2023 - 2024

ESG REPORT



CONTENTS



01 MESSAGE FROM OUR LEADER

02 INTRODUCTION

03 VISION, MISSION & VALUES

04 MATERIALITY ASSESSMENT

05 UN SDGS AND OUR PROJECTS

06 CONCLUSSION

MESSAGE FROM OUR CEO



Dear Stakeholders,

I am proud to present the first Vinco ESG report, which highlights our determination, focus, and actions for a more sustainable future. Vinco Innovation is dedicated to actively pursuing sustainable goals. Since our establishment, we have been committed to promoting and pursuing diversity as a core part of our sustainability efforts.

One of our key goals is to engage in projects and initiatives that contribute to increased sustainability. To date, we are backed by eight transnational projects and have secured grant funding for impactful initiatives totaling almost 3 million Euros. These projects tackle diverse sustainable challenges across Europe, such as the CCS4Krakow project, where Vinco Innovation collaborates with the Krakow municipality and CO2 management to transfer Norwegian expertise in CO2 capture and storage to the city of Krakow. Another notable example is the ZEV Innovation project, which aims to support small and medium-sized enterprises (SMEs) in the zero-emission industry to thrive with their innovations.

By equipping employees with the knowledge and skills needed to implement and advocate for sustainability initiatives, Vinco ensures its commitment to environmental stewardship is consistently reflected in services. Moreover, fostering a culture of sustainability within the workforce enhances corporate reputation, meets stakeholder expectations, and contributes to long-term business resilience and regulatory compliance.
All the projects we contribute to are characterized by innovation, courage, dynamism, and ethics, rooted in our understanding that global challenges demand global solutions. Operating across borders, we actively engage in the fight for diversity and equality, recognizing them as crucial components of sustainable progress.

My commitment to sustainability and diversity has been integral to the company's success, with initiatives aimed at promoting sustainable practices and advocating for gender and minority representation in management roles. My outlook extends beyond organizational growth, with commitment to becoming a leading European player in sustainable innovation and aspirations for a future stock exchange listing.

We are grateful to our employees, partners, and clients for their unwavering support and collaboration. Together, we can achieve our vision of a more sustainable and equitable world. We look forward to continuing this journey with you, guided by transparency, accountability, and a shared commitment to making a positive impact.

Thank you for your trust and partnership.

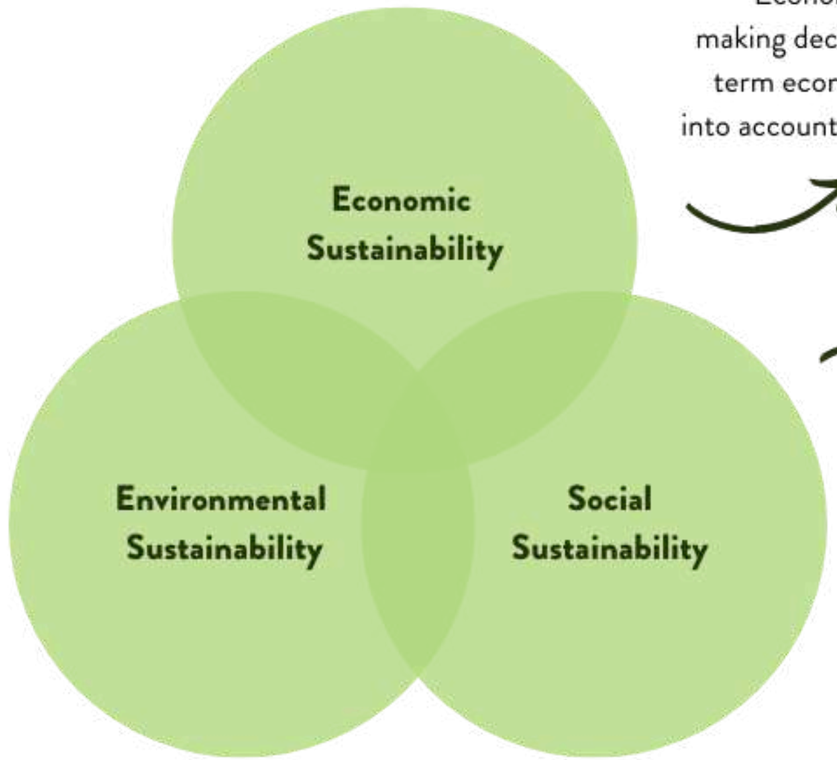
Sincerely,
Barbara Salopek

INTRODUCTION

Sustainability can be defined as the practice of conducting business operations in a manner that meets present needs without compromising the ability of future generations to meet their own needs. This definition encapsulates the core principles of environmental stewardship, social equity, and long-term economic viability.



