



FINVENTORY



Finventory

Corporate Social Responsibility

October 2021

Introduction

Finventory, founded in 2016, is a young organization with high growth potential. This provides us with the opportunity to create positive impact. However, we are also aware of the negative impact we as a company could induce.

The key values of our services are uniformity and transparency, where operations are risk-driven, and risk analyses are done on a daily basis. Our mission and vision are adopted in a corporate social responsibility policy and its practical implementations are discussed.

Finventory is financed by Heylen Group, which holds the majority of the shares in Finventory. Heylen Group truly recognizes CSR practices in the governance of its subsidiaries. An example of Heylen Group's efforts to make the world more sustainable is the Heylen Energy subsidiary, which developed 70 megawatts in solar panels over the last year.

This report outlines the CSR policy of Finventory and the associated practical implementations. As CSR is embedded in our new governance, this first report on this topic serves as a baseline, and where we strive to improve on CSR on a yearly basis.



How we create value

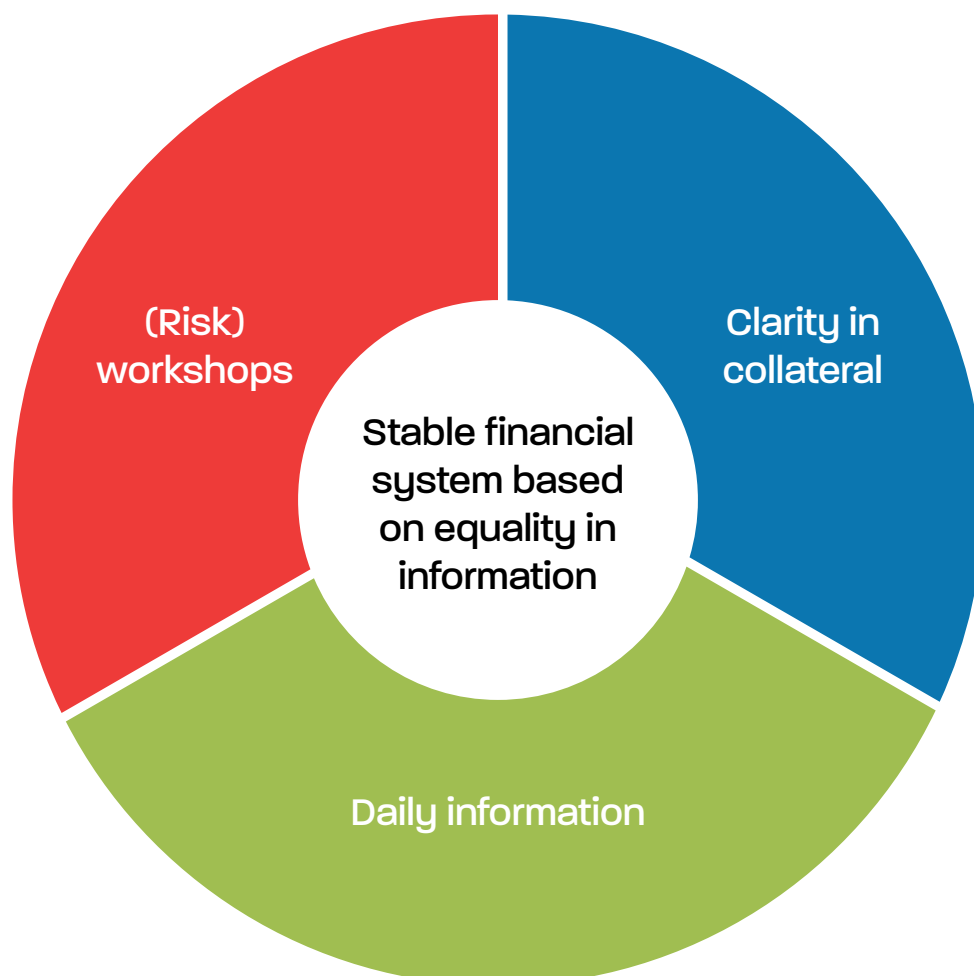
We find that the financial system should be more transparent and stable

The financial system should be shifted from an untransparent system towards a data-driven system where customers play the central role and parties can have a more equal dialogue. We actively communicate this belief in a modern system by acting as the link between borrowers and credit lenders in ensuring transparent data exchange among parties in both directions.

