



# Sustainability Report

April 2024

Discover more at [Basware.com](https://www.basware.com)



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**We are bold in our ambitions, and we take ownership in the pursuit of lasting positive change.”**



# A message from our CEO

## I am proud to present Basware’s first standalone Sustainability Report.

At Basware, our vision is to conduct sustainable business with sustainable solutions. We are bold in our ambitions, and we take ownership in the pursuit of lasting positive change.

In 2023, we made significant strides in embedding sustainability as part of our people and growth culture strategy, a key pillar to our 2023-2025 corporate strategy, and we established a cross-functional team tasked with ensuring ESG initiatives across the organization are taken forward, with support from our leadership, executive team and Board.

Key initiatives included a focus on increasing awareness amongst employees empowering them to make more informed choices, reviewing our emission calculations to give better visibility and help to inform decision making, creating supplier assessments to guide our selection of sustainable partners, continuing to support many great charitable causes, and creating a Diversity, Equity, Inclusion, and Belonging framework to strengthen our culture.

Last, but not least, we received global recognition earning a silver sustainability rating globally and gold ratings in some countries from EcoVadis, one of the most trusted providers of business sustainability ratings.

As a leader in invoice automation, we understand the potential technology holds for promoting more efficient, eco-friendly financial operations. Therefore, we are also committed to drive customer value and will continue to innovate our products and solutions to support our customers in their ESG journeys.

We are proud of all our achievement to date, but we recognize that there is still more for us to do on our sustainability journey as it continues into 2024, and have a clear roadmap to ensure we continue to move towards a sustainable future.

I invite you to explore how Basware is bringing ESG principles to life. Together, we can build the path to a more sustainable future and make sustainability just happen.

**Jason Kurtz**  
CEO, Basware



# Introduction

## About Basware

Basware is how finance leaders in global enterprises can finally automate their complex, labor-intensive invoice processes. Our AP automation and invoicing platform helps our customers achieve a new level of efficiency – in a matter of months – while reducing errors and risks.



### True Automation

Our AI/ML-powered solution eliminates all manual processes and digitizes every invoice.



### Complete Coverage

Get global compliance capabilities and the world's largest open network, plus the ability to integrate with 250 ERPs across more than 190 countries.



### Deeper Expertise

Benefit from 40 years of specialized experience identifying and implementing best practices and reducing risk across finance operations.

**900bn**

spend processed annually

**220+ million**

invoices processed annually

**900+**

AP customers

**250+**

ERP system integrations

**190+ countries**

in which we serve clients

**2 million**

connected buyers and suppliers



## How Basware Happened

### The dark ages

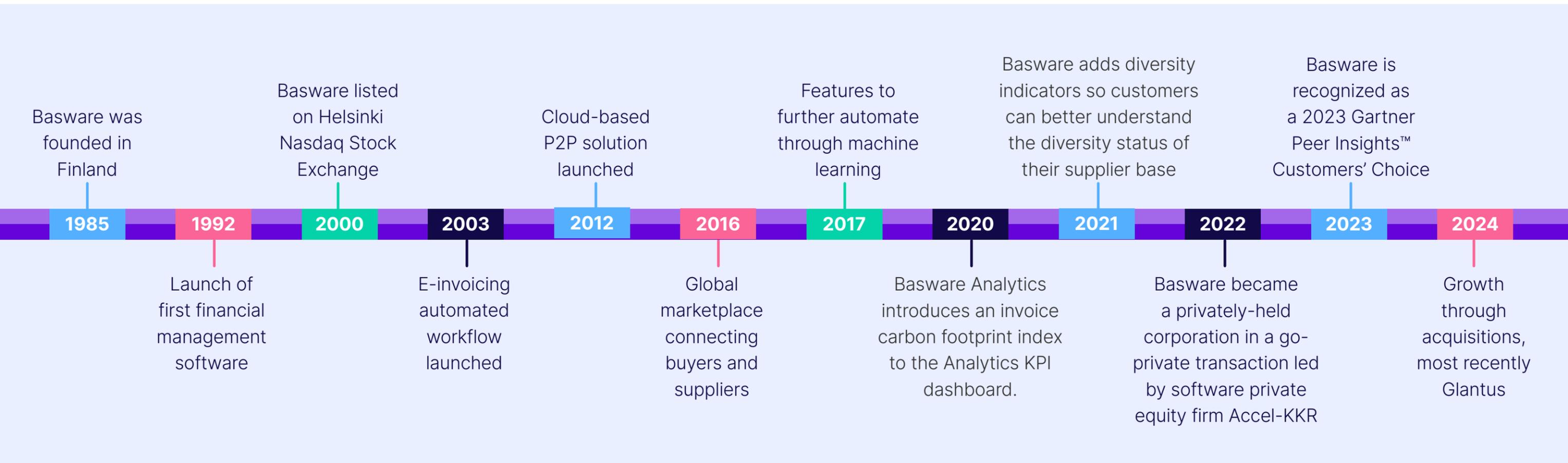
Back in the mid-1980s, “paperwork” still involved paper – lots of it. Though the digital revolution was making it possible to digitize and automate internal processes, AP clerks still spent their days wading through stacks of envelopes, and CFOs wondered why processing invoices was almost as expensive as paying them.

### Inventing an industry

That’s when a team of Finnish finance software experts decided to solve the paperwork problem for AP teams. They built the world’s first invoice processing software with a “scan & capture” workflow to digitize paper invoices – and, in doing so, invented the AP automation industry.

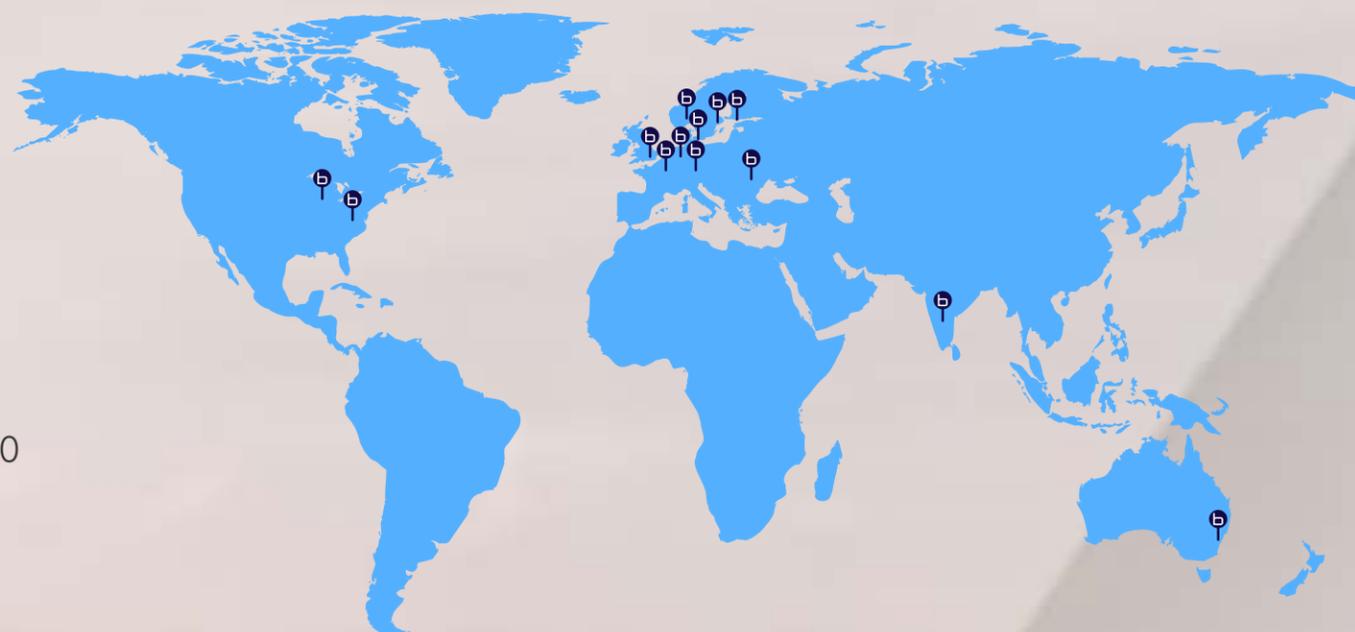
### Setting the benchmark

Today we’re trailblazing and leading the industry in invoice automation. We’re bringing a whole new level of automation to our customers’ world. We are constantly inventing new ways to make everything just happen for our customers with advancements in AI and ML – meaning more time for strategy and less time spent on manual work.



## Our People

Our success is made possible by the hard work and daily dedication from 1,263 employees working across 13 countries, representing over 30 different nationalities.



### Total Headcount

Information	Number	Calculation method
<b>Total headcount</b>	1,263	Headcount as of 31.12.2023
<b>Average headcount</b>	1,282	Headcount Start of Period + End of Period / 2
<b>Use of external temporary labor as resource hires or trainees</b>	35	Resource hire or trainee = Works as a team member in a similar role as other Baswareans may have in the same organization. Work is supervised by Basware
<b>Average number of external resource hires</b>	41	Resource hires, incl. trainees, headcount 1.1.2023 = 46 + Resource hires, incl trainees, headcount 31.12.2023 / 2

### Headcount per gender and contract type

Gender	Employees	Permanent employees	Fixed-term employees	Full-time employees	Part-time employees
<b>Female</b>	435/34%	427/34%	8/67%	418/34%	17/60%
<b>Male</b>	824/66%	824/ 66%	4/33%	813/66%	11/40%
<b>Total</b>	<b>1,263</b>	<b>1,251/99%</b>	<b>12/1%</b>	<b>1,235/98%</b>	<b>28/2%</b>

### Headcount per country

Country	Headcount
<b>Australia</b>	16
<b>Belgium</b>	10
<b>Denmark</b>	16
<b>Finland</b>	280
<b>France</b>	28
<b>Germany</b>	32
<b>India</b>	445
<b>Netherlands</b>	30
<b>Norway</b>	14
<b>Romania</b>	224
<b>Sweden</b>	27
<b>UK</b>	60
<b>US</b>	81
<b>Total</b>	<b>1,263</b>

### Leavers

<b>Leavers Total</b>	<b>283</b>
<b>Annualized attrition, resigned</b>	9.4%

Attrition: Leavers from the beginning of the year (resigned departure cause and trial period (employee resigns)) / 12 \*12)/ average headcount from the beginning of the year).

## What Drives Us

Our vision is to deliver true automation for the CFO's team with a mission to make country compliance, digitization of invoices, and touchless invoice processing all just happen for our customers.

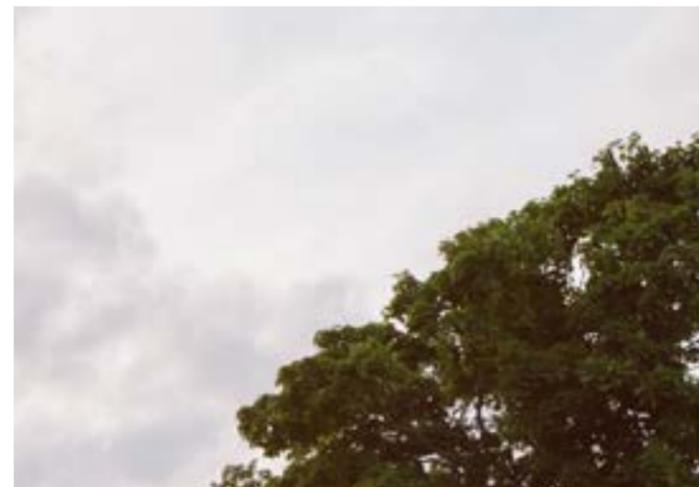
## The Basware Values

At Basware, our values serve as the compass for our actions. They describe how Baswareans act with our customers, with fellow Baswareans, and towards the wider community.



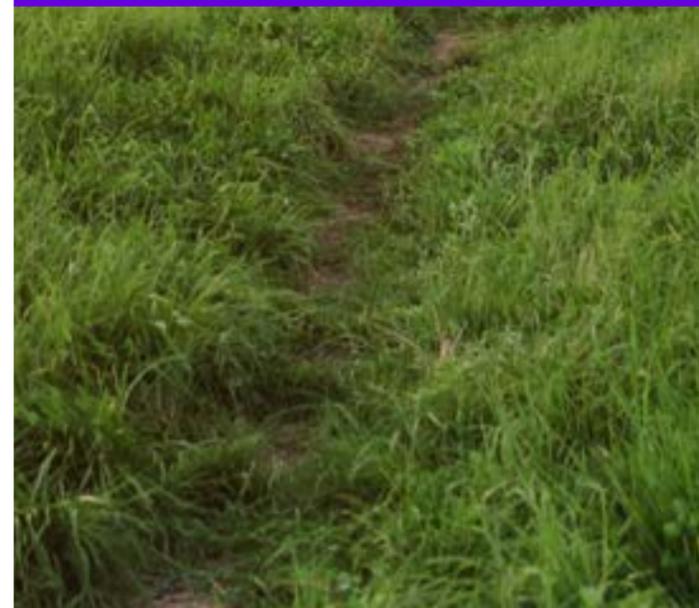
### We Drive Customer Value

We care about delivering long-term value to our customers, partners, and fellow Baswareans. We always strive for agile and responsive ways of working.



### We Take Ownership

We are trusted, collaborative partners taking initiative and accountability. We act with integrity and aim for sustainability in everything we do.



### We Are Bold

We have the confidence to explore, challenge the status quo and continuously improve. We are proud advocates of what we do. We value diversity of backgrounds and opinions as the foundation of innovation and growth.



## Awards and Recognition

We're recognized as leaders in AP Automation, champions of cultural prowess, and guardians of sustainability. All the while being a great place to work.

### Sustainability Leadership



Basware Corporation –  
Global



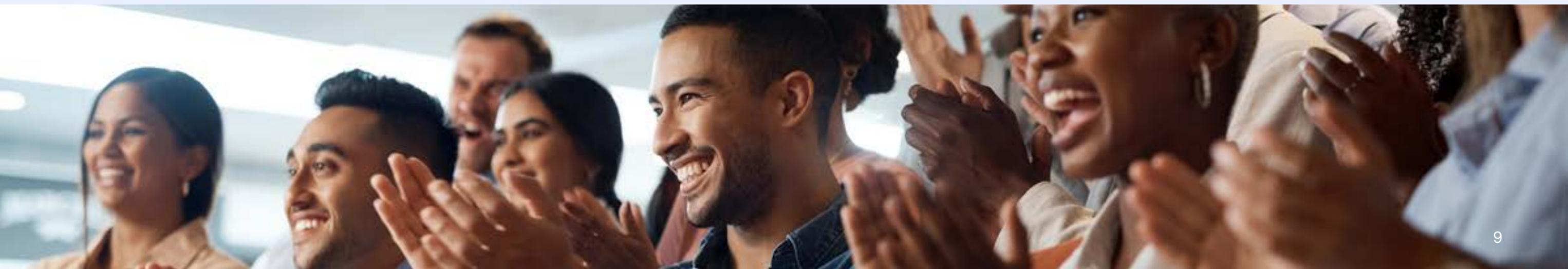
Basware France  
& Belgium



B-level (= Management  
level) score



### Other Recognition



## How We Manage ESG

ESG is embedded into our company strategy, showing Basware’s dedication to creating a more sustainable and equitable future for our employees, customers, partners, suppliers and all our business stakeholders. By addressing ESG through our strategy, we can ensure there is company-wide visibility into the topics and our people are equipped with the necessary knowledge, skills, and resources to integrate sustainability practices into their daily ways of working and behaviors.