PILLARS OF SUSTAINABILITY



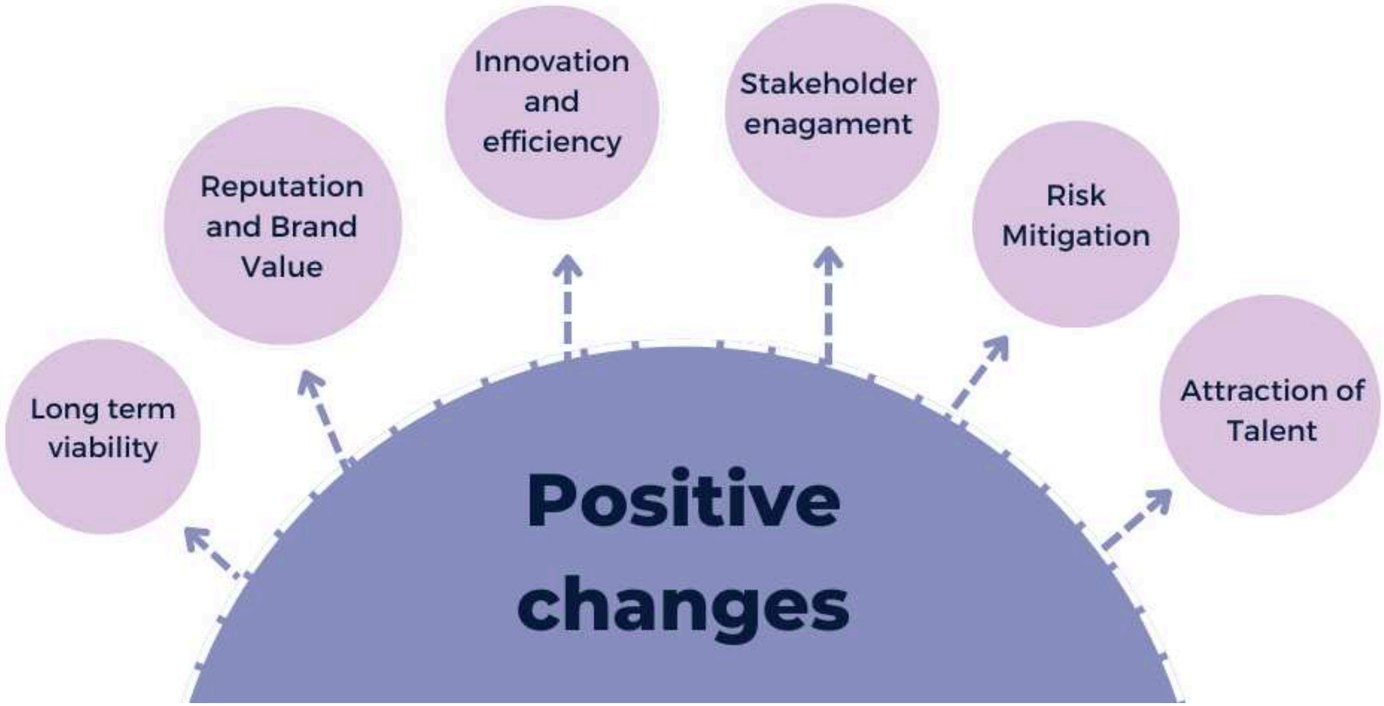
Economic sustainability involves making decisions that promote long-term economic growth while taking into account social and environmental factors.

Environmental sustainability is about ensuring that natural resources are used in a way that does not compromise the ability of future generations to meet their own needs.

Social sustainability refers to the ability of a society to meet the needs of its members in a way that is equitable: human rights are the cornerstone.

SUSTAINABILITY IN BUSINESS

In today's global landscape, sustainability in business is crucial. The traditional profit-focused model has shifted to a holistic approach considering environmental, social, and long-term impacts. Sustainability is now essential for businesses to thrive and drive positive changes.



MISSION, VISION AND VALUES



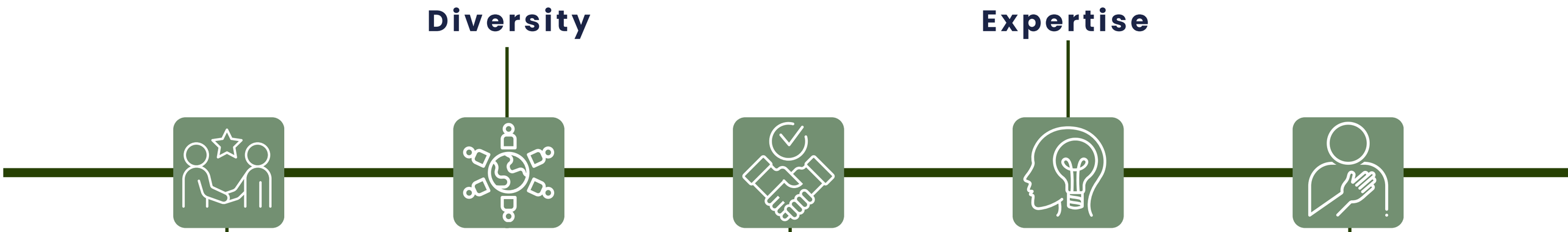
VISION

By 2030, Vinco envisions itself as a leader in driving sustainable innovation across diverse industries in Europe. We aim to be recognized as a high-quality provider of innovative and sustainable solutions that have a positive impact on society and the environment.

