

# 2022 Sustainability report

Connecting regulators and the industry to drive financial stability,  
tax transparency and a sustainable future.



# Table of contents

1	What we do	1
2	Our values	1
3	Commitment to sustainability	1
4	Environmental, Social, and corporate Governance (ESG)	2
4.1	Organization	2
4.2	Risk management	2
4.3	External reporting	2
5	Our approach	3
6	Initiatives supporting our Sustainability Strategy	3
6.1	Helping our customers to comply with upcoming ESG Regulations	4
6.2	Improving financial stability	4
6.3	Ensuring the learning and development of our workforce in a diverse and inclusive work environment where everyone feels welcome and safe	4
6.4	Measuring and reducing our scope 1-3 CO2 emissions	6
6.5	Having strong policies and governance processes in place	6
7	Corporate Social Responsibility (CSR) - community relations	7
7.1	General overview	7
7.2	CSR initiatives in 2022	7
8	Outlook	8

# What we do

## A singular focus on regulatory data and reporting

By combining our deep experience in regulatory reporting and regulatory management, together with our broad technology solutions, we provide a full-service offering across the Regulatory Value Chain to industry players across the globe.

In collaboration with our local experts and our strong partner ecosystem, we build standard software packages and platforms to enable regulators, tax authorities, and firms to increase the efficiency of their regulatory reporting, regulatory management, tax reporting, and data management processes.



*Our vision is to create a global platform that connects regulators and the industry to drive financial stability, tax transparency and a sustainable future.*

Rob Mackay  
CEO  
Regnology



## Our values

Our values bring us guidance and are lived each and every day by everyone at Regnology as we strive to be the best and most reliable partner for our clients.

Grounded in our belief in continual improvement through learning and innovation, we invest in people and provide space for creativity and growth.



Be reliable and responsible



Drive excellence and quality with passion



Empower sustainable innovation



Collaborate for the greater good



Act with respect and embrace diversity

## Commitment to sustainability

We are committed to achieving our strategy in a sustainable manner - building our business on good governance practices, ethical conduct and compliance with applicable laws and regulations, maintaining our good reputation and creating long term value for Regnology and our stakeholders.

Last year Regnology received a bronze rating from EcoVadis, the world's largest and most trusted provider of business sustainability ratings. Their assessment methodology is built on international sustainability standards, including the Global Reporting Initiative, the United Nations Global Compact, and ISO 26000.

# Environmental, Social, and corporate Governance (ESG)

## 4.1

### Organization

The sustainability strategy is approved and owned by Regnology's CEO and leadership team which give regular updates to the Board of Directors.

A dedicated ESG committee reviews the progress four times per year.

To embed our ESG initiatives into Regnology's day-to-day business each one is assigned an owner from the leadership team. This ownership includes driving and managing the implementation process as well as providing the necessary information to include in the periodic updates to the Board of Directors.

## 4.2

### Risk management

Sustainability is an integral part of Regnology's risk management. Acute and chronic environmental risks are assessed, and measures for mitigation are defined. Transitory risks because of climate change and its effects on politics, the economy, and society are also identified and analyzed.

Social and governance related risks and chances are also part of our risk approach and are managed on a regular basis. The exposure to potential risks that could disrupt or destroy critical business functions and/or the development and delivery of Regnology's software products, and its professional and managed services is covered by Regnology's strategy for continuing business in the case of a critical disruptive incident (emergency, crisis or disaster).

## 4.3

### External reporting

We report on our sustainability voluntarily to show our commitment and demonstrate transparency.

In the future, we expect Regnology will be required to comply with the new EU Corporate Sustainability Reporting Directive (EU-CSR).

With the implementation of our strategy and the launch of the ESG initiatives, we have already collected some data sets for CSRD reporting and plan to compile further reporting data in the course of 2023.



# Our approach

At Regnology we care about Sustainability and have committed ourselves to meet ESG requirements. Our approach to sustainability is holistic, with the strongest focus on areas where we believe we can make a real difference. We address the Environmental, Social and Governance aspects of sustainability, as well as take both an internal and external view on our impact.

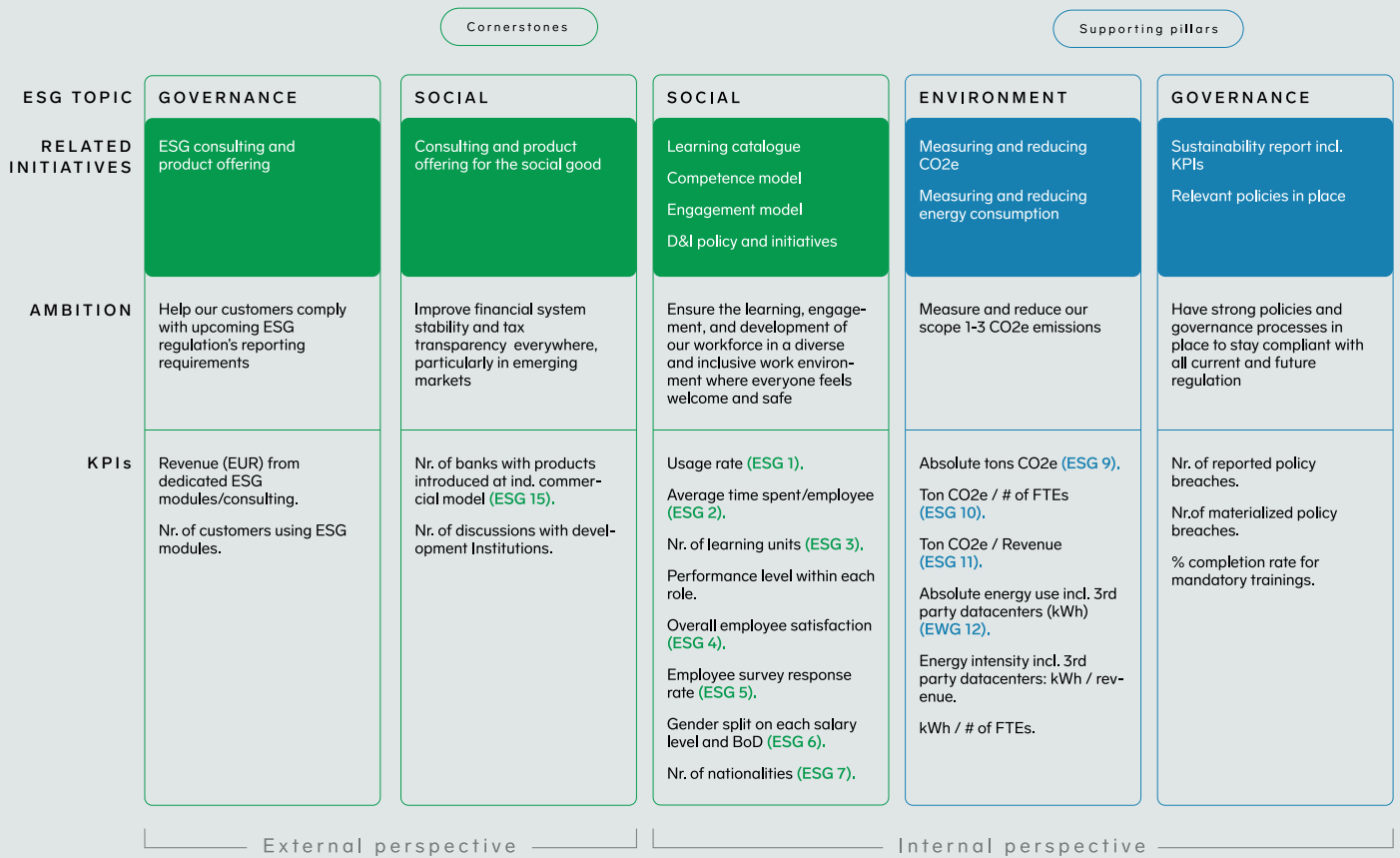
At the same time, we aim to leverage our strengths and focus on the specific areas that are most important to Regnology, our stakeholders and to regulators.

