

FEBRUARY 2024

# ESG Annual Report 2023



VERSION 1





We are committed to  
**using our influence**  
to engage with  
**all the people**  
involved in our work to  
**drive positive change**  
across our society

## CONTENTS

INTRODUCTION	4
ENVIRONMENTAL SUSTAINABILITY	10
RESPONSIBLE PROCUREMENT	16
DIVERSITY, INCLUSION AND BELONGING	18
EDUCATION AND EMPLOYABILITY	20
COMMUNITY FIRST	22
SOCIAL VALUE	24



# INTRODUCTION

**Each day we challenge ourselves to be a responsible organisation within our industry – an organisation respected for its ethics, values, and social and climate responsibilities but more importantly we want to be innovators in ESG across not just our sector but across all the sectors in which we deliver services.**

We have made steady progress towards this in 2023, building on our 2022 5-year strategy with focus on embedding the responsibility for delivering against our goals across the organisation; making sure everyone in the organisation understands how they can play a part; and equipping our delivery teams to progress ESG targets for ourselves and our customers. We have also continued to invest significantly in our ESG agenda to drive positive change through engagement internally and externally, championing our message and contributing to the world's progress in tackling global sustainability challenges.

Our work in 2023 has been extremely rewarding, with some significant milestones achieved. Gaining “Innovator” status from Corporate Balance, aligning our strategic focus areas to the United Nations Sustainable Development Goals (UNSDGs), joining the UN Global Compact, validation of our near-term targets from the Science-Based Targets Initiative (SBTi) as well as increasing our diversity, inclusion and belonging impact and introducing our €350K charity funding – all of this has set us up to power forward into 2024 and beyond. With continuing innovation in this space and the power of our incredibly talented teams across the organisation, we are well positioned to build on what we have achieved so far and make 2024 another exceptional year in the pursuit of positively impacting the communities in which we work and live and helping our customers to do the same.



**Lorna McAdoo**

Head of ESG (Environmental, Social, and Governance)

**“ We have continued to invest significantly in our ESG agenda...championing our message and contributing to the world’s progress in tackling global sustainability challenges.**



# KEY HIGHLIGHTS

- ▶ We joined the United Nations Global Compact and had our near term targets validated by the Science-Based Targets Initiative (SBTi)
- ▶ We continued to drive our accreditations and improve our scores, with associations such as the Carbon Disclosure Project, Ecovadis and Corporate Balance
- ▶ We received 8 awards across ESG areas such as diversity and inclusion, responsible business, and Women in Tech
- ▶ We achieved a 66% reduction in our Scope 1 and 2 emissions and a 22% per capita reduction in our Scope 3
- ▶ We increased activity in our Community First workstream, supporting partner charities across our global locations with ongoing funding of €350K
- ▶ We engaged with over 25 educational institutes reaching over 6000 students
- ▶ We developed a sