



# commercetools Sustainability Report 2023



---

# Content

<b>1. Introduction</b>	3
The SASB Framework	3
<b>2. SASB Results</b>	4
a. Governance & IT specific KPIs	4
b. Social KPIs	6
Employees distribution	7
Age Groups	7
c. Environmental KPIs	8
Energy consumption / GHG-Emissionen (TC-SI-130a.1)	8
Distribution in the respective Scopes	9
Water usage (TC-SI-130a.2)	10
Consideration of environmental aspects in data centre planning (TC-Si-130a.3)	11
<b>Closing statement</b>	12

---

# 1. Introduction

Sustainability isn't a buzzword to us at commercetools. It's a deeply rooted principle that shapes our daily actions and ongoing strategies. As a global commerce company and the market leader in composable commerce, we have a responsibility to go beyond ensuring our customers are ready for the opportunities that matter today and tomorrow. Given our global footprint, we believe that it is our responsibility to drive and encourage positive environmental outcomes through our investments, policies, and culture.

This document outlines a framework for commercetools' ambitious goals in key sustainability areas such as net zero emissions, e-waste reduction, and fossil fuel consumption. Through our platform, solutions, and commitment, we aim to empower organizations in our commerce ecosystem — including the entire value chain and our network of partners and customers — to achieve positive outcomes for both their business and the planet.

We strive for a circular economy in which resources are used responsibly and recycled.

Compliance with the 10 principles and 17 goals of the UN Global Compact forms the foundation of our sustainability strategy. These principles include, among others, respect for human rights, fair working conditions, environmental protection, the fight against corruption, and compliance with IT security and data protection.

We view promoting inclusivity and diversity within our workforce as a decisive contributor to our success and have integrated these values into our HR policy and training strategies.

Transparency is important to us. Therefore, we have aligned our sustainability reporting with the Sustainability Accounting Standards Board (SASB) Framework for IT software companies. The SASB Framework offers an industry-standard system for reporting on company-relevant sustainability aspects.

## The SASB Framework

The SASB Framework is a standardised framework for sustainability reporting specifically tailored to the needs of IT software companies. It identifies key issues relevant to the industry from a sustainability perspective, providing companies with guidance for reporting.

Utilising the SASB Framework allows us to transparently and comparably present our sustainability performance and provide our stakeholders with better insight into our activities and progress.

This report provides you with a detailed overview of our sustainability activities and goals in 2023. We invite you to join us on the journey towards a sustainable future.

## 2. SASB Results

We have chosen the SASB Framework and structured the reporting of our non-financial KPIs accordingly.

Below, you will find the company's results for the fiscal year 2023. As we are currently transitioning our reporting to align with it, only limited historical data is available. If included, these may only offer limited significance. Some of the KPIs included in the framework have been excluded from the outset, as they are not relevant to the commercetools Group and our products and services.

### a. Governance & IT specific KPIs

#### Development of the Business in 2023 (SASB TC-SI-000.A)

None of our customers operate their commercetools solution on-premise. For this KPI, which is intended to describe how sustainably and reliably our business is growing, we have decided to use the Gross Merchandise Volume (GMV) order volume of our customers instead of the number of subscriptions. In 2023, we enabled our customers to reach an incredible 30 billion GMV order volume.

#### Development of the number of processed data volumes in 2023 (SASB TC-SI-000.B)

The services are 100% outsourced within the Google Cloud, AWS and Azure.

Quarter	Q1	Q2	Q3	Q4
Quantity of pebibytes processed by our compute engines	160,6	187,61	202,71	202,71

Amount of total storage volume managed in 2023 (SASB TC-SI-000.C). As 100% of our services are provided in cloud data centers, 100% of the data storage is also considered to be outsourced.

Quarter	Q1	Q2	Q3	Q4
Data storage in PByte	4,79	8,95	11,54	11,54

## TC-SI-220a.1

No significant processing of personal identifiable data (PII) occurs while providing services to our customers, who operate exclusively in the business environment. Since commercetools does not come into contact with end customer data, there is no risk of storing such data in our systems.

Nevertheless, we are aware of the particular technical risks that our service poses and that could arise from the misuse of our systems. To take this into account, we now hold various internationally recognized certifications and reports. These include ISO IEC 27001:2013, a SOC II report, the TISAX label and HDS certification for the handling of health data. HIPAA certification has already been initiated and has been completed.

As part of our service provision, we do not have access to customer data records. Acting as a processor of our customers' data, the purposes for which the data is processed are strictly defined by our customers. Beyond these specified purposes, we cannot analyze customer data or use it for our own purposes, such as advertising or research. (TC-SI-220a.2)

In 2023, there were no financial losses in connection with data protection incidents. This would include both fines and compensation payments. (SASB TC-SI-220a.3)

No fines were imposed by law enforcement authorities in 2023. (SASB TC-SI-220a.4)

Two people exercised their right to data protection information in 2023. This was implemented by our internal data protection team in conjunction with our external Data Protection Officer.

At the specific request of a customer, commercetools GmbH opened another entity in China in 2023. This was necessary in order to be able to offer our services within mainland China. However, this is exclusively for our international customers who maintain independent entities within China and want to access our services here. We have set up an independent platform environment within AWS China for the mainland Chinese market, which has no connection to our other operational systems in the rest of the world. We intend to maintain this in the future to address the risk of regulatory monitoring and surveillance in China and to avoid upsetting our other international customers. China is the only country in which the services of commercetools GmbH are subject to separate monitoring by the authorities. (TC-SI-220a.5)

## Section TC-SI-230a.1

This requires reporting organizations to disclose the number of data breaches that have occurred within the organization. The percentage of data breaches that resulted in a loss of protection of personal data and the number of personally identifiable individuals affected by the data breach must also be stated.

We are proud to report that, to date, there have been no reported or identified data protection breaches in 2024, and therefore no loss of protection of personal data and personally identifiable individuals.

As noted above, commercetools holds various IT security certifications. These are an expression of the continuous development of IT risk management and constantly take into account the changing conditions of the IT landscape. Developers and IT system administrators carry out risk analyses as part of new developments in the IT landscape, which are subject to a company-wide standard. This standard is based on the parameters of probability of occurrence, frequency of possible occurrence and severity/extent of damage upon occurrence. It also takes into account the possibility that different risks are interdependent. The process and specifications for the measures are set out in our risk management policy. (TC-SI-230a.2)

In 2023, the company did not face any legal disputes in connection with competition or copyright law. The individual departments involved, such as Marketing and Product Development, are aware of the provisions regarding fair competition. Our internal company policies on intellectual property and our AI policy contain clear rules regarding the legally compliant handling of third-party intellectual property. (TC-SI-520a.1)

In 2023, we successfully provided holistic and seamless services to our customers and partners. Our 100% uptime on Black Friday and Cyber Monday exemplified our stability and reliability throughout the year. For instance, during Black Friday week, we processed 10.3 million orders and handled 3 million API calls on Black Friday alone—a fivefold increase from 2022. With a peak of 4,100 orders per minute on Black Friday, these results underscore our technological strength and leadership. (TC-SI-550a.1)

In order to guarantee these services, a planned and prepared business continuity management system is required. Our global Business Continuity Plan Policy describes the general requirements and expectations for each individual department to maintain and constantly update specific emergency plans for their specialist area and field of activity. This includes not only the technical parameters, but also refers to resilience with regard to employee absences or external or global disruptions. Financial market-related influencing factors are also included in the considerations. (TC-SI-550a.2)

## **b. Social KPIs**

commercetools is an international company, and this is reflected in our diverse employee base. In 2023, we employed 649 people from 65 different nationalities. Most of our employees are based in the countries where we have legal entities. commercetools ensures that all our employees comply with the labor law regulations that apply to their respective country of residence.

The employees are distributed as follows (TC-SI-330a.1):

EMEA	APAC	Americas
462	30	157

Our Talent Acquisition employees are required to consider all eligible candidates for recruitment. For logistical and organizational reasons, we have reduced the number of countries in which we recruit new employees. This also contributes significantly to minimizing risk, as all of these countries have undergone a security and IT assessment.

