

# Sustainability

# Report 2021

40  
Years  
of impact

ORTEC



## Sustainability Report 2021

At ORTEC, we do things for a reason. We are intrinsically motivated to improve the world using our passion for mathematics. That is why sustainability is at the heart of everything we do. We believe that companies often have more potential to improve our society than they realize.

2021 was a very impactful year for ORTEC. Beyond our commercial achievements, we increased our impact across several social and environmental indicators and reached a few important milestones. This chapter will describe our 2021 impact by looking at four different areas. First, we will show how we put the UN Sustainable Development Goals at the heart of our sustainability agenda. After this we will show the environmental footprint of our own operations and explain how we became carbon neutral in 2021. Next, we will highlight the impact that we created with our customers. And finally, we will look at our CSR partnerships and show how these partnerships made a difference in 2021.

## Introduction to the SDGs

The United Nations Sustainable Development Goals (SDGs) provide us with a great starting point to put our purpose into action. With no less than 17 goals and 169 targets, the SDGs give a complete overview of the most pressing social and environmental issues that our world is facing. In 2017, ORTEC joined the UN Global Compact to help fight these issues.

### Commitment in our day-to-day work

ORTEC endorses the SDGs, and we recognize that our work can contribute towards these goals. Working together with our customers and partners we want to optimize our contribution to these goals. This chapter describes our commitment to the SDGs and how we use these goals in our day-to-day work.

### Focus on 4 SDGs

Rather than aiming for all 17 SDGs, we want to select a few priority goals. This helps us to concentrate our efforts where we can really make a difference. We believe that there are four priority SDGs where our expertise can help to deliver impact.

Our focus on these SDGs does not mean that we are ruling out all other SDGs. Incidentally, certain projects or activities may contribute to other SDGs. However, we believe that the four selected goals are reflected in our everyday work, across all offices, teams and departments. This is the reason, we want to prioritize measuring and optimizing our contribution to these SDGs.



## Analytics for a Better World

A good example of how we try to optimize our contribution to the SDG's is the newly launched "Analytics for a Better World institute". This institute was created in collaboration with the University of Amsterdam (UvA) and the Massachusetts Institute of Technology (MIT). The institute aims to bring together the brightest minds to pursue a special mission: applying analytics together with non-governmental organizations (NGOs), the public sector, and non-profit organizations to make an impact on the Sustainable Development Goals (SDGs). Analytics for a Better World will enable social good, sustainable development and humanitarian aid organizations to scale up the use of analytics, by helping them to carry out analytics projects and developing new analytics applications and techniques related to the SDG's.



### Upgrading our impact measurement

As data scientists, we like to measure and analyze our impact. In our previous reports, we expressed our impact using the 3 P's: People, Planet and Profit. However, in 2021, we adjusted our impact measurement to reflect our impact on the SDG's. This adjustment is reflected in the way we report the impact of our work with customers. This helps us to show how our work is making a difference. It also shows our customers and partners how their collaboration with ORTEC contributes to the SDG's.

## Our impact on the SDGs

When it comes to our impact on the planet, we want to walk the talk. Sustainability starts with having a look at our own actions and impact on the climate. This chapter explains how we manage our own CO<sub>2</sub>-emissions, water consumption and waste generation.

