

SUSTAINABILITY REPORT

2016-2017

dnsbelgium

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FOREWORD

DNS Belgium has been sponsoring good causes for years, because this is part of our organisation's DNA. We are moreover convinced that a digital society is a more sustainable and more inclusive society. For DNS Belgium and the members of our organisation, our contribution to the digital society has always been altruistic. That is also why we were established as a non-profit rather than a for-profit organisation.

Up to 2016, we managed our corporate social responsibility only based on our values, our mission and vision, without any strategic approach to our various initiatives. We assumed that this sufficed as a contribution to society.

We nonetheless found that we had to do more. As a small organisation, we can try to be the best pupil in the class and yet have little impact on the greater whole. If we can inspire our partners, however, then we can have a leverage effect. Our impact on society as a whole could then become more significant when it comes to sustainability.

We consequently launched a project in 2016 to define our sustainability strategy. We asked ourselves how we can deal with our many partners and staff in a sustainable manner. What contribution can we make to the digital society as an organisation, apart from our core mission? We looked into how we can proceed more sustainably on the environmental and social front, in addition to our support to socially responsible projects such as Close the Gap and PC Solidarity.

These questions underlay the planning of our 4-pillar sustainability strategy, namely:

- Security in the digital world
- Staff well-being
- Awareness of the importance of domain names, and consequently the positive effects of a digital society versus an 'old' society
- Involving our partners

These pillars were devised together with our stakeholders, which range from the government and the political world, to members of

the organisation, staff and all partners. This strategy now constitutes our compass for corporate social responsibility. All actions that we take internally are measured against our sustainability strategy.

A number of interested and motivated colleagues set to work per pillar to launch new initiatives. We deliberately allow them to have a say on and the ownership of the projects. In this way, we keep our sustainability strategy alive and make sure that it continues to receive the support of the entire organisation.

In 2017 we embarked on the various actions. Achievements in our starting year included switching the office building to a 100% green energy supplier and moving the registration platform to a supplier which also uses 100% green energy. This is bound to produce results in 2018 in reducing the CO₂ footprint.

In addition, we undertook all sorts of initiatives for greener mobility in combination with the well-being and fitness of our staff. This means covering far fewer miles in company cars and making greater use of (electric) bicycles.

We will continue to strive for our sustainability goals in the coming years. We have adopted sustainability as the eighth value of our organisation. Together with the objectives of our balanced scorecard, this strategy will continue to be our guide in the coming years for prioritizing our projects.

Philip Du Bois
General Manager



ABOUT DNS BELGIUM

In 1999, ISPA Belgium (Internet Service Providers Association), Agoria (the federation of the technological industry) and BELTUG (Belgium's communication technology and services user Group) set up the non-profit association DNS Belgium vzw. Five new members have joined since then, namely:

- BeCommerce
- Bereas
- Comeos
- IAB Belgium
- Feweb

Our mission consists of the operational and administrative management of the .be, .vlaanderen and .brussels domain name zones in a qualitative and secure manner. In addition, we make the internet more accessible by acting as an enabler between all possible internet stakeholders at the national and international level and encourage the use of the Internet via domain names.

DNS Belgium pursues this mission by offering a high-quality registration system to a network of 450 registrars. In addition, DNS Belgium ensures that the .be domain names are constantly available worldwide by guaranteeing the permanent accessibility of the name servers.

In all its actions, DNS Belgium tries to enhance the security and quality of the domain name use and, in addition to that, the Internet, and thus strengthen consumer confidence in the digital society.

In addition, sustainability takes centre stage in the actions of DNS Belgium.

HOW WE DEVELOPED OUR SUSTAINABILITY STRATEGY

The essence of our sustainability strategy is our responsibility for the impact that we as an organisation have on society. We are committed to fully-fledged corporate social responsibility. That is why we have integrated attention to the needs of the members of our organisation, consumer interests, and social, ethical and environmental issues in our activities – in close cooperation with our stakeholders.

Our aim is to create as much added value as possible for the members of our organisation, the Belgian Internet users, the government, our registrars and our staff. One of the starting points in this respect is that we have traced the possible negative effects of our operational management in order to prevent and reduce them.

