adsquare

2022

SUSTAINABILITY REPORT

Setting the course for a net-zero future

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1.Foreword

The report, for internal and external stakeholders, outlines our corporate sustainability strategy and operational measures for Adsquare to gain a net-positive impact on the planet, people, and society. It's also part of an independent third-party sustainability certification to be achieved by 2025.

The following overview defines important actions taken by Adsquare towards a sustainable future and the goals we have set for ourselves over the next 3 years. We see sustainability as a continuous effort and will continue to make our contributions as a conscious company.

Adsquare understands that sustainability is an essential part of the survival of the planet, and thus, society at large. For this reason, our sustainability strategy takes three dimensions into account: Planet, People, and Society.

"We know that it is time for a radical rethink and we have a strong responsibility towards the world. For this reason, at Adsquare, we want to use our pioneering spirit to invest in sustainable practices and create more impactful change fast."

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Co-Founders of Adsquare

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2.Sustainability Strategy

To Adsquare, sustainability means, "commitment to thinking and operating sustainably across all company processes, including but not limited to supply and demand partnerships, product development and management, engineering, people management and marketing."

With this in mind, how can we move with decisiveness and contribute to a better and more sustainable future for all?

One of our core values is commitment. We believe in what we do and rise to meet our own high standards. Innovation and caregiving are in our DNA. For us, believing in the transformation of innovation implies leading the change of our industry at all levels; addressing inequality, climate change, environmental degradation, and injustice in line with the UN Sustainable Development Goals[1]. We strive for constant improvement and aspire to bring these values to the forefront of our sustainability work.

From 2022, we are starting our agenda for change with the launch of our sustainability report. Our vision is clear, to be a sustainable martech company with a net-positive impact on the planet, people, and society.

In this report, we outline our three focus areas, Planet, People, Society, and three targets per focus area, which we aim to reach by 2025, ranging from cutting our carbon emissions, to working with next-gen responsible data storage technologies, and addressing topics around inequality and social injustice.

3.Planet

According to new research published on The Drum[2], 73% of consumers have a desire to be more sustainable in 2022. With this awareness in mind, we are asking ourselves how we can offer consumers sustainable choices in a simple and more accessible way. As a leading company within the martech industry, we have a responsibility towards our planet, and Adsquare is committed to reducing global warming by keeping greenhouse gas emissions to a minimum.

We have already adopted several actions to help the environment and nature, including the following:

IT Infrastructure

- Adsquare deletes datasets that haven't been updated within 90 days to reduce server load.
- Adsquare opted for Amazon Web Services (AWS) and Novoserve as its data cloud providers of choice knowing that both are focused on efficiency and continuous innovation across their global server infrustructures. Furthermore:
    - The results of a study by 451 Research show that AWS's infrastructure is 3.6 times more energy-efficient than the median of U.S. enterprise data centers surveyed.
    - AWS is committed to reducing the water used for cooling our data centers to conserve drinking water.
    - AWS will power its operations with 100% renewable energy by 2025.
    - Novoserve intends to improve its energy efficiency by at least 25% over the next 5 years and carries out an active investment in heat reuse, improved hardware, and energy-efficient cooling systems.
    - Novoserve purchases servers from companies that pay attention to sustainability such as Hewlett Packard Enterprise (HPE) and Supermicro that are actively working on improving their environmental impact across the value chain.
    - Novoserve reduces e-waste by actively trying to repurpose decommissioned hardware, either internally or through external partners.

- Cloud-based infrastructure: Adsquare employs real-time processing pipelines, thanks to which servers are not run continuously and resources are consumed only when needed, avoiding redundant energy consumption.
- Adsquare servers are sized to cope with actual demand. Appropriate server sizes are key in avoiding energy waste.

Office Environment

- Strict waste separation at the workplace according to organics, paper, plastic, glass, general waste.
- Using rechargeable batteries where required, such as hardware accessories like computer mouse or remote control.
- Tap water dispenser for employees to reduce packaging and transport efforts.
- Additional beverages have to be in reusable containers; Adsquare employees have been equipped with reusable water bottles and coffee/tea mugs.
- Employees are encouraged to turn down heating and lighting and switch off their devices when they leave the workplace.
- Adsquare introduced "Jobrad", a bike-sharing system for employees to allow for an emission-free commute to the workplace.

