thing-it.

SUSTAINABILITY
REPORT 2022

CONTENTS

1 OUR ACHIEVEMENTS
   FOR THE PLANET

we improved our
carbon efficiency
by 14%
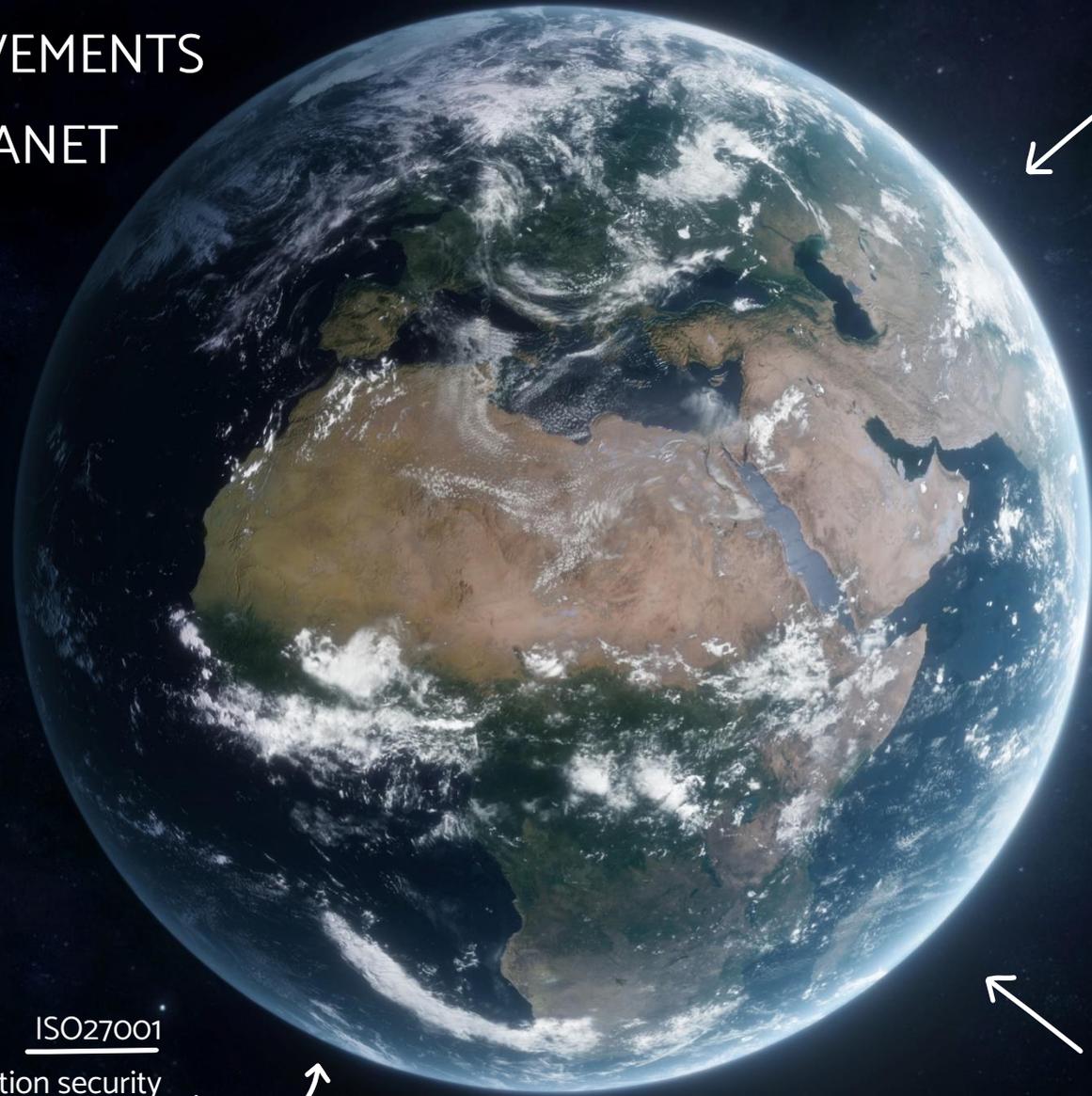
we offset 100%
of our
carbon emissions

our employees
participated in a
21-day mindfulness
challenge

4 of 5 days per week
our employees
worked from home
saving commuting and
building emissions

one employee
entirely dedicated to
sustainability management

ISO27001
information security
certified

2 INTRODUCTION

2.1 Our commitment

Thing-it was founded with the purpose of developing innovative technologies that improve the sustainability of buildings and enhance people's lives in buildings. We place sustainability and people at the center of our business.