## ESG Strategy

Our ESG strategy is all about maximizing our positive impact and minimizing the negative impact of our business operations, as well as future product developments. We do this through our ESG strategy outlined in the framework below:

<b>ESG Vision</b>	Conduct sustainable business with sustainable solutions			
<b>ESG Mission</b>	Make sustainability just happen together with our customers, suppliers, employees and communities			
<b>Strategic Areas</b>	<b>Environment</b> We help our customers to reduce the environmental impact of their business while minimizing our own.	<b>Social</b> We empower our employees to do their best by caring for their wellbeing and providing an environment where everyone feels valued, respected, and included. At the same time, we care about the communities we belong to.	<b>Sustainable Procurement</b> We conduct sustainable business together with sustainable suppliers.	<b>Governance &amp; Ethics</b> We ensure our own business operations are done in an ethical, compliant and trustworthy manner following the needed regulations.
	Now it all just happens by focusing on			
<b>Focus Areas</b>	Improving customers’ CO <sub>2</sub> footprint – trackable in Analytics	Employee wellbeing	Sustainable Procurement policy	Compliance framework
	Sustainable offices	Diversity, Equity, Inclusion and Belonging	Supplier Risk assessment	Data Privacy & Security
	Low-emission travel and commuting	Social Responsibility	Skilled Procurement Specialists	Quality management system
<b>Values</b>	Values guiding us in our journey			
	 We Drive Customer Value	 We Take Ownership	 We Are Bold	

## Key ESG Metrics

We track our progress using the metrics which correspond to our four focus areas: Environmental, Social, Governance and Procurement.

We continuously measure, analyze and report the ESG metrics to the Board and Business Executive Team (BET) through our quarterly strategy reviews and an annual in-depth ESG analysis.

As part of the quarterly and annual reviews, the Board & BET also review risks and opportunities, and discuss future topics or initiatives to be included in the ESG roadmap.

[Read more on ESG metrics and reporting at the end of this chapter on page 15](#) →

[For Environmental Reporting see page 26](#) →

## Governance Structure for ESG

Our shift to a private company in 2022 prompted a reassessment of our ESG governance frameworks. We have since developed a governance structure to empower effective decision-making and enhance visibility and cooperation of ESG topics across Basware, globally.

The Board of Directors is the highest body which oversees ESG at Basware. They review the ESG program, initiatives and metrics quarterly, as well as a more in-depth review annually.

The BET ensures our sustainability topics and initiatives are developed and implemented in accordance with our strategy. They review the ESG program, initiatives and metrics quarterly, as well as a more in-depth review annually.



## Responsibilities for ESG management

- **Chief Executive Officer (CEO):** Owns the ESG agenda and acts as a spokesperson for the Board related to ESG topics. The CEO is also a member of the board.
- **Chief HR Officer (CHRO):** Dedicated C-level lead to drive forward ESG as a strategic initiative for Basware. Jointly oversees the awareness and communication of ESG related topics internally and externally.
- **Chief Finance Officer (CFO):** Owns budgeting framework, investments, and sustainable procurement.
- **Chief Product Officer (CPO):** Owns the solution development, ensuring our offering supports our customer's ESG objectives by promoting awareness of how our product contributes to environmental sustainability and CO<sub>2</sub> reduction.
- **Chief Marketing Officer (CMO):** Jointly oversees the awareness and communication of ESG related topics internally and externally.

## The ESG program group

The ESG program group is a cross-functional group that includes representatives from various parts of the organization. They are responsible for developing, implementing, and managing our sustainability initiatives.

## ESG risk and opportunity management process

In 2023, we established an ESG Risk and Opportunity process. The process aims to identify significant sustainability risks and opportunities, with a focus on risks mitigation and opportunity leveraging. This process involves:

- Evaluating, prioritizing, and compiling a list of the top ESG risks and opportunities.
- Categorizing and summarizing the most significant risks and opportunities to report to the Board & BET.
- Assigning action items to a dedicated owner responsible for devising a plan to address the topic.
- Integrating top ESG risks into the corporate risk management process, top ESG opportunities being added to our development roadmap.
- Reviewing and updating the most pressing risks and mitigation plans throughout the year as part of our corporate risk management process.

## Opportunities, risks, and mitigation plans

In 2023 the most significant opportunities and risks were:

### ✓ Product

In the future, Basware aims to utilize our solution to provide customers with a more comprehensive ESG reporting tool, based on their own invoice data.

### ✓ Sourcing

Choosing a non-compliant supplier is risky. In 2023, we have renewed our supplier risk assessment approach, created the Supplier Code of Conduct policy and trained our procurement specialists, lowering the supplier compliance risk.

### ✓ Travel

Travel accounts for a large part of our CO<sub>2</sub> emissions, therefore we are constantly looking for opportunities to reduce and make our operations more sustainable. We are aiming to educate our employees on how to make more sustainable travel choices and increase the visibility of their travel choices.

### ✓ Wellbeing

By focusing on wellbeing, we can help our employees maintain or increase their engagement and productivity. Consequently, we will continue to emphasize raising awareness of our wellbeing programs and initiatives among our employees and encouraging them to participate.

## Our ESG Commitments

We believe that by setting goals and working methodically toward our environmental, social and governance commitments, we will be able to inspire our employees, customers, and suppliers to join us in creating a better and more sustainable future for all. The following principles and frameworks act as our compass, guiding us toward the path of positive impact and meaningful change.

### Supporting Ethical Practices and Human Rights

As signatory members of the United Nations Global Compact, we are committed to upholding its core values and principles.

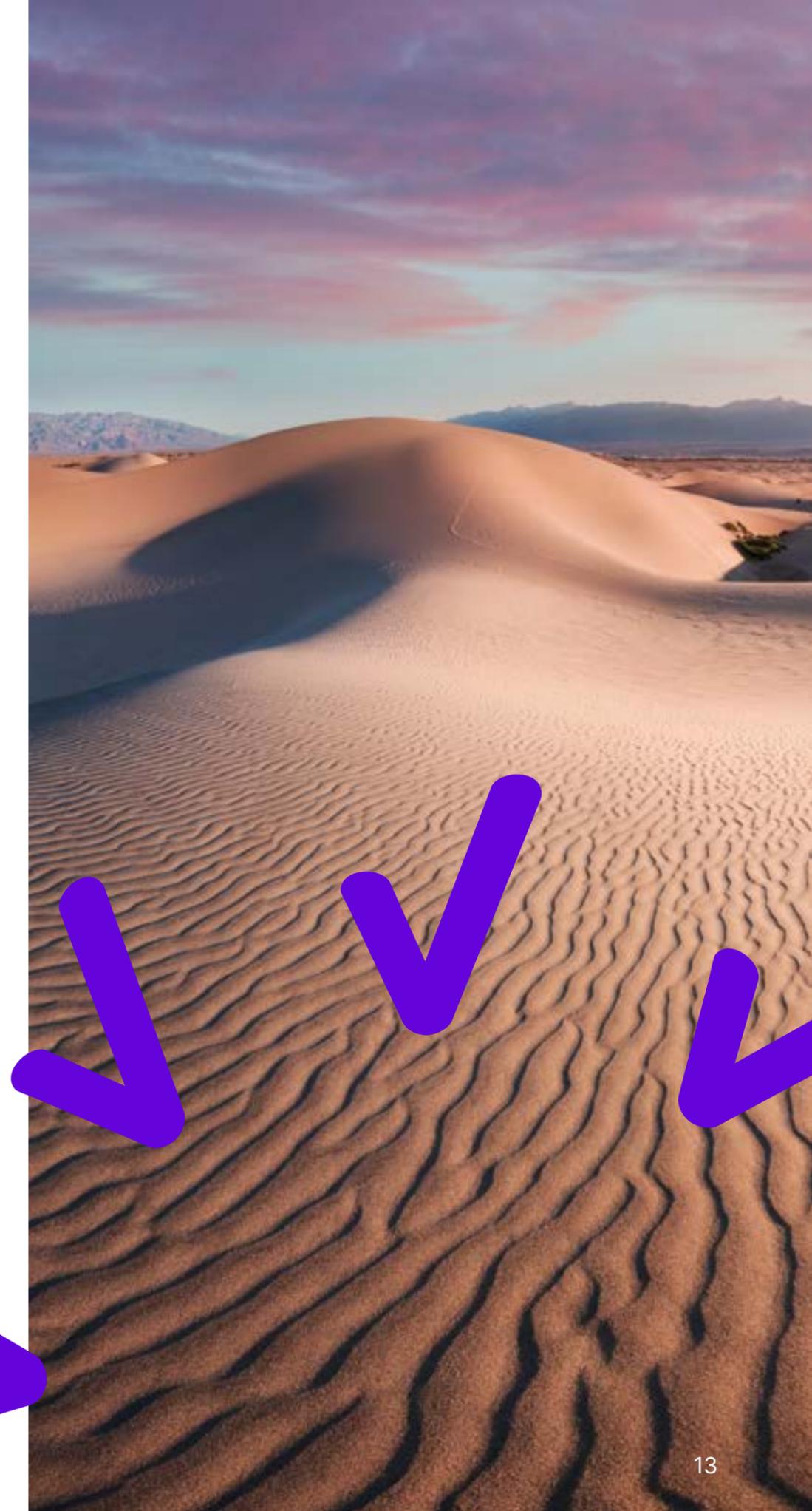
We are committed to upholding the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the Universal Declaration of Human Rights. Basware does not tolerate in any context the use of servitude, child labor, forced labor, human trafficking, or slavery in our operations in any region we operate in.

## Integrating UN Sustainability Goals

We have selected five United Nations Sustainable Development Goals (SDGs) where we believe our efforts can create the most meaningful impact.

 <p><b>Reduced Inequalities</b></p>	 <p><b>Good Health and Wellbeing</b></p>	 <p><b>Decent Work and Economic Growth</b></p>
 <p><b>Climate Action</b></p>	 <p><b>Peace, Justice and Strong Institutions</b></p>	

We have embedded these SDGs in our business strategy, overall ESG program initiatives, policies, and daily operations. We encourage our employees to support these business-led goals through our social outreach efforts, DEI&B initiatives, and other employee-led communities.



## Mitigating Climate Change

Basware recognizes the importance of the Paris agreement to limit global warming. We are committed to reducing our own carbon footprint while also assisting our customers in reducing theirs through our AP solutions. In 2023, we have reviewed our emission calculations to gain a deeper understanding of our own carbon footprint. This effort enables us to refine our climate transition plan and further enhance our commitment to environmental sustainability.

## Reporting

### United Nations Global Compact Annual Report

As a signatory member of the United Nations Global Compact, we commit to providing annual reports on our progress and status in alignment with the ten Principles and the Sustainable Development Goals.

## Collaboration with EcoVadis

We work with EcoVadis, an independent sustainability performance ratings provider. EcoVadis awarded Basware with a Silver Medal in 2023, placing our sustainability management system among the top 25% of assessed companies. Additionally, EcoVadis awarded a Gold Medal to Basware's teams in Belgium and France with overall scores of over 70/100, putting Basware in the top 5% of companies in the respective countries. [Read more.](#)



## CDP Reporting

We report our carbon footprint annually using Carbon Disclosure Project's (CDP) world-class environmental disclosure system, demonstrating our dedication to environmental transparency and accountability.



Based on the survey Basware conducted in 2023, we rank in the top 38% in the IT and software development sector with a B-level (= Management level) score.

## Norwegian Transparency Act

Norway is a forerunner in taking supply chain transparency requirements to the next level, and Basware is among the first companies to have published a Transparency report according to these new standards in 2023. The report carries out due diligence according to the OECD Guidelines for Multinational Enterprises and OECD Due Diligence Guidance for Responsible Business Conduct.

**Basware is among the first companies to have published a Transparency report according to these new standards in 2023.**

We are committed to reducing our own carbon footprint while also assisting our customers in reducing theirs through our AP solutions.

## Corporate Structure and Registration

Basware Corporation (“the Company”) is a private company headquartered in Espoo, Finland.

Basware Oy (Basware Oyj before 18 January 2023) is the subsidiary of Sapphire BidCo Oy and is part of Topaz MidCo Group. Topaz MidCo Group, with its sub-group Basware, is a leading supplier of e-invoicing and purchase-to-pay solutions.

The Group follows the Company’s Articles of Association, the Finnish Companies Act, and other applicable legislation. Each subsidiary follows local laws and regulations.

Basware has 15 legal entities worldwide. At the end of 2023, the Group had offices in Finland, Sweden, Norway, Denmark, Germany, the United Kingdom, France, Belgium, Netherlands, Romania, India, the United States, Australia.

## Decision-Making and Management

**The Board of Directors** and the CEO are in charge of managing Basware Group. Their duties are outlined in the Finnish Companies Act. The CEO, with the help of the Group’s **Business Executive Team**, is in charge of operations on the Group level. 80% of the board members are independent non-executive board members. Other than our CEO, we don’t have any employee representation on the board.

**A breakdown of diversity on our management team can be found on page 39 →**

## Reporting

The data in this report is for all Basware countries and subsidiaries.

In 2023, Basware made one acquisition, **Glantus Holdings plc** to strengthen its position in the market. The data in this report does not include this newly acquired company, however in 2024, Basware will begin the process of integrating practices and processes to be included in future reporting.

### Alignment with financial statement

Basware Oy is the parent company of Basware Group. Basware Oy is fully owned by Sapphire BidCo, which is fully owned by Topaz MidCo Oy, parent company of Topaz Midco group. Consolidated financial statements are created under Topaz MidCo Group level.

Headcount numbers include employees of Topaz MidCo group, but other related reporting only includes Basware Group level information.

Consolidated financial statements are created under Topaz MidCo group level and are audited by Ernst & Young, Authorized Public Accountants firm.

## Report Timeframes

Time horizons used in the report are in line with ESRS 1 section 6.4. Time horizons in ESG has been reviewed and changed to be in line with ESRS 1 section 6.4 due to the nature of the business.

**Short term:** <1 year

**Mid term:** 1–3years

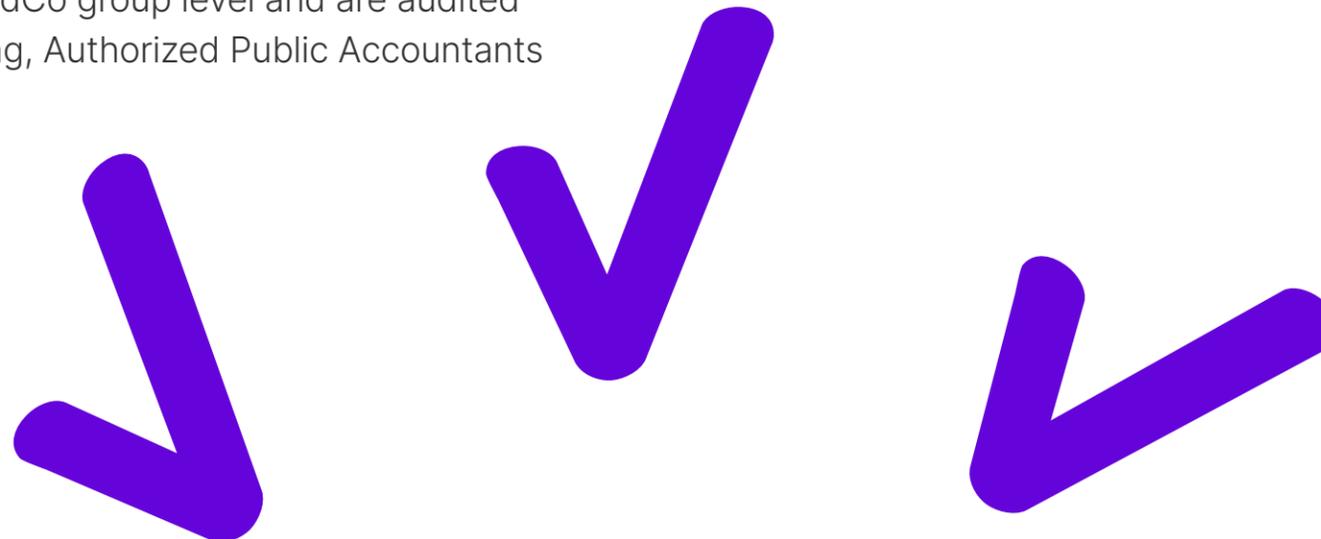
**Long term:** >5 years

### Reporting period, frequency, and contact point

The full report has been reviewed and approved by the BET and Board of Directors in April 2024.