A materiality assessment was conducted in 2021 to then develop the strategic positioning, sustainability vision, and the definition of initiatives in 2022.

Through our strategic priorities within sustainability, we aim to become an even better partner for our customers who want our world-class RegTech, SupTech and tax software to remain at the forefront of regulatory development.

We also believe that our success depends on the development and well-being of our highly skilled staff and want to continue to attract and retain the best talent regardless of their background.

The chart below sets out the cornerstones, supporting pillars and the related initiatives of the sustainability strategy that will help Regnology achieve its vision.



# Initiatives supporting our Sustainability Strategy

The management team is responsible for determining the strategic objectives and, where applicable, targets for each initiative.

For each initiative, respective data owners have been identified to track and record progress.

The following range of initiatives will bring us closer to our strategic vision and ambition.

6.1

## Cornerstone: Governance (external)

Helping our customers to comply with upcoming ESG Regulations

### RELATED INITIATIVE: ESG CONSULTING AND PRODUCT OFFERING

DESCRIPTION

We will develop industry-leading software products and consulting services that will enable our customers to comply with reporting requirements from upcoming ESG regulations.

ACHIEVEMENTS

ESG risks module developed with delivery, test phase, and roll-out.  
 Consultancy services developed.

KPIs

Revenue (EUR) from dedicated ESG modules/consulting.  
 Nr. of customers using ESG modules.

6.2

## Cornerstone: Social (external)

Improving financial stability

### RELATED INITIATIVE: CONSULTING AND PRODUCT OFFERING FOR THE SOCIAL GOOD

DESCRIPTION

Introducing our SupTech products in developing markets where financial systems are not yet fully mature and Regnology can support creating financial system stability.

ACHIEVEMENTS

Definition of tailored pricing model for low-income countries and addressable markets identified for SupTech products.  
 Intensified dialogue with development institutions and foundations.

KPI - ESG 15

NUMBER OF CUSTOMERS WITH THE IND. COMMERCIAL MODEL

2

6.3

## Cornerstone: Social (internal)

Ensuring the learning and development of our workforce in a diverse and inclusive work environment where everyone feels welcome and safe

### RELATED INITIATIVE 1 OF 4: STANDARDIZED LEARNING CATALOGUE

DESCRIPTION

Implement a standardized learning catalogue for our employees to ensure their development through easily accessible and relevant knowledge.

ACHIEVEMENTS

New learning and engagement manager hired.  
 Standardized learning catalogue for each level and each department available.

KPI - ESG 1

ENGAGEMENT - % OF EMPLOYEES USING ONLINE TRAINING

79% DECEMBER 2022

KPI - ESG 2

AVERAGE TRAINING SESSION LENGTH - 2022

8min

KPI - ESG 3

ENGAGEMENT - AVERAGE NR. OF SMART CARD CREATION & CONSUMPTION PER USER

14.2 DECEMBER 2022

## RELATED INITIATIVE 2 OF 4: STANDARDIZED COMPETENCE MODEL

### DESCRIPTION

Implement a competence model across all roles to help employees develop their competencies and improve in their roles based on a tailored approach and regular feedback.

### ACHIEVEMENTS

Create roll-out plan for version 1 (xls-based), incl. workstreams, time plan, internal communication material, and training material.

Competence model embedded in our development and engagement tool (Culture Amp) and implemented in our performance review process.

### KPI

Performance level within each role.

## RELATED INITIATIVE 3 OF 4: STANDARDIZED ENGAGEMENT MODEL

### DESCRIPTION

Implement a digitalized engagement model to ensure employees receive continuous, relevant, and timely feedback.

### ACHIEVEMENTS

Review roll-out within the organization.

Replacing NPS with engagement score for a holistic view on employee satisfaction.

Better understanding of local distinctions through the introduction of regular HR country calls.

