goal for 2022 was to *'get the right people in the right place.'* Topics of the workshops were therefore focused on, for example, improving employee engagement and driving more transparent performance management processes.

With these workshops, we aim not only to build on improving the leader's core skills and capabilities but also to equip them with the tools they need (templates, guidelines, and instructions) to manage their teams with a common strategic understanding. Overall, we aim to empower our leaders to drive VONQ's growth and success for our organization and customers.

Engagement & satisfaction

At VONQ, we think that employee experience is crucial to achieving excellence at work. We understand that a happy employee is a motivated and productive employee, and this reflects in our interactions with customers and suppliers. To ensure our employees' satisfaction, we have implemented a new tool called 'Eletive.' This tool measures and increases our understanding of our employees' feelings by conducting short pulse surveys.

Eletive assesses the organization's atmosphere and advises employees and managers on

improving their engagement levels. By using Eletive, we aim to create a workplace culture that is supportive, engaging, and fulfilling for all our employees.

Traineeship for graduates

In 2022, VONQ provided numerous opportunities for young graduates through internship positions and traineeships. Our program welcomed interns from diverse backgrounds, including Greece and Indonesia. Furthermore, we offered three young graduates a traineeship, and they have since found their best fit within the company and continued their careers with us.

We are committed to providing valuable experiences and opportunities for growth to the next generation of professionals.

Sustainable Workplace

We believe that fostering a sense of community among our employees is crucial to building a sustainable and inclusive workplace. As part of this effort, we organized lunch and well-being workshops and regular lunches provided by a local farmer. These initiatives aimed to bring our teams together, promote conversations about sustainability, and encourage the growth of our business in a socially responsible manner.

In addition to promoting well-being and sustainability, we also supported our team with healthy food and zero-waste products, creating a healthy working environment. We believe that providing access to healthy food options and promoting sustainable practices can contribute to our employees' overall well-being and productivity.

Nominations/awards

At VONQ, we are driven by a mission to make the job market more efficient and effective so that employers and job seekers can connect quickly and easily. Our innovative job marketing technologies enable us to provide fast, affordable, and high-quality services to our customers, helping them to reach and convert the best applicants online.

Fosway: Strategic Leader

We are proud to have been recognized by Fosway, Europe's #1 HR industry analyst, as a Core Leader for Specialist Recruitment Marketing. This recognition is a testament to the positive impact that VONQ is making in the job market and our commitment to providing the best possible service to our customers.

Through our leading automated multi-posting and Programmatic Job Marketing technologies, our customers gain a complete understanding of their best online sources and their applicant journeys. This gives them a vital advantage in reaching and converting the best candidates without the tedious effort, cost, or complexity of researching and managing multiple vendors individually.

At VONQ, we are passionate about driving positive change in the job market. We are committed to innovating and improving our services to help employers and job seekers connect more effectively.

Great Place to Work®

In late 2022, VONQ took part in a survey to earn the prestigious Great Place to Work® certification.

We're proud to announce that our offices in Düsseldorf, Groningen, and Rotterdam have achieved this distinction, reflecting our colleagues' hard work and dedication. VONQ likes to express its gratitude to every employee who contributed to this achievement and reaffirm our commitment to fostering a positive and engaging workplace culture.



With this recognition, we are motivated to continue striving for excellence in all aspects of our operations.

Donations & voluntary work

We were proud to support a charity during Christmas by collecting gifts with our colleagues in Rotterdam for the children of

the food bank. This initiative aimed to spread holiday cheer and bring joy to those in need, particularly children whose parents may be unable to afford gifts during the holiday season.



We also took action to contribute to a greener environment and give back to society by organizing clean-up days in the cities of Rotterdam and Düsseldorf. Our employees actively participated in these initiatives, helping to clean up public spaces and promote environmental sustainability in our local communities.

We are proud to share that our German team at VONQ has made a meaningful contribution to the Tierschutzverein Düsseldorf e.V., a local animal shelter, by donating goods and money. The team's effort aimed to support the well-being of the animals by providing them with food and toys while also recognizing the tireless work of the shelter's volunteers by donating sweets and cookies. We encourage everyone to reflect on their relationship with animals, whether through owning pets or working in an animal-friendly environment.



