



Corporate Social Responsibility

This policy describes CERRIX's principles and guidelines for our commitment towards ethical standards and our contribution to climate goals.

CERRIX PUBLIC

CERRIX B.V.
12TH OF AUGUST 2024

Document management

Information about this document and version are shown in the tables below.

Document Properties

Classification:	CERRIX Public
Subject:	Corporate Social Responsibility
Author(s):	P. Bruggeman
Initial date of effect:	12-08-2024
Current version:	1.0
Status:	Final

Version Management

Version	Date	Author	Description of changes
1.0	17-12-2021	P. Bruggeman	Initial document
1.1	24-05-2023	P. Bruggeman	Revision & Update
1.2	12-08-2024	P. Bruggeman	Revision & Update

CLASSIFICATION: CERRIX RESTRICTED

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1. INTRODUCTION

On a daily basis, we are presented with threats to the earth's and humanity's future well-being. In terms of climate, humanity has already experienced the effects of global warming in recent years, with extraordinary weather effects. Human rights are still not universally observed. We still have to deal with child labor, human trafficking, forced or indentured work, harassment, discrimination, and corruption. These tactics are not always obvious and transparent for consumers of goods and services due to sometimes extensive supply networks. However, in recent years, we've seen an increase in the number of opposing powers. Many international organizations (UNAP, FCAP, OECD, EMAS, EU, and others) have established recommendations and legislation for firms to implement corporate social responsibility practices. More recently, we've also seen a shift in mindset among institutional investors, who are rearranging their investment portfolios to avoid investing in companies that have a high negative impact. CERRIX supports these developments, acknowledge their contribution for moving to a better world and is committed to include these guidelines in internal business policies and practices.

1.1 Purpose

This document explains our commitment towards corporate social responsibility (CSR) and discloses specific principles, and improvement measures that CERRIX has deployed, or have planned for. Although CERRIX is a small company and our power on external change is very little, we are aware that we are part of larger business community and must communicate our beliefs with respect to corporate social responsibility. CERRIX operates as a commercial enterprise but always geared toward sustainable business success.

This policy will be reviewed and updated annually whenever circumstances change.

1.2 Scope

This CSR policy covers all activities that CERRIX is performing including its suppliers and business partners for rendering their business services for clients. The choice for these activities must adhere to the principles and guidelines set in this policy. This policy includes all aspects to let CERRIX operate under sustainable conditions, align with the International legislations and guidelines as well as ethical standards which meet the highest standards.

1.3 Intended audience

This policy is aimed at employees of CERRIX, its shareholders, supervisors, clients, prospects, suppliers and business partners.

1.4 Ownership of this policy

Owner: Managing Director

2. Environment

2.1 Commitment to International Climate Goals

The recent UN Climate Change conference in Dubai (November 2023), has again underlined the importance of accelerated greenhouse gas reduction in the world. Though in the final agreements some strict goals were somewhat enlightened, most nations were willing to set their National Determined Contributions (NDC) with the aim to limit worldwide temperature rise to a maximum of 1.5C.

CERRIX will voluntarily act to reduce carbon across our entire value chain and has set targets to align with limiting global carbon to a 1.5-degree Celsius future (Paris Agreement). CERRIX is a digital company rendering digital products. This gives by nature already a good starting point since our business activities have limited negative effect on the environment. Nevertheless, our activities do have some impact:

- Main building with classical (gas) heating;
- Electricity for computers at our office;
- CO₂ emissions because of (lease)-cars for employees;
- CO₂ emissions because of travelling to office by employees;
- GAS consumption for heating our office;
- Waste from daily activities;
- Water consumption for daily activities;
- Impacts of our outsourced data center.

Currently, we apply hybrid working facilities. On average, about 50% of working time is from home. Most of our employees use public transportation or bicycles to commute from home to office. Some of our colleagues make use of leased cars provided by employer.

In the next paragraphs, we will elaborate on our actions for mitigation environmental pollution.

