

FOOTPRINT TECHNOLOGIES Sustainability Report 2021

Letter from CEO

Dear reader,

"3 minutes for the planet" is linked to our service, which requires a maximum of three minutes of activity of our user to go through the whole process to get our shoe size recommendation, which avoids size-related returns. The time investment of 3 minutes results in prevented 500 - 800 g of CO₂ emissions, which are caused by an average shoe return in Germany.

Having been founded in 2019,

Footprint Technologies is still a young company. Just in late November 2021 when we finally managed to launch our very first product: our shoe size consultant for the RICOSTA.de Online shop. It supports parents to find the best fit and size shoes for their children and reduced size-related reshipments. As you can imagine our small team of now 12 people faces lots of challenges every single day to develop and improve our product, finding partners, customers and investors as well as attract the best talents out there.

Despite all these challenges the founding team has decided to take climate action now and we are convinced that true sustainability is the key to build up a relevant and successful company.

True sustainability considers People (Social Sustainability), Planet (Ecological Sustainability) and Profit (Economical Sustainability). Our main contributions for each category are summarized as follows:

People: we support the health of children feet and aim to be a caring, responsible employer. **Planet:** our products reduce waste and avoid CO₂ emissions for a sustainable e-commerce. **Profit:** we aim to become profitable soon to scale our impact and make it long lasting.

I am personally convinced that startups like us have to take action and take the sustainability lead in their industry. If you start to set up things, the effort to do it in a truly sustainable way is lower than transforming decades old established processes in established corporates. By launching our products and by leading with example and spreading the word, we are contributing to a more sustainable shoe industry.

We are far from being perfect, but we are on our way and convinced to improve throughout the next year. This report shows where we are standing on our way to become a fully sustainable company.

Enjoy reading!

Matthias

Dr. Matthias Brendel Co-Founder & CEO Footprint Technologies



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3 minutes for the planet.

1. Introduction

Welcome to the first Footprint Technologies Sustainability Report '21- Executive Summary. We are excited to share our first report representing the environmental values we use to move us towards our goal of reducing the amount of CO_2 emissions. In setting our future targets, we focus on how we can continue to integrate positive environmental activities into all aspects of our company.

In establishing our 2021 report we have reflected on the importance of defining our climate mission, environmental focus, and a climate focused code of conduct. As well as, share our efforts in joining forces with external partnerships and organizations actively implementing goals towards progressive climate change.

Organizations and partnerships mentioned:

- **UN Global Compact**
- UN Code of Conduct
- Greenhouse Gas (GHG) Protocol
- Leaders for Climate Action
- The Climate Choice

2. Who is Footprint

Footprint Technologies is a Berlin-based tech start-up founded in 2019 by three friends with shared ambitions, saving the planet one "step" at a time. Through computer vision and machine learning we have developed a smartphone technology that accurately measures feet and compares the size with the exact shoe dimensions.

We make it easy to find the perfect fit in online shopping while reducing the number of returns and reshipments in the footwear industry.

Our mission:

- 1. Provide retailers with a solution to reduce the high number of returned products due to improper fit and size.
- 2. Allow users an individual shoe buying experience.

We believe our digital footprint should contribute to the global collective of instilling sustainable practices for businesses and corporations. We are a proud member of Leaders for Climate Action and The Climate Choice.

	Sector	Emissions in t CO ₂	Emission scope (GHGP)
	Energy	1.97	2
	Food	0.00	-
	Mobility	8.86	3
Ì	IT Infrastructure	0.72	3
	Supply	4.92	3
	Sum	16,48	-

4. Our Environmental Focus

Our current carbon footprint is: 16.5t.

We calculated this value via the Leaders For Climate Action calculator, applying the Green House Gas Protocol as best possible. The majority of our footprint is contributed by our shared office space, purchased IT equipment and business travels. All these emissions have been compensated with a Gold Standard VER project, conducted by Climate Partner Foundation gmbH. For details see our GHG-Protocol-Reporting.*

Our main business goal is to decrease the amount of CO_2 emissions caused by shoes being returned due to improper fit or size in our client shops.

More than 50% of all shoes ordered online are returned and 75% of all returns are caused by ordering the wrong size. By leveraging technology to help customers make more accurate sizing decisions, we're able to save retailers revenue that is lost through returns and avoid extra submissions of carbon dioxide greenhouse gases because of reshipments.

Because we are in the early stages of launching our product, as of the end of 2021,

*GHG-Protocol-Reporting graph

we are not able to provide more specific numbers on the saved emissions arising from our product at this time. We are planning to analyze this effect together with our first clients and a science partner in 2022. Our clear goal is to provide transparency about this main effect of our product as soon as possible for clients and the public.

4.1 Sustainable Development goals

We are fully committed to UN 1,5°C-Goals for 2030 and proudly agree to the terms of the UN Supplier Code of Conduct.

Additionally, we are in the application process of joining the UN Global Compact, in support of the Ten Principles of the United Nations Global Compact on human rights, labor, environment and anti-corruption.