We have a strong drive to facilitate the change of the current system and believe that clarity in collateral (e.g. inventory) leads to early warnings on a wide scale, preventing unnecessary high or low levels of credit and the fall out for social and economic welfare due to unanticipated defaults.

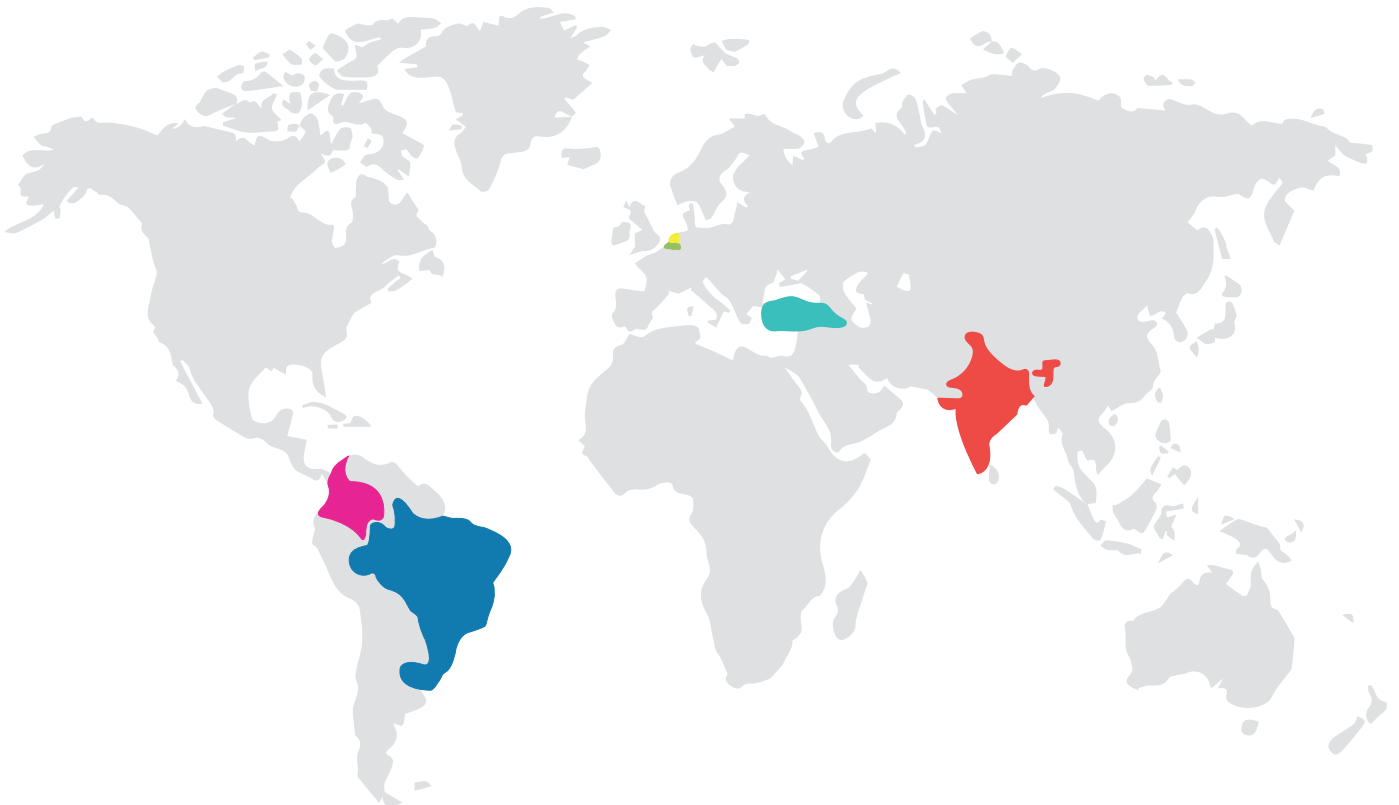
Next to that, by monitoring the inventories directly from the source on a daily basis, activities related to the inventory are directly registered upon which the credit facility will adjust accordingly. Moreover, the customer is hereby enabled to foresee any upcoming issues.

In combination with providing workshops and knowledge sharing sessions with topics related to risk, we believe to contribute to a more data-driven stable financial system.



We believe in a diverse team

We actively involve people from different geographical backgrounds in our team and make sure our team is inclusive in terms of gender, race, religious preference and sexual preference. At Finventory, searching for new talent is not restricted to the borders of The Netherlands. We believe diversity is an asset and this believe is deeply embedded in our philosophy of doing business responsibly.



- Brazilia
- Turkey
- Belgium
- Netherlands
- India
- Colombia

We feel responsible for conducting our business in a sustainable and ethical manner.

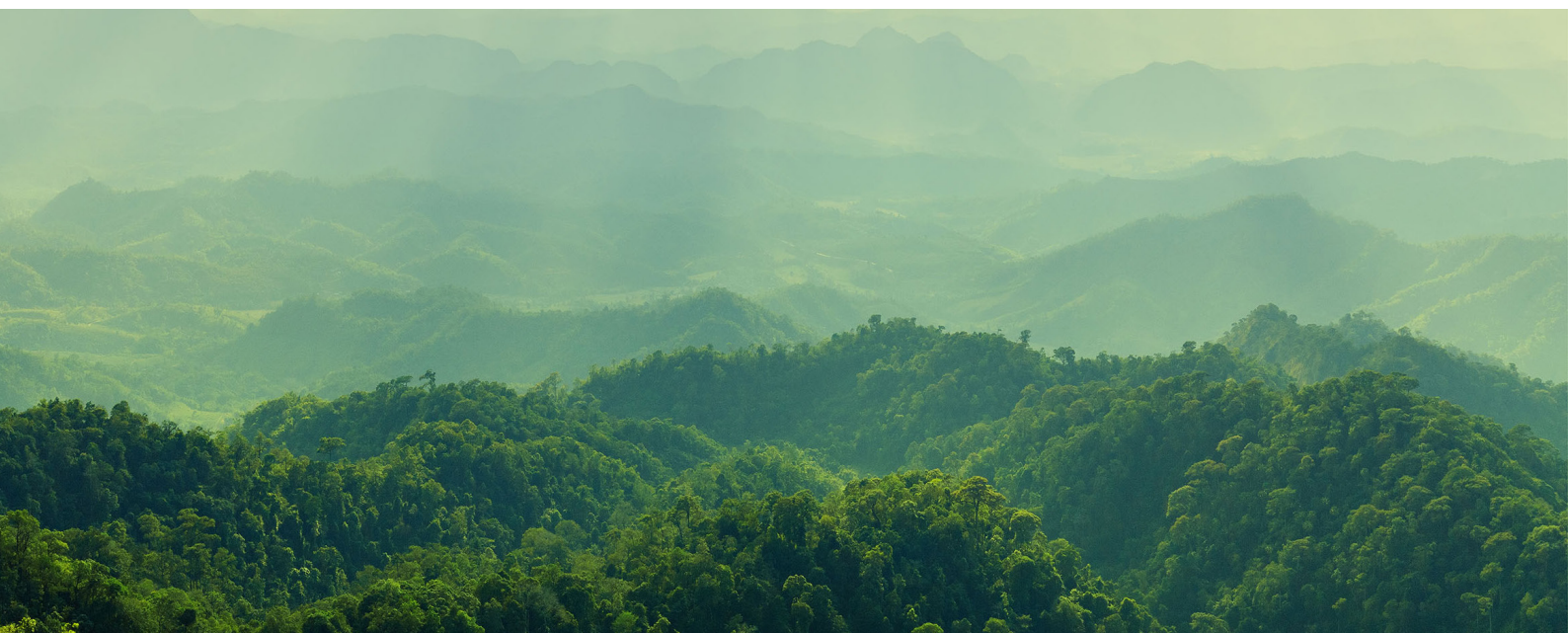
This entails that we actively try to reduce our ecological footprint in terms of energy consumption and waste management and believe that we can make an impact by addressing the issue of responsible consumption on a broad spectrum. We

positively attribute to a more sustainable world by adopting certain policies to reduce the ecological footprint, as well as making business decisions that take the consequences on a wider sustainable and social spectrum into account.



Corporate Social Responsibility policy

- Finventory strives towards long-term partnerships with its clients by following a continuous improvement process of our operations. In doing so, Finventory fuels its employees in behaving responsibly by stimulating ethical behavior and transparent communication with stakeholders, thereby stimulating the awareness of the impact that Finventory and its clients have.
- Finventory strives to create a safe and comfortable work environment and believes that an honorable and transparent business culture forms the foundation of gaining the clients' trust in ensuring a responsible business environment and that social responsibility goes hand in hand with doing business successfully.
- As a scale-up, Finventory aims at becoming more sustainable by focusing on small steps towards long-term improvements within the company. This also means that we take our responsibility of a continuous development of better economic, social, and ecological well-being of communities in which we live and work.
- Finventory empowers employees to actively take part in business decision processes and stimulates proactive behavior in solving problems and coming up with new ideas.
- Finventory proactively tries to shape the financial system to a more stable and efficient system by being transparent with our clients and demand the same transparency from our clients towards related third parties.
- Finventory believes in a data-driven financial system and has a direct connection to the source data from the parties involved, preventing the possibility of fraudulent practices, contributing to a more equal and honest financial system.
- Finventory motivates its employees by offering them continuous learning opportunities in terms of education and training and believes that employees should be able to make use of their full potential as this would benefit the company as a whole.



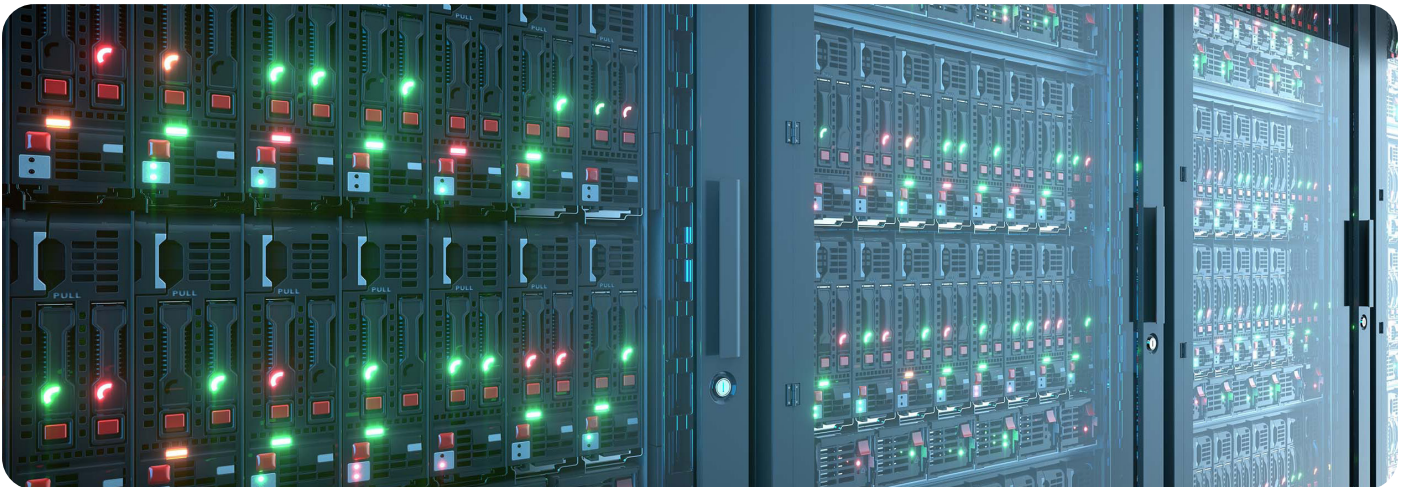
As a result, we have identified several themes of sustainable business practices and commit ourselves to the following:

Care for our **clients**: create a more transparent and stable financial system

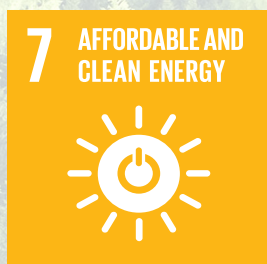
Care for our **people**: create a healthy and inclusive work environment

Care for our **planet**: create a sustainable work environment

Every year we will report on our efforts and activities regarding these commitments.



These commitments and their associated efforts can be linked to the UN Sustainable Development Goals (SDGs), where we focus on the direct impact on the following SDGs:



SDG 7:

Ensure access to affordable, reliable, sustainable and modern energy for all



SDG 8:

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



SDG 9:

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



SDG 10:

Reduce inequality within and among countries



SDG 12:

Ensure sustainable consumption and production patterns

Implementation

Finventory's policy is adopted to help realize the values of the company. Certain practices have been put in place, which can be seen as the practical implementation of Finventory's values. These include some indicators as well, which will be reported on from now on to quantify the progress on CSR practices on a wide scope of business activities. These indicators can help Finventory in improving its CSR practices

and can give more insight on the company's strengths and points for improvement. Also, effort will be put into identifying new indicators to measure the company's CSR practices in the upcoming years, which will later on be reported on as well. Therefore, this first CSR report serves as a baseline to map current activities and gives direction towards further improvements.

Care for our clients

Data driven financing enables custom made work. The high frequency in which confidential data is entrusted to financial institutions enables the credit facility to fluctuate on a daily basis, based upon measurable requirements and risks applicable to the relevant company. This boosts young and quickly growing companies to realize their growth potential, as the credit facility could grow with the size of the company. In addition, this helps companies that are involved in industries that are more difficult to finance, like sectors that deal with seasonality or perishability.

Next to that, we have direct access to the source of the objective data. In combination with the high frequency and the used algorithms that perform intelligent plausibility checks, this reduces the risk of fraud. Additionally, monitoring several risk drivers linked to inventory and retrieving information from different sources, being the borrower, supplier of the borrower and financial institutions, will help to safeguard the interests of all stakeholders.

We as Finventory will solely work with financial institutions that share and enable their corporate clients to have access to the same analyses as they have access to themselves. In this case the transparency to create a more stable and efficient financial system based on equality in information is guaranteed. Only in this manner an equal dialogue between the different stakeholders is facilitated.

On top of that, we implemented a Code of Conduct that states that Finventory will always act to preserve the best interest of our clients. We will not accept gifts or other inducements that could lead to decisions or actions that are not in the interest of our clients. The Code of Conduct states that we will never withhold unwelcome facts, conclusions, or recommendations in order to preserve or develop a client relationship. A stable financial system requires openness and full transparency.

Care for our people

At Finventory, we deeply care about our people and their personal development. We stimulate an inclusive and safe workplace for all our employees. Our culture is open and equal, and we strive towards a diverse team in terms of geographical background.

Human Resources

We actively look for talented and passionate people across borders and we are a recognized² IND-referent (Immigratie- en Naturalisatiedienst). Since initiation, we have employed four employees that have worked and lived outside The Netherlands. This positively contributes to the SDGs as we help facilitating cross-border mobility of people and proactively recruit qualified personnel from developing countries (e.g. Brazil, Columbia, India and Turkey). On top

of that, in our Code of Conduct it is specifically stated that we do not discriminate based on race, religion, gender or sexual preference and we actively convey this. We encourage our employees to have a critical mindset and we openly and respectfully debate with each other. This facilitates awareness among our employees on certain topics, one of them being how the company can improve its sustainable practices.



² For more information on the IND-referent see:
https://ind.nl/werk/werkgever/Paginas/Erkenning_als_referent.aspx

Work-life balance

We also focus on the well-being of our people. Therefore, we stimulate a healthy work-life balance. We have respect for each other's personal circumstances and provide a safe and healthy workplace with ergonomic office equipment.