2.2 Impact of our business activities on the environment

Our business activities that will generate CO₂ emissions can be split into two main categories:

- 1) Business activities from employees in our office facilities & travelling;
- 2) Software hosting activities in outsourced data centers.

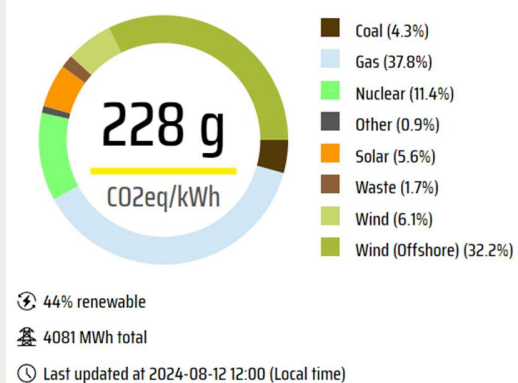
1) Office & Travelling

In March 2024, CERRIX moved to a more energy-friendly office. Our former office was a typical monument in the Hague, very representative but not very environmentally friendly. Our current office is rented for five years and located at J-P Coenstraat 7-10, 2595 WP the Hague. This building has a A-label but will soon be upgraded to A+. The transition to the new building was also needed for more office space due to the growth of our business activities.

Item	Emissions	Factor	CO ₂ total (tons)
Company Car(s)	• (all electric)		0
Office emissions	42,2 kg/m ²	679m ²	28.653
Train travelling	0/km		
Total			28.653

For the determination of the conversion factors required to estimate the CO₂ emissions, we applied different sources. In Figure 1, the composition of electricity generation in the Netherlands is shown. This table is updated on daily bases, but we used most recent data for conversion factor Kwh to CO₂. Furthermore, CERRIX will evaluate new recommendations and calculation methods issued by the Greenhouse Gas Protocol (GHG¹).

CURRENT EMISSIONS IN NETHERLANDS



¹ See also : www.ghgprotocol.org

Figure 1 : Source Nowtricity.com

2) Data center

For our digital activities (development, servicing) we are making use of the hosting facilities from Microsoft Azure, region Europe which is based in the city around Amsterdam. CERRIX uses the datacenter for hosting all CERRIX applications offered as Software-as-a-Service to our clients. Moreover, the datacenter is used for all our DevOps activities and Office 365 applications. Clearly, the datacenter is our most important outsourced business activity, thus their environmental impact is crucial for us.

Microsoft Corporation is very committed towards sustainability. In their sustainability report they listed their response against energy consumption (Basis 2021):

- Operating as carbon neutral worldwide since 2012;
- Committed to being carbon negative by 2030;
- Moved over 2,000 applications from on premises to the cloud which saves both energy and reduces carbon;
- Used an internal carbon tax to fund innovation and drive carbon reduction
- Largest purchaser of renewable energy in the U.S.;
- Use our campus as a living innovation lab, always testing new approaches to Sustainability;
- Helped reduce Microsoft building energy consumption by up to 20%; by implementing smart technologies enabled by internet of things (IoT), machine learning (ML), analytics, and artificial intelligence (AI), that make buildings more efficient;
- Accelerating carbon emission reductions by enabling a remote workforce and reducing air travel;
- Building next-generation datacenters and devices to reduce environmental impact.

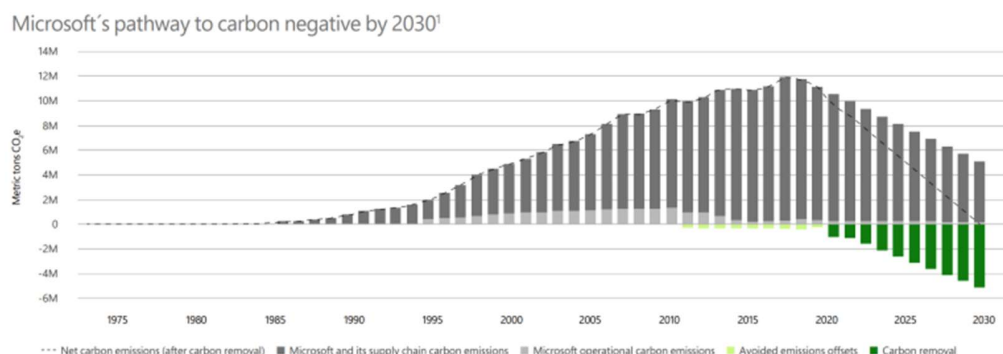


Figure 2 : Microsoft planning for becoming carbon negative in 2030²

Since Microsoft already operates with a CO₂ neutral footprint, we may conclude that we do not have to compensate for our outsourced datacenter activities.