Therefore, we are proud to present to you our first Sustainability Report, an integral part of our sustainability efforts. It aims to increase transparency around our sustainability impacts and track the improvements in this area. In the upcoming years, we plan to publish a yearly Sustainability Report and extend our reporting.

Since our business is continuously growing, both our responsibility and our possibilities are increasing. A growing team of employees means more complexity when it comes to social sustainability. At the same time, we will have the chance to implement greater sustainability projects within our company. A growing business means higher absolute

environmental impacts but also the chance to improve our relative carbon effiency and reach more customers with our mission to make their offices more sustainable. Thus, we are excited for the years to come and to grow a bit greener one step at a time.

Back in 2021 we decided to open a part-time position solely dedicated to sustainability

management, enabling us to analyze our sustainability performance and take action. This decision shows our high commitment to conscious growth already at a very early stage of our young company. The sustainability manager plays a crucial role in Thing-it's sustainable development and has become an indispensable part of our team.

2.2 Materiality analysis

In order to define priorities within the wide range of sustainability topics and create a sustainability strategy, we did a materiality analysis. All topics that are less applicable to our business are positioned rather left on the scale while topics we consider more applicable are on the right. Topics that might be more important to our stakeholders such as customers and the society, are allocated higher in the diagram. Since we don't have a large supply chain, topics like sustainable supply chain, water, circularity and human rights are less applicable. Moreover, Thing-it does not invest heavily in marketing but rather sales relationships. However, when it comes to our employees and customers, as well as offering a sustainable product and reducing our own emissions, we are very engaged. Governance topics such as data protection, information security, investor relations and transparency are essential for the success of our business. The definition of our material sustainability topics help us focus on what is most important

while keeping an overview of topics that might become more relevant in the future. Our efforts increase with increasing applicability to

our business and importance of the topic to our stakeholders.
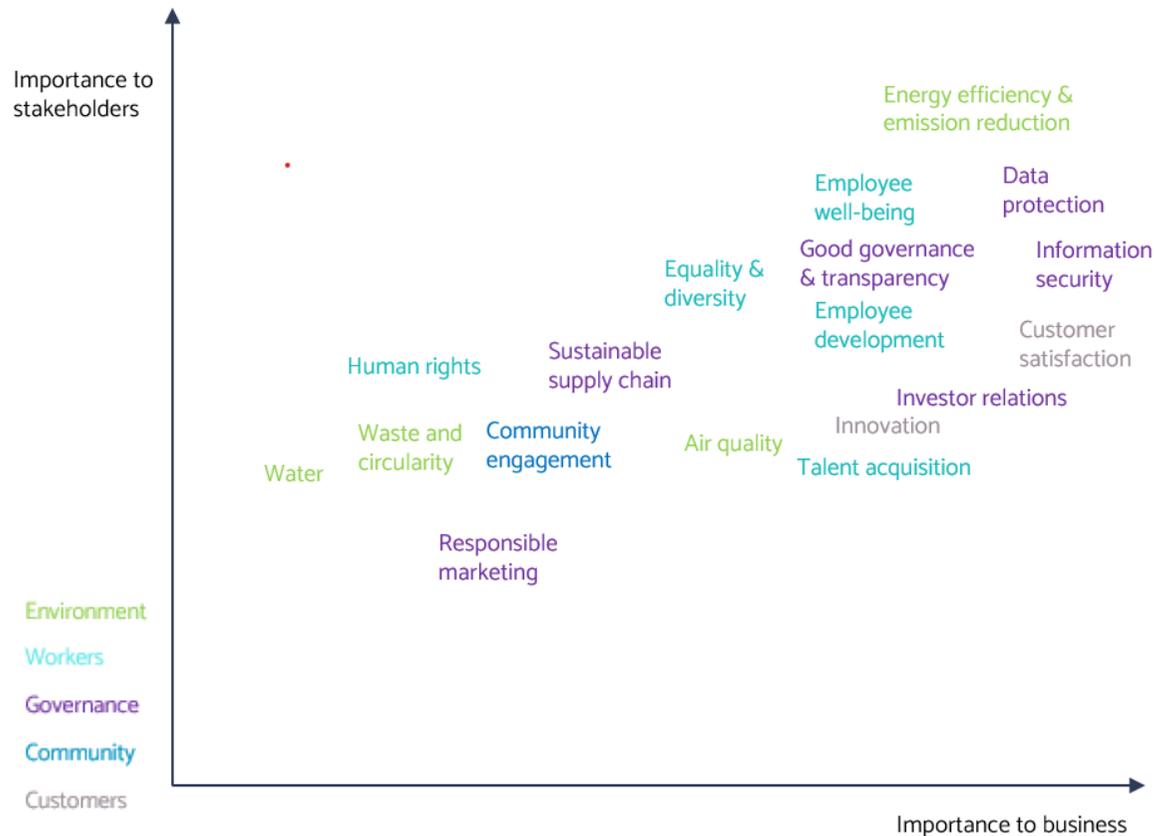
Figure 1: Materiality analysis