### KPI - ESG 4

EMPLOYEE SATISFACTION SCORE AVERAGE - 2022

46,3%

### KPI - ESG 5

EMPLOYEE SURVEY RESPONSE RATE AVERAGE - 2022

60,6%

## RELATED INITIATIVE 4 OF 4: DIVERSITY AND INCLUSION POLICY AND INITIATIVES

### DESCRIPTION

Implement policies and practices to ensure we remain a diverse and inclusive workplace.

### ACHIEVEMENTS

Diversity and Inclusion policy published.

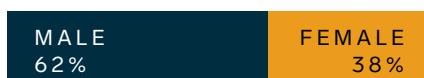
Further increased scores in the diversity assessment (Pride Award).

Introduction of Ally Network.

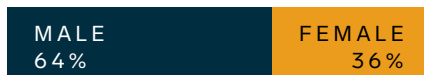
### KPI - ESG 6

GENDER REPRESENTATION - 2022

TOTAL

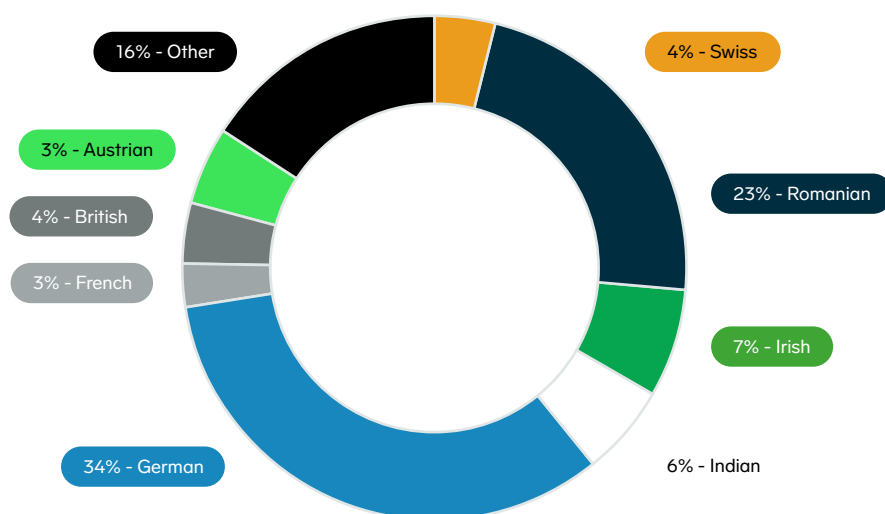


LEADERSHIP



### KPI - ESG 7

TOP 10 NATIONALITIES



## Supporting pillar: Environment (internal)

Measuring and reducing our scope 1-3 CO2 emissions

### RELATED INITIATIVE 1 OF 2: MEASURING AND REDUCING CO2 EMISSIONS

#### DESCRIPTION

Measure and calculate CO2e scope 1-3 baseline, using the GHG protocol.

#### ACHIEVEMENTS

Scope 1-3 baseline created.

#### KPI - ESG 9

ABSOLUTE TONS OF CO2e  
2022

1.150

#### KPI - ESG 10

ABSOLUTE TONS OF CO2/FTE

1.35

#### KPI - ESG 11

ABSOLUTE TONS OF  
CO2/REVENUE €M

10.03

### RELATED INITIATIVE 2 OF 2: MEASURING AND REDUCING ENERGY CONSUMPTION

#### DESCRIPTION

Measure overall energy consumption (requirement for calculating the CO2 baseline).

#### ACHIEVEMENTS

Data on energy consumption collected.

#### KPI - ESG 12

ABSOLUTE ENERGY USE (MWh)

728

## Supporting pillar: Governance (internal)

Having strong policies and governance processes in place

### RELATED INITIATIVE 1 OF 2: SUSTAINABILITY REPORT

#### DESCRIPTION

We will develop a yearly internal report on our sustainability strategy to ensure transparency and report on progress.

#### ACHIEVEMENTS

Definition of governance model for delivery and publication of internal report and external disclosure.

Separate sustainability section on Regnology's website online.

### RELATED INITIATIVE 2 OF 2: RELEVANT POLICIES AND TRAINING

#### DESCRIPTION

We are currently in full compliance with the regulations but will focus on our policies and governance processes to strengthen those where future regulation changes will require updates.