In 2016 we decided to combine the different existing initiatives in terms of sustainability and social responsibility into a full-fledged sustainability strategy with 2020 as the target date. An independent consultancy firm provided support for us during this process. To build our strategy, we took the following steps together:

1. Analysis of the social context
2. Benchmarking
3. Determination of the most important stakeholders
4. Analysis of the sustainability challenges
5. Stakeholder consultancy
6. Development of the final strategy

ANALYSIS OF THE SOCIAL CONTEXT

We mapped the most significant sustainability trends and challenges that can have an impact on DNS Belgium. We also took a critical look at our mission, vision and the values of our organisation in this process. Moreover, we assessed how sustainability was integrated in DNS Belgium in 2016.

BENCHMARKING

During the benchmarking exercise, we compared ourselves with similar organisations at home and abroad. This was done through a desk study based on publicly accessible information such as annual reports, corporate websites and online articles about their sustainability policy.

The analysis was carried out on the basis of 8 areas of the ISO 26000 guidelines for sustainability:

- Policy
- Environment
- Labour practices
- Human rights
- Customer services
- Sustainable purchasing and supply chain management
- Social involvement
- Communication

The following organisations were included in our research: EURID, IIS, CIRA, IEDER, Affilias, Verisign, ICANN, CENTR, AFNIC and SIDN.

This research study yielded the following insights:

- The level of available information on sustainability was relatively low in 2016. A number of organisations already had a sustainability policy, but on the whole, very little was communicated about it.
- DNS Belgium scored relatively low compared with other organisations due to a lack of a global sustainability strategy.
- Many organisations were committed to social involvement at the time.

DETERMINATION OF THE MOST IMPORTANT STAKEHOLDERS

The following groups of stakeholders were determined:

- The employees of DNS Belgium.
- The members of the policy council because they are the representatives of our organisation’s members.
- The members of the registrar forum as representatives of the registrars.
- The members of the strategic committee for .be. They represent the stakeholders from the government and other official bodies.

ANALYSIS OF THE SUSTAINABILITY CHALLENGES

In this phase, we looked into what sustainability means in practice for DNS Belgium. We analysed our core activities on the basis of the ISO 2600 standard so as to be able to define the most important sustainability themes. We determined these themes during a number of in-depth interviews with members of management.

This resulted in 19 sustainability themes that covered all our organisation’s core activities:

- policy compliance
- cost effectiveness
- business ethics
- staff / talent development
- diversity and equal opportunities
- attractive work environment
- sustainable mobility
- waste management and recycling
- responsible purchasing
- employee involvement
- innovation of technology and processes
- CO₂ footprint
- operational reliability
- partnerships
- stakeholder engagement
- customer satisfaction
- privacy and information security
- transparent communication
- social involvement

STAKEHOLDER CONSULTATION

Once the 19 themes had been determined, we submitted them to the 4 stakeholder groups. Each member of the stakeholder groups could indicate the importance of each sustainability theme and assess the performance of DNS Belgium on that theme. An initial analysis rapidly indicated that 3 themes were considered to be of paramount importance by all 4 stakeholder groups:

- policy compliance
- operational reliability
- privacy and information security

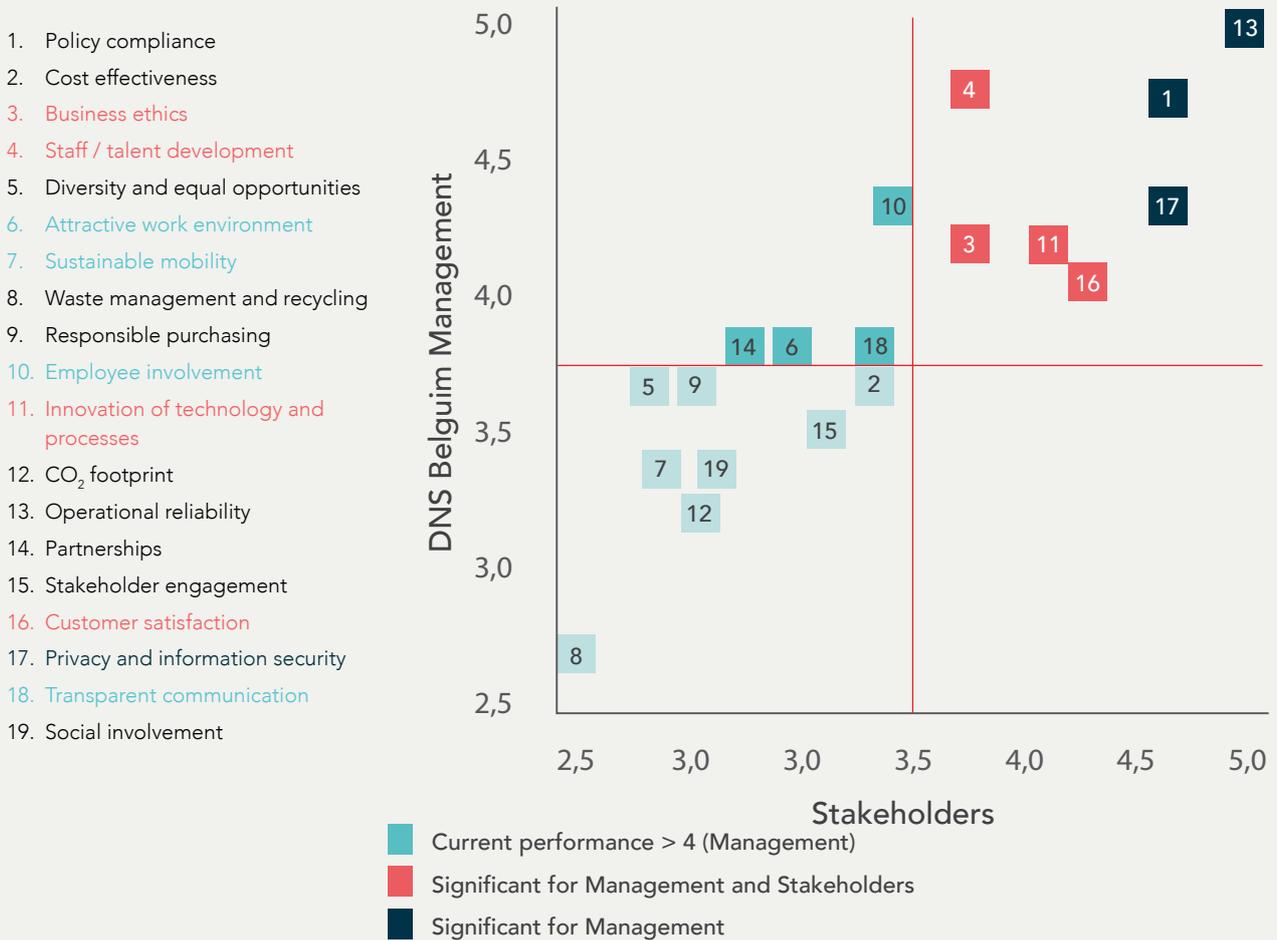
All 19 themes got a minimum average score of 2.7 for all the stakeholder groups.

This means that all themes are relevant for our organisation. A materiality matrix was calculated based on the results of this questionnaire and the differences between the answers of the different groups. This provides an overview of the themes which are of material importance for our sustainability strategy.

DEVELOPMENT OF THE FINAL STRATEGY

To arrive at the final strategy, we gathered input from all the exercises and grouped them in 4 clusters. We then held two strategic workshops to forge the final sustainability strategy and define the level of ambition.

Figure 1: Materiality Matrix: prioritizing



OUR SUSTAINABILITY STRATEGY

OUR VISION

In a digitized society where everyone is aware of the possibilities and advantages of domain names, DNS Belgium wants to act as a centre of excellence, in a sustainable manner.

LEVEL OF AMBITION

We aspire to be recognized as an example for sustainability in our sector.