MISSION

At Vinco Innovation, our core mission is to enable our clients to realize their growth aspirations while actively contributing to a more sustainable tomorrow. We accomplish this objective by harnessing our proficiency and knowledge in innovation, sustainability, and project management. Through this, we curate customized solutions that unleash the complete potential of each project, fostering both growth and environmental responsibility.

VALUES


Diversity
Expertise
Client prosperity
Reliability
Integrity

DIVERSITY

At Vinco Innovation, diversity isn't just a buzzword; it's our driving force for innovation.



We believe in fostering an inclusive environment where every voice is heard, valued, and respected. Our commitment to diversity goes beyond mere rhetoric; we actively cultivate it through concrete actions.

One way we ensure diversity is by requiring all our partners to sign a robust code of ethics, affirming their dedication to inclusivity and fairness. This ensures that our entire ecosystem operates on principles that promote equality and respect for all.

In our experience, diverse perspectives lead to richer discussions, more creative solutions, and ultimately, better outcomes for our clients and stakeholders. By championing diversity at every level of our organization, we not only embrace the strength of differences but also propel ourselves towards greater innovation and success.

STAKEHOLDERS

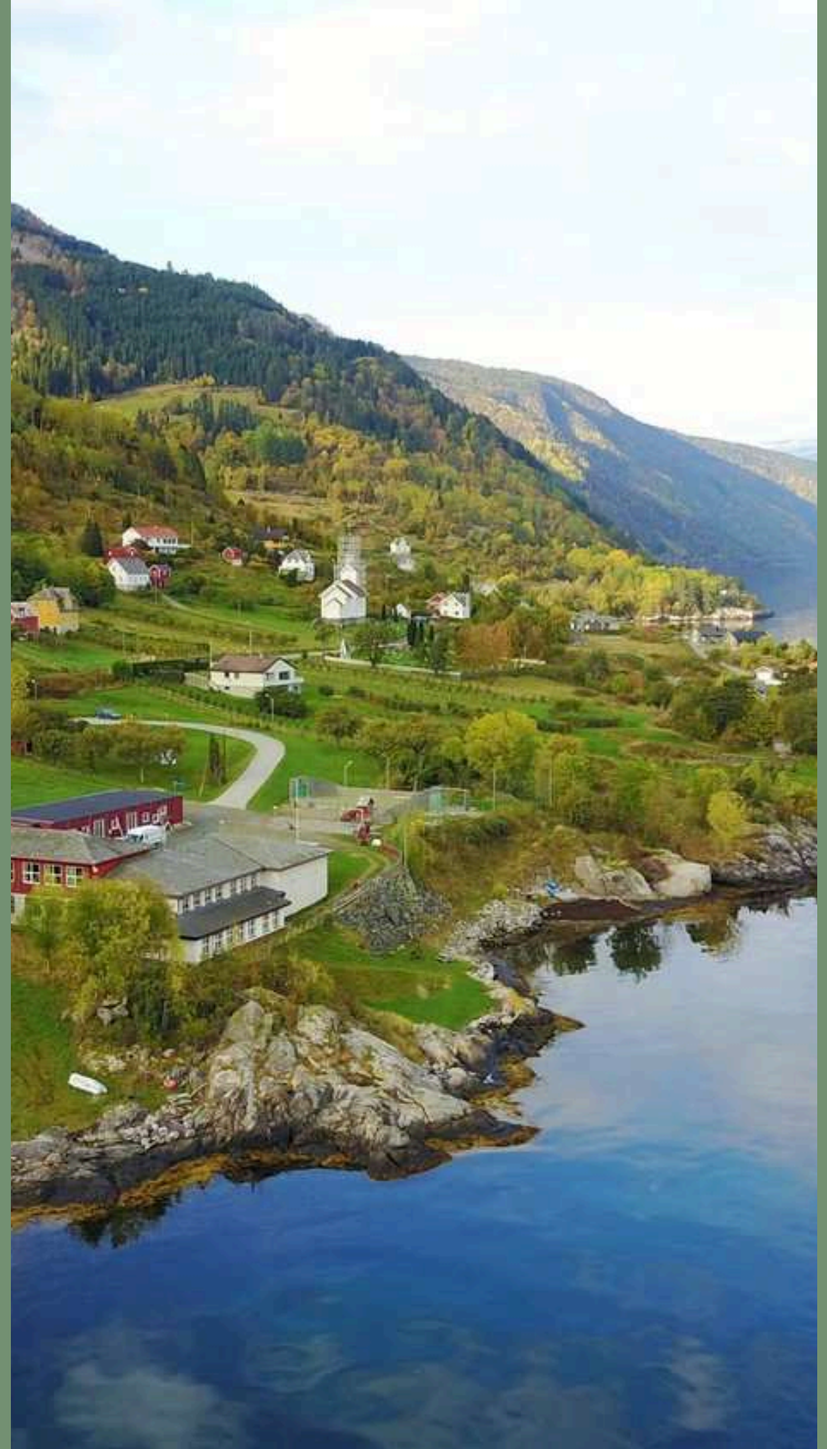


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STAKEHOLDER ENGAGEMENT