3 ENVIRONMENT

3.1 Carbon footprint

Key figures	
Total GHG emissions	76,8 metric tons CO_2e
Total Scope 1 GHG emissions	11,5 metric tons CO_2e
Total Scope 2 GHG emissions	9,5 metric tons CO_2e
Total Scope 3 GHG emissions	55,7 metric tons CO_2e
Total energy consumption (directly consumed)	25064kWh
Share of renewable energies	46,3% (German average)
Share of GHG emissions offset	100%
Carbon efficiency 2022 vs. 2021 (CO_2e /revenue)	-14%

At Thing-it, we recognize that the improvement of our environmental performance is a crucial precondition to guarantee the sustainability of our business and society in general. Especially, in the face of the global emergency of climate change, environmental pollution and resource shortage, we carry the responsibility to reduce our impacts and decrease our emissions. Not only do we help our clients to reduce their CO_2e emissions, but also do we aim to decrease our own year by year.

Thing-it is allocated in the rather low impact sector NACE J62 "Computer programming, consultancy and related activities" without heavy resource use. However, there are always opportunities to tweak our impact even further.

For the calculation of our carbon footprint, we collaborated with planA. According to the footprint calculation of planA, Thing-it emitted 76,8 metric tons of CO_2e in 2022. In absolute numbers, this is 5,5 metric tons more than in 2021. However, Thing-it is a young company, and we are growing our business constantly, meaning our emissions increase along with this development. The metric "carbon efficiency" helps us to analyze any changes in CO_2e emissions in relation to our revenue of that same year. In 2022, we emitted 14% less CO_2e emissions per revenue than in 2021. We are proud of this improvement and will continue our path to a greener future.
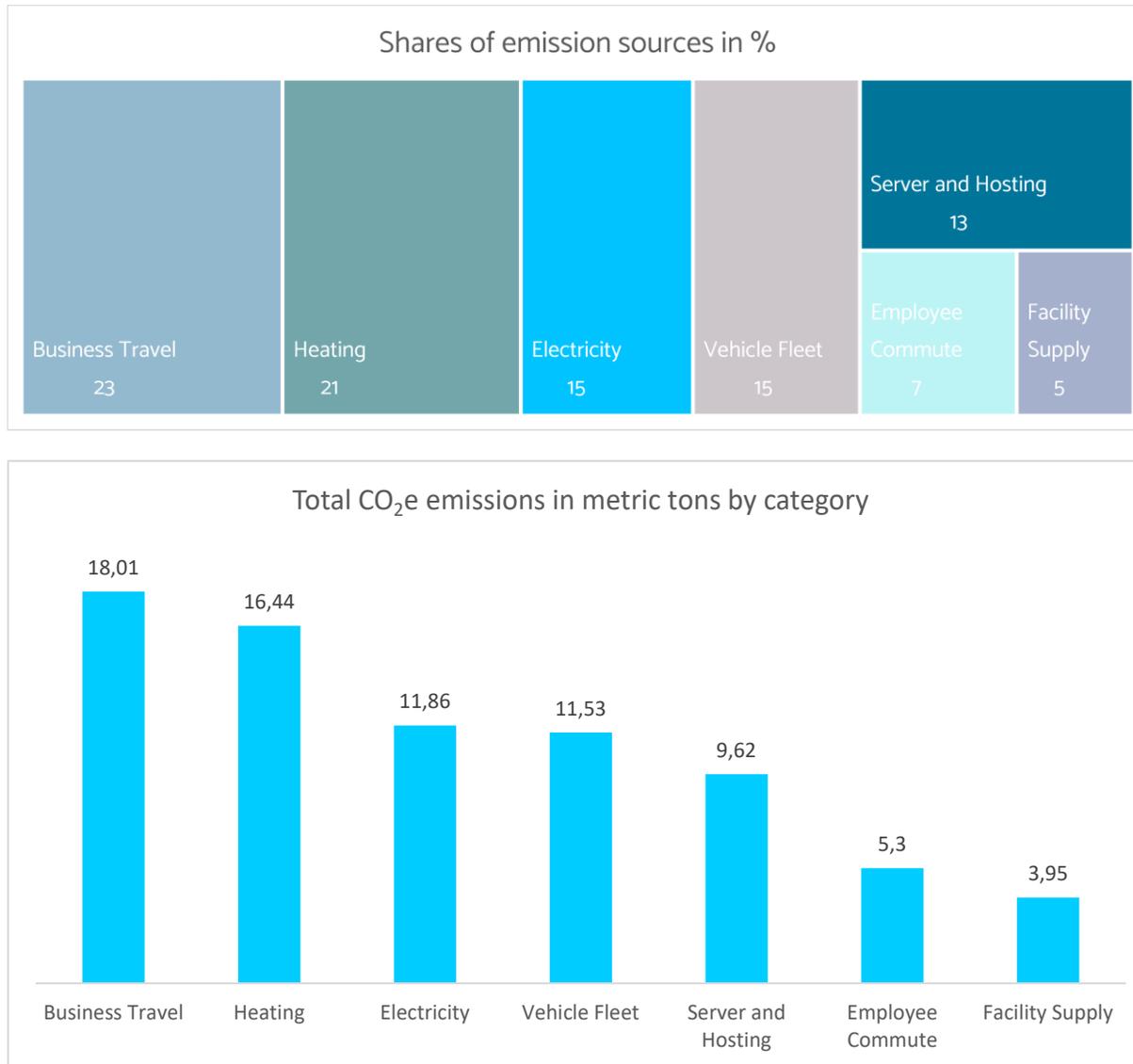
Figure 2: Shares of emission sources (top) and CO₂e emissions by category (bottom)

The categories that make up our total carbon footprint are Business Travel, Heating, Electricity, Vehicle Fleet, Server and Hosting, Employee Commute and Facility Supply. This list is ordered by biggest to smallest emission source.

Business travel is our most important emission source, which is based on the travels of our employees to meetings with (potential) clients. We see room for improvement in this category since is not static and can be influenced by the implementation of a business travel guideline which reduces business travel, introduces more online meetings, and relocate it to more sustainable means of transport.

The emissions from heating are relatively high since our office is based in Germany where low winter temperatures require the heating of office buildings. It could potentially be influenced by measures like better insulation and more efficient space use.

In 2022 the energy for our office was used based on a flat rate that we agreed on our

landlord. The electricity used was based on the generic energy mix of the German net. According to Destatis, in 2022 46,3% of the German electricity was sourced from renewable energy sources.

> Since July 2022, all new company vehicles are electric.

Our vehicle fleet in 2022 consisted of four different company cars, powered by diesel, petrol, and electricity. Emissions in this category depend on how the vehicles are powered and how much they are being used. Both factors have the potential to be subject to improvement. In July 2022, we took the decision to stop using combustion cars. Thus, starting since July 2022, all new company vehicles are electric.

> ~85% of the energy used for cloud servers were renewable.

In the category Server and Hosting, one can notice a lot of variability although we recorded an average monthly increase of server charges
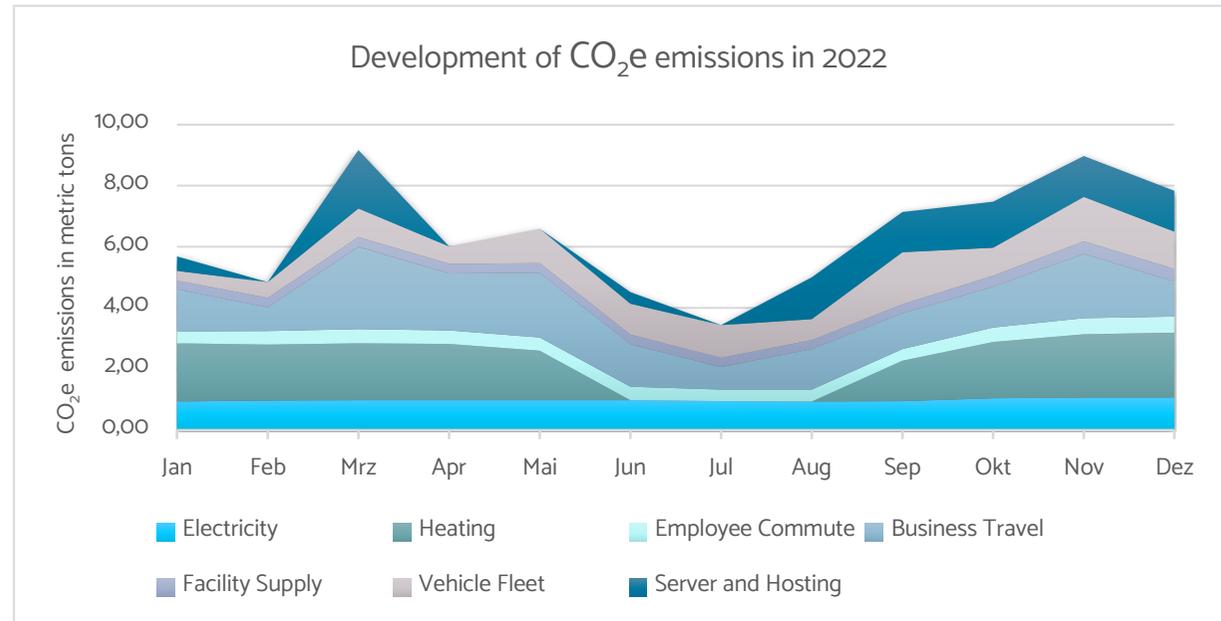

Figure 3: Development of CO_2e emissions in 2022

of 5,6%. This is due to the variability in usage of renewable energy by the cloud server provider AWS. We are hoping to see an increase in renewable energies for the powering of the server locations of the provider since this will also lead to meaningful decreases in Thing-it's carbon emissions. Amazon's goal is to power its operations with 100% renewable energy by 2025, thus, AWS is a valid provider of cloud server services for us. In 2022, about 85% of

the energy used for cloud servers was renewable.

When Thing-it employees chose to work from the office, they mainly commuted by car (59%) due to the location of the office which is not well-served by public transport. Another 22% chose public transport and 19% commuted by bike or walking. However, at Thing-it we support hybrid and fully remote work models

since we believe in the digitization and flexibility of the workplace. Thus, on average our employees worked from home 4 of 5 working days per week. This does not only give our employees more freedom in the way they work but also does it decrease our carbon footprint due to a reduction in commuting to the office.

3.2 Carbon offsetting

To stay climate neutral as in the year before, we offset all emissions thanks to our offsetting projects which are certified and verified by the offsetting standards Gold Standard and Verified Carbon Standard. We aimed at projects that focus on reforestation considering biodiversity and long-term fixation of carbon in the environment with low risks of reversals.

We offset 55%, which equals 42 tons of our CO_2e emissions with BaumInvest. BaumInvest is based in Germany and pioneered a near-natural forestry concept in Costa Rica, using native tree species to transform former depleted pastureland into permanent mixed forests. Today their reforestation project for CO2 sequestration covers approximately 2500 hectares both in Costa Rica and Colombia. They put a special focus on creating biodiversity corridors for the protection of endangered species. The BaumInvest offsetting certificate for this project is accessible on our website.

The other 45% of our carbon footprint were offset with a bamboo biochar project developed by DutchCarboneers. It trains Indian farmers to convert biomass into biochar, giving them an extra income. Biochar removes carbon from the atmosphere long-term. Therefore, it is one of the most effective methods for carbon sequestration since the carbon is not released back to the atmosphere anytime soon. Moreover, the production of biochar repurposes biomass waste as fertilizer for agriculture. See the DutchCarboneers offsetting certificate for more information.