The reporting period for this report is 1.1.–31.12.2023, and the report was published in April 2024.

Basware’s Sustainability Report will be created annually. For questions on the report or our ESG initiatives, please contact **Johanna Sjöström**, [johanna.sjostrom@basware.com](mailto:johanna.sjostrom@basware.com)





# Our Products

At Basware, we empower organizations to embrace more sustainable, compliant, and resilient processes that benefit both business and society.

Basware offers innovative products that enable organizations to digitize their financial processes for greater efficiency, transparency, and sustainability.

Our three core offerings – AP Automation, Procure-to-Pay Automation, and the Basware e-Invoicing Network – help companies on their journey to touchless procurement and frictionless supplier collaboration.

Our AP Automation solution leverages AI and ML technology to automate invoice processing, reducing the use of paper and manual data entry. The Procure-to-Pay Automation system digitizes and streamlines the entire purchasing workflow. Finally, the Basware e-Invoicing Network allows for a fully digital exchange of invoices globally, decreasing environmental impact by eliminating the need for printing and mailing paper invoices, but also ensures compliance with regulations and standards, making it a comprehensive solution for modern businesses.

**By optimizing financial operations through automation and digitization, Basware enables businesses to lower costs, improve agility, and meet their ESG goals.**

e-Invoicing mandates are an additional driver of e-invoicing adoption. Countries across the globe have already, and will into the future, recognize the benefits not only from a sustainability perspective, but also as a way to prevent fraud and tax or trade law evasion. Additionally, it will provide the capability to avoid negative consequences such as human trafficking and child labor.

Basware is committed to being a leader in global e-invoicing compliance which translates into delivering global strategies to address compliance holistically at a global level and in the countries where our customers operate.

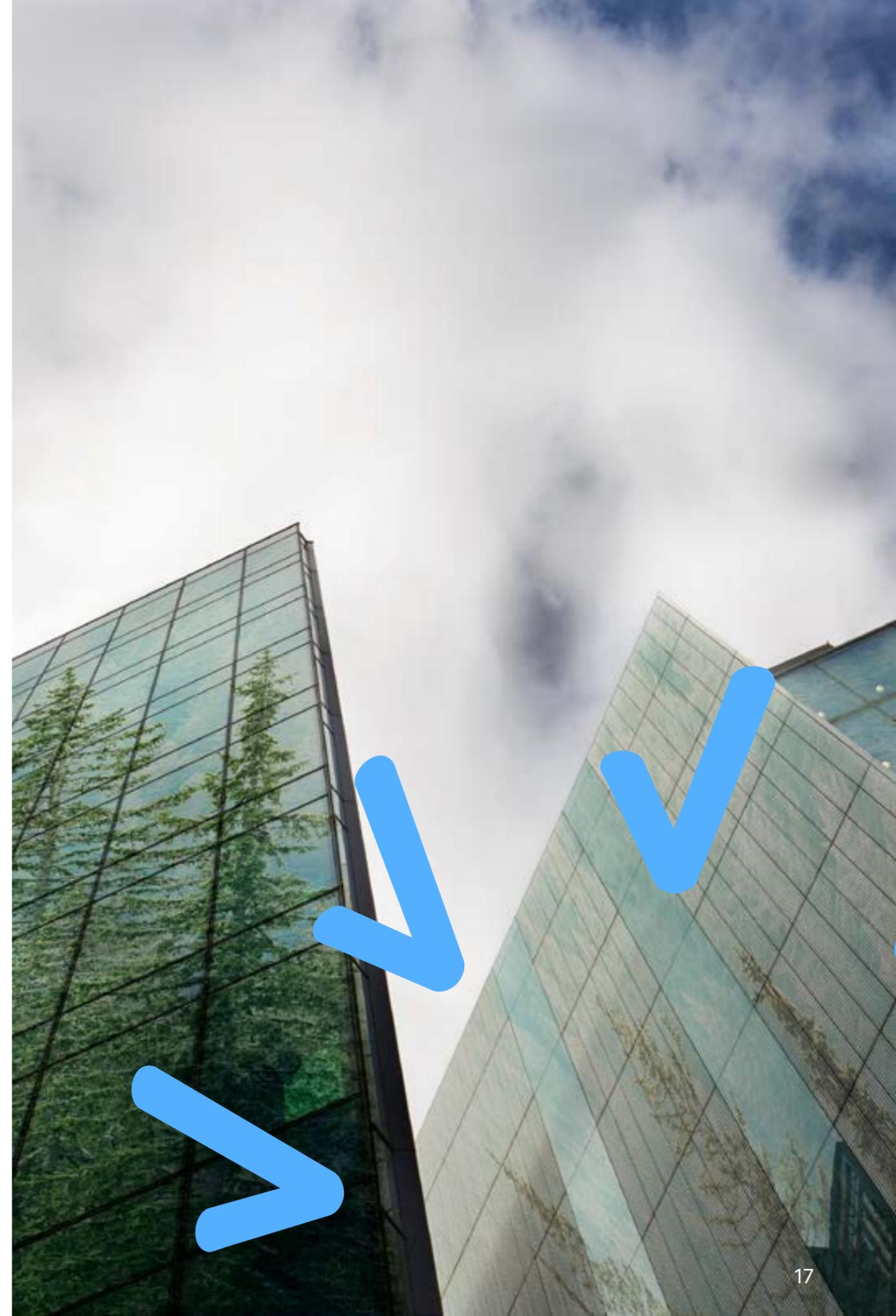
**10%**

**Basware customers average less than 10% paper invoices**

**50%**

**Whilst the industry average is almost 50% of invoices received by the average enterprise are paper**

Sources: Basware customer data 2023 & Ardent Partners Metrics that Matter 2024



## A look at the Account Payable Industry

Basware is dedicated to leading the industry by actively seeking and leveraging the latest research. Below, we highlight key findings that showcase our commitment to innovation and staying ahead of industry trends.

### Basware AP Automation Survey with Forrester

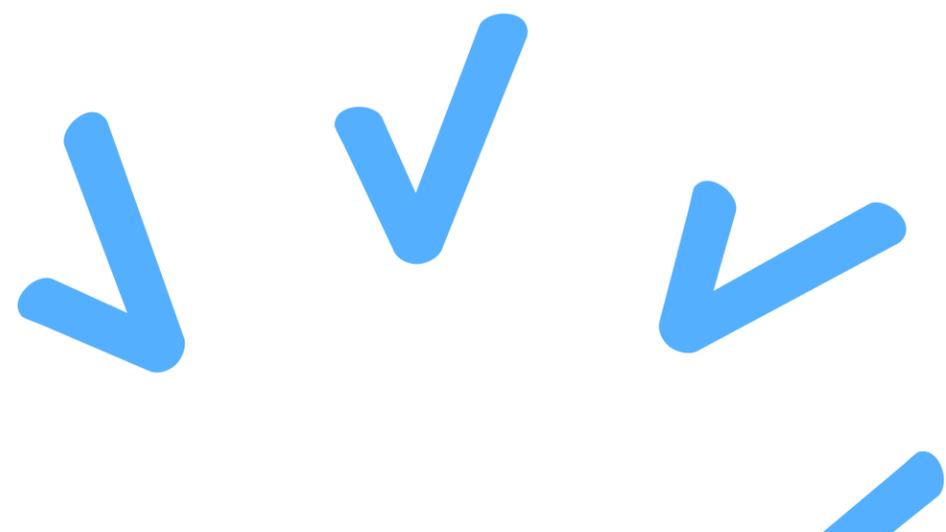
Further to Basware's commitment to ESG, in November 2023, we commissioned research with Forrester to gauge the importance of ESG on the finance function.

The research showed that, enhancing finance's ESG footprint is seen as one of the three highest priorities.

**83%** of respondents say "Enhancing Finance's ESG Footprint" is critical or high priority in the next 24 months.

And, with regulations coming into the EU, it's no surprise it is higher up on Finance professionals' agendas in the EU than in the US. 74% see ESG as a critical or high priority for US respondents, and over 90% for Europe respondents.

Base: 108 decision makers with significant influence on vendor selection and budget allocation for AP automation services. Source: "Basware AP Automation Survey", a commissioned study conducted by Forrester Consulting on behalf of Basware, November 2023



### Ardent Partners' AP Metrics that Matter

According to [Ardent Partners Metrics that Matter 2024 report](#), almost half of invoices received by the average enterprise are still paper-based.



**49.7%** of invoices received by the average enterprise are paper-based

"Ardent Partners research has shown that the primary obstacles to reducing processing costs and improving AP performance are paper-based invoices and payments that require manual handling." (p.10).

Eliminating paper and switching to e-invoicing is high up on the strategic agenda, with the report stating "Beyond improved reporting and analytics, AP's other top priorities for 2024 include enabling more suppliers to submit invoices electronically, implementing AP automation, eliminating paper and reducing manual tasks, and minimizing processing costs." (p.9).

**35%** Eliminate paper invoicing and reduce manual tasks

**38%** Enable more suppliers to submit invoices electronically

## Our Customers

Our solutions are tailored for large enterprises and we now have over 900 customers worldwide, with an extensive customer base in the United States, the United Kingdom, France, Germany, and the Nordics. As a trusted partner, we empower organizations to embrace more sustainable, compliant, and resilient processes that benefit both business and society.

### North America



### South America



### Europe



### Middle East



### Asia



### Africa



### Oceania







# Environment

Basware is committed to minimizing the environmental impacts of our activities worldwide. We aim to foster environmental awareness and responsibility among our employees, customers and suppliers.

## Environment

We are committed to reducing our environmental impact, particularly our carbon footprint, through our solutions which we innovate for customers and our day-to-day business operations.

Reducing our carbon footprint through our business operations is accomplished through a two-pronged strategy centered on creating sustainable offices and reducing emissions from business travel and commuting.

Whilst we recognize our journey towards achieving net zero emissions is just beginning, we are pleased to share that we are continuing to make promising progress.

80%

of employees believe Basware shows a day-to-day commitment to environmental responsibility

\* Result from 2023 YourVoice employee engagement survey

### Environmental Initiatives in 2023

- ✓ **Improved emission calculation:** We have improved our emission calculations which are now verified by 3rd party vendor and are aligned with GHG protocol.
- ✓ **Downsizing offices:** Basware has reviewed office sizes based on the actual needs and downsized to smaller offices in 5 countries.
- ✓ **Switching to renewable energy:** Basware is well ahead of the target to use renewable energy in 50% of the offices by 2025. 2023 we reached 47%.
- ✓ **Environmental impact of the supply chain:** We have established ESG assessment including environmental impact which is an essential part of our supplier selection.
- ✓ **Increasing awareness of sustainability in business travel:** We have established responsible business travel guidelines, given visibility to employees of the impact of their travel choices at the time of booking as well as a report detailing the emissions generated by their business trips.
- ✓ **Charitable donations on behalf of customers:** As a welcome gift for new customers and to celebrate their successful implementation of the Basware solutions, we donate to EarthDay.org. We also launched the Basware Ambassadors program which donates to charities for social causes.

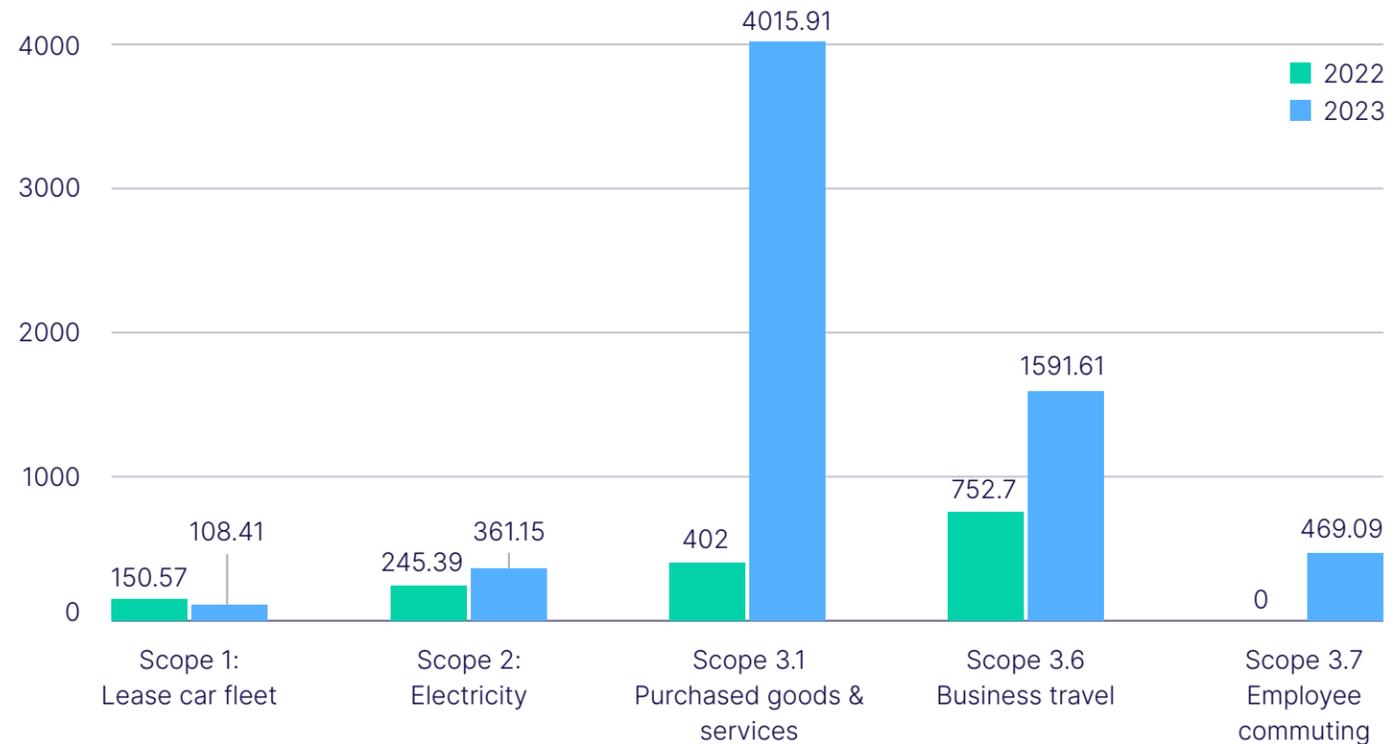
## Emissions Overview

Basware tracks and reports its greenhouse gas emissions annually, allowing for a comprehensive assessment of our environmental impact and opportunities for improvement.