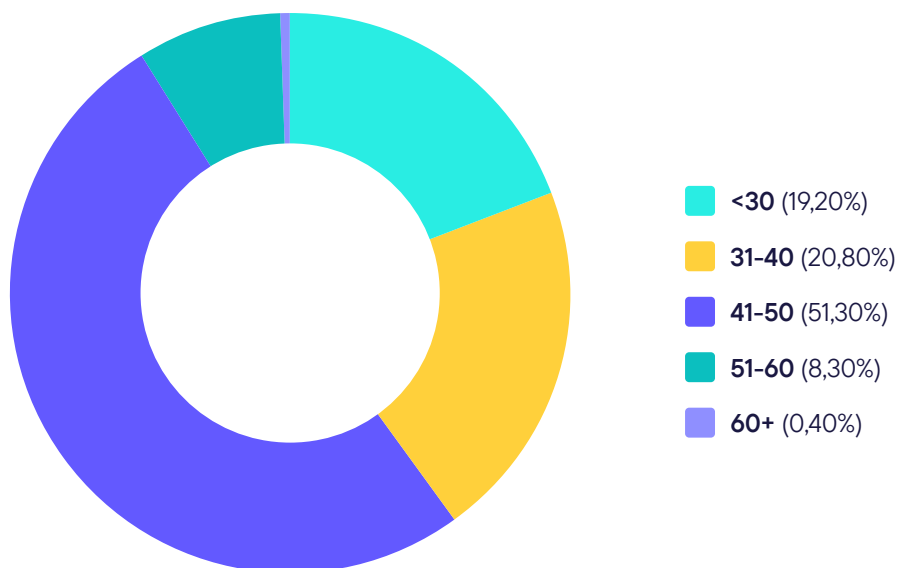
Our workforce is diverse not only in terms of national identity, but also in terms of individual identification and characteristics. (TC-SI-330a.3) In addition to the following overview of the gender distribution in the individual areas, you will also find an illustration of our age structure.

## Employees distribution

P. 31.12.2023			
	Male	Female	Undefined
Global*	60,55%	38,83 %	0,62 %
Management*	65,22 %	34,78 %	0,00 %
Tech*	74,02 %	25,27 %	0,71 %
Others/Enablement*	50,27 %	49,18 %	0,55 %

\*The percentages always refer to the total of all employees in the respective observation group

## Age Groups



Employee satisfaction is a constant challenge for companies and it is becoming increasingly difficult to attract and retain employees, especially in the IT environment. commercetools introduced an bi-weekly employee satisfaction survey in 2023 to better understand various aspects of employee engagement on a two-week basis. Various eNPSs are measured and evaluated by our People Team.

For the first full quarter in 2023 (Oct-Dec), we reported encouraging results. With a participation rate of 65%, we are confident that the data is meaningful. We measured an overall engagement score of 34/50 eNPS, reflecting our employees' commitment to the company, our goals, values, and the [Guiding Stars](#).

## c. Environmental KPIs

In 2023, we made considerable efforts to determine our environmental KPIs and assign them to qualified data sets. The implementation of the Metrio ESG platform has helped us a great deal in determining and evaluating our emissions accordingly. Metrio is our ESG-Data Collecting and Analysing Platform which also helps us to do trend analysis and prepare reports for our legal transparency Obligations.

### Energy consumption / GHG-Emissionen (TC-SI-130a.1)

We have been able to draw on data sources from our data center usage. These are provided to us by our cloud data center providers in their own portals, converted into CO2 equivalents.

In addition to this, we measure the electricity consumption of our offices. Unfortunately, this data is only available to us for some of our office locations through annual invoices. A significant proportion of our office locations are shared office spaces. Here, we use scientific statistical values as a basis for calculation and then calculate the consumption based on these values in conjunction with the rented space.