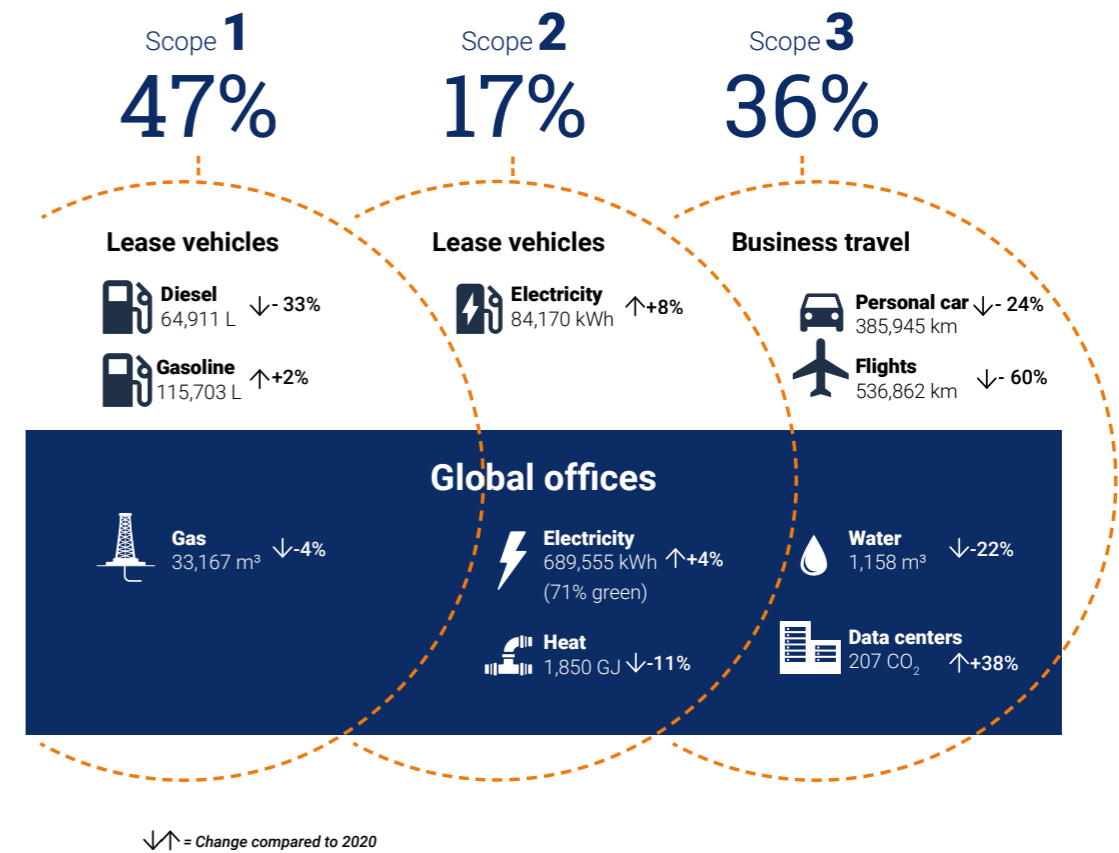
### Becoming a carbon neutral company

Last year marked an important milestone in the climate journey of ORTEC. At the occasion of our 40<sup>th</sup> anniversary, we decided to become a carbon neutral company. This decision followed several years of successfully reducing our CO<sub>2</sub>-emissions. In addition, we started to compensate our remaining CO<sub>2</sub>-emissions. For this compensation, we are working together with Trees for All to support one of their forestry projects in Bolivia. Our support to this project will allow us to offset our entire carbon footprint from 2020 and 2021.

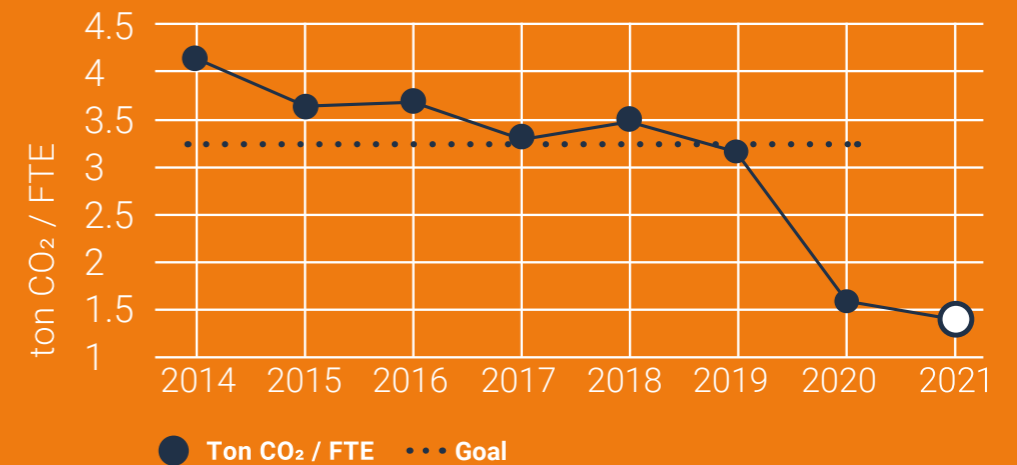
### Our 2021 emissions

In 2014, ORTEC started measuring and reducing its footprint. By 2019, we already managed to reduce our carbon footprint by 25%. In 2020, the start of the pandemic seriously impacted our emissions. As business travel and commuting were severely reduced, our carbon footprint dropped by more than 50%. In 2021, the ongoing restrictions on travel continued to have an impact on our carbon footprint, resulting in a slight further reduction of our CO<sub>2</sub>-emissions. We are glad to see that our CO<sub>2</sub>-emissions continue to drop, even though our business keeps growing. This means that the carbon intensity of our activities is improving steadily.