Stakeholder engagement, transparent communication, and effective feedback mechanisms constitute the pillars of our sustainable growth strategy. By proactively involving our stakeholders, we establish a bridge of understanding and alignment that fuels our success. Transparent communication serves as the foundation for trust, fostering meaningful relationships with clients, employees, partners, and the community. This transparency bolsters our reputation and facilitates the exchange of valuable insights.

Feedback mechanisms empower us to continuously refine our practices. Actively seeking and valuing input from stakeholders ensures that our decisions resonate with their needs and expectations. This inclusive approach not only enhances our solutions but also identifies potential challenges before they escalate. By consistently integrating stakeholder perspectives, openly communicating our initiatives, and fostering a culture of listening, we position ourselves as a beacon of responsible business, driving impactful change while nurturing enduring relationships.



MATERIALITY

MATERIALITY ASSESSMENT

The concept of **materiality** holds its most significant value when applied at the strategic stage of business operations. This is where its potential to provide actionable insights and guide decision-making truly shines, as it becomes a powerful tool to inform and prioritize the key areas that can shape a company's success.

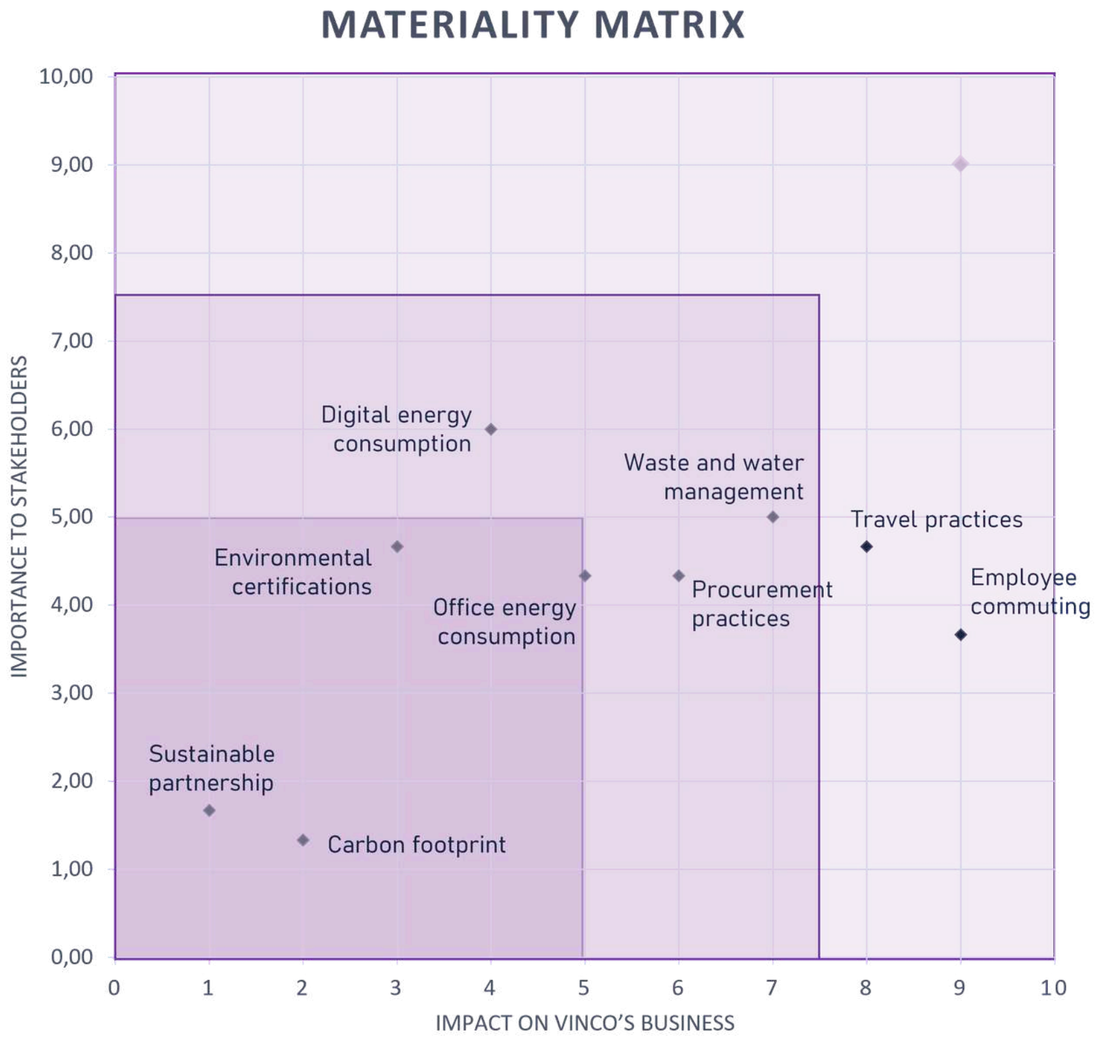
Materiality, in the context of business, refers to the assessment of which **environmental, social, and governance (ESG) factors** have a substantial impact on a company's long-term success and the stakeholders it interacts with. This assessment goes beyond just identifying and reporting on ESG issues; it involves recognizing the issues that can significantly affect a company's performance, reputation, and value proposition.