As we continue our commitment to social responsibility, we are proud of the impact we made in 2022 through these initiatives. We remain dedicated to creating a positive social impact in our communities, fostering a culture of sustainability and well-being, and driving meaningful change for our employees and the wider society.

3 Governance

At VONQ, we are committed to creating and maintaining an inclusive work environment that values diversity, dignity, and respect for all employees. Our anti-discrimination and harassment policies and practices are in place to ensure that everyone feels welcome and safe, free from any kind of discrimination, harassment, or intimidation.

Labor and Human Rights

We have established policies that align with international labor standards, such as non-discriminatory treatment, anti-harassment, workplace health and safety, anti-slavery and human trafficking, no child labor, freedom of association, and minimum wages. Respect for human rights is essential to our core values, how we run our business, and how we interact with our internal and external community.

Equality and Diversity Policy

Our Equality and Diversity Policy encourages equality and diversity among our workforce and eliminates unlawful discrimination. We are committed to treating all employees fairly and providing equal opportunities for career advancement.

VONQ also maintains an Employee Background Screening Policy as part of our hiring process. Background checks help us gain insight into candidate backgrounds, verify candidates and ensure that we hire reliable employees.

We recognize the importance of protecting the planet and have implemented an Environmental Policy with measures that our employees can take to reduce the environmental impact of our corporate activities. We share a responsibility to protect the planet and reduce our carbon footprint.

Code of Conduct

Our Code of Conduct has been adopted to encourage ethical conduct and promote compliance with applicable laws, rules, and regulations. We expect our employees to conduct

themselves honestly and honestly, avoiding any actual or apparent conflicts of interest and protecting confidential information.

Prompt internal reporting of any violations of law or the Code of Conduct is expected to protect the Company's legitimate business interests, including its assets and corporate opportunities.

Information security

At VONQ, we prioritize protecting confidential customer information and data. To ensure this, we utilize the ISO 27001 Information Security ("InfoSec") framework to identify and maintain the assets, technologies, and processes needed for safeguarding sensitive data and services. Additionally, we have an ESG governance board to promote best practices in policies and standards and facilitate transparent decision-making processes.

To achieve our security goals, we align our InfoSec policies and procedures with the global industry standard ISO 27001 and maintain a robust governance board to address issues of ESG and organization. The Board reviews the internal policies of the company on an annual basis and is updated on issues involving data security, ESG, and InfoSec at every meeting.

Our ISMS Governance Council, chaired by the Information Security Management Leader, supports information security and ESG initiatives and drives the future vision of information security. The Information Security Management Leader, who is the designated Information Security Officer (ISO), has the authority to drive information security at VONQ at the functional and operational levels and coordinates the ISMS activities across the organization.

We understand the risks and concerns related to security and privacy and maintain GDPR compliance by implementing solid measures to prevent unauthorized access or disclosure, including signing Data Protection Agreements with customers and partners, appointing Data Protection Officers, and documenting and updating our Technical and Organizational Measures.

We recognize that IT security is an ongoing process, and we will continue to test and improve upon our Security Plan to maintain our ISO 27001 standards.

4 Risk Management

VONQ's risk assessment process applies to all business processes, information, information systems, networks, devices, and information processing facilities owned or used by VONQ applicants, employees, contractors, consultants, vendors, partners, and other users affiliated with VONQ or others using or accessing VONQ networks and/or information systems.

VONQ has developed processes to identify and analyze the strategic and operational risks it faces using this risk management policy based on best practices. Our DevOps Engineer reviews the risk management strategy and policy regularly, ensuring its application to relevant areas and annual review of its operational application. Any non-compliance is reported to appropriate company officers and authorities.

We evaluate security risks at various stages of the software design and development lifecycle, as needed. Identified risks are assessed for their likelihood and impact and then ranked accordingly. Risks are prioritized and mapped using our risk management policy, and we employ different risk response strategies depending on their severity, including mitigation, acceptance, transfer, or elimination.