² See also: A new approach for Scope 3 emissions transparency, Microsoft 2021.

2.3 Our ambition

CERRIX already intended to become CO₂ neutral as from the start of 2022. Since we are not able to reduce our CO₂ emissions ourselves in the short run with certain measures, we will compensate our emissions with investing in CO₂ reducing activities with help of intermediary partner.

2.4 CO₂ Reduction activities

Since 2021 we have realized the following reduction measures:

- New office building with energy label A+ with foreseen upgrade to A++;
- Replacement of diesel cars.

For the longer run, we have anticipated the following actions:

- Encourage our Office Building owner to strive for label A++;
- Only electrical car policy for new hires;
- Implement also check on suppliers and business partners;

2.5 CO₂ Compensation

We are not able to execute the foreseen actions immediately. Nevertheless, because of our commitment towards energy neutral business activities we will invest in CO₂ reduction plans at a level that allows us to fully compensate our yearly emissions.

We have invested in a German initiative, called Fortomorrow (www.fortomorrow.eu). In doing so we will offset our carbon footprint and will have a direct positive impact on the climate in Europe. They will offset half of our communicated carbon footprint by planting trees. For the other half, they will buy emission allowances and take them off the market.

This ensures that no one else can use these allowances anymore. It implies that this subscription reduces the overall amount of CO₂ that climate damaging plants (like coal fired power plants) can emit. CERRIX will receive on a monthly basis an impact report from Fortomorrow.



2.6 Waste Policy

Our waste is limited to office supplies, food rests and discarded computers. We have a policy to separate waste for paper, glass and other waste. For security reasons, all hardware drives will be destroyed by external specialized company.

2.7 Water consumption

Our water consumption is limited to approx. 100 m³ per year. Because of the limited size we do not foresee any decrease in usage. We do not have separate water tanks for drinking purposes anymore.



3. PEOPLE. SOCIAL & ETHICS

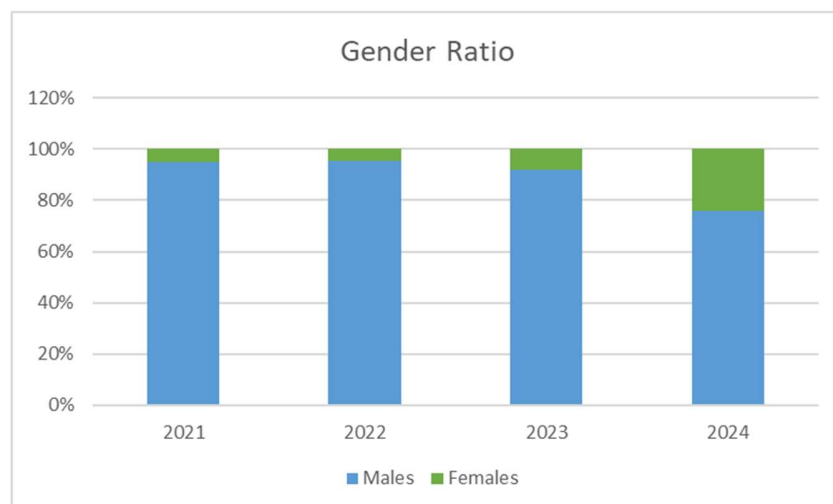
3.1 Our Professional Team

Our business is people business. In this chapter we will explain our values, compliance commitments and internal policies for human rights related aspects.