In 2023, we refined our way of reporting and calculations to gain deeper insights into our footprint, as outlined below:



## Basware Emission Overview 2022-2023



Overall, we saw an increase in our emissions, which can be attributed to several significant factors:

- ✓ We have implemented revised calculations in accordance with the GHG protocol, resulting in more accurate assessments of our emissions. The increase in our scope 2 emissions, and part of the increase in our scope 3.1 emissions, can be attributed to these improved calculations.
- ✓ We have significantly expanded our scope 3 carbon footprint. Our 'purchased goods and services' analysis now includes a broader array of suppliers and all our key and strategic vendors, contributing to a more comprehensive evaluation. This increased coverage has led to a considerable increase in our scope 3.1 emissions.
- ✓ Emissions from travel have significantly risen due to the ongoing recovery from the Covid-19 pandemic. In response, we have extended our assessment beyond air travel to include emissions from hotel and train travel, reflecting the increased mobility of employees. However, when comparing the air travel emissions to those of 2019, we have reduced them by 44.8%.
- ✓ The addition of emission from employee office commuting further contributes to the increase, as we continue to refine our understanding and management of this area.

\* Downstream Activities are not relevant to the scope of operations

## Sustainable Offices

### Responsible Facility Management

Basware strives for sustainable office solutions and, where feasible, chooses locations, services and vendors that lead to an energy efficient, safe and healthy office work environment.

Basware considers office sizes based on the actual needs, and aims to utilize co-working offices for smaller locations to minimize negative impact on the environment.

During 2021–2023, we have downsized to smaller offices in **5** countries

### Switching to Renewable Energy

We are switching to renewable electricity whenever possible and are in ongoing discussions with our landlords about switching to renewable energy and finding sustainable cooling and heating solutions. Where there are no renewable energy sources available, we are considering compensation, as we currently do in Australia.

Target: **50%** of the offices using renewable energy by 2025

Status: **47%** of the offices use renewable energy (status from 31.12.2023)

### Energy Consumption

We aim to save energy by only using the office space we need. When furnishing or refurbishing our offices, we strive to only use energy-efficient, sustainable amenities, materials, and solutions. We recommend that our landlords switch to energy-efficient LED bulbs and install monitor-sensor lighting systems in less frequently used areas. Employees are also encouraged to practice energy-saving habits, like reducing the use of standby power by turning off equipment and lights when leaving for the day.

In 2023, we saw an increase of 145 MWh (15.9%) in our energy consumption compared to 2022. At the same time, our energy intensity has risen by 8.2%.

#### The increase in energy consumption can be attributed to a couple of factors:

- ✓ We improved the accuracy of our emission calculations to be more compliant with the GHG protocol. This refinement alone has accounted for an additional 50 MWh in 2023 compared to 2022.
- ✓ We have included the energy consumption from our leased electric car fleet.
- ✓ We saw an increased office presence compared to 2022, as we rebounded from the Covid-19 pandemic. A significant increase was seen in our office in India, which led to an increase of almost 45 MWh.

### Water-Saving Initiatives

We strive to use water efficiently in all our offices. We are identifying opportunities to reduce usage together with our landlords. We guide our employees to use water more efficiently, for example, while dishwashing and in sanitary facilities.

We are aiming to understand our office water consumption where possible to be able to follow up progress and identify areas of improvement. Currently, data on water consumption is only available in Romania, but we are working with landlords to acquire the necessary data to improve efficiency in this area.

### Waste Reduction and Recycling

We aim to reduce our waste through sorting, collection, reuse, and recycling measures. Whenever possible, we recycle and use centralized waste collection with sorting, and discuss ways to improve these with our landlords.

During refurbishment projects, we seek to avoid landfills by reusing, donating, selling, or recycling as much as possible, and use environmentally friendly disposal methods for end-of-life electronic and IT equipment, such as laptops, monitors, accessories, batteries, and toner cartridges.

## Low-emission Business Travel and Commuting

### Business Travel

As a global company with offices all over the world, managing our business operations inevitably requires travel. However, we are committed to reducing the environmental impact of this by leveraging collaborative technologies and online meeting tools to minimize travel, and where travel is necessary, we aim to educate and empower employees to make informed choices, for example utilizing train instead of flying where feasible.

#### How we minimize travel emissions

- ✓ To minimize unnecessary emissions caused by travel, in 2023, we established responsible business travel guidelines as part of our global travel policy.
- ✓ Through our travel booking system, employees have access to information about emissions associated with their travel choices before they book their trip, enabling them to make decisions like choosing more eco-friendly flights and accommodation.
- ✓ Our employees now receive reports detailing the emissions generated by their business trips, raising awareness about the impact of their travel choices.

### Responsible Commuting

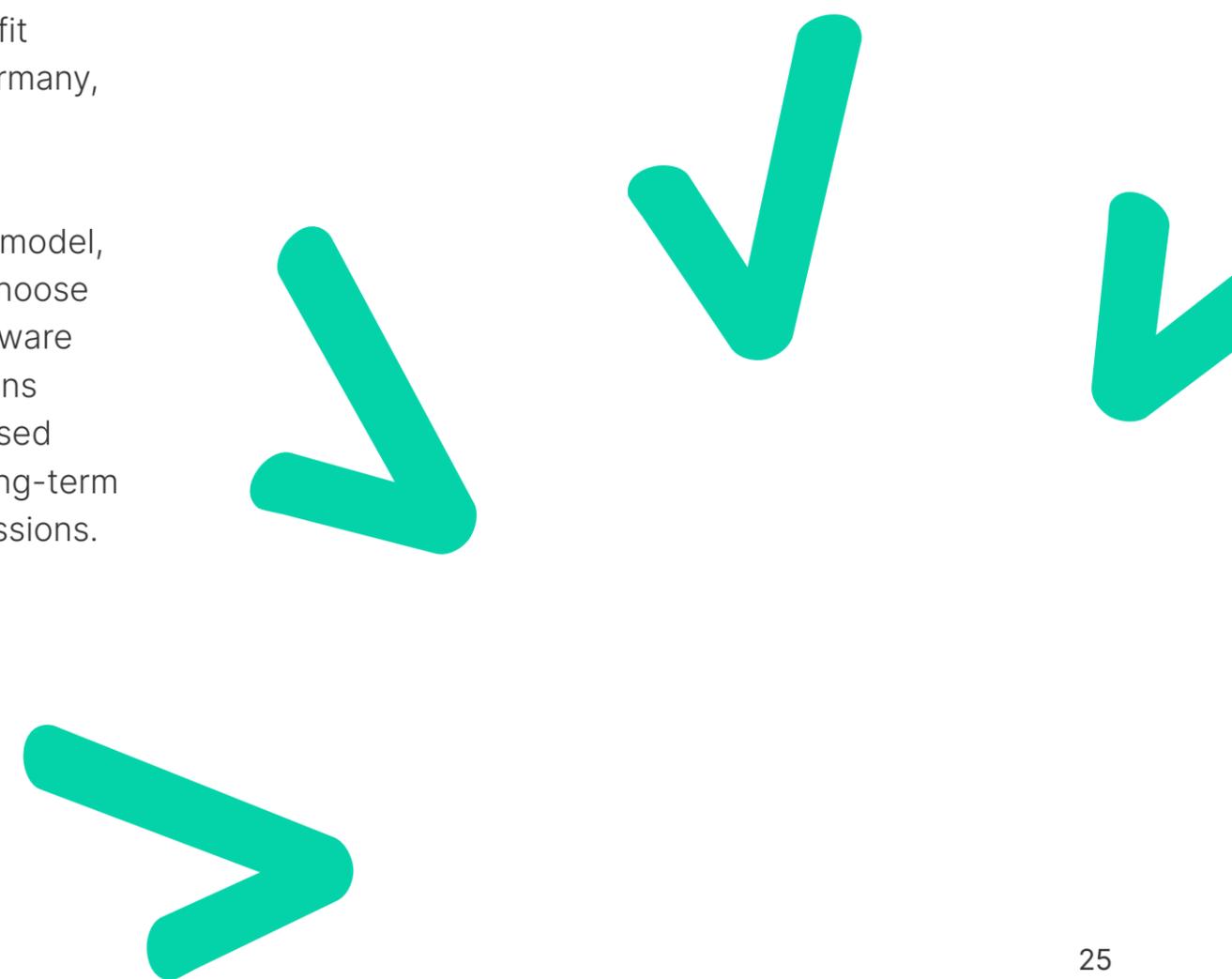
When choosing our office locations, we focus on accessibility as one of the key criteria, ensuring there are good public transport links and convenient commuting options available for employees. This includes:

- We have a car benefit program, which focuses on providing employees with electric cars (Belgium, Denmark, Finland, Sweden, France, Germany, Netherlands, UK).
- In addition, we offer company-paid charging facilities for employees in office locations where possible.
- We offer government supported benefit schemes for bikes where feasible (Germany, Finland, UK and the Netherlands).
- Basware's 'When and Where we Work Framework' enables a hybrid working model, granting employees the flexibility to choose between working remotely or in a Basware office. This approach reduces emissions and energy consumption from decreased commuting, aligned with Basware's long-term goal of reducing overall company emissions.

## Environmental Responsibility in Our Supply Chain

We are committed to monitoring and addressing environmental impacts across the supply chain. Before selecting vendors, suppliers must go through an ESG assessment which covers environmental issues. This ESG assessment, developed in 2023, is an essential part of our supplier selection process and will be implemented fully in 2024.

[More information can be found in the Sustainable Procurement chapter →](#)



## Metrics Subject of Measurement Uncertainty

### Scope 2 emission and electricity consumption

**calculations:** Some facilities only had data available for the entire building instead of just their share. We have divided total emissions by share of building occupied by Basware.

**Scope 3.1:** Most suppliers have not been able to provide a direct carbon footprint. As a result, we have to use the spend-based methodology, leading to some uncertainty.

**Scope 3.7:** For employee commuting, we requested employees to fill in a data form, we did not reach 100% coverage. In response averages were taken and recalculated to 100% coverage.

### External assurance

The methodology to calculate the GHG emissions has been reviewed and verified by the third-party vendor Greenstep Oy.

### Upstream/downstream coverage

Our upstream emission calculation coverage has expanded significantly, encompassing nearly all aspects relevant to the scope of our operations. This comprehensive approach now includes purchased goods and services, business travel, and employee commuting. We have made great progress, but we acknowledge that the leased assets category remains outstanding. The challenge arises from suppliers from whom we both lease and purchase, making it difficult

to distinguish between the two. We anticipate refining this distinction in the coming years as part of our ongoing commitment to enhancing our emission calculation accuracy and completeness.

We do not cover our downstream emissions, as these are currently not relevant to the scope of our operations.

### Changes in the emission calculations

In previous years, our emission calculations deviated from the GHG Protocol standards. Beginning this year, we have started to align our calculations with the GHG Protocol guidelines. However, due to a lack of comprehensive data from previous years, it is not feasible for us to retrospectively recalculate emissions for those periods.

Some of the more significant changes are:

- Scope 2: Included energy usage of electric lease cars.
- Scope 2: Improved accuracy of emission factors (both location- and market-based).
- Scope 3.1: Broadened scope of suppliers taken into account for scope 3.1 calculations, now including all our key and strategic vendors.
- Scope 3.6: Additionally to emissions from air travel, now also included train travel and hotel booking emissions.
- Scope 3.7: Included employee commuting as a category for the first time in 2023.

These changes and inclusions have significantly improved the accuracy of our carbon footprint.

### 2024 plans

- ✓ We are committed to enhancing the accuracy of our employee commuting data by collecting more comprehensive information in the upcoming reporting periods.
- ✓ We acknowledge the importance of including heating and cooling emissions in our Scope 2 calculations, which we were unable to incorporate this year.
- ✓ We plan to integrate heating and cooling emissions into our Scope 2 assessment to provide a more complete picture of our environmental impact.

## Energy

### Energy Consumption

Type	MWh
<b>Electricity: renewable</b>	Facilities: 507.9 MWh (49.5%)
<b>Electricity: non-renewable</b>	Facilities: 153.8 MWh (15%)
<b>Source unknown</b>	Facilities: 365.3 MWh (35.6%) Electric lease cars: 28 MWh (100%)

### Energy Intensity

The energy intensity for 2023, calculated as MWh/M€ revenue:

- Energy intensity 2023 = 1055.069 / 175.455 = 6.013
- Energy intensity 2022 = 910.969 / 163.9 = 5.558

The energy intensity figure has been calculated by summing the energy consumption from facilities and lease cars, and then dividing this sum by our revenue in millions of Euros.

## Emissions

### Scope 1

Emission source	tCO <sub>2</sub> e (% of total emissions)
<b>Lease car fuel consumption</b>	108.408 (1.66%)

Data has been collected directly from lease car companies. This involved compiling the total amount of fuel consumed in liters. To derive emission figures, we utilized emission factors sourced from the DEFRA database, ensuring accuracy and compliance with established standards throughout the process.

### Scope 2

Emission source	tCO <sub>2</sub> e (% of total emissions)
<b>Office energy consumption</b>	Location-based: 368.068 Market-based: 348.753 (5.33%)
<b>Electric lease cars: electricity consumption</b>	Location-based: 8.053 Market-based: 12.401 (0.19%)

**Scope 2:** Data has been collected directly from energy providers, landlords and/or lease car companies. The collected data included the energy consumption, the supplier-specific emission factors and if they provide 100% renewable energy, a certificate confirming this. For facilities where supplier-specific emission factor was not available, the residual fuel mix factors from Carbon Footprint database have been utilized. Location-based emission factors have also been taken from the Carbon Footprint database.

### Scope 3

Emission source	tCO <sub>2</sub> e (% of total emissions)
<b>Purchased goods &amp; services</b>	4015.913 (61.35%)
<b>Employee commuting</b>	469.095 (7.17%)
<b>Business travel</b>	1591.613 (24.31%)

### Emission Intensity

Scope	Emission intensity
<b>Scope 1 &amp; 2</b>	2022: 395.96 tCO <sub>2</sub> e / 163.9M = 2.420 2023: 469.562 tCO <sub>2</sub> e / 175.455M = 2.676
<b>Scope 3</b>	2022: 1154.7 tCO <sub>2</sub> e / 163,9M = 7.045 2023: 6076.621 tCO <sub>2</sub> e / 175,455M = 34.633

We have revised our calculations to comply with the GHG Protocol standards, resulting in a more comprehensive assessment. Secondly, we have expanded our scope by including a larger number of suppliers in our calculations. Additionally, we now account for emissions from hotel stays and train travel, in addition to air travel. Moreover, we have begun tracking emissions from employee commuting. These enhancements to our methodology have contributed to the observed increase in emission intensity.

### Data sources connected to upstream/downstream value chain.

<b>Scope 1:</b>	Emission factors from DEFRA database.
<b>Scope 2:</b>	Residual fuel mix factor used for countries where supplier specific factor was not available.
<b>Scope 2:</b>	London office, data for January 2023 was missing, took the average monthly consumption from 2023.
<b>Scope 3.7:</b>	Given the less than 100% response rate, we divided the total emissions by the percentage of responses received and then adjusted the result to represent 100% participation.

**Purchased Goods and Services:** Applied the spend-based method, where we took the spend of each supplier and multiplied it by the product- or service-specific emission factor to determine emissions.