The sustainable development goals apart of United Nations 2030 Agenda, are targets which work towards the missions of enacting actions in the critical areas of importance for humanity and the planet: people, planet, prosperity, peace, and partnership. At Footprint Technologies, we have committed to upholding this agenda by contributing to three goals we see best fit for our company and environmental mission.



Footprint mainly contributes to these three SDGs:

Goal 3- Good Health and Well Being **Goal 12-** Responsible Consumption and Production **Goal 13-** Climate Action

These targeted goals are relative to the technological solution we provide which allows increased engagement for us and our consumers to make more eco-centered decisions. These decisions ultimately support our commitment to progressing climate action. In the future, we hope to include our direct impact qualities in relation to each goal for the year.

5. Climate Focused Code of Conduct

As a part of our internal climate focused code of conduct we are reevaluating this code on a regular basis to reflect the most optimal options to uphold our company's environmental integrity. The Footprint team is intentional in choosing the green operating systems and partnerships that support our overall climate mission while also contributing positive climate impact.

The internal systems and processes as referred to in this report include our ecocentered stakes in: mobility, office space, energy consumption of software, equipment, internal shipments, paper, and packaging, events, and team learning sanctions, and waste reduction.

These are all factors which we continue to find and seek opportunities that best serve that planet.

The following section will be a brief overview of our listed processes.





5.1 Green Processes

1. Mobility:

In an internal survey conducted individually with all Footprint team members in November 2021, we recorded the results of each member's daily commute to the office space on office days. *Due to the unprecedented circumstances of COVID-19 and the regulations surrounding home office, we found the results to be as follows:

The survey showed that of the ten members who commuted to the office, six people were most likely to commute via public transportation options (train, tram, or bus). Three people were more likely to commute via physical transport (bicycle or walking). While just one person was most likely to commute via motorcycle (fossil-based). The results of this survey concluded that the greater majority of team members are already commuting using green methods of transportation, and therefore there is no need for urgency to further pursue extensive study of this matter.

Additionally, for other business-related travel which requires more extreme methods of transportation, we have a clear policy:

- 1. Wherever possible, we are utilizing digital technologies like video calls to avoid business travel.
- 2. For long distances we prioritize train before flights transportation. If a car is necessary for example to transport technical equipment, we try to utilize its maximum capacity and passenger seats. In 2021 we did not utilize a single business related flight.

2. Office Space:

Due to the pandemic situation, we were mainly working remotely. Because we are sharing our office space is more utilized than solely by us. We are mindful about heat consumption and powered by an electric provider which is 100% renewable.

3. Energy Consumption of our Software:

Our tech team is regularly refactoring our software code to ensure its efficiency and aiming to minimize loading and processing times. Thus, lowering the energy consumption of our product on cloud servers and end users' devices.

4. Equipment:

Tech tools used in the processes of developing and transforming our system operations, including the host (Allinclusive.com) and cloud provider (Microsoft Azure), are 100% renewable.

5. Internal Shipments, Paper and Packaging:

Paper handling is optimized for the most eco-friendly option. Because our processes are often confined to digital presentation, we find our use for paper and printing to be very low. In our last financial round, we convinced all of our 12 shareholders to disclaim printed versions of the notary contracts. Thus, saving 165 pages *12 = 1.980 printed pages and their transportation emission.

For shipping we utile DHL GOGREEN, a climate friendly shipping and receiving option reducing logistics related emissions in Germany.

<u>6. Events:</u>

We contributed to several events sharing our story and measures towards a more sustainable future. For example, team leader, Matthias, held keynotes at the "SAP Sustainability Forum for Retail" and the "Critical Sessions Event 2040 Lisbon". At "SAP Labs Munich Forum" he attended a panel discussion about "How to Create Sustainable Impact Together." Furthermore, Matthias shared our story in the sustainable e-commerce podcast KEEPSCAST and gave a lecture about "Impact Entrepreneurship" at Hasso-Plattner-Institute Potsdam.

7. Team learning:

In efforts to continue or expansion of eco-centered learning, we hold biweekly seminars which engage in the activity of sustainability-focused topics or processes. It is important that no matter the backgrounds of our team, all members can feel that they had an equal opportunity to engage and learn about matters in climate action. In addition, we are also inviting external impulse speakers, like Dr. Jan Schäfer, CEO of Ecomove Technologies Gmbh, who convinced many of our team members to track carbon emission arising from their personal mobility utilizing the Ecomove app.

8. Waste reduction:

To avoid single-use food packaging waste for lunch meals, we are utilizing our own dishware we take them to the nearby restaurants to collect carry-out food.



6. Looking Forward

Over the next years we will continue to bring our climate mission forward and closely track the potential of our CO₂ impact, climate targets, and conducts. In this next year, growing our goals aim to conduct several studies with customers and scientific partners, determine CO₂ emission numbers from our partners, as well as collect accurate numbers surrounding:

- 1. The number of reshipments avoided with our service.
- 2. The number of carbon emissions produced from our partners.
- 3. The number of carbon emissions we saved with our service.

We're committed to progressing the future of this industry and helping to shape a better future one foot at a time.



Footprint Technologies Sustainability Report '21

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