	2020	2021
CO <sub>2</sub> -emissions per FTE (MT)	1.65 tons	1.42 tons
Total CO <sub>2</sub> -emissions (MT)	1,463 tons	1,293 tons



### Global greenhouse gas emissions progress



## Compensating our Carbon Emissions

To compensate for our CO<sub>2</sub>-emissions, ORTEC is working together with Trees for All: an environmental organization with reforestation projects around the globe. Through Trees for All, we are supporting a reforestation project in Bolivia.

The reforestation project is located in the Eastern foothills of Bolivia, a beautiful mountainous region with sub-tropical forest. In recent decades large swathes of Bolivia's natural forest have disappeared. To halt this deforestation, Trees for All is working together with local farmers to restore degraded plots of land. The degraded plots are replanted using agroforestry, a mix of sustainable forest and agriculture. This agroforestry system provides the farming communities with food and income, enabling them to sustain and grow the reforestation project in the long run. The progress of the reforestation efforts is monitored using satellite images to analyze tree cover.

The carbon captured from the project in Bolivia is certified according to the Plan Vivo standard. Our support to Trees for All in 2021 amounted to a total of 1,234 tons of CO<sub>2</sub>. This allows us to compensate for our CO<sub>2</sub>-emissions in 2020 and 2021.

## Recycling at our Dutch office locations

At the Dutch offices of ORTEC, we continue to work on reducing and recycling waste materials. Since we have started to separate waste at all NL locations in 2018, our collected paper and cardboard is being recycled into hygiene paper, which is bought back by ORTEC. This paper-for-paper process is a good example of the circular economy. Besides paper and cardboard, we also reduce our plastic use with the use of Doppers instead of plastic cups. Before we started with the Doppers, we used over 21,000 plastic cups yearly. In addition to the existent waste separation project, we have expanded the contract with Paper for Paper with collecting coffee grounds in Zoetermeer since 2019. The residual product from coffee is valuable breeding ground for oyster mushrooms. Vegetarian snacks are made from these harvests. The impact of our waste reduction measures is reflected in the annual volumes of waste. The tables below shows that our waste materials continued to decrease in 2021.

### What we achieved in 2021:

- Cardboard - 356 kg
- Coffee grounds - 472 kg
- Paper - 1,260 kg
- Paper cups - 23 kg
- Used IT equipment - 0 kg



## Our plans for 2022

Becoming a carbon-neutral company is an important milestone for ORTEC, but it is not the end of our climate journey. This year, we want to continue to raise the bar for ourselves and take the next step in our climate ambitions.

### Carbon neutral certification

Following our carbon neutral achievement in 2021, we now want to obtain a carbon neutral certification. In 2022, we will work together with an independent third party, to verify our CO<sub>2</sub>-emissions and certify our carbon neutral status according to an internationally recognized standard. This certification will help to provide transparency and credibility on our carbon neutral claims.

### Home-office carbon emissions

Since the beginning of the pandemic, many of our colleagues started to work from home more often. This resulted in a steep reduction of our CO<sub>2</sub>-emissions related to business travel and commuting. Although working from home does help to avoid travel-related emissions, it still brings about some CO<sub>2</sub>-emissions. For example, we cause CO<sub>2</sub>-emissions when we plug in our laptops, switch on the heating or air-conditioning, or when we brew our favorite coffee or tea.

Currently, the emissions from our home-offices are not included in the scope of our carbon footprint. But, as hybrid working will become the norm for ORTEC in the future, we want to include these emissions in our footprint. In the coming months, we will identify and measure the emissions related to our home offices. We will increase our support to the reforestation project accordingly, in order to offset the home office emissions. By the end of the year, we want all of our global home offices to be carbon neutral.








## Our impact with customers on the SDGs

The core of our work is to create impact for our customers. We use our passion for mathematics to help our customers to improve not only their business, but also the world around them. The impact we create with our customers is by far the biggest contributing factor to the overall impact of ORTEC. And, as mathematicians, we like to measure how well we are doing in the pursuit of our purpose.