Did you know?

According to Science Focus[3], sending an email uses about 1.7 % the energy it takes to deliver a paper letter. We are of course in favor of emails, but emails with a purpose. In fact, each adult sending one less email a day would save over 16,433 tonnes of carbon a year - the same as 81,1522 flights from London to Madrid or taking 3,334 diesel cars off the road.

Next time you're about to hit 'send', think about this…
Is your "thank you, LOL, you too, have a good weekend, received, cheers" email that important after all?

Let's start with small conscious actions and help the planet by avoiding pointless emails[4].

Not only can a reduction of emails positively impact the planet, but also the way we work can contribute to a healthier one. According to VCD[5], 2 people traveling to a meeting from Stuttgart to Berlin, for example, cause 470kg CO_2 emissions if they fly, 380kg if they drive by car, 65kg if they take the train. But, if they don't travel at all and do a 4 hours conference call instead, they cause only 1kg CO_2 emissions. Lesson learned: virtual meetings present a critical opportunity to help the planet.

The Paris Agreement's central aim is to strengthen the global response to the threat of climate change by keeping a global temperature rise this century below 2°C above pre-industrial levels, and to pursue efforts to limit the temperature increase even further to 1.5°C.

The environmental footprint of the tech world is constantly expanding. Greenpeace estimates that by 2025, the technology sector[6] could consume 20% of the world's total electricity due to the expansion of cloud computing, the vast amounts of energy needed to power the servers, and keep them cool. Furthermore, an additional environmental impact of cloud computing is the electronic waste produced by the industry. Of course, as a global tech company, we are responsible for this, and have a serious part to play.

Adsquare wants to be a proactive player in the solution, and for this reason, we are committing to 3 environmental actions. We commit to:

- Data Minimisation: Adsquare will commit to responsible data storage practises, retaining data only for as long as necessary, in order to fulfill business purposes. This will help reduce our ecological footprint, as less stored data means less computing power.

- Efficient Programming: Adsquare will optimise coding algorithms and design data structures in a way that computing calculations will respond in less time, resulting, as a consequence, in reduced server usage and lower energy consumption. Efficient programming will also allow Adsquare to maximise the use of each server instead of scaling up.

- Establishing a sustainability-focused committee, with the objective to help the tech industry make smart decisions when assessing data processing and storage options.
The objective is to spread awareness and create solutions that reduce the environmental impact of data centers.

4.People

Adsquare treats employees fairly and ensures they can thrive in a rapidly changing world. We know that more diversity and inclusivity means that our teams can progress on a personal and professional level, thanks to the value that different backgrounds, perspectives, and experiences can bring. The Adsquare team already consists of employees of 20 different nationalities and we have already implemented the following initiatives for an integrated workplace:

- Adsquare has established an equal and fair pay programme installed by Adsquare's People team in Q2 2021.
- Adsquare embraces diversity and promotes inclusivity.
- Our Employee Handbook clearly states that we have a zero-tolerance policy for any form of harassment, discrimination, and unwelcome conduct that is based on race, colour, religion, and sex including pregnancy, sexual orientation, and gender presentation, national origin, age, disability, or genetic information.
- Adsquare has in place a well-balanced leadership team (Director title or higher); the team consists of 16 international employees, of which 6 are women (38%). This is a good way to achieve gender parity. In comparison, only 26.5% of executive, senior-level, and management positions in S&P 500 companies are covered by women.
- Every Adsquare employee has a budget of 1,200 € per year for personal development.
- Adsquare invests in job training with its monthly Adsquare Academy.
- Adsquare has implemented a 360° feedback system, called Personal Development Review (PDR), taking place twice a year. PDR helps to give every employee at Adsquare a voice, regardless of job title, to improve working conditions, increase motivation, and quality of work.
- Adsquare runs motivational surveys each semester and in an anonymous capacity to identify factors that can secure Adsquare as a stimulating and just workplace.
- Adsquare provides financial support in the amount of 500€ per employee to create a more comfortable home office with an ergonomic setup.