**Employee Commuting:** Employees were requested to provide data regarding their distance to the office and mode of transportation. This information was then multiplied by the average number of days worked per year. Given the less than 100% response rate, we divided the total emissions by the percentage of responses received and then adjusted the result to represent 100% participation.

**Business Travel:** Data points for business travel were directly obtained from the reporting tool provided by our travel agent.

### Reduction of Emission

Year	Total emissions
<b>2022</b>	1550.660 tCO <sub>2</sub> e
<b>2023</b>	6546.182 tCO <sub>2</sub> e



# Social Impact

We aspire to create a safe, healthy, and inclusive company that has a positive net impact on our employees, customers, and local communities. We do this by cultivating a positive culture that encourages learning and diversity, as well as by considering our impact on society as a whole.

## Open Dialogue

Basware embraces a culture of honesty and openness, actively promoting transparent communication within the company. We firmly believe that this enhances collaboration, resulting in happier, more engaged employees, increased efficiency, and better business outcomes.

### Transparent Communication

We foster transparent and open communication through a variety of channels including:

- All-hands calls where employees are encouraged to actively engage, e.g. in Q&A. These happen monthly on a function and country level, and quarterly for Basware-wide.
- We also have regular email communications through “The Buzz”, our monthly all-employee newsletter, and “Leader@Basware”, for all managers and leaders, as well as regular updates from our CEO and BET members.
- Engagement is encouraged through Teams and Viva Engage platforms, and information made readily available on our intranet.

### Feedback

We believe that Baswareans’ feedback and ongoing dialog is crucial to the growth of the individual and the business. We encourage ongoing dialogue between employees and managers with the goal of improving wellbeing and enhancing engagement. We actively

encourage quarterly growth catch-ups to ask for and share feedback, and identify opportunities for future development. We also encourage employees to request feedback from their manager and colleagues to support their development using our 360 feedback tool. In addition, we have an annual engagement survey and shorter pulse surveys where we ask insights and feedback from our employees, as outlined on the next page.

### Psychological Safety

We promote the psychological safety that employees need to be themselves, feel safe to ask questions, raise concerns and speak up about potential issues. It has been embedded into our people processes by:

- Being part of our core competencies and leadership competencies, which are the foundation for PDP’s.
- We use the SCARF approach to giving feedback, ensuring it is delivered in a safe, non-threatening way.
- Being a key part of our leadership model for developing our leaders.

**440** of employees or their managers requested feedback through our 360 feedback tool in 2023



## YourVoice

We conduct annual employee engagement surveys, providing us with valuable insights into the sentiments of our workforce and areas where we can make improvements as a company. We engage in open discussions regarding the survey results and collaboratively develop improvement plans together with our employees on a global, regional, functional and team level.

Starting in 2023, we implemented an additional mid-year Pulse Survey. This additional mid-year check-up enables us to better track and monitor how we are doing as an employer, allowing us to track and respond in a more agile way.

### 2023 YourVoice Survey Results

**92%** response rate

**70%** overall engagement score

**81%** of employees are proud to work for Basware

**83%** recommend Basware as a great place to work

\* Result from 2023 YourVoice employee engagement survey



## Employee Representation

To make sure we have the best possible working conditions, we place a high value on open communication with employees, employee representatives, and possible trade unions. We respect the freedom of our employees to associate, including their right to engage in collective bargaining.



**41%**

employees are covered by collective bargaining agreements

**44%**

of employees are represented by an employee representative

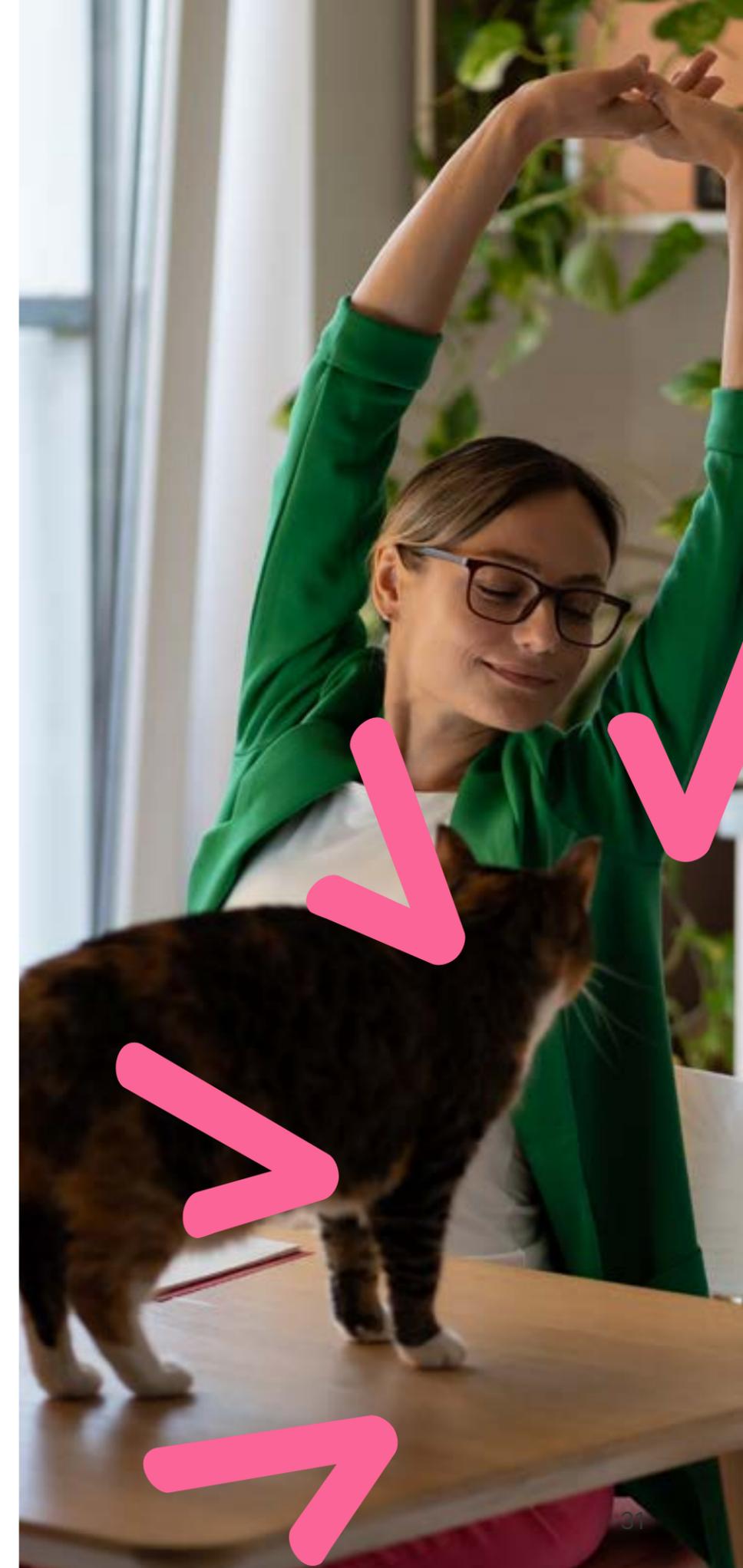
## Collective bargaining coverage and social dialogue

Country	% of employees covered by collective bargaining agreement	Employee representatives representing employees
Finland	87%	87%
France	100%	100%
Romania	100%	100%
Sweden	100%	100%
Norway	N/A	100%
Denmark	N/A	100%
Overall	41%	44%

- All the collective bargaining agreements are in the European Economic area, and every country has different collective agreements.
- Outside of the European Economic Area, we don't have any collective agreements.
- Basware does not have any agreement with its employees for representation by a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council.

## Social Protection

All our employees are covered by social protection, through public programs or through benefits offered by the undertaking, against loss of income due to any of the following major life events: sickness, unemployment, employment injury, acquired disability or parental leave.



## Wellbeing

Our employees' health and happiness have an impact on their engagement and productivity, as well as the company's success. We are committed to promoting our employees' wellness through a comprehensive set of tools (listed below) that empower individuals, foster community, and promote overall wellbeing. By investing in these, we hope to create and maintain a healthy work environment in which employees can thrive professionally and personally.

We want to contribute to a sustainable and socially responsible future by aligning with ESG principles and having a positive impact on our workforce and beyond, using strategic pillars, clear objectives, and a robust set of tools.

### The Pillars of the Wellbeing Program

**Leadership:** Infuse wellbeing principles into the leadership ethos, foster a culture of empathy, support, and open communication, and prioritize leadership learning initiatives that incorporate wellbeing principles.

**Ways of Working:** Cultivate a positive, inclusive, and flexible workplace culture and implement practices that promote work-life balance.

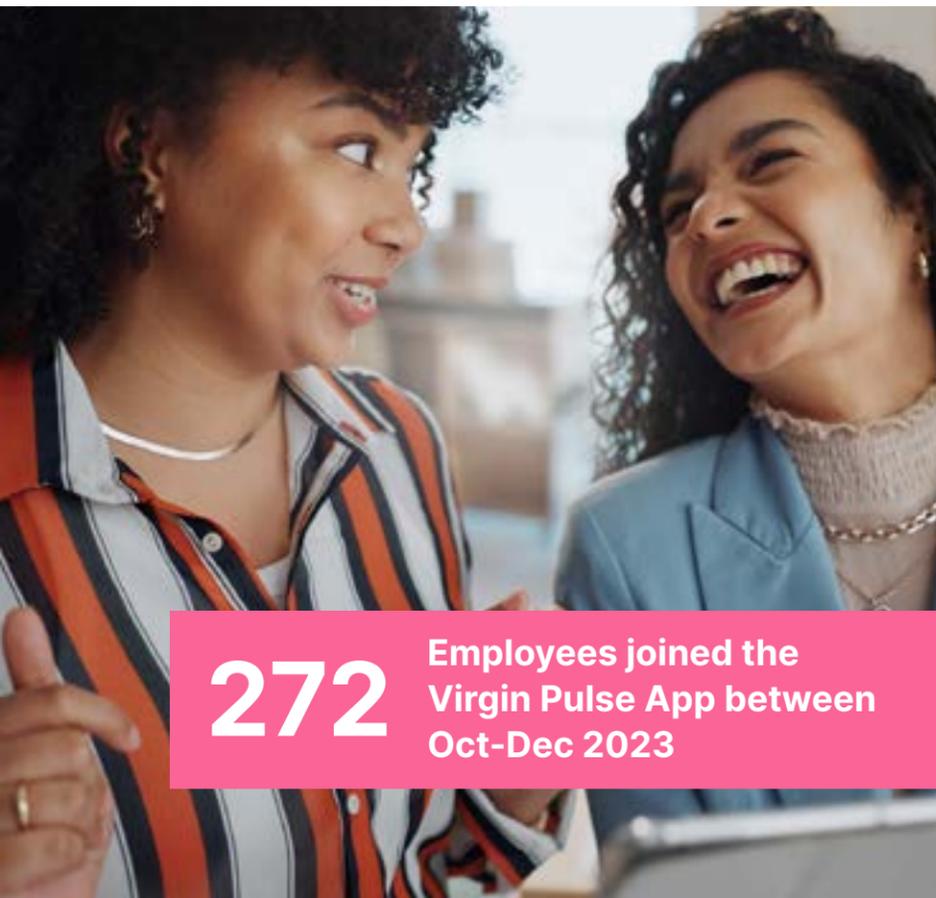
**Work Design:** Instill a sense of purpose and fulfillment by creating welcoming workspaces and designing job roles that reflect individual strengths and passions.

**General Health:** Promote healthy lifestyle choices, offer preventive healthcare resources, and create a supportive environment for physical and mental health initiatives.

### Wellbeing Tools

We are dedicated to meeting the program's objectives and promoting employee wellbeing by providing a suite of tools designed to improve various aspects of our employees' lives.

- ✓ **The Wellbeing Hub** was launched in 2023 and provides wellbeing-related information for our employees. The topics covered include physical, mental, and emotional energy.
- ✓ **The Hybrid Working Model** promotes work-life balance, mental health, and overall wellbeing.
- ✓ **The Virgin Pulse Wellbeing Platform**, launched in 2023 and available to all employees, addresses a variety of aspects of wellbeing, including physical and mental health, personal development, and work-life integration.
- ✓ **Auntie The Mental Health Service** puts mental health first by providing access to counseling services and resources, resulting in a healthier environment.
- ✓ **LinkedIn Learning for everyone** provides access to continuous learning, which promotes professional growth, development, and wellbeing.
- ✓ **Country-specific health and safety related benefits and insurances** are provided for our employees to support and encourage our employees to take care of their wellbeing.



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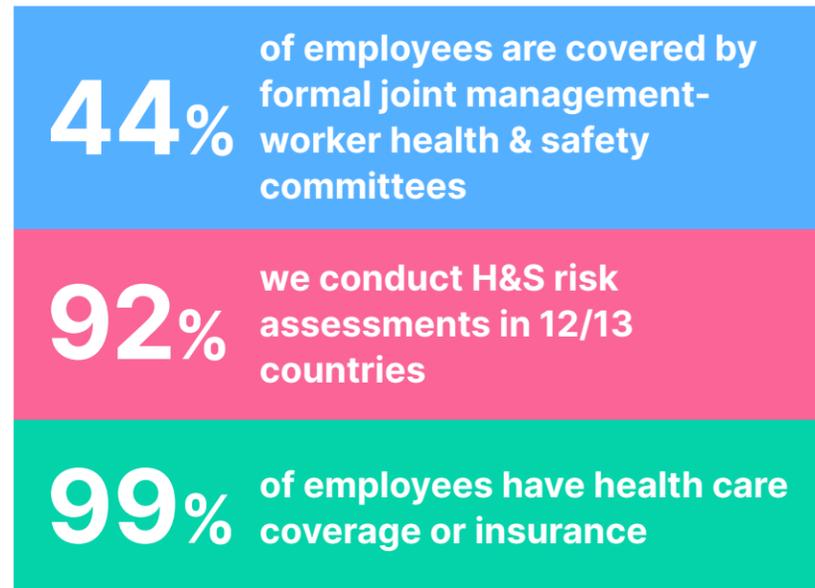
Employees joined the Virgin Pulse App between Oct-Dec 2023

## Health and Safety

We have a health and safety policy to guide us to ensure workplace safety. We follow the local workplace health and safety regulations in every country where we operate. Essentially, we fulfill our legal and ethical obligations to provide a safe and healthy workplace by putting in place, for example, safety protocols, risk assessments, and emergency preparedness plans. As part of our compliance training program and onboarding program, we require all employees to complete mandatory health and safety training.

Our commitment to health and safety also includes supporting various activities and initiatives that improve employee health and wellbeing. Employees and managers are encouraged to communicate, creating an open environment for asking questions, addressing concerns, making recommendations, and providing feedback on workplace safety and health.

**We make sure that our employees' can enjoy a healthy and harmonious balance between their work and personal lives.**



Item	No.
The number of fatalities as a result of work-related injuries and work-related ill health	0
The number and rate of recordable work-related accidents	0
The number of cases of recordable work-related ill health	0
The number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	0

45% of the employees are covered through a specific health and safety committee or representative (Finland, Germany, Denmark Norway, Sweden and Romania). In addition, in every country, we have local HR is responsible for looking after the health and safety aspects in the local office as required by local laws and standards

Health care coverage for employees is 99% through health care services or insurance. In Australia, we have good public health care available for our employees + company offered mental health services (Auntie). 22% of the employees have a mandatory health checkup.