MATERIALITY MATRIX

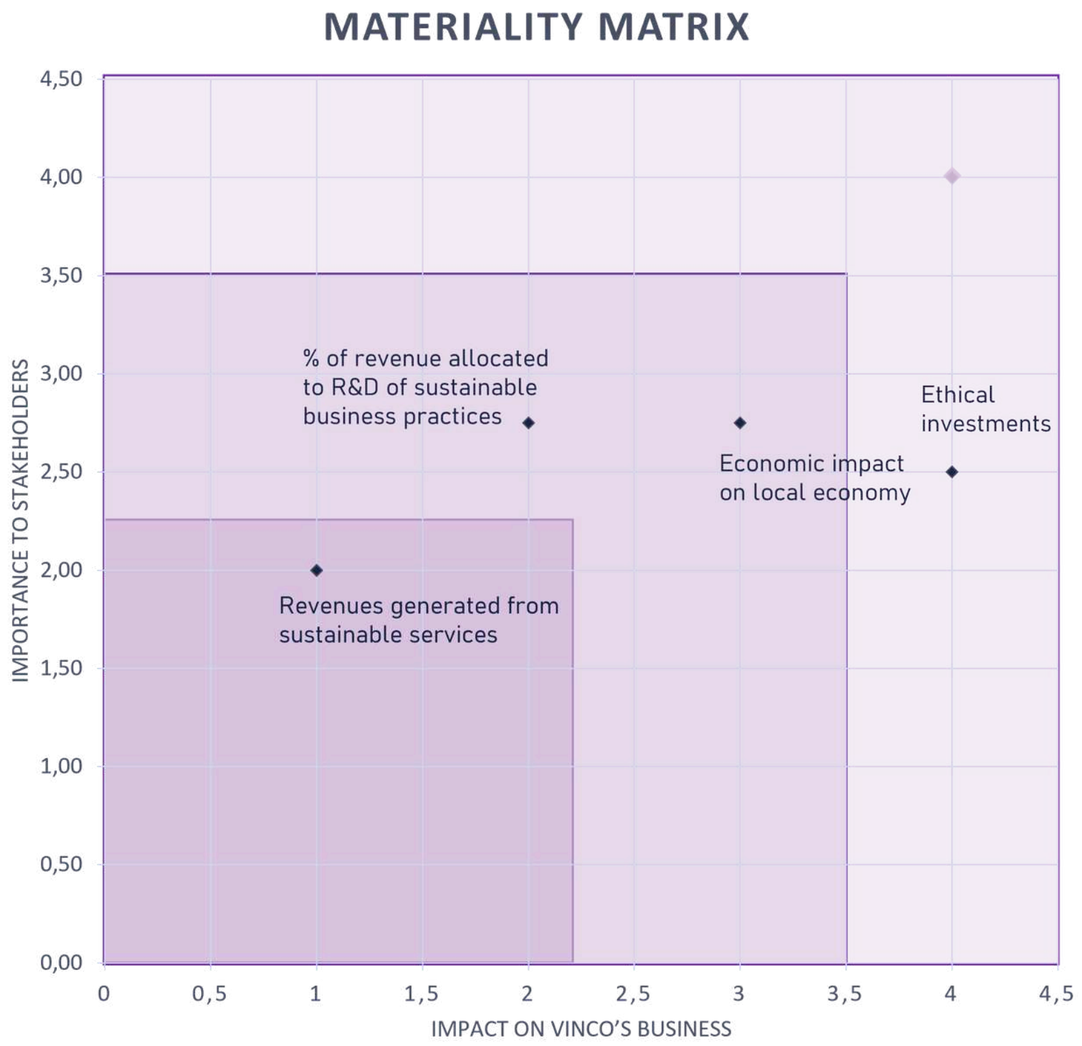
In order to establish stakeholder prioritization, we initiated an insight survey, requesting **stakeholders** to rank these subjects and respond to 20 open-ended questions. The survey was exclusively distributed among employees, but we aspire to extend its circulation to other stakeholders in the future.

The answers resulted in materiality matrices for each topic: E, S and G.