#### ACHIEVEMENTS

Required policies and policy governance in place.

Mandatory and awareness training sessions provided.

#### KPIs

Nr. of reported policy breaches.

Nr. of materialized policy breaches.

% completion rate for mandatory trainings.

Our Board of Directors is regularly briefed on our progress on these initiatives in line with other strategic priorities.



# Corporate Social Responsibility (CSR)

## Community relations

## 7.1

### General overview

As a responsible member of society, Regnology assumes social responsibility in the countries where it operates. Charitable donations and sponsorships are managed and supported based on the respective legal systems and internal guidelines.

Regnology's objectives and approach to charitable giving and the policy on encouraging staff involvement in local charities, community projects, and voluntary organizations is orchestrated by the CSR Committee.

The CSR Committee, consisting of representatives from HR, Marketing, Compliance, and local members from the Regnology offices in different countries, meets on a regular basis and takes care of incoming requests via the CSR functional mailbox as a central point of contact for all CSR-related topics.

On Spark, the Regnology e-learning platform, a specific pathway for CSR training has been created and is available for all Regnology employees. To further raise awareness specific CSR-related topics are planned to be discussed as part of the Lunch&Learn initiative among others.

Ongoing communication on the topic of CSR is helping the entire organization to live up to its social responsibility and motivating employees to get involved accordingly.

## 7.2

### CSR initiatives in 2022

For Christmas 2022 we took the opportunity to make the world a little bit greener and decided to plant trees in order to give back to society and the environment.

This action was carried out by [Grow my tree](#) a tech venture, born out of a need to save the planet and battle climate change through planting trees.

We supported the NGO "Asociația We Help!" in Sibiu with a donation of decommissioned laptops. The purpose of this association is to give the chance for a better life to kids from disadvantaged families.

With this initiative, we were able to support the digital education of children with limited financial means.

Regnology recognizes the benefits of working in diverse teams across genders, generations, abilities, skillsets, cultural backgrounds, and locations.

We believe that with our diverse teams, we deliver better results and create value for our customers.

As part of the Pride Index 2022, Regnology was awarded 'Pride Champion - Gold' by UHLALA Group.



*We are honored to be recognized again in the PRIDEIndex by UHLALA Group as a true LGBTIQ+ Diversity Champion Employer!*

*This year's Gold seal is a testament to our continuous efforts in making our company a safe and welcoming environment.*

Matthias Hoff  
CHRO  
Regnology



## Outlook

In order to reflect Regnology's sustainability ambitions the focus for 2023 is on setting the targets for the defined KPIs in the different ESG areas.

Furthermore, sustainability reporting has become increasingly important as companies are expected to provide detailed information about their ESG performance and initiatives including the effort to ensure ethical business practices.

The Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) provide widely adopted frameworks for reporting on sustainability metrics. CSRD, a regulation by the European Commission aims to enhance the quality and consistency of sustainability reporting across the EU and to align reporting standards with international frameworks such as GRI and SASB. Regnology is in the process of preparing for the CSRD requirements and identifying any missing datasets as part of a gap analysis with the aim to provide further information on sustainability metrics for 2023.

Sustainable procurement and supplier management involves considering environmental, social, and ethical factors when selecting and managing suppliers. For Regnology it is increasingly important to work with suppliers that adhere to responsible and ethical business practices and meet our ESG standards. As part of our responsible supply chain program, we aim to further enhance and develop more sustainable criteria when selecting suppliers. Such a sustainable procurement approach will help us to mitigate risks, reduce the carbon footprint, promote fair labor practices, and drive positive social and economic impacts throughout the supply chain.

In the course of the year, we will further define our CSR strategy to contribute to long-term business success, enhancement of our reputation, and stakeholder satisfaction. We will focus on integrating CSR principles into our core business operations, engaging employees, supporting local communities, and addressing global challenges.

Besides the CSR training pathway, we will develop an awareness training for all employees in relation to ESG topics and will enhance our mandatory training for Business Conduct with further sustainability aspects.