## Work-Life Balance

We are big believers in the importance of promoting a sustainable work-life balance. Because sometimes life is a puzzle, we encourage and support flexible working hours and remote work arrangements whenever feasible. By adding more flexibility to the workday, we make sure that our employees' can enjoy a healthy and harmonious balance between their work and personal lives.

Legislation governs working hours, and Basware follows all applicable laws, collective agreements, and other regulations in all its locations. Our HR teams are in charge of overseeing the country-specific working hours policies.

### Family-related leave

Item	% of employees
% of employees entitled to take family-related leave	100%
Total % of entitled employees that took family-related leave 2023	2%
Females utilizing family-related leave 2023 *counted from total female amount	4.8%
Males utilizing family-related leave 2023 *counted from total male amount	0.1%

## Growth Culture - Training & Development

At Basware, we are dedicated to ensuring that we have skilled employees and leaders. We promote a culture of everyday learning, encouraging our employees' personal and professional development.

### Competency Development Strategy, Goals, and Approach

Our competency development strategy focuses on continuously developing the key competencies that our employees need to succeed in their current roles and ensure professional and career growth within Basware. Our comprehensive development ecosystem includes a variety of educational resources that help us identify, discuss, measure, and overcome learning gaps.

Our goal is to empower our employees to drive the business strategy by creating outstanding customer value.

### Training Programs

We offer training programs on leadership, self-leadership, coaching and specific job-related skills:

Leader@Basware, Coach@Basware, LeadYourself@Basware, Expert@Basware, CareerCoaching@Basware

### Communities, Knowledge Sharing & Mentoring

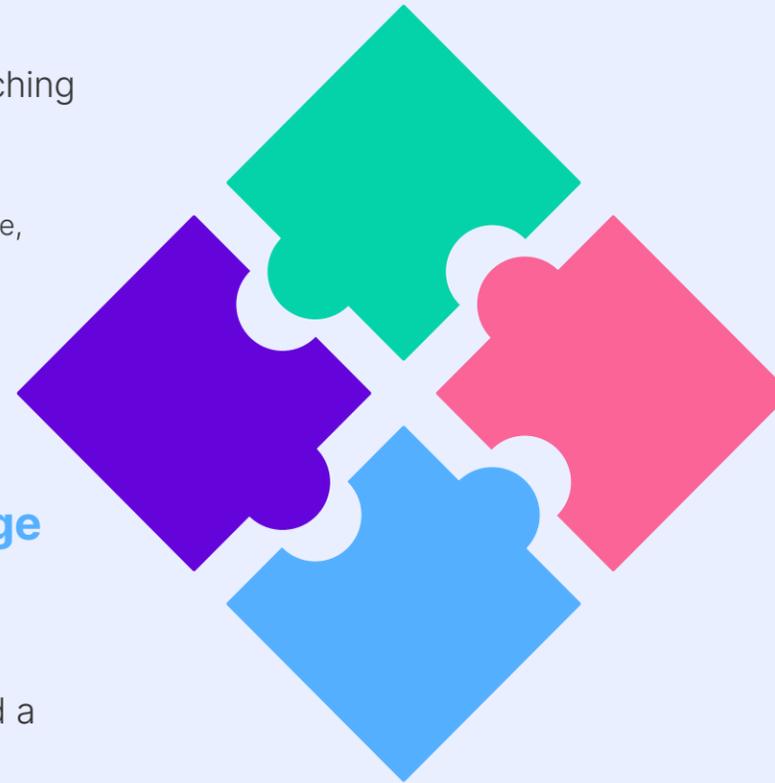
We have different communities, knowledge sharing sessions and a framework for mentoring.

### LinkedIn Learning & On Demand Training

For example, Cloud Guru, Gainsight and LinkedIn Learning with over 21,000 courses, and the Basware Knowledge Network for Basware specific trainings.

### Learning on the Job

We provide numerous opportunities for on-the-job learning and growth, as well as opportunities to challenge employees to take on new tasks and projects.



### Training hours

Average training hours per employee	
<b>Total %</b>	23,125 hours / 18 hours per employee
<b>Females</b>	22h
<b>Males</b>	16h

\* Numbers include training undertaken in our learning management system, external trainings that employees have logged, and training taken in the LinkedIn learning and Cloud Guru platforms. Numbers don't include internal knowledge sharing, self-learning outside of the Basware offering, coaching and mentoring, conferences, seminars and Gainsight ++ learning platform hours.

### Participation in performance and career reviews

	Performance review	Personal development plan
<b>Total %</b>	100%	73%
<b>Females %</b>	100%	75%
<b>Males %</b>	100%	72%

Performance review data is % of the people who have performance rating in place in our HR system. Personal development plan is % of employees who have a recorded personal development plan in our HR system.

## LinkedIn Learning

### LinkedIn Learning and learning challenges

In 2023 we made LinkedIn Learning, a comprehensive online learning platform with a vast selection of expert-led courses, available to all our employees. Their courses cover a wide range of topics, giving employees a valuable resource for continuous professional development.

We also use the LinkedIn Learning platform for “learning challenges,” which engage employees to learn, try out in practice what they learned and join discussions about significant challenges or opportunities for our employees and leaders.

#### Learning challenge topics:

- ✓ Time Management
- ✓ Wellbeing
- ✓ Generative AI

Baswareans have done **6,154** hours of LinkedIn learning in 2023

**95%** of Baswareans have activated their LI Learning license

from 1.4.2023 – 31.12.2023

### Leadership Development

In 2023, we focused on providing leadership support and raising leaders’ awareness of the challenges involved in change management.

Our regular leadership training offering consists of Leader@Basware and Coach@Basware training programs. Every new leader at Basware also attends our NewLeader@Basware onboarding program to get to know our strategy, leadership model, expectations towards our leaders as well as available support for leaders at Basware. To ensure ongoing communication and learning, we provide a regular newsletter, leader briefings and various resources available on our intranet.

#### Culture-related Initiatives in 2023

- ✓ **Strategy kick-off:** employees took part in discussing the strategy and their role in making it happen. As part of the workshops, we also asked our employees’ input to help shape our new values which were launched in the summer.
- ✓ **Growth Culture Program:** Following the launch of our new values, we kicked off a culture transformation program, which has been designed to help drive cultural transformation by encouraging everyone to take responsibility for their growth and development. The program also includes local celebrations, kick-offs events, and communication campaigns.
- ✓ **Senior Leadership Community:** Establish a group of senior leaders, where they discuss current challenges and collaborate on the execution of key business priorities. They also receive specialized training and networking opportunities.
- ✓ **Engagement survey:** We follow our employees’ engagement and sentiments towards our company culture and our values through a regular engagement survey, which includes specific questions about the company culture and other factors that drive positive employee engagement.
- ✓ **New leadership framework:** The updated leadership framework describes the essential competencies aligned with our strategic objectives that all Basware leaders should embrace and develop further, such as Leading Customer Value.
- ✓ **Strategic core competency framework:** During autumn 2023, we refreshed our core competency framework, which was launched in January 2024. The new core competency framework describes the essential competencies aligned with our strategic objectives and Basware Values that all Baswareans need to embrace in order to execute our mission and strategy.

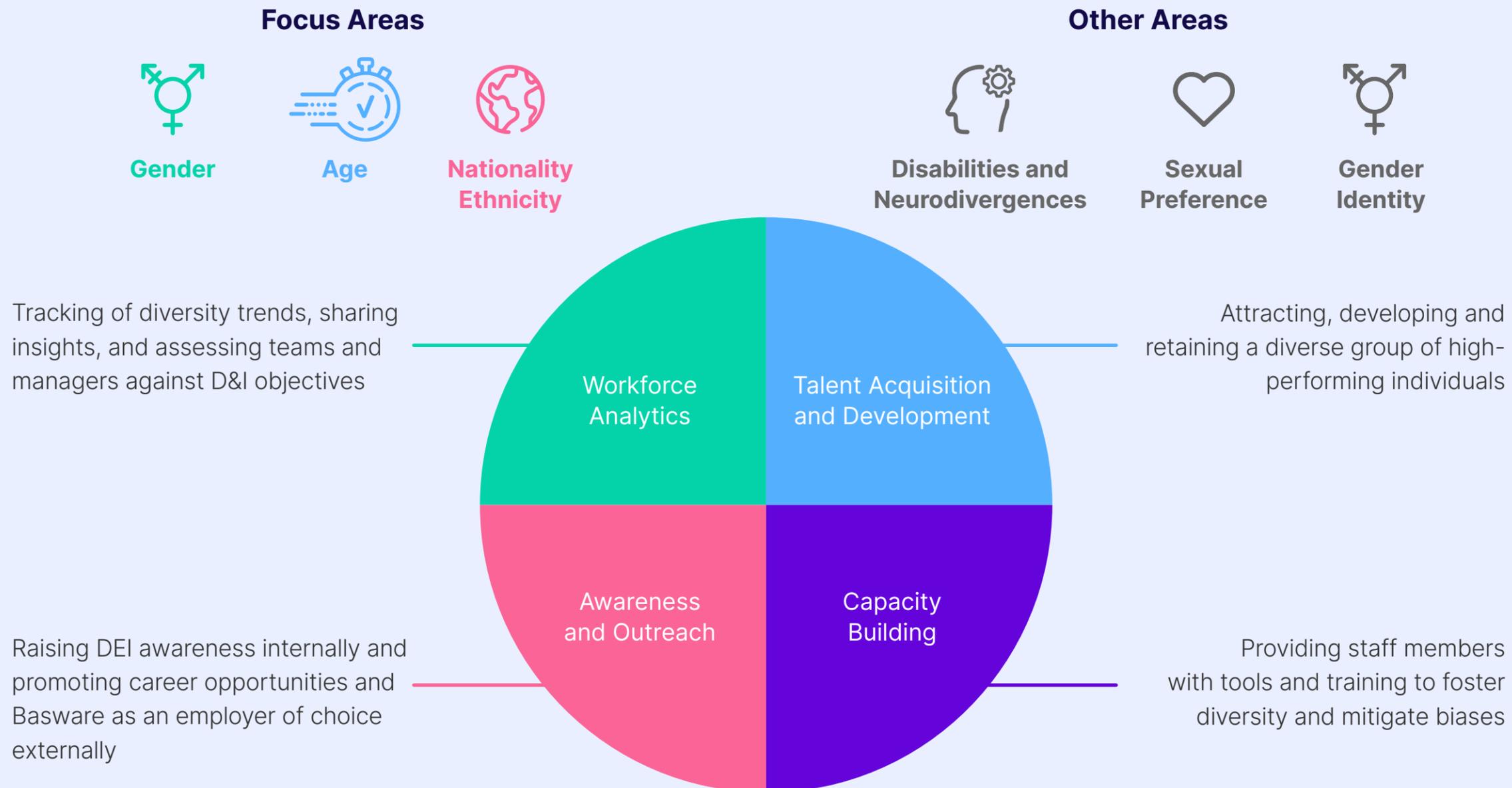


## Diversity, Equity, Inclusion & Belonging

Our goal is to empower all employees to bring their authentic selves to work, knowing that their unique perspectives and experiences contribute to our collective growth. Together, we strive to build a culture that embraces diversity, promotes equity, and celebrates the power of inclusion.

## DEI&B Framework

Our framework for diversity, equity, inclusion and belonging (DEI&B) serves as the foundation for our diversity policies, processes, and targets. We strive to create an atmosphere where our employees can thrive, develop their skills, and maximize their contributions while feeling safe, included, seen, and valued. In line with this, our diversity and inclusion framework highlights specific focus areas and focus groups that we want to support and promote within our organization. All our activities around DEI&B are based on the framework below.



## DEI&B Policies

Our Employee Relations Policy outlines our commitment to promoting DEI&B within the organization, resulting in a respectful and productive work environment.

Our Code of Conduct emphasizes the company's commitment to diversity by recognizing and respecting all individuals regardless of race, sex, religion, political beliefs, disability, sexual orientation, gender identity, social status, age, or any other legally protected status.

## DEI&B Committee and Employee Resource Groups

We have a DEI&B Committee that works to create an open and inclusive work environment. They oversee a variety of programs, promote an inclusive culture, and help with the sharing of best practices

throughout our organization. The committee reports quarterly to the Board on our progress.

In addition, we have two separate Employee Resource Groups (ERGs), Women@Basware and Young Professionals, that help us to advance, create a sense of belonging, provide resources for professional development, and, thereby, contribute to a more inclusive work environment.

Our employees also have the opportunity to join ERGs facilitated by AKKR (the private equity firm who back Basware). These include ERGs aimed at ethnic diversity, gender, sexual orientation, and ERG for military veterans.

## Increasing Awareness Through Training

In our ongoing efforts to promote DEI&B, we have integrated this crucial topic into our compliance training program and onboarding process.

Through code of conduct, anti-harassment, and anti-discrimination training, we ensure that all employees receive essential education on these matters. Additionally, we provide supplementary diversity training through LinkedIn Learning, offering employees ongoing opportunities for education and growth in this vital area.

Looking ahead into 2024, we will be introducing a dedicated module specifically focusing on diversity to deepen the understanding and foster inclusivity within our workforce.

[More information about compliance training can be found in the Governance chapter →](#)

## Employee communities supporting diversity

### Basware groups



Women@ Basware



Young Professionals



DEI&B Communities

### AKKR groups



Leading Ethnic Diversity



Women's ERG



LGBTQ+ ERG



Military Vets ERG

## Bullying, Harassment, and Misconduct Policies

Basware has a zero-tolerance policy for bullying and harassment and is committed to treating all employees with respect and dignity. Our employee relations policy provides guidance for dealing with misconduct. Basware provides different channels to report inappropriate behavior and investigates all the cases thoroughly.

## DEI&B in the YourVoice Employee Survey

We are dedicated to gaining a deeper understanding of our employees' sentiments regarding DEI&B. To achieve this goal, we have integrated DEI&B into our annual engagement survey. This approach allows us to directly gather insights from our employees, providing valuable perspectives on our current standing and areas for improvement.

**93% of Basware employees are comfortable working with people from diverse backgrounds (age, gender, ethnicity, religions, cultures, sexual orientation, etc).**

## DEI&B Initiatives in 2023

### ✓ Renaming and reorienting our commitment to DEI&B

We renamed the committee from D&I to DEI&B to better reflect its purpose and mission. By including equity and belonging, we communicate the importance of advancing these at Basware as well. They are not an afterthought but an integral part of our diversity efforts.

### ✓ Awareness events

Throughout the year, we hosted several events to raise awareness and engage with internal and external stakeholders, including International Womens Day, Mental Health Awareness Month, Pride, Black History Month and Diversity Day celebrations across our offices globally.

### ✓ Increasing awareness through data

We implemented a DEI&B dashboard for our executive team, which gives an overview of key metrics and activities to keep our leadership up to date on where we are, our efforts and achievements in fostering a more diverse, inclusive and equitable workplace environment.

By providing data and leveraging insights, our executive team is empowered to make informed decisions, drive meaningful initiatives, and champion our commitment to DEI&B across the organization.

### ✓ Collecting applicant diversity data

Starting in 2023, we began developing an applicant diversity data collection system to better understand the people we are attracting. We believe that collecting applicant diversity data will provide us with valuable insights into how we can better attract a diverse pool of talent.

### ✓ Initiating the DEI&B survey

To further develop our goals, KPIs and activities around DEI&B, we will be conducting a dedicated DEI&B survey in 2024. Through analysis of the survey, we hope to get even more insights into different groups and how to make Basware a more diverse and inclusive workplace.