On top of that, eating lunch behind the desk is discouraged as we eat lunch together to strengthen our open and informal culture, as well as the connection between employees. Also, we recently redecorated our lunch area to create a comfortable and home-like atmosphere. Due to the emergence of the Corona virus in 2020, a shift was made to work meetings via digital platforms. This facilitated more flexible work locations for our people but made it also harder to connect with each other. For this reason, we implemented two online catch-up moments per day with all the staff.

Though, we do want to continue with offering our people this flexibility in terms of working from home when the situation fits, on the condition that it is always combined with frequent personal face-to-face contact in our offices.



Education

As business practices constantly evolve, we also want to give our people the possibility to evolve with it. Therefore, we strongly encourage and facilitate self-development and offer our people educational and training facilities. We actively employ people that have not finished their education entirely and offer them additional educational options. We regularly organize business-relevant events for our developers, such as hacking or threat modelling workshops. In general, we support further development of employees and if an employee wants to learn new soft or hard skills that are beneficial to the company's performance as well, we

facilitate this learning opportunity. Next to that, we regularly organize 'sprint sessions', in which we discuss business activities to help increase awareness and pro-activeness among our employees. We offer our employees a transparent package of working conditions that consider long-term employee benefits, equal for all employees. We are also looking into the possibility of introducing internship positions where students can already get hands-on experience in our field of business. Also, early-stage recruitment can enhance the growth potential of Finventory.



Kaizen

We decided to implement the Kaizen philosophy for how we manage the company and conduct business and improve sustainability and social responsibility. Kaizen, which is Japanese for continuous improvement, involves small improvements on a step-by-step basis. This philosophy makes an appeal on our employees to be proactively involved in the improvement of our organization whereby employees' suggestions are appreciated to direct the

business forwards in a sustainable manner. On a quarterly basis, a Kaizen meeting will be hosted in which the progression on the 'small' action points will be discussed. Employees already had the opportunity to give suggestions on improvements of working conditions, but with the implementation of Kaizen, this process will be managed and evaluated on a regular basis to ensure the actual implementation of these suggestions.

Care for our planet

We are aware of the environmental impact of our business processes. Therefore, we are dedicated to improving our ecological footprint and choose for sustainable solutions where possible, showing our active engagement in contributing to a more sustainable way of doing business. Below, such practices and solutions are described. On top of that, we are continuously looking for further improvements of business practices that help reduce the negative impact on the environment, such as the reduction of CO₂-emissions and sustainable consumption on a company and individual level.

Limit CO₂ emissions

Finventory's office is located in a shared office building. For this reason, we are not able to implement higher-level sustainable, energy-efficient solutions, but we do adopt certain practices on a company-level in our own office. As an example, energy-efficient solutions have been implemented, such as motion-sensing wireless lighting. Our efforts to actively reduce CO₂ emissions are outlined below.



Servers

Finventory can make a big impact on the environment when it comes to supplier decisions. We are highly reliant on data infrastructures as data processing is our core business. Therefore, one of the impactful decisions we can make is the decision on where to store data. We have consciously chosen for an online cloud platform, Azure by Microsoft, as this is a 93% more sustainable solution in terms of energy use instead of storing data offline and is 98% more carbon efficient.³

Furthermore, Azure strives towards 100% carbon-neutral energy by 2025. On top of that, algorithms have been optimized to reduce the required capacity of the servers, thereby reducing energy usage.

We believe that we can make a positive contribution to a better planet by working with Azure and therefore, 95% of our servers work with Azure. On the other 5% we cannot yet provide insights, however, we are committed to have full insight by the end of 2022.

³ For more information on the policy of Microsoft Azure see:
<https://azure.microsoft.com/en-gb/global-infrastructure/sustainability/#overview>

Client meetings

Finventory is located in an industrial area of the city. This means that it is hard to reach the office by public transport quickly. However, the emergence of Covid-19 has led to a shift from physical meetings to online client meetings. This resulted in an increase in efficiency of employees' schedules and reduced the need to travel, lowering the negative impact on the environment. Employees are equipped with the means to communicate with clients, colleagues

and business partners through web-based technology and communication systems. Hence, going forward, we keep stimulating digital communication with our clients as it will be a much more accepted way of communication in comparison to pre-Covid-19. For this reason, we strive towards a lower number of so called offline 'kick-off' or 'onboarding' meetings. We want to host around 90% of these meetings online.