SUSTAINABILITY STRATEGY

We focus our objectives on 4 strategic pillars.

- Inspiring workplace
- Leader in security
- Digital awareness
- Sustainable chain

Inspiring workplace

We want a workplace where the **right people** can perform the **right work** in a healthy manner, a place where employees can **develop** their **talents** and be given room to achieve great things.

We are striving to be a workplace where people opt deliberately to work there: an **employer of choice**. The aim is to be able to find good new people easier and faster, but also to **retain** the good people and get the **right people** at the right positions.

Examples of defined actions:

- Appointment of 1 prevention advisor and 2 confidential counsellors.
- Fit@work programme.
- Training programme where everyone can have a Personal Training Programme if s/he wants.
- Increased attention for a socio-psychological well-being policy.
- New welcome brochure for new employees.
- Set up of a Fun@work committee.

Leader in security

We want to be recognized as an **innovator** in the world of domain names with the aim of **zero incidents** that have consequences for the uptime of our infrastructure and a **reduction of the number of cases of abuse**.

We assume a participating role as an expert in the Belgian cybersecurity landscape so as to be able to provide relevant input for **security authorities** and the **press**.

Examples of defined actions:

- Consultation and cooperation with different security services in Belgium.
- Manual verification of the WHOIS data of every newly registered domain name.
- Different security-related projects are included in our project roadmap.

Digital awareness

We are raising awareness about the use and positive aspects of the Internet among certain target groups (children, parents, people with disabilities, SMEs which are not yet online).

Examples of defined actions:

- Development of an episode on how the Internet works in an existing Ava & Trix study package for elementary school children.
- Building a corporate website according to the Anysurfer guidelines so as to be accessible for people with disabilities.
- Organisation of the CoderDojo in our offices.

Sustainable chain

We act as a role model in our sphere of influence by encouraging our partners (suppliers and sales channels) to develop their own business in a sustainable manner.

We chart an action plan for social and environmental initiatives that we will take up in the coming years and make sure we are sustainably enshrined in our direct environment.

Examples of defined actions:

- Calculation of CO₂ footprint and compensation of CO₂ emissions.
- Development of a climate plan to reduce this CO₂ footprint.
- Stricter and more sustainable policy concerning business travel, company cars, purchasing.
- Anchoring sustainability in our business processes.

CHARTING OF OUR SUSTAINABILITY STRATEGY

To develop the strategic pillars further, hone the objectives and follow up on the actions, we decided to set up a workgroup per pillar consisting of volunteers from our staff. 17 staff members take part in these workgroups. One staff member is appointed as a sponsor per workgroup. This sponsor is responsible for releasing sufficient means and resources so that the initiatives can be implemented.

The sustainability steering committee, composed of the sponsors from each workgroup, oversees the workgroups.

CO₂ FOOTPRINT

One of the actions that comes from our sustainability strategy is the calculation of our CO₂-footprint. We decided to take the year 2016 as the baseline measurement -- a point of reference for comparing our efforts to reduce our CO₂ emissions. We will carry out this exercise anew every year in order to map our progress.

METHOD USED

We opted to use the Bilan Carbone method for this calculation. This method has 3 scopes:

- Scope 1: all direct emissions
- Scope 2: indirect emissions through electricity consumption
- Scope 3: all other indirect emissions

We opted to include scope 1, scope 2 and scope 3 for our CO₂ footprint.