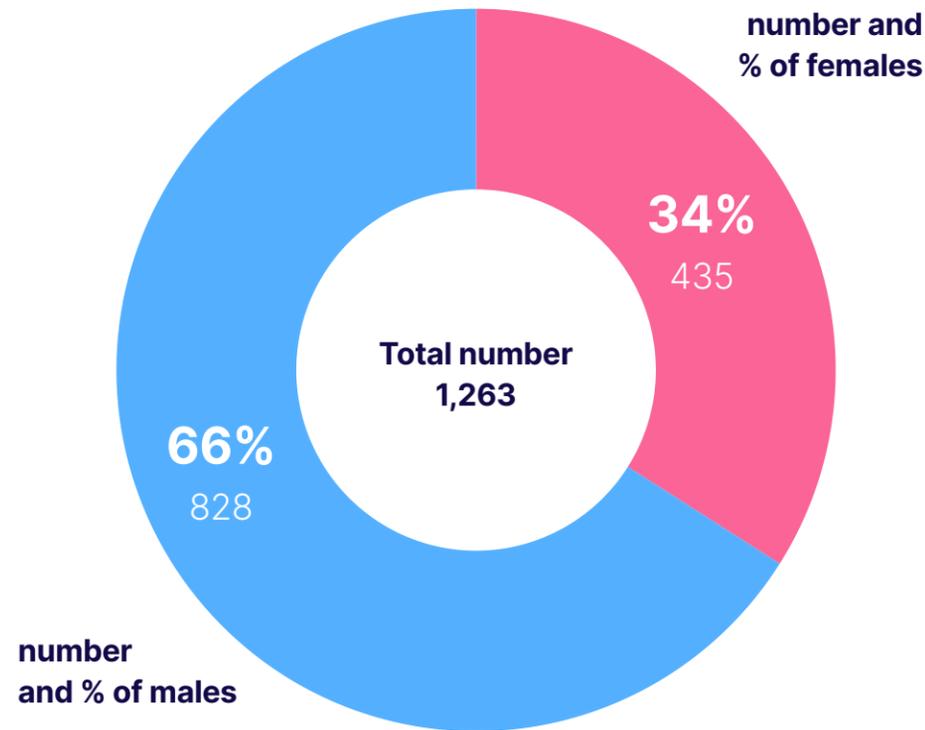
### ✓ Gender balance review

We implemented a comprehensive gender balance review across our performance evaluations, promotions, and salary review processes, which also entails a sign-off by our Executive team.

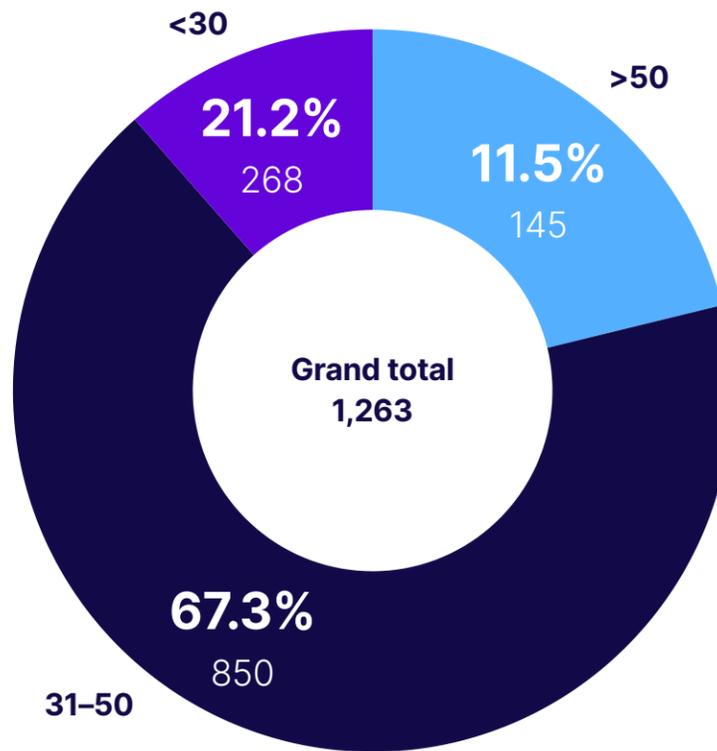


## Diversity and remuneration

### Gender distribution



### Age distribution



### Management level gender distribution

	Management diversity (team leads)	C-Suite employees (Executive)	Board
<b>Total number</b>	172	10	5
<b>Number and % of females</b>	53/31%	1/10%	0/0%
<b>Number and % of males</b>	119/69%	9/90%	5/100%

Despite progress in promoting diversity in Basware, we recognize there is still work to be done.

In 2023, we made progress on the topic, as outlined on the previous page. This will continue to develop in 2024 with awareness initiatives such as International Womens Day, and tracking gender specific KPI's as part of our People Strategic Initiative.

### Adequate wages and remuneration

We conduct regular market research using external sources to establish a living wage threshold for each country.

The last market research was conducted at the end of 2023. The benchmarks covered are for internal employees.

We found out that we had a 5.4% below living wage. Average wage gap paid below living wage against a living wage benchmark was 17%. These wages will be corrected in 2024 as part of our annual salary review round.

Country	% of employees earning below living wage
India	12%
Romania	5.8%

### Annual total remuneration ratio of the highest paid individual to the median

Country	Ratio OTE of highest paid individual to median OTE
Australia	4.59
Belgium	1.97
Denmark	3.79
Finland	4.81
France	2.32
Germany	3.34
India	8.07
Netherlands	2.13
Norway	1.80
Romania	2.84
Sweden	3.39
UK	6.28
US	4.72

## Social Outreach and Charitable Giving

Basware’s social outreach and charitable giving initiatives are inspired by the United Nations’ Sustainable Development Goals. Basware gives back through charitable donations on a corporate level as well as smaller, employee-led local initiatives.

✓✓ We believe that every act of charitable giving, no matter how small, makes a meaningful difference. In 2023, we looked at ways to grow and formalize our charitable giving through programs with our customers, and supporting our employees to give back to their local communities.”

**Jane Broberg**  
CHRO, Basware



## Tree Planting Program

Basware is long-standing supporter of the Canopy Project, a reforestation project run by EarthDay.org.

Because forests act as carbon sinks, planting trees is an effective way to remove CO<sub>2</sub> from the atmosphere to combat climate change and to support local communities and agriculture. The Canopy Project is a natural fit for us. From day one, our core business has helped our customers save paper. By supporting EarthDay.org’s replanting efforts, we not only save paper and trees but also bring back forests that have been lost due to paper consumption.

In 2023, we continued to support EarthDay.org as part of our annual YourVoice employee engagement survey, where Basware made donations to plant 2 trees for every survey completed by employees. In 2023, EarthDay.org planted 1,990 trees in Tanzania with the funds from our contributions.

In 2023, we also launched a new program for our customers. As a welcome gift for new customers and to celebrate their successful implementation of the Basware solutions, we donate to EarthDay.org. So far, we have planted 700 trees on behalf of our customers and look forward to increasing these contributions into 2024 and beyond.

**2,690 trees**  
were planted in 2023 on behalf of Basware employees and customers

**15,438 trees**  
Have been planted on behalf of Basware between 2016-2023



## Charitable Giving

2023 saw the continuation of an important tradition with Baswareans giving back to our local communities. Here are a few ways Baswareans around the globe played their part:

### United Kingdom

Baswareans in the UK raised money for Motor Neuron Disease (MND) – a charity voted and selected by employees themselves. Through the money collected from activities, such as employees buying their old mobile phones, they collectively donated £860.



### Finland

A festive spin for team Finland, the team gave back to their local community by singing Christmas carols for the elderly, as well as employees donating gifts for underprivileged children.



### North America

Our North American team, based out of our Charlotte office, gave back to their local community by organizing food drives for the underprivileged and giving their time to make sandwiches for their local homeless shelter.

### Germany

Baswareans in Germany made a Christmas donation totaling €1,200 to the Children's Hospice in Munich as well as Homeless Support charity in Düsseldorf.



### France

Basware France ran for a good cause, raising funds to support AFM Telethon research programs and services for people with neuromuscular diseases.

### India

The team in India made a donation of INR 1,216,831 to the Prime Minister Relief Fund, an annual contribution as part of their commitment to social responsibility.

### Netherlands & Belgium

Belgium and the Netherlands teamed up to make a donation to International Women's Day foundation, through the money collected from employees buying their old mobile phones.



### Romania

Already a tradition in Basware Romania, our colleagues got involved in a campaign called "Magic in a box" and bought presents for 52 children from underprivileged areas for Christmas.



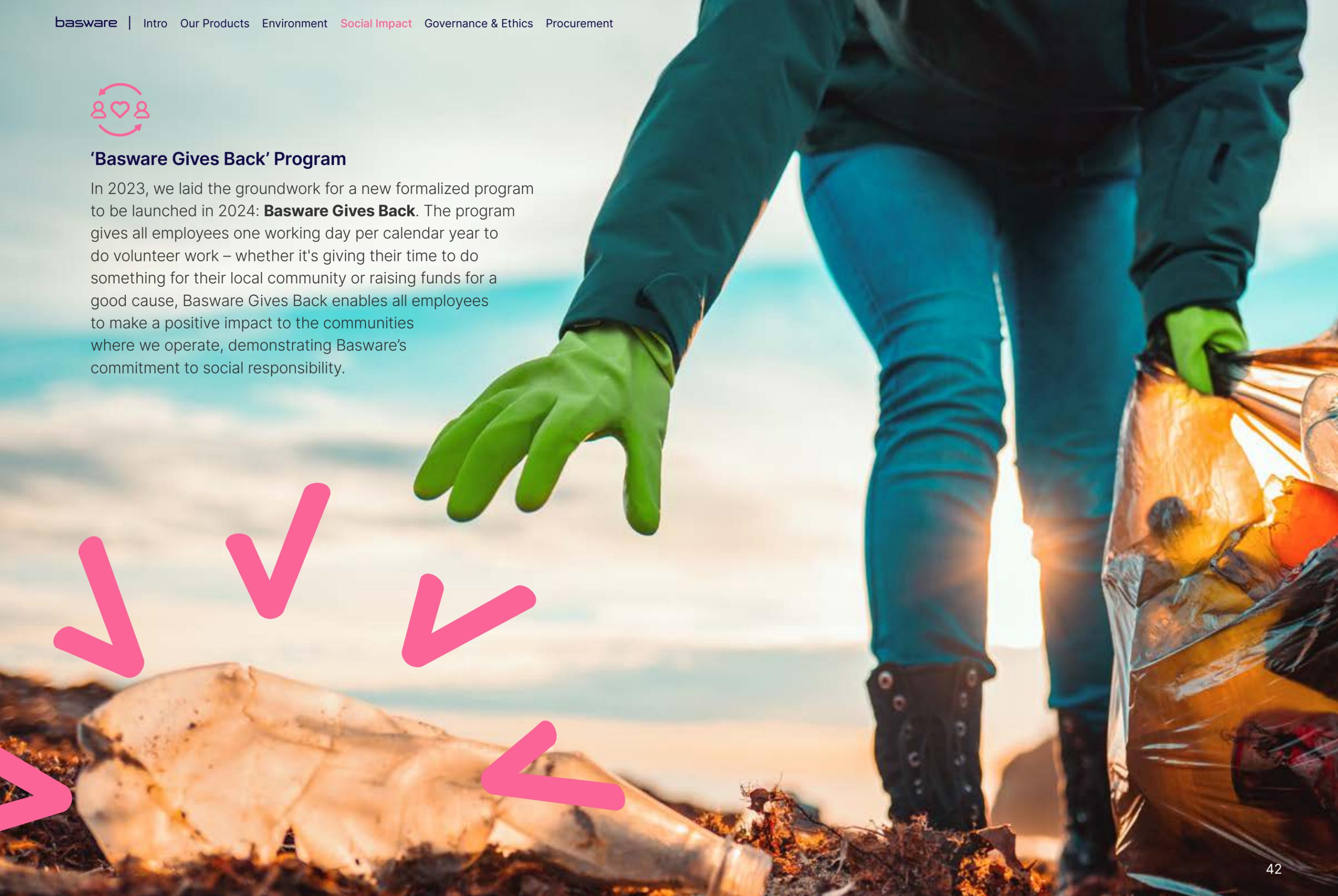
### Sweden

Baswareans in Sweden donated gifts to Stockholm's Stadsmission (City Mission), who collects gifts to be given to children and teenagers in families where the financial situation doesn't allow for purchasing any gifts.



## 'Basware Gives Back' Program

In 2023, we laid the groundwork for a new formalized program to be launched in 2024: **Basware Gives Back**. The program gives all employees one working day per calendar year to do volunteer work – whether it's giving their time to do something for their local community or raising funds for a good cause, Basware Gives Back enables all employees to make a positive impact to the communities where we operate, demonstrating Basware's commitment to social responsibility.





# Basware Ambassadors – Advocacy with a Purpose

In 2023, we launched a new Advocacy reward program for our customers – Basware Ambassadors.

Clients who register are offered the chance to participate and present at both global and local industry events, receive privileged access to our co-creation initiatives, and benefit from personalized assistance from our Advocacy Manager to share their Basware value story.

Customer who participate in the program are rewarded with a donation to their preferred charity: UNICEF, Doctors Without Borders, World Cancer Research or a more local charity of their choice.

**Customers who participate in the program are rewarded with a donation to a charity of their choice.**



**28**

**customers signed-up to the Basware Ambassadors program in the first two months of being launched at the end of 2023**



# Governance & Ethics

Basware is committed to ethical and compliant operations to reduce company risks and maintain our reputation.

## Governance and Ethics

Our approach to Governance and Ethics is centered on ensuring our business operations have a positive social impact, including championing labor rights for our employees, reducing our environmental impact, combating corruption, and protecting our customers' information and data privacy.

[Read more about Basware's governance structures in the Introduction →](#)

### Policies guiding us to make sustainable and ethical choices

We have established a comprehensive set of policies to inform decisions and guide our actions towards more sustainable and ethical business operations.

Basware is continuously developing these policies and adds additional policies if needed based on statutory, business, and community requirements.

We have established a cross-functional policy board to ensure we review our policies regularly and keep them up to date. All our policies are easily accessible in a central repository, the Policy Hub.

### Compliance Training

To ensure our employees have a thorough understanding of legal regulations, company policies, and ethical standards, we conduct an annual mandatory compliance training program.

Our key policies connected to sustainability and ethics are:

Code of Conduct	Supplier Code of Conduct	Global Environmental Policy	Sustainable Procurement Policy	Employee Relations Policy
Workplace Health and Safety policy	Anti-Bribery and Corruption Policy	Security Policy	Data Privacy Policy	Whistleblower Policy

This program not only mitigates risks associated with non-compliance, but also fosters a culture of integrity, accountability, and ethical decision-making within the organization.

- ✓ **Training conducted in 2023:** Code of Conduct, Security, Privacy and Quality, Anti-bribery and Corruption.
- ✓ **Additional training in 2024** (conducted bi-annually): Anti-harassment and Discrimination, Workplace Health and Safety.

### Our Code of Conduct

Our business has its own Code of Conduct (CoC) that applies to all employees, suppliers, partners, and anyone else who works directly or indirectly for or on behalf of Basware. Our CoC explains the principles that we expect everyone associated with our organization to follow.

### Respecting human rights and fair work conditions

In line with the United Nations Guiding Principles on Business and Human Rights, we recognize

our responsibility to respect and promote human rights throughout our operations. Our ESG strategy has been built on the principles from The United Nations Universal Declaration of Human Rights and the United Nations Global Compact's Ten Principles.