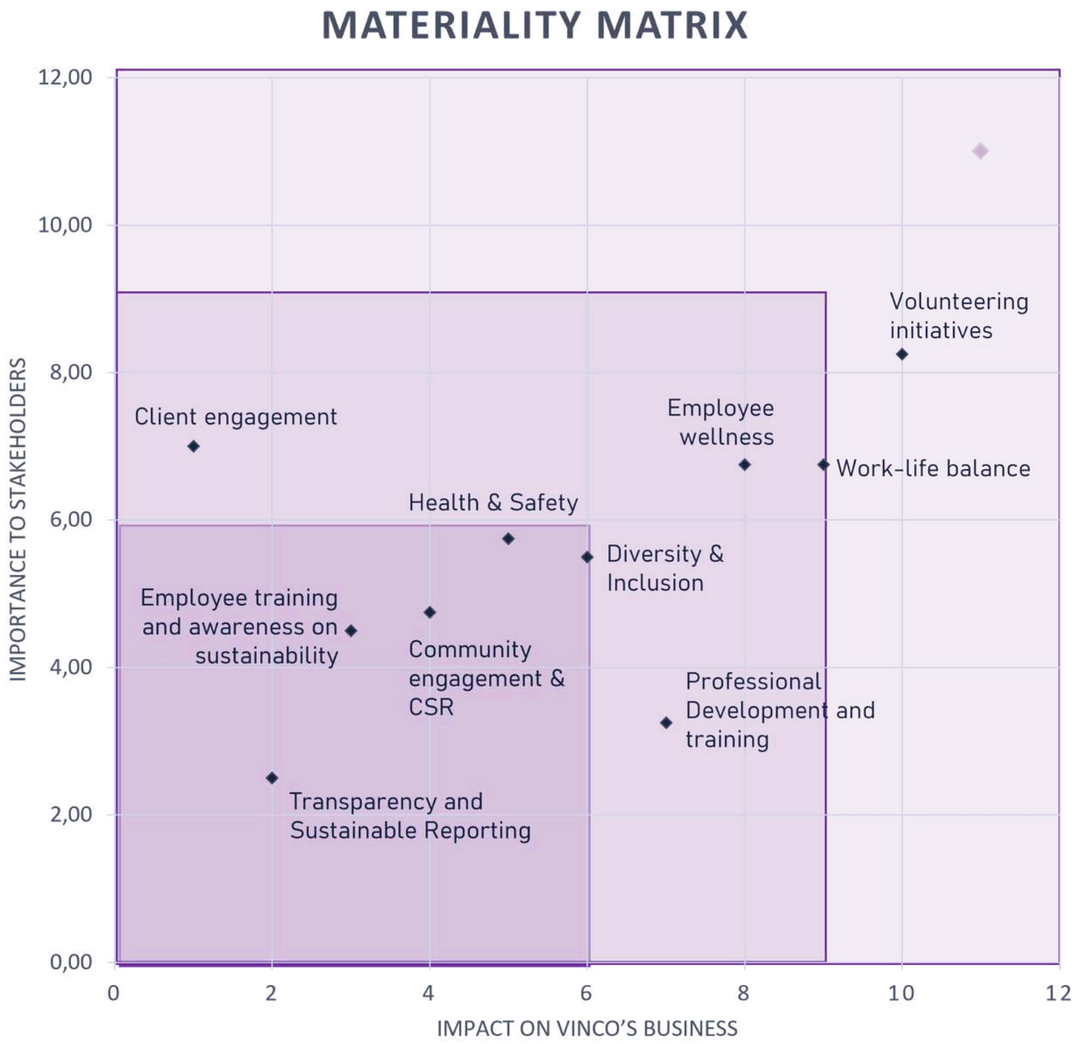
ENVIRONMENTAL ISSUES



ECONOMIC ISSUES



SOCIAL ISSUES



MATERIAL TOPICS

Employee training and awareness on sustainability

By equipping employees with the knowledge and skills needed to implement and advocate for sustainability initiatives, Vinco can ensure that its commitment to environmental stewardship is consistently reflected in its services. Moreover, fostering a culture of sustainability within the workforce enhances corporate reputation, meets stakeholder expectations, and contributes to long-term business resilience and regulatory compliance.

Sustainable partnerships

Collaborating with like-minded organizations amplifies the company's impact on environmental and social issues. Through these partnerships, Vinco can leverage shared resources, expertise, and innovations to drive more effective and scalable sustainability initiatives. Additionally, sustainable partnerships enhance the company's supply chain resilience, improve risk management, and align with the values of customers and stakeholders who prioritize sustainability. These collaborations are essential for achieving long-term environmental goals and maintaining a competitive edge in the market.

Revenues generated from sustainable services

It reflects the company's financial commitment to and success in promoting sustainability. This metric not only indicates the market demand for sustainable products and services but also highlights Vinco's ability to align profitability with environmental responsibility. Focusing on sustainable revenues demonstrates to investors, customers, and stakeholders that Vinco is dedicated to long-term growth that does not compromise ecological and social well-being, thereby enhancing corporate reputation and ensuring future viability in an increasingly sustainability-conscious market.