DNS BELGIUM CLIMATE PLAN

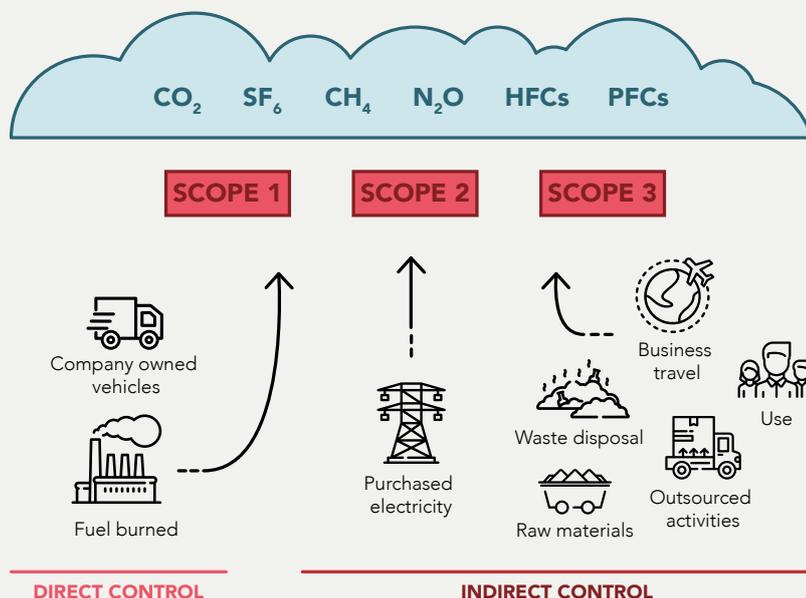
We launched a DNS Belgium climate plan based on the CO₂ baseline measurement. This plan comprises all actions and policy measures we will take to reduce our climate footprint where possible. It also comprises the compensating actions for the part of the CO₂ emissions that cannot be reduced.

We aspire to be climate neutral by 2020. Being climate neutral means reducing our own emissions according to (or beyond) world climate targets and compensating other emissions so that our own activities do not contribute to climate change.

We set the following targets on the basis of the CO₂ baseline measurement:

- Reduction of 254 tonnes of CO₂ maximum by 2020 (30% reduction).
- Compensation of all remaining emissions.

Figure 2: the Bilan Carbone method



Reduction plan

Six emission reducing measures were defined in the climate plan:

Reduce activities by using smarter alternatives:

- Reduction of foreign travel by participating in international fora via teleconferencing.

Reduce energy consumption through efficiency improvements:

- Cloud computing at AWS instead of using proprietary data centres.
- Eco driving training to achieve lower emissions per driven mile.
- Using stricter emission standards for the fleet of vehicles and increasing the choice of fuel (in addition to diesel, also CNG, petrol, hybrid and electricity).

Reduce the tonnage of greenhouse gases by switching to low-carbon energy sources:

- Switching to Eneco green electricity for our office building.
- Mobility shift from the car to the bicycle. The driving force of this shift is our cafeteria plan, where colleagues can exchange their fixed parking place for a budget to lease a bicycle.

The impact of these reducing measures is shown schematically in the graph below. The red line indicates the CO₂ footprint of DNS Belgium, if we take no reducing measures (business as usual). The increase is caused primarily by the higher number of FTEs (4 FTEs more in 2017 than in 2016).

The yellow line indicates the scenario defined by the IPCC (Intergovernmental Panel on Climate Change) in the Kyoto Protocol. This scenario is based on a maximum increase in global temperature of 1.5°C compared with the pre-industrial era. It imposes a linear reduction of 3% a year for the participating parties.

The green line indicates the trend if we achieve our climate goals to the maximum.

The blue line indicates the current state of things (current emissions) based on the recalculation of the carbon footprint on year of operation 2017.

Figure 3: CO₂ footprint



Compensation plan

The final part of the climate plan is CO₂ compensation for those parts of our emissions that we were unable to reduce. This part consists of 3 components:

Mitigation for current and future emissions:

- Reduction of CO₂ emissions through support for forest protection and green electricity generation projects.
- Absorption of CO₂ emissions by forest planting in Flanders.

Adaptation for past emissions:

- Interventions for climate-related public health risks.

RESULT FOR 2016

The data of the calculation for year of employment 2016 are given below. There were 25.3 FTEs at the end of 2016.

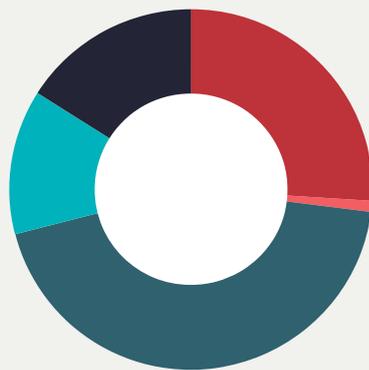


Figure 4: Breakdown of climate footprint according to impact category

25,8% DIRECT ENERGY USE BY BUILDINGS
1,0% PURCHASING AND INPUTS
0,1% WASTE TREATMENT
44,3% EMPLOYEE MOBILITY
13,0% BUSINESS TRAVEL ABROAD
15,8% FIXED TANGIBLE ASSETS

CARBON FOOTPRINT (IN TONNES OF CO ₂)					
REVENUES	ISO Scope 1	ISO Scope 2	ISO Scope 3	Total	avoided
Direct energy use by buildings	3	72	0	75	
Purchasing and inputs			3	3	
Waste treatment			0.2	0.2	- 1 ton
Employee mobility			129	129	
Business travel abroad			38	38	
Fixed tangible assets			46	46	
Total	3 tonnes CO₂	72 tonnes CO₂	216 tonnes CO₂	290 tonnes CO₂	- 1 ton
per domain name			0.19 kg		
per FTE			11.5 tonnes		

RESULT FOR 2017

This is a splendid result compared with 2016. The great gains were registered by:

Direct energy consumption: a 48% drop

- A 10% drop in electricity consumption in our offices.
- A switchover from grey to green electricity reduced our emissions by 32 tonnes/year.
- The migration of our registration platform from on-premises data-centres to the AWS cloud reduced our CO₂ emissions by 23 tonnes/year.

Mobility: a 9% drop

- A larger share of the mileage was driven using fuel-efficient cars thanks to the more stringent car policy.
- Launch of the cafeteria plan where employees could opt to exchange their parking place for, amongst other things, a budget to lease a bicycle. As a result, 17,000 fewer kilometres were driven in 2017 (they were covered by bicycle).

CARBON FOOTPRINT (IN TONNES OF CO₂)

REVENUES	2016	2017	Reduction
Direct energy use by buildings	75	39	- 47.9%
Purchasing and inputs	3	4	+ 30.2%
Waste treatment	0.2	0.3	+ 50.5%
Employee mobility	129	117	- 9.1%
Business travel abroad	38	48	+ 26.7%
Fixed tangible assets	46	51	+ 11.9%
Total	290 tonnes CO₂	259 tonnes CO₂	- 10.7%
per domain name	0.19 kg	0.16 kg	- 12.7%
per FTE	11.5 tonnes	8.9 tonnes	- 22.9%

Compensation of CO₂ emissions

IN 2016

290 tonnes of CO₂ compensated by a donation to Coolearth (Coolearth.org). They use it to finance ecosystem services. We support a project for forest protection in Lubutu (DRC) through Coolearth.

IN 2017

260 tonnes of CO₂ compensated by a donation via Carbonfootprint.com used to support the following projects:

- UK Tree Planting: Planting trees in Northern Ireland
- Afforestation in the Great Rift Valley in Kenya
- Reduction of deforestation of the rain forest in Brazil
- Mariposas hydroelectric project in Chile
- NativeEnergy Clean Water programme in Honduras
- Efficient Cookstove Project in Kenya
- Jiln Zhenlai Mali Wind Farm Project in China
- NorthWind Bangui Bay Project in the Philippines

In addition to our support to this organisation, we have also launched a project with the not-for-profit organisation planteenbos.be. We will proceed to the sustainable afforestation of 14,400 m² in Essene, a sub-municipality of Affligem in Flemish Brabant so as to be able to remove 180 tonnes of CO₂ from the atmosphere in the coming 50 years.

ADAPTATION FOR PAST EMISSIONS

DNS Belgium was set up in 2000. The CO₂ footprint can no longer be calculated with precision for the period from the start to 2016. We nonetheless contributed to global warming through our CO₂ during this period. We are therefore assuming our responsibility for this period as well by supporting an organisation which endeavours to fight climate-related public health risks in the south. One of these risks is the extension of the habitat of the malaria mosquito in the South. So we support the Against Malaria Foundation.

Climate Neutral Certificate

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This certificate confirms that DNS Belgium is climate neutral according to PAS 2060. The carbon footprint (total direct and indirect greenhouse gas emissions) was calculated according to Bilan Carbone® methodology by Ecolife, including ISO scopes 1, 2 and 3.

Total emissions in 2017:

260 ton CO₂e per year

0,16 kg CO₂e per domain name

Based on a climate action plan 2016-2020, reduction measures (e.g. using renewable energy sources and more efficient cars) were taken, resulting in a 10% reduction of the carbon footprint relative to 2016. The remaining emissions were offset by PAS 2060 approved offsetting schemes (Verified Carbon Standard and Clean Development Mechanism).

This certificate is valid until 31-12-2018

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PARTICIPATION IN THE VOKA SUSTAINABLE ENTREPRENEURSHIP CHARTER

DNS Belgium is a participant in the VOKA Sustainable Entrepreneurship Charter. We took part in 2017 and will participate again this year. By signing this charter, we undertake to:

- Integrate sustainable entrepreneurship proactively in the corporate policy.
- Define objectives and concrete actions that fall within the UN Sustainable Development Goals (SDGs).
- Report on the results to the assessment committee.
- Communicate externally on the actions carried out.
- Continue to work on compliance with the social, well-being and environmental legislation.

We divide the different actions we want to take in this respect into five categories:

- peace
- people
- prosperity
- planet
- partnership

These are also the categories in which the UN has divided its 17 Sustainable Development Goals (SDGs).

The SDGs are promoted as the worldwide goals for sustainable development to put an end to poverty, protect the planet, and create prosperity for everyone. The SDGs will be in force from 2015 to 2030. There are 17 goals and 169 specific targets.



We want to support well-being at work, sustainable consumption, the circular economy, education, healthcare and entrepreneurship with our actions – including in the third world.

VCDO PARTICIPATION 2017

The action plan for 2017 comprised 14 actions, with an impact on each of the 17 sustainable development goals. Examples of the actions we took included:

- Stimulating entrepreneurship and e-commerce. To help starting entrepreneurs choose a good company name, we set up a name laboratory during the Entrepreneur-ondernemen fair in March 2017.
- Participation in sporting events where we support a good cause. For instance, nearly the entire company took part in the Warmathon during the Warmste [warmest] week of Studio Brussels.
- Co-organisation of Bike to Close the Gap, a sports networking event that raised funds to close the digital gap with the 3rd and 4th world.
- Switch to green electricity for our office.
- Organisation of a climate-neutral event.
- Calculation of CO₂ footprint.
- Participation in the Close The Gap strategic partner mission to Kenya.
- Various smaller actions on water consumption, healthy diet, sustainable consumption, well-being at work and education.

VCDO PARTICIPATION 2018

The action plan for 2018 comprises 32 action points, impacting each of the 17 UN sustainable development goals this year too.

Examples of actions we are taking in 2018 include:

- Developing an episode in the Ava & Trix study package on how the Internet works. This study package is geared to third-year primary school pupils and is intended to stimulate them to opt for STEM education later.
- Co-organisation of Move to Close the Gap, the updated successor of Bike to Close the Gap.
- The Fit@work programme designed to promote the fitness of our staff in a sustainable manner.
- Definitive embedding of sustainability in our business processes by introducing the sustainability test when making plans and projects.
- Organisation of the CoderDojo Leuven in our office.
- Participation and awareness raising initiative about children and Internet security of Child Focus.
- Organisation of training courses and sharing knowledge between different European registries.
- A new corporate website with the Any-surfer label which makes it more accessible for people with disabilities.
- Various climate-related actions such as an eco-driving course.
- Awareness raising actions about sustainable consumption and water use.