We not only respect and support the International Labour Organizations Declaration on Fundamental Principles and Rights at Work, but we also follow all local labor laws and regulations. We will not tolerate servitude, child labor, forced labor, human trafficking, or slavery in any of our operations.

**84%**

**of employees think Basware shows a day-to-day commitment to ethical business decisions & conduct**

\* Result from 2023 YourVoice employee engagement survey

### Fighting against corruption and bribery

We have a zero-tolerance policy towards corruption and bribery and follow all anti-bribery and corruption laws in all jurisdictions where we operate. Our Anti-Bribery and Corruption Policy outlines Basware employees' responsibilities for observing and upholding the company's position, and provides guidance on how to identify and deal with the topic.

### Protecting information and increasing security

As a cloud-based service provider, we take any threats to our own and our customers' information very seriously. We address information security risks proactively by constantly developing policies, processes, and solutions that adhere to industry best practices for security measures, controls, and standards.

We maintain ISO27001 certified Information Security Management System as part of our commitment to continuous security control improvement. Our security controls are externally audited annually using the ISO27001 and ISAE/SOC 3000/3402 frameworks.

We work with a specialist security company to conduct annual penetration testing, and any vulnerabilities discovered are managed according to the Vulnerability Management Process.

In 2023, we created Back Up, Supplier Adoption and Supplier Relationship Policies to increase awareness of our security principles.

Our employees regularly receive awareness training, including mandatory Global Security e-learning. We also use a continuous gamified phishing training service to improve users' ability to detect suspicious or phishing content.

In 2023, the dedicated security team doubled in size, and a security operations center was established to improve security incident detection and response capabilities.

### Ensuring Data Privacy

We ensure data privacy compliance throughout our operations. This means that we handle personal data about our employees, customers and partners with due care and in accordance with the EU General Data Protection Regulation (GDPR) and other applicable data protection laws.

We conduct a comprehensive data privacy program that is overseen by our Global Data Protection Officer (DPO), run through a network of data privacy champions and reviewed within our Privacy Steering Committee.

As part of the data privacy program, personal data processing activities are identified, the mandatory privacy process register is maintained, impact assessments and audits are performed, compliance documentation and contractual templates are built, compliance improvement actions are monitored and legislative changes are on the radar. We ensure that our employees are regularly trained to comply with our privacy policy and guidelines.



Furthermore, as part of our global **vendor assessment process**, we perform specific impact assessments to ensure that our transfer of personal data from the EU to our subcontractors outside the EU is compliant with the GDPR.

## Reporting Concerns and Misconduct

We encourage our employees and our suppliers to immediately report any suspected misconduct involving Basware operations.

If an employee prefers not to raise the issue with their line manager or the Human Resources team, they can report the issue through our Whistleblowing channel, which will ensure that the identity of the person making the report is kept confidential and only shared with those who need to know it to ensure the case is handled properly. All employees who file a whistleblower report are protected from retaliation, including dismissal.

**85%**

**employees feel if they reported any unethical behavior or misconduct, it would be handled effectively by Basware**

\* Result from 2023 YourVoice employee engagement survey

## Incidents, complaints and severe human rights impacts

Item	Number
The total number of incidents of discrimination, including harassment, reported in the reporting period	1 Incident was reviewed by the organization and a remediation plan was implemented. The incident is no longer subject to action.
Total amount of material fines, penalties, and compensation for damages as a result of the incidents and complaints disclosed above	0
The number of severe human rights incidents	0
The total amount of fines, penalties and compensation for damages for the incidents described above and a reconciliation of the monetary amounts disclosed in the most relevant amount in the financial statements	0

\* Data has been collected from our whistleblowing channel report and from local HRs

## Incidents of corruption or bribery and prevention and detection

Number of convictions and fines for violation of anti-corruption and anti-bribery laws	0
Prevention and detection of corruption and bribery: the percentage of functions-at-risk covered by training	95.9%



## Ensuring Quality

In essence, our Quality Management System (QMS) serves as our manual for fulfilling our promise of providing a high-quality customer experience. Our QMS explains our goals and processes for implementing our customer-centric approach and consistently meeting our customers' needs. It also ensures that our business operations are reliable, compliant, and therefore sustainable. Basware was awarded ISO9001 certified in 2021, demonstrating Basware's commitment to the highest level of quality.

### Quality Objectives

We define our quality objectives yearly and in 2023, all objectives were on target. QMS and quality objectives performance is reviewed with management regularly, currently biannually. The review also includes the information security management system (ISMS) and security objectives.

### 2023 Quality Objectives

<b>Sales success and customer advocacy</b>
<b>R&amp;D defects (bugs)</b>
<b>SLA and service disruptions</b>
<b>Employee engagement</b>
<b>Customer satisfaction</b>
<b>Deliveries quality assurance</b>

## Implementing Quality

We implement our QMS through policies and processes, stakeholder management, internal audits and risk & opportunity management. This ensures that we consistently meet our customers' requirements, improve our performance, and effectively achieve our quality objectives.

### Policies and Processes

Process owners are responsible for defining our processes, monitoring the process performance, ensuring process integrity or interdependence and continuously improving our processes. In addition, we have a cross-functional working group to govern all policies and give guidance to employees.

[More information about the policy review board can be found in the introduction: How we manage ESG →](#)

### Stakeholders and Suppliers

In our QMS, we identify and manage internal and external stakeholders and their expectations, including our employees, customers, suppliers, and technology partners. We have established a supplier performance and compliance management process to support this.

[More information can be found in the Sustainable Procurement chapter →](#)

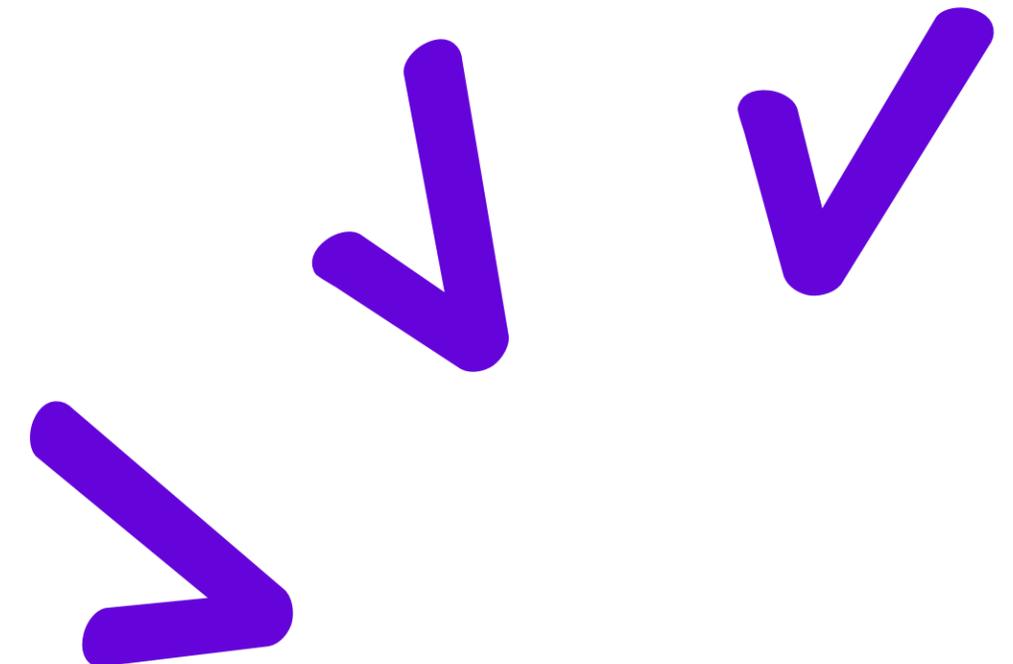
## Audits and Quality Assurance

Our internal audit program assess our processes at a minimum every three years, but it can often happen more frequently. We currently have a pool of 15 trained internal auditors.

External ISO9001 (Quality) audit takes place annually in accordance with their requirements.

### Risk Mitigation and Continuous Improvement

While there are numerous risks due to the broad impact on quality, we have carefully structured our processes across all functions to minimize them. Over the past years, our quality has developed positively. If any issues do occur, we conduct root cause analyses (RCAs) to understand the causes and focus on continual improvement.





# Procurement

At Basware, we are committed to partner with suppliers who share our forward-thinking approach. We collaborate with our supply chain to ensure that our sustainability standards are met, and goals are achieved, guided by our policies and practices that reflect our aspirations.



**Number of suppliers**  
**1,000+**

**36**  
**strategic and key suppliers**

## Our Suppliers

To succeed in our mission, we depend on two main groups of suppliers.

 **Direct suppliers** who provide goods and services that are essential to our core business and customer delivery, e.g., data hosting suppliers, technical suppliers, implementation partners and resellers.

 In addition, we have **indirect suppliers** who provide products or services for our own business operations, e.g., consultancy services, facility management, employee-related benefits and wellbeing, payroll, and work equipment.

In both supplier groups, we have strategic or key suppliers that play an important role in our operations.

 **Strategic Suppliers** provide us with specialized products, services, and expertise, significantly affecting our business performance. They play a crucial role in enabling us to deliver the best possible service to our customers.

 **Key Suppliers** contribute to the smooth running of the business and are highly valued and trusted for providing important but not necessarily irreplaceable products.

**Together, they play crucial roles in the overall functioning of our company.**

## Guiding Policies

We aim to work with suppliers who prioritize sustainability in their operations. Our policies and processes connected to procurement are designed to ensure that our procurement process is in line with ethical, responsible, and sustainable practices. We strive for compliance, transparency, ethical sourcing terms, and risk mitigation, which are guided by:

### Supplier Code of Conduct

We expect all our suppliers to commit and adhere to the principles of our Supplier Code of Conduct (SCoC) or demonstrate that they have a similar code of their own. Commitment to SCoC is ensured contractually as part of the purchasing agreement.

Our SCoC emphasizes the importance of respecting human rights, treating employees fairly, and conducting business with honor and integrity. Suppliers must follow the relevant laws and treaties. We categorically prohibit any kind of extortion, bribery, and corruption. They must also take reasonable actions to minimize the environmental impact of their operations.

We encourage our suppliers to report violations of our SCoC to assist them in improving their practices to reach the needed compliance level again. We communicate our whistleblowing policy to our suppliers and encourage them to promptly report any suspected violations through our online whistleblowing channel.

## Sustainable Procurement Policy

Our supplier selection is guided by our Sustainable Procurement Policy that defines how our suppliers should manage the impact of their environmental, social, and corporate governance.

Basware's Global Sustainable Procurement Policy outlines our commitment to, and the principles that guide us to meet our commitment to sustainability when purchasing products and services.

In addition, we have other global policies linked to Sustainable Procurement, for example, the Anti-Bribery and Corruption Policy, the Environmental Policy, and the Trade Sanction Policy.

**We strive for compliance, transparency, ethical sourcing terms, and risk mitigation.**

## Guiding Processes

### Source to Purchase Process

We have put in place a thorough Source to Purchase Process that focuses on maximizing value for both our customers and suppliers, whilst minimizing Basware's risk, optimizing our vendor base and spending, and ensure compliance. We follow a process that is defined based on our Sustainable Procurement Policy, evaluated as part of our Sustainability Assessment, and implemented by our team of Procurement Specialists.

The main elements of our Source to Purchase process includes new vendor creation, vendor assessment, sourcing, purchasing, and contract creation and management, all working cohesively to uphold our commitment to sustainability and responsible procurement practices.



## Procurement Specialists

We have strengthened our Sustainable Procurement and supplier compliance processes with the introduction of Procurement Specialists.

Procurement Specialists are internal experts sourcing products and services for Basware, and managing the overall source to purchase process while making sure we are addressing our environmental, social and governance impact.

Procurement Specialists are required to undertake training to ensure they are empowered with the right knowledge and skills to put Basware’s Sustainable Procurement strategy in place.

## Sustainability Assessment

We evaluate the sustainability risks related to our suppliers through a Sustainability Assessment in order to address the environmental, social, and governance risks associated with the goods, products and services we source. The Sustainability Assessment is conducted in line with Vendor Assessment Process by using a dedicated assessment tool and combines security, data privacy and sustainability assessments to give us a good overview of the supplier’s business practices.

## Supplier Performance and Compliance Management Process

We have implemented a vendor management process for our strategic and key suppliers. The process is designed to evaluate supplier performance and identify potential risks on an

## 2023 payment term overview:

	Payment term more than 45 days	Payment term 30–45 days	Payment term less than 30 days
<b>Overall</b>	1%	68%	31%
<b>Strategic and key vendors</b>	6%	94%	0

\*Supplier amount is based on the vendors who have invoiced us during 2023 and amount is booked for accounting. It is excluding small one time vendors and one time vendors which are paid through credit cards. If vendor is registered in different countries with different VAT we have considered those as separate vendors.

annual basis. In 2023, we incorporated sustainability topics into the process. We audited all of our 20 strategic vendors during the year.

## Risks and Opportunity Process

As a part of the Environmental, Social, and Governance (ESG) Risk and Opportunity Process, we annually identify crucial sustainability risks and opportunities in our Source to Purchase Process to mitigate risks and leverage new opportunities. The top ESG risks and opportunities are communicated to our Executive Team and Board of Directors. The top ESG risks are then integrated into our Enterprise Risk Management Process and development roadmap. As part of our corporate risk management framework, we review and monitor the most critical risks and mitigation plans throughout the year.

[More information on can be found in the introduction: How we manage ESG →](#)

## Ethical Payment Terms

We understand the importance of fair payment terms in building strong and lasting relationships with our suppliers. We aim to contribute to the wellbeing and stability of our suppliers by ensuring timely payments, particularly for small and medium-sized enterprises. Currently, we do not have a formal late-payment policy in place. However, we are committed to always honoring the terms of our agreements.

Although the company’s preferred net payment term is 45 days, the actual invoice payment term is always up for negotiation. Most commonly used payment terms are between 30–45 days.

**We aim to contribute to the wellbeing and stability of our suppliers by ensuring timely payments.**



## Initiatives For Improving Our Procurement Practices

In 2023, we published our **Supplier Code of Conduct**, which outlines our ethical, social, and environmental standards for our suppliers, enabling us to advocate for responsible practices throughout our supply chain.

In 2023, we invested in a dedicated tool to perform assessments on our suppliers. At the same time, the assessment scope was broadened from security and data privacy to cover also sustainability of the suppliers. We ask the suppliers to provide information on a wide range of sustainability aspects, such as environmental protection, human rights, labor law, health and safety, and anti-bribery and anti-corruption measures taken by their organization.

Additionally, we introduced a **sustainability training module for our Procurement Specialists** to ensure they are proficient in our sustainability-related policies and processes.



**basware**  
Now it all just happens™



# Get in touch

For questions on this report or our ESG initiatives,  
please contact **Johanna Sjöström**,  
[johanna.sjostrom@basware.com](mailto:johanna.sjostrom@basware.com)

**ABOUT BASWARE** Basware is how finance leaders in global enterprises can finally automate their complex, labor-intensive invoice processes and stay compliant with regulatory change. Our AP automation and invoicing platform helps you achieve a new level of efficiency – in a matter of months – while reducing errors and risks. We bring a unique combination of true automation, complete coverage, and deeper expertise to make it all just happen for our customers. That's why the world's most efficient AP departments rely on Basware to handle millions of invoices per year.  
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