### Our impact in 2021

This year, we adapted our impact measurement with the aim to highlight our contribution to the UN Sustainable Development Goals (SDGs). The table below shows the impact that we achieved with our customers in 2021. We are proud of the substantial impact that we created with our customers, and we can look back at several important milestones. For the first time ever, our impact on CO<sub>2</sub> emissions exceeded 700 kilotons – and we also passed the €1 billion landmark with our impact on the financial performance of our customers.



Sustainable Development Goals	Impact results
 4.4 Increase skills for employment	Skills training provided for over <b>1,400 people</b>
  7.3 Improve energy efficiency	By using our solutions, our customers avoided driving <b>677 million unnecessary kilometers</b> , which saved <b>221 million liters</b> of fuel. As a result: <b>↑ 7%</b>
13.2 Integrate climate change in strategy and planning	We helped to avoid <b>715 kilotons</b> of CO <sub>2</sub> emissions
 8.5 Achieve productive employment and decent work	<b>948,000 people</b> impacted by our solutions <b>↑ 5%</b>
8.8 Promote safe working environment	
 8.2 Achieve economic productivity	Improved our customer's financial performance by <b>€1,061 million</b> <b>↑ 11%</b>

## Our impact in practice

Our work involves a very diverse range of customers and challenges. In some cases, this leads to interesting and surprising results. For instance, we are working with different pallet pooling companies in Europe. Our work helped to reduce the number of wooden pallets and plastic crates these companies use. Thanks to our solutions they now save almost 60 000 wooden pallets per year. This adds up to almost 1.5 million kilograms of wood, or 7.000 trees. Our customers also reduced their stockpile of plastic crates by 3.5 million crates – a single stack of this many unfolded crates would be 416.5 kilometers high. This is higher than the International Space Station!

## Corporate Social Responsibility

At ORTEC, we believe that mathematics can play an important role in addressing social and environmental challenges. For this reason, we are involved in different partnerships that explore the potential of mathematics. These partnerships apply data science and technology to create innovative solutions that contribute to the UN Sustainable Development Goals.

### Microsoft Partner Pledge

ORTEC is a proud member of the Microsoft Partner Pledge. This initiative aims to bring together leading technology partners that share the belief that nations and businesses need to adopt technologies in a deep and ethical way and ensure everyone possesses the right skills and opportunity to prosper in the digital future. As such the Microsoft Partner Pledge supports making a positive impact in four key areas: Digital skills for jobs; Diversity & inclusion; Responsible & ethical AI; and Sustainability. Our participating in this initiative provides a good example of ORTEC working together with other industry leaders to use technology for broader social and environmental challenges.

### Exploring the potential of mathematics

Beyond our work with customers and industry leaders, ORTEC also works with different social environmental organizations. These partnerships help us to explore how our expertise in mathematics and data science can help these organizations to boost their impact. The potential can be applied in a wide range of social and environmental challenges.

For example, we work together with AMREF to improve access to health care in Africa. Another example is our work with the Red Cross 510 initiative, in which we examine how data can improve the humanitarian response to natural disasters. We are also exploring how our expertise can help to protect wildlife, by working together with Force for Nature.

## Force for Nature & ORTEC - Partnership for the Planet

How can our passion for mathematics help to protect wildlife on our planet? ORTEC is joining forces with Force for Nature to support the protection of nature conservation areas.

### The challenge of wildlife conservation

Protected and conserved nature areas provide critical safety zones for our planet's biological networks. These networks deliver our life support systems, including clean air, fresh water, and soil fertility. But these sites only have value if they are effectively managed.

Wildlife rangers around the world are working tirelessly to conserve vulnerable nature areas. They protect trees and animals, collect scientific data, tackle human-wildlife conflict, manage fires and flooding and even act as guides and emergency responders. But often, they are not receiving the support and recognition they need to do this critical work responsibly and safely. For example, many of them work without adequate staff numbers, pay, equipment, training and insurance. This impacts their ability to fully safeguard their sites and the communities living nearby.

### Force for Nature

Force For Nature is a social enterprise committed to preserving nature and the value it brings humanity, by supporting wildlife rangers and those at the forefront of environmental protection. Force for Nature aims to bring together wildlife rangers around the world and connect them with proactive citizens and purpose-driven businesses. This approach should facilitate knowledge sharing and peer learning among rangers, while mobilizing additional resources for their crucial work.

Central to the approach of Force for Nature is their Ranger App. This app connects a community of rangers across all continents, helping them to exchange best practices and to share their stories with citizens around the world.