SDGs AND OUR PROJECTS







Vinco Innovation’s commitment to advancing the Sustainable Development Goals (SDGs) is evident through tangible progress achieved via strategic collaborations in various projects and initiatives. In partnership with companies across Europe, supported by EU funding, we are actively engaged in projects focusing on innovation and sustainability. The accomplishments showcased in the outcomes of projects, highlight our collective efforts towards realizing sustainable development objectives.

UN SUSTAINABLE DEVELOPMENT GOALS

Vinco Innovation's activities contribute to the achievement of the UN's Sustainable Development Goals (SDGs), a collection of 17 global goals adopted in 2015 by more than 150 countries.

Vinco Innovation's contribution to the UN Sustainable Development Goals

Vinco contributes to the different goals in various degrees. Our impact on and contributions to all the goals are important. Here we have grouped some of our projects to show our contribution an a global level through contributing locally and indirectly through our actions.



THE GLOBAL GOALS
For Sustainable Development

ZEV INNOVATION

ZEVinnovation was funded by EEA and Norway Grants Fund for Regional Cooperation. It is a regional cross-border and transnational cooperation project and a key driver to find and develop innovative solutions. The project aim was to strengthen the transnational cooperation within zero-emission shipping.

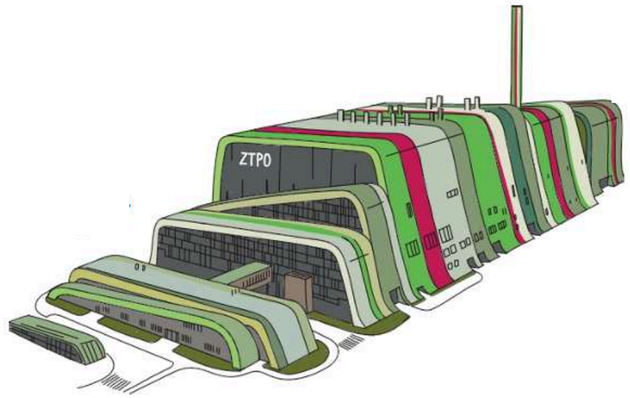
SDG	Sub-target	Examples
	**12.7** Promote public procurement practices that are sustainable, in accordance with national policies and priorities	ZEVinnovation is a public procurement project advocating for sustainable shipping, with a focus on policies and regulations in the partnering countries.
	**12.a** Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production	ZEVinnovation helps developing countries , Croatia and Poland, to enhance their capabilities in zero-emission shipping technologies.
	**13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	By advancing zero-emission shipping technologies, ZEVinnovation reduces greenhouse gas emissions and mitigates the impact of climate change.
	**14.3** Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels	Technologies supported by ZEVinnovation reduces carbon emissions, which in turn helps mitigate ocean acidification and protect ocean health.
	**17.7** Development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as agreed	By advancing zero-emission shipping solutions, ZEVinnovation contributes to the dissemination of eco-friendly technologies to developing nations.

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CCS 4 KRAKOW

CCS 4 Krakow was funded by EEA and Norway Grants Fund. The operator of the Waste Thermal Plant Incinerator in Krakow actively explore innovative solutions, namely carbon capture and storage, to combat climate change. Taking inspiration from Norway's leading advancements in waste management and CCS technologies, KHK is eager to adopt best practices and draw insights from European experiences.

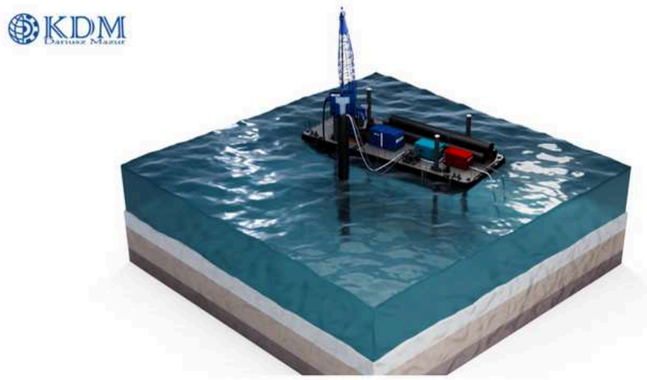
SDG	Sub-target	Explanation
7 AFFORDABLE AND CLEAN ENERGY	**7.2** By 2030, increase substantially the share of renewable energy in the global energy mix	By actively exploring innovative solutions like CCS for combating climate change, the project demonstrates a commitment to transitioning towards renewable energy sources.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**9.4** Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	By actively exploring innovative solutions like CCS for combating climate change, the project aims to upgrade its infrastructure and retrofit its industry practices toward sustainability.
11 SUSTAINABLE CITIES AND COMMUNITIES	**11.a** Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning	By drawing on Norway's waste management and CCS expertise, the project fosters collaboration to promote integrated development across urban, peri-urban, and rural areas. This contributes to creating more sustainable and resilient communities.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**12.4** By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	Exploring CCS technologies, the project contributes to achieving environmentally sound management of chemicals and waste throughout their life cycle. This includes minimizing releases to air, water, and soil.
13 CLIMATE ACTION	**13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Possibly mitigating carbon emissions and combating climate change, the project indirectly supports efforts to reduce the frequency and severity of climate-related hazards and natural disasters.