Onboarding meetings	2021 (Year to date) ⁴	2022 (Goal)
Online	93%	> 90%
Offline	7%	< 10%

Furthermore, as of 2022, we will adopt an official policy when it comes to travelling for work. The policy states that using public transport for client meetings is the norm. However, when the extra travelling time would be more than 30 minutes compared to travelling by car, one can address the issue and ask permission to use

the car instead. We will also start reporting on the total number of kilometers travelled to clients per year and what type of transport is used (public transport versus car). This will provide more insights into the ecological footprint of the company.



⁴ Due to Covid-19, offline meetings visiting clients were prohibited. Therefore, the 2021 for figures are very low. We are committed to keep the percentage of Offline meetings at client premises at very low level compared to pre-Covid years.

Transport	2021 (Year to date) ⁵	2022 (Goal)
Car	1768 km (66%)	< 50%
Public transport	930 km (34%)	> 50%

Responsible consumption

Responsible materials

We are aware that small, day-to-day decisions can have a relatively big impact already. This is why we as a company minimize our use of plastic (e.g. minimizing use of plastic cups), ecologically harmful products (e.g. use of sustainable detergents) and paper (e.g. digitalizing documents to minimize use of paper and ink). Examples of plastic reductions in the office are the replacement of a Nespresso machine, which requires plastic cups, by a

coffee bean machine and the use of cartons of milk instead of plastic cups. To further align these responsible consumption practices to our values and ultimately have a paperless office, we will start reporting on our paper and ink consumption. The reported numbers can be found in the table below. Meaningful insights can be derived from this reporting and based on these numbers we can strive towards certain reduction targets in the future.

Paper less	2021 (Year to date)	2022 (Goal)
Purchases of ink-jet printer cartridges	2 sets	< 2 sets per 5 employees
Purchases of paper	2500 sheets	< 500 sheets per employee

Local community


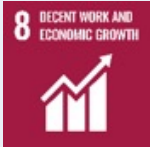



We do not only care about the ecological improvements of responsible consumption, but also support the local community by ordering client lunches from local suppliers around Roosendaal. By buying from local suppliers, we

avoid unnecessary additional CO2 emissions coming from longer travel distances and enforces the economic development of local, small-scale enterprises.

⁵ Due to Covid-19, offline meetings with clients were prohibited. Therefore, the 2021 for figures are very low. We are committed to have a shift from more than 60% client meetings by car to less than 50% in 2022. The absolute number of kilometers travelled is difficult to predict due to the special circumstances in 2021.

SDGs in action

As mentioned before, Finventory commits itself to certain SDGs, put in place by the UN. In the table below, the SDGs are linked to Fininventory's core business activities, as well as certain practices of how the business is run in terms of consumption patterns and policies.

					
	SDG 7	SDG 8	SDG 9	SDG 10	SDG 12
Goal	Ensure access to affordable, reliable, sustainable and modern energy for all	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation Reduce inequality within and among countries	Reduce inequality within and among countries	Ensure sustainable consumption and production patterns
How Finventory positively contributes	Use of Cloud infrastructure Servers from Azure which make use of renewable energy and are 98% more carbon efficient.	Offering solutions on improvement of inventory credit lending to sustain financial health. Employing migrant workers and being recognized as IND-referent.	Enable transparent and affordable inventory credit lending to small-scale and other enterprises. Research and development of innovative software solutions for which "WBSO" ⁶ subsidies are granted by the Dutch Government.	Employ talented individuals from developing countries Policy (Code of Conduct) promotes inclusivity (e.g. gender, race, sexual preference and religion)	Recycling of paper/carton and minimize use of plastic (e.g. no more plastic cups, no milk cups, etc.)
Target-level contribution	Target 7.3	Target 8.3 & 8.8	Target 9.3	Target 10.2	Target 12.5

⁶ For more information on the subsidy see: <https://www.wbsosubsidie.nl/>