### How ORTEC supports the mission of Force for Nature

Last year, ORTEC started a partnership with Force for Nature to support the development and implementation of the Ranger App. Jeroen de Jong and Daan Moleman are leading ORTEC's work on the Ranger App.

Jeroen: "The Ranger App aligns well with our work at ORTEC. We can build on our expertise in connecting and engaging people. At the same time, the unique character of the Ranger App challenges us to try new things. We can use this project as a playground to test new and innovative solutions, which can later be applied in other projects. I am proud to see how our work is contributing to the important mission of Force for Nature, while also creating valuable learnings for our team."

### Next steps

For the coming months, the main objective is to grow the number of users of the app. At the same time, ORTEC is developing new functionalities that will enable users to get more value from the Ranger App.

Our partnership with Force for Nature is a great example of how we can put the purpose of ORTEC into action. We hope that our passion for mathematics will enable Force for Nature to accomplish their mission to boost the protection of nature and wildlife.

## Certifications & GRI Reference

### Ecovadis Gold Rating

In November 2021, ORTEC was awarded with a new gold medal by EcoVadis, an independent sustainability rating agency that assesses over 75,000 companies worldwide. This new rating puts ORTEC in the top 5% of companies in its industry 'Computer Programming, Consultancy and Related Activities'. The EcoVadis assessment examines our policies, activities, and impact across a variety of social and environmental issues. The issues range from climate change and sustainable procurement to business ethics and human rights.



In its assessment, EcoVadis looks at integration of environmental and social governance criteria into business and management systems, and how these are reflected in actions and results. Our efforts to reduce and compensate CO<sub>2</sub>-emissions, promote healthy working conditions, and safeguarding data security, all had a positive impact on our score for the EcoVadis assessment.

### GRI Content Index

ORTEC has prepared the information in this report with reference to the GRI Standards. For a full overview of our references to the GRI standards, please go to appendix A on the next page.

## APPENDIX A: GRI REFERENCE TABLE

ORTEC has reported the information cited in this GRI content index for the period from January 1st, 2021 to December 31<sup>st</sup>, 2021 with reference to the GRI Standards. For this reference we have used the GRI 1: Foundation 2021.

GRI Disclosure		Location
<b>2</b>	<b>General disclosures</b>	
2-1	Organizational details	Organization & Corporate Governance
2-2	Entities included in the organization's sustainability reporting	Organization & Corporate Governance
2-3	Reporting period, frequency and contact point	Financial statements
2-5	External assurance	Link to auditor's statement
2-6	Activities, value chain and other business relationships	The ORTEC Story
2-7	Employees	Organization & Corporate Governance Employee Quality & Engagement
2-9	Governance structure and composition	Leadership
2-11	Chair of the highest governance body	Leadership
2-22	Statement on sustainable development strategy	Message from the CEO / Introduction on the SDG's
2-30	Collective bargaining agreements	Organization & Corporate Governance
<b>201</b>	<b>Economic performance</b>	
201-1	Direct economic value generated and distributed	Financial statements
<b>203</b>	<b>Indirect economic impacts</b>	
203-2	Significant indirect economic impacts	Our impact with customers on the SDG's
<b>302</b>	<b>Energy</b>	
302-1	Energy consumption within the organization	Our impact on the SDG's
302-4	Reduction of energy consumption	Our impact on the SDG's
<b>303</b>	<b>Water and effluents</b>	
303-5	Water consumption	Our impact on the SDG's
<b>305</b>	<b>Emissions</b>	
305-1	Direct (Scope 1) GHG emissions	Our impact on the SDG's
305-2	Energy indirect (Scope 2) GHG emissions	Our impact on the SDG's
305-3	Other indirect (Scope 3) GHG emissions	Our impact on the SDG's
305-4	GHG emissions intensity	Our impact on the SDG's
305-5	Reduction of GHG emissions	Our impact on the SDG's
<b>306</b>	<b>Waste</b>	
306	Management Disclosures	Our impact on the SDG's
306-4	Waste diverted from disposal	Our impact on the SDG's
<b>403</b>	<b>Occupational health and safety</b>	
403-5	Worker training on occupational health and safety	Employee Quality & Engagement
403-6		Employee Quality & Engagement
<b>404</b>	<b>Training and Education</b>	
404-2	Programs for upgrading employee skills and transition assistance programs	Education Factory going global
<b>405</b>	<b>Diversity and equal opportunity</b>	
405	Management Disclosures	Employee Quality & Engagement
405-1	Diversity of governance bodies and employees	Employee Quality & Engagement