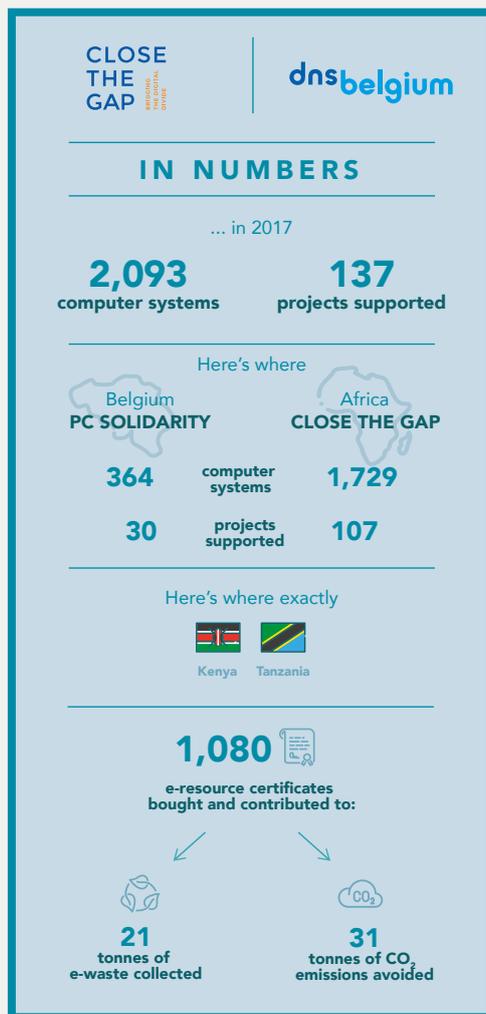
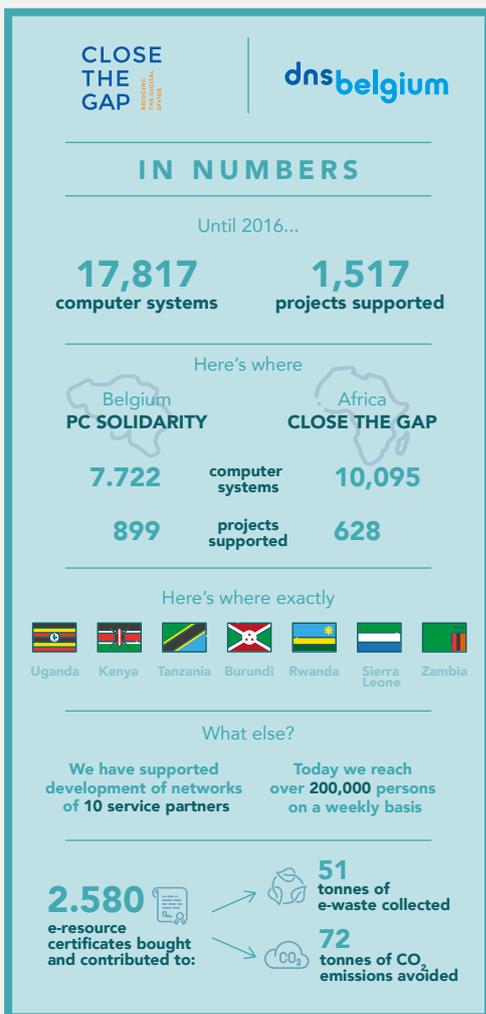


DNS BELGIUM & CLOSE THE GAP

10 YEARS OF BRIDGING THE DIGITAL GAP TOGETHER

DNS Belgium is a committed partner of Close the Gap and has supported more than 1,500 projects in Belgium and Africa for ten years in a row by distributing more than 17,000 computer systems. Thanks to these projects, we have reached more than 300,000 people who can now work on improving their digital skills every day.

According to Olivier Vanden Eynde, founder and Managing Director of Close the Gap, the sustainability vision is in line with the vision of Close the Gap. "Digital literacy plays an essential role in the development of every contemporary society. Improving access to worldwide electronic information, particularly for underprivileged segments of the population in Belgium and in developing countries, makes an undeniable contribution to reducing poverty and disease. It moreover leads to better accessibility to information, better education, more opportunities on the labour market and gender equality."



"We are therefore grateful to DNS Belgium for the many years of support that helps Close the Gap to succeed in its mission: to bridge the digital divide and in so doing make a difference and continue to exert influence."

Olivier Vanden Eynde, founder and Managing Director of Close the Gap

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