The long-standing social injustice perpetrated in the world and workplace, towards diverse and minority groups culminated in the Black Lives Matter movement in June 2020. This made us reflect on our role as a young and progressive company, and question ourselves on how we should take action and address racial inequality, internally and externally. In order to accelerate diversity and inclusion within Adsquare and the tech industry, Adsquare commits to:

- Creating an Advisory Board made up of minimum 3 members with expertise and strong voice on diversity and inclusion.

- Representing a diverse array of identities across our marketing and PR content to make sure that our brand showcases a balanced mix of people.

- Developing an internal knowledge platform, across all offices, where employees can further educate themselves on racism, gender inequalities, and how to actively become ambassadors of diversity and inclusion.

Did you know?

Techjury[7] has recently outlined four facts concerning women in tech in 2021:

- Only 20% of all tech jobs were held by women.
- The quit rate for women in STEM - Science, Technology, Engineering, and Mathematics - was 53%.
- 26% of all computing jobs in the world are held by women.
- 5% of startup founders are women.

At Adsquare, we want to empower and provide equal opportunity for women, not because we have to, but because of what our female colleagues have contributed to our organization and its success.

5.Society

A recent survey from Mintel[8] revealed that 97% of consumers agree it's important that companies act morally and ethically, up from 76% in 2012. Data does not lie: We all know that businesses should do more than just make money. They should give back and contribute to society in a positive way. At Adsquare, we don't see ourselves as pure economic units, but as part of a global community. Our actions must also include social measures and contribute to humanitarian organizations.

- In 2017 and 2018, Adsquare donated to Techfugees[9], a tech charity organisation curating tech-enabling solutions to support the inclusion of displaced people worldwide.

- In 2020 and 2021, Adsquare decided to not provide gifts to employees on Christmas and used the allocated budget for donations instead. Each employee decided to donate their Adsquare budget to their preferred NGOs, choosing among Equality now[10], Mind[11], Outright international[12], Deutsche Krebshilfe[13] (German Cancer Support), Caritas International[14], Direct Relief[15], European Alliance Against Depression[16], Save The Children[17].

Did you know?

According to The National Philanthropic Trust[18], and The European Fundraising Association[19] the largest source of charitable giving in the US and in Europe comes from individuals, accounting for 69% of total giving in the US in particular. In other words, companies are not the main responsible for donations, but at Adsquare we want to deliver benefits that extend far beyond traditional organisational boundaries. For these reasons, we have established specific goals to give back to society in a tangible and measurable way, as highlighted in the next page.

We know that what we have done so far for Society is not enough and we must continue to listen, act, and educate ourselves to stand up for human rights. Some of these human rights issues have been around for centuries and this means we have enormous ongoing challenges ahead of us. For this reason, we are committing to:

- Donating budgets for Christmas presents for both employees as well as clients and partners to a selection of NGOs that is selected by the team each year.

- Hosting one fundraising event per year to raise awareness around human rights within industry partners.

- Developing an internal knowledge platform, across all offices, where employees can further educate themselves on human rights, what causes they can support, and how they can actively contribute, in line with the UN 15 Sustainable Development Goals.

give back

6.Conclusion

To conclude, where does our sustainable barometer stand?

Here's a quick overview to highlight again our commitment to continue working on making our sustainability goals attainable by 2025. Adsquare is creating an ecosystem of opportunities to pioneer a net-zero future. Starting with small actions and by setting realistic and measurable goals, a cleaner, fairer and more social world is within our reach.

Planet Goals

- Data minimisation
- Efficient programming
- Establishing a committee to stir sustainable actions in the martech industry

People Goals

- Creating an Advisory Board to favor diversity and inclusion (D&I)
- Representing D&I in our brand
- Building an internal knowledge platform to educate employees on D&I

Society Goals

- Corporate donations
- Annual fundraising event
- Building an internal knowledge platform to educate employees on human rights

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8.Contact

Adsquare takes sustainability seriously and considers its impact on the world as one of the essential pillars of its business success. For this reason, our sustainability programme will be accurately updated every two years to track our progress.

If you wish to learn more about our sustainability strategy, please contact:

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