Figure 4: BaumInvest reforestation project for carbon offsetting

4 WORKERS

4.1 Human rights

Key figures	
Reported cases of child labor, forced labor and human trafficking within our company or among our suppliers	0

At Thing-it, we are committed to supporting and respecting the protection of internationally proclaimed human rights and rights at work as set out in the ten principles of the United Nations Global Compact (UNGC), the United Nations Guiding Principles (UNGP) on Business and Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

Never since the launch of our business activities have any incidents of child labor, forced labor or human trafficking been reported to us.

4.2 Diversity, Equity & Inclusion

Key figures	
Average female employees (FTE)	28%
Women at C-level	33%
Employees born outside Germany (FTE) in December 2022	20%
Average age	37 years
Unadjusted gender pay gap	30%
Board gender diversity	20%
Reported discrimination and harassment incidents	0

We celebrate diversity at Thing-it and remain committed to creating a diverse and inclusive environment for all employees without regard to race, ethnicity, gender, age, disability, religion, sexual identity, or other diverse backgrounds. We are proud to be an equal opportunity employer. We are striving to make sure everybody feels equally appreciated and involved in our team.

In 2022 (December), the place of birth of 20% of our employees was outside Germany. We managed to improve the percentage of women in our team from 26,3% at the beginning of 2022 to 31,9% in December. Moreover, we started working on a new career development framework which increases the career development transparency and opportunities by creating a standardized system of seniority levels. It supports both managers and employees in planning their career development.

Our unadjusted gender pay gap is mainly due to the unbalanced distribution of genders among the departments that show salary differences based on the profession. However, we are aiming to improve the unadjusted gender pay gap and to guarantee (adjusted) fair pay for everyone.

4.3 Health & Wellbeing

Key figures	
Employees covered with healthcare	100%
Number of physiological and psychological incidents from company operations	0
Share of employees trained on occupational health & safety	47% (22 of 47)

We are committed to safeguarding our employees from any dangers to their health in their work environment. All employees are offered annual training on occupational health and safety and a medical examination about VDU workplace health. 47% percent of our team participated in an occupational health & safety training that was offered to all. We are striving to improve this number in the upcoming years to ensure even better health and safety in our company. All employees are covered by health and accident insurance.

At the beginning of 2022, we set up a health challenge that motivated employees to follow a health program of their choice for 21 days, so they could integrate healthy habits into their daily life. They could choose from 2-3 yoga sessions a week, walking 10,000 steps each day or using the Danish aio mindfulness app for one month which integrates good daily practices centered around topics such as breath, sleep, mind and movement. Almost half of all employees signed up to participate in the challenge.

4.4 Employee development

Key figures	
Number of general trainings provided	197
Number of internal recruitment cases	1

Each year we offer our employees trainings addressing occupational health & safety, information security, data protection, phishing; privacy & work from home, and skilled training. The skilled training is role-specific and helps our employees to acquire new skills and knowledge that give the employee to advance in their career and contribute to the development of the company assets.

Moreover, when there is a new job opening, we evaluate first the potential candidates within our company who might be fit for and interested the role. We want to give our employees the opportunity to grow in their role or explore new responsibilities within their career. In 2022, there was one internal recruitment case.

4.5 Home office & flexible working hours

As a digital-native organization we value digitization and flexibility and believe in the success and importance of hybrid working concepts shaping the future office. Hybrid work models have proven to reduce CO2 emissions emitted from commuting and office buildings.

All our employees can work partially or entirely from home. In addition, flexible working hours and the possibility to work on part-time

contracts provide the frame to balance personal life and career.