VONQ maintains a Risk Register and Treatment Plan, ranking risks by likelihood and severity/impact as critical, high, medium, low, or negligible. We respond to risks in a prioritized fashion, considering cost, work effort, and availability of resources. Periodic reports are made to senior leadership to ensure risks are being mitigated appropriately and in accordance with business priorities and objectives.

Our CEO is accountable for the acceptance and/or treatment of critical or high business risks to the

organization. The VP of Engineering and VP of Product can approve the avoidance, remediation, transference, or acceptance of any risk cited in the Risk Register. The DevOps Engineer is responsible for adherence to this policy.

VONQ reserves the right to modify, amend, or terminate this policy at any time. Requests for an exception to this policy must be submitted to the VP of Engineering or VP of Product for approval. Any known violations of this policy should be reported to the VP of Engineering or VP of Product, and wilful or intentional violations can result in disciplinary action in accordance with company procedures up to and including termination of employment.

5 Opportunities for Improvement

Overview of potential areas for improvement in which VONQ could reduce its environmental or social impact. Actionable recommendations that VONQ plans to implement to enhance its sustainability and social responsibility further.

Environmental Sustainability

Our carbon footprint reduction activities for 2023

Our planned activities in 2023 demonstrate a commitment to sustainability and environmental responsibility across various aspects of the organization's operations, including waste management, travel and commuting, service purchasing, digital practices, asset management, food and beverage choices, energy conservation, and event planning.

Waste

- Implementation of an easy-to-understand waste sorting system.
- Training of teams to identify and purchase equipment to minimize waste generation.

Travel & Commute

- Promote sustainable transportation by encouraging VONQs employees to use public transport, carpooling, cycling, or walking to work, which can help reduce the company's carbon footprint.

- Replacement of some business travel with video conferencing to reduce carbon emissions.
- Shift from air travel to rail travel wherever feasible.
- Launching a training questionnaire to educate employees on sustainable travel practices.
- Detailed expense reporting to track and minimize travel-related costs.
- Encouragement of carpooling among employees to reduce individual commuting impact.

Service Purchase

- Implementation of eco-conditions in the purchasing policy to prioritize environmentally-friendly products and services.
- Deployment of a supplier engagement questionnaire to assess and engage suppliers on sustainability practices.
- Consideration of environmental aspects in the contract granting process to ensure sustainability commitments from vendors.

Digital related

- Limitation of use and distribution of videos to reduce digital carbon footprint.
- Recycling end-of-life computer equipment to minimize electronic waste.
- Reduction of mobile data connection usage as it has a higher environmental impact compared to WiFi.
- Employee awareness and training on the environmental impact of IT.
- Removal of unnecessary software from computers and limiting updates to minimize energy consumption.
- Limitation of data storage and regular sorting to manage digital footprint.

Assets

- Inclusion of more vegetation in the office environment for enhanced sustainability.
- Measures to extend the life of laptops and smartphones through repair and refurbishment.
- Employee awareness and training on eco-gestures to promote responsible asset management.

Food and Drinks

- Switching from animal to vegetable milk in purchasing decisions to reduce carbon emissions.
- Launching training questionnaires to educate employees on sustainable food and beverage choices.

Energy

- Encouragement of turning off equipment such as WiFi, printers, screens, and lights at night and on weekends to conserve energy.

Activities and Events:

- Increase the proportion of vegetarian meals for events to reduce the carbon footprint associated with food production.

Social Responsibility

Diversity and Inclusion

VONQ continues creating a diverse and inclusive workplace by promoting equal opportunities for all, supporting employee resource groups, and fostering a culture of respect and inclusivity.

Employee Well-being

VONQ continues prioritizing employee well-being by promoting work-life balance, offering flexible work arrangements, and providing mental health support services.

Community Involvement

VONQ continues and further strengthens its commitment to social responsibility by engaging in community service, supporting local charities and initiatives, and promoting employee volunteerism.

By implementing these recommendations, VONQ can reduce its environmental and social impact, enhance its sustainability and social responsibility, and demonstrate its commitment to creating a better world for all.