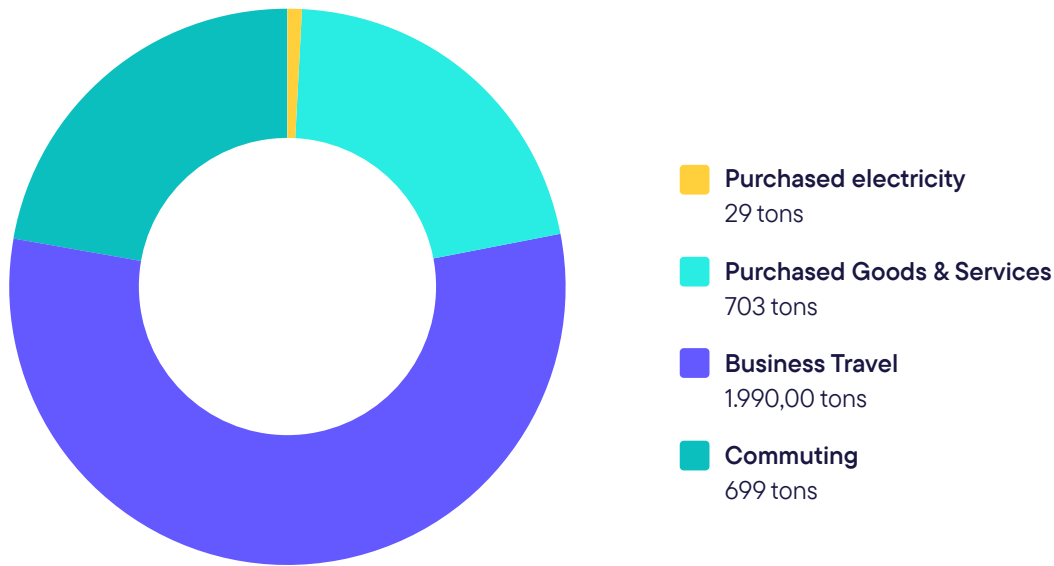
As a large proportion of our employees work from home, we have also implemented corresponding calculations here in order to be able to integrate the CO2 footprint caused by working from home and commuting into the offices.

We take our impact seriously, especially in terms of GHG emissions and as such have decided to integrate business travel into our calculations as well. The emissions caused by technical equipment that our IT department purchases and makes available to our employees are also calculated on the basis of the information provided by Apple Inc. on the CO2 consumption of each device.

This produces the following results for 2023.



## Total GHG Emissions by Category (MT CO2e) - 2023



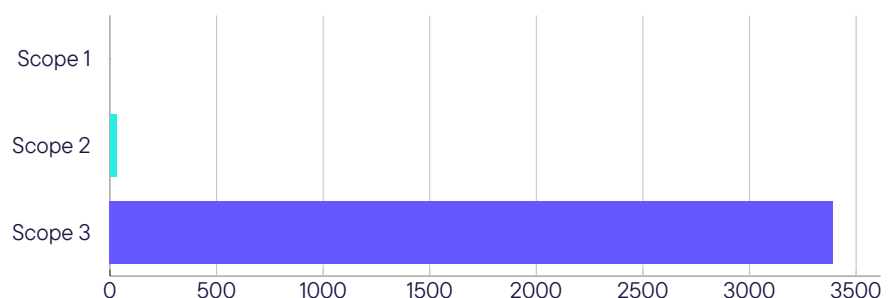
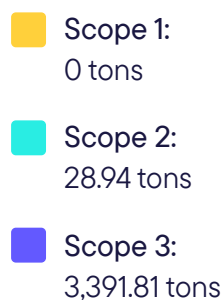
## Distribution in the respective Scopes

Scope 1 includes all direct greenhouse gas emissions, such as primary energy sources consumed directly in company properties. Examples include natural gas, heating oil, petrol and diesel. Added to this are emissions from refrigerant leaks and the combustion-powered vehicle fleet.

Scope 2 comprises the indirect greenhouse gas emissions resulting from the generation of the procured energy. The CO<sub>2</sub> emissions are caused by secondary energy sources consumed, such as electricity, district heating, steam or cooling energy in buildings and electric vehicles.

Scope 3 comprises other indirect greenhouse gas emissions that are primarily associated with the company's activities. Scope 3 emissions are divided into 15 categories, each of which is assigned to an upstream and downstream area. This ensures a clear and uniform presentation. Scope 3 CO<sub>2</sub> emissions include, for example, the consumption of energy in leased assets (e.g. real estate, vehicles), the purchase of goods and services, waste disposal, water and wastewater, business travel and employee commuting.

## Emissions in tons 2023



The distribution of our electricity consumption for the office space gives the following results for 2023: Total energy purchased: 81,556.53 kWh. Of this, 37,971.85 kWh was generated from renewable energy sources. This corresponds to 46.56 % of total consumption.

The company's aim is to convert the energy supply contracts for the office space to 100% renewable green electricity tariffs. This has already been done for the Berlin and Jena locations. Valencia currently has an energy mix with 48.2% green electricity and Durham has 58% green electricity in the overall electricity mix. This information is not yet available for all other office spaces or cannot be determined by us alone due to shared office spaces.

## Water usage (TC-SI-130a.2)

Calculating our water consumption is challenging. We only receive actual consumption data for some of our office spaces, and these annual reports were not available at the time of writing this report. Additionally, a statistical calculation requires recording the number of people using our offices. Therefore, we have decided to estimate water consumption using the following formula until real consumption data becomes available. Once we have a more comprehensive database, we will update and expand our calculations accordingly.

Calculation basis:

- 127 liters of water consumption per German citizen per day (according to the Federal Statistical Office)
- With an 8-hour working day, this would correspond to an average of 42.3 liters per working day.
- In Bavaria, we have 248 working days in 2023, minus 28 days of annual leave per employee, which corresponds to 220 working days.
- In 2023, 650 employees were employed on the reporting date 31.12.2023. We assume a 50% presence of the workforce in the offices.

This results in the following formula:

$$\begin{aligned} & ((127 \text{ litres} / 3) \times 220 \text{ workdays}) \times (649 \text{ employee} \times 50\%) & = 3022176,67 \text{ litres} \\ & & = 3.022,1767 \text{ m}^3 \end{aligned}$$

This is, of course, only an approximation.

According to the World Resource Institute's groundwater stress report for 2020, only our office in Singapore is located in a high-risk water stress area (score 5). However, this is closely followed by our office in Valencia with a score of 4.26. The offices in Melbourne, Shanghai and Durham are located in medium-risk regions with an average score of 3.71. The least vulnerable regions are the offices in the Netherlands, the United Kingdom, Germany and Switzerland with scores below 3. One of the most important tasks here will be to create a relevant real database in order to be able to derive water-saving measures in the respective regions on this basis.

## Consideration of environmental aspects in data centre planning (TC-Si-130a.3)

Our data center expansion planning is primarily based on our customers' needs and the technical requirements of our solutions. Since we offer a 100% cloud-based service, it makes sense from an IT and IT security perspective to focus on the three major providers for our data center expansions: Google, AWS, and Microsoft Azure.

In recent years, these providers have begun to gradually convert their data centers to become more sustainable. This includes supplying the data centers with electricity from renewable energy sources, as well as structural changes to the data center cooling with gray water, which in turn releases its heat as heating/waste heat in circulation mechanisms and thus reduces the heating requirement.

When expanding, we make sure that the data centers we use from these providers are located in regions that enable the use of renewable energy sources and are not located in groundwater risk areas.

In addition, we are constantly working to reduce the proportionate emissions of our data center usage. By switching off unnecessary services, optimizing source code, which means reducing consumption by calling up the systems.



---

# Closing statement

The importance of ESG reporting (Environmental, Social, and Governance) is not just a duty for us at commercetools but an opportunity to fulfill our responsibility as the market leader in composable commerce and to drive sustainable positive change. Our 2023 Sustainability Report shows that we have already made significant progress, particularly in terms of net-zero emissions, reducing e-waste, and lowering fossil fuel consumption.

It is inspiring to see how our efforts not only improve our business processes but also have positive impacts on our partners and the entire value chain. We are especially proud to take a leadership role through our transparent reporting aligned with the SASB framework and our dedicated workforce.

The management's consideration of joining the UN Global Compact underscores our commitment to the ten principles of the UNGC, including human rights, fair working conditions, and environmental protection. This is another step in our effort to create a sustainable and inclusive future.

We are confident that we can not only maintain our achieved goals but also surpass them in the future. Together, we can continue to make a significant contribution and meet the challenges of sustainable development. Let us continue this journey together, striving for excellence at every step.



signed **Denis Werner**  
Founder and COO

---

## About commercetools

commercetools is the leading composable commerce platform, allowing companies to dynamically tailor and scale shopping experiences across markets. We equip some of the world's largest businesses with tools to future-proof digital offerings, reduce risks and costs, and build outstanding experiences that drive revenue growth.

Headquartered in Munich, commercetools has led a global renaissance in digital commerce by combining cloud-native, technology-agnostic, independent components into a unique system that addresses specific business needs. We empower brands — including Audi, Danone, Eurorail, NBCUniversal, Sephora and Volkswagen Group — to stay ahead of changing consumer and buyer behavior. To learn more, visit [commercetools.com](https://commercetools.com).

AMERICA

Durham

APAC

Melbourne | Singapore | Shanghai

EMEA

Amsterdam | Berlin | Cologne | Jena | London | Munich | Valencia | Zurich

---

©2024 commercetools GmbH - All rights reserved