In December 2022, 21% of our employees were working part-time. Our employees stated to have worked from home 4 of 5 days per week,

4.6 Employee engagement

In 2022 we did an employee engagement survey within our company to analyze employee engagement and satisfaction. 63%

percent of our employees participated. The results were mainly positive with the majority of the engagement questions being rated more than 4 on a scale from 0-5, showing a quite high employee engagement. Our employees are proud to work at our company and commit to a long-term work relationship. Moreover, our employees feel motivated and challenged in their roles. They agree that they work at Thing-it aids their development. There is room for improvement when it comes to career

opportunities at our company, our support of focus on employee well-being, as well as the job compensation. We are striving to increase the engagement and satisfaction of our employees since the development of the company is based on our team and we want everybody to be involved and enthusiastic about our mission. In our improvement measures, we will focus on the topics ranking the lowest in order to improve employee satisfaction

5 GOVERNANCE & IT

Key figures	
Number of confirmed corruption incidents	0
Number of confirmed information security incidents	0

5.1 Governance

Our commitment is to maintain accurate corporate records to ensure compliance with applicable laws, tax regulations, and ethical business practices, and to prevent fraudulent activity. Each year our financial statements are audited by an external auditor.

5.2 Information security & data protection

We are certified according to the highest information security standard ISO27001 and fulfill all requirements of the standard. This means we can assure the availability of our IT systems and processes as well as the confidentiality of information, and minimize IT risks, potential damage and consequential costs. Therefore, our stakeholders can trust in the collaboration with us.

Our Chief Information Security Officer manages our Information Security Management System and works closely with our Engineering, internal IT department, and all other departments to identify and mitigate information security risks as they arise. We are committed to providing the necessary resources to train our employees appropriately and regularly, and to raise awareness of risks, including phishing.

Since 2021, our external Data Protection Officer ensures compliance with the GDPR and other applicable data protection laws. This also includes regular and appropriate training of our employees considering the employees' roles in our organization.

6 CUSTOMERS

6.1 How we promote our clients' sustainability

By integrating remote work, companies can reduce emissions from commuting and office buildings by up to 70%. Moreover, hybrid work offers social benefits since it can support the work-life balance of employees for instance by reducing commuting time.

Hybrid work brings many benefits for employees, business and environment, but does not come without challenges. At Thing-it, we offer a scalable enterprise workplace experience platform with all the components needed to make our clients' hybrid work strategy come to life.

If you want to find out more about our hybrid work solutions, please do not hesitate to book a demo.

Minimize Your Environmental Footprint

Reduce your office space and lower your energy consumption by up to 50% through strategic and flexible space occupation.

Decrease emissions from employee commutes by implementing a remote work strategy.

Enhance transparency by utilizing building analytics and gain control through sensor integration and consumption dashboards.

Provide A Better Workplace Experience

Streamline coworking by simplifying workspace reservations and the localization of coworkers.

Ensure efficient and transparent occupation of workspaces by applying booking software, lockers, and smart check-ins.

Enhance employee well-being by optimizing office room climate and work-life balance.

7 OUTLOOK

7.1 Objectives

1. Decrease emission intensity by 2% in 2023
2. Gain control over our electricity consumption data
3. 100% green electricity for our office
4. Reduce commuting emissions
5. Offer better career development opportunities
6. Get our sustainability efforts approved by a certification
7. More transparency about our ethics, impacts and actions

7.2 How we aim to take action in 2023

> All new company vehicles will be electric only.

> We are planning to move offices in 2023. The new location will ensure a better connection with public transport and thus decrease our carbon emissions from commuting. Moreover, the new office will give us the chance to have more transparency and control about our heating and electricity expenses in comparison to our office set-up in 2023.

> We are aiming to power our office spaces entirely with green electricity.

> We will implement measures to decrease the resource demand of our IT infrastructure.

> In 2023 we are planning to finish the setup of our new career framework that will grant more development opportunities and respective guidance for managers as well as employees. By enhancing the transparency regarding the career pathways and seniority levels, we will be able to ensure equal pay for equal activities regardless of gender, age or other backgrounds.

> We will publish a Code of Conduct that will consolidate our values and act as an ethical guide for our company.

> We are aiming to improve the transparency about our sustainability impact by setting up a sustainability page on our website.

> We will start publishing a yearly sustainability report.

8 CONTACT

8.1 Let's talk sustainability

We are happy to give you more info on our sustainability journey. Feel free to contact us if you have any requests. Our sustainability manager will get back to you.

Sustainability requests:
info@thing-it.com

8.2 Report a Concern

Should you notice any ESG incidents, please report it to our independent Report a Concern whistleblower contact. This helps us limit damages and prevent any further incidents.

Independent Report a Concern contact:
Contact form
(anonymous whistleblower form and advisory)