Upholding equal treatment and respect for all employees helps to ensure an inclusive work environment where everyone's well-being really matters. CERRIX believes in the positive impact of valuing each person's unique differences and provides an open and stimulating working culture which allows for all of our employees to express themselves without fear or embarrassment. We encourage different opinions because only then it will result in best outcomes. Our staff represents a wide range of different cultures and backgrounds, giving us a very open and relaxed culture without any prejudices towards each other.

3.2 Gender ratio

However, we still have one challenge for the future. The composition of our team has grown skewed in the man-woman ratio. All of our software engineers are man. In our profession it is hard to balance the man-woman ratio. This is also caused by other study preferences among young female students. Nevertheless, we are convinced that a more balanced composition will bring more value to our company and will strive to increase the number of female professionals in the coming years. As you can see, we did extra efforts in this ratio and onboarded more females as new colleagues. We noticed a positive effect on our company culture.



Our employees are aware of ethical standards that we embrace. In our Code-of-Conduct the guidelines for good behavior are explained. Every year, this policy will be reviewed and updated. New versions will be distributed among all employees who subsequently have to confirm that they have read the policy but, more importantly, also have to confirm that they will behave accordingly. Newly hired personnel must submit a statement-of-conduct ("VOG-verklaring") which has to be repeated every three years.

3.3 Adherence to International Standards

CERRIX will always respect human rights. For that we support the Universal Declaration of Human Right (UDHR) and more recently the UN Guiding Principles on Business and Human Rights which is a set of guidelines for States and companies to prevent, address and remedy human rights abuses committed in business operations. This also includes the incorporation of the 10 Global Impact Compact Principles of the United Nations. CERRIX will furthermore comply with current national and international laws and regulations in all countries that we have business activities, adopting complementary international rules and guidelines such as those established by the OECD and International Labor Organization (ILO) agreements, wherever there is not a sufficient or appropriate legal framework.

CERRIX supports all activities aimed against child abuse and forced or compulsory labor in the world. We will not accept any relationship with business partners that have any form of these malpractices in their supply chain.

CERRIX avoids practices that are discriminatory or damage people's dignity.

CERRIX takes care of the health and wellbeing of employees in their working environment and provides a modern and well-equipped working place that meets the standards of ARBO.

CERRIX respects privacy of all persons that belongs to CERRIX's working community.

3.4 Business Conduct

3.4.1 Careful selection of clients and suppliers

CERRIX is a commercial enterprise with a goal for growth in revenue and profit. This requires a steady growth of our customer & business partner base. We will make our own careful assessment of potential new customers and business partners indicating that their:

- business practices are aligned with CERRIX corporate responsibility principles;
- business activities are ethical and lawful;
- acting is trustworthiness, transparent and contain an upholding reputation;
- behavior in mutual co-operation is respectful;
- payments for our services are within agreed time frame.

CERRIX has only few suppliers. Our main supplier is Microsoft and we are assessing them on a yearly basis also as part of our ISEA3402 process.

3.4.2 Transparency

Our transparency commitment involves accurately representing facts, telling a truth in its entirety and communicating clearly and openly about everything a company does and says. We explicitly discuss our plans for the (near) future at our frequent user group meetings, and our customers can openly share their experiences with CERRIX and provide input for development.

3.4.3 Wage tension

Our wage tension (ratio between highest and lowest wage) is less than 5.0.

3.4.4 Corruption & Anti Bribery

CERRIX does not offer, promise, give, request, agree, receive or accept bribes for conducting their business and attracting new customers. We educate and train our personnel to avoid any situation that could lead to bribery or corruption.

3.4.5 Taxation

CERRIX is aware that the payment of taxes has a direct impact on the financial and social development of the countries it operates in, meets its tax obligations in accordance with the fiscal legislation that exists in those countries, paying the corresponding taxes in accordance with the profit generated in each territory. Because of our centralized business activities, CERRIX is fully taxable in The Netherlands. CERRIX adheres to the OECD/G20 BEPS actions for fair taxation.

3.4.6 Legal actions & controversies

CERRIX has never been involved in any legal action or controversy.