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KDM

Vinco Innovation completed a project for KDM Dariusz Mazur in Poland as a part of the Norwegian Financial Mechanism 2014-2021 under the “Business Development and Innovation” Programme. The goal of the project is to enable KDM to gain valuable knowledge and information on how their innovative service in the construction industry is perceived and acknowledged in the Norwegian market.



SDG	Sub-target	Explanation
6 CLEAN WATER AND SANITATION	**6.6** By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes	The innovative services in the construction industry indirectly contributes to the protection and restoration of water-related ecosystems
8 DECENT WORK AND ECONOMIC GROWTH	**8.2** Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors	By promoting the adoption of innovative practices within the construction sector, the project contributes to achieving higher levels of economic productivity.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**9.4** Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	In assisting KDM in evaluating the reception of their innovative service in the Norwegian market, the project indirectly supports the upgrade of infrastructure and industries towards sustainability.
14 LIFE BELOW WATER	**14.3** Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels.	Sustainable construction methods can reduce pollutants that find their way into water bodies, including oceans, thus aiding in the mitigation of ocean acidification
17 PARTNERSHIPS FOR THE GOALS	**17.11** Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries’ share of global exports by 2020	The project may enable developing countries to offer higher value-added products and services for export by understanding and adapting to the needs in other countries.

BREAKTHROUGH TO SCALE

The project is about delivering individual and tailor-made mentoring packets for 8 Romanian SMEs within the Green Industry Innovation and Blue Growth, on their journeys to increase value creation and sustainable growth from radical innovation. Furthermore, the project aims to foster long-term business cooperation between Norway and Romania, not only via the partnership between the project`s partners, but also through opening new opportunities for our target SME beneficiaries.

SDG	Sub-target	Explanation
	**9.b** Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities	By fostering innovation and value creation within sectors, the project supports domestic technology development and research in Romania.
	**12.a** Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production.	The project supports the strengthening of scientific and technological capacity in Romania. By fostering long-term business cooperation between Norway and Romania, the project facilitates knowledge exchange and promotes the adoption of sustainable patterns of consumption and production.
	**17.11** Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed	Through mutually agreed terms, the project facilitates the exchange of knowledge and expertise, thereby supporting the adoption of sustainable technologies in developing countries

Breakthrough to Scale

VINCO

LEARNING ENTREPRENEURSHIP 5.0

The project Learning Entrepreneurship 5.0 aims at creating a model for competence development of teachers from Vukovar-Srijem and Osijek-Baranja counties for managing school cooperatives and introducing the cross-curricular theme of entrepreneurship into their practice. In line with teachers' needs, teacher professional development programme will be designed through cross-sectoral and bilateral cooperation, focusing on teaching learners with special educational needs.

UP 5.0
UČIM PODUZETNIŠTVO

SDG	Sub-target	Explanation
	**1.4** By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance	By focusing on teachers rural areas, addressing the needs of learners with special educational needs, the project ensures inclusive access to economic resources and skill development.
	**4.4** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	Piloting a professional development program and organizing student cooperatives' product fairs, the project aims to significantly increase the number of youth who possess the skills necessary for employment, decent jobs, and entrepreneurship.
	**8.2** Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors	Fostering economic productivity through the development of school cooperatives, which serve as platforms for diversification, technological upgrading, and innovation.
	**10.6** Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions in order to deliver more effective, credible, accountable and legitimate institutions	By strengthening teachers' competencies and promoting the visibility of student cooperatives, the project enhances the representation and voice of these communities in local and regional economic decision-making processes. This grassroots development of entrepreneurial capacity can contribute to broader participation
	**11.a** Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning	The organization of students product fairs boosts local economic activity and strengthens the ties between different communities. This approach contributes to comprehensive national and regional development planning, ensuring economic growth and innovation benefit.

VINCO

01

Enhanced Stakeholder Collaboration

Strengthen partnerships with key stakeholders to amplify our impact. Collaborative efforts will extend our reach and foster knowledge exchange.

02

Tech-Driven Monitoring

Embrace innovative technologies for streamlined data collection and real-time insights, ensuring a dynamic approach to SDG progress tracking.

03

Community Engagement Initiatives

Implement targeted community engagement initiatives to increase awareness and involvement in SDGs.

NEXT STEPS

Where do we go from here? Sustainability reports are not just about looking back, but also looking forward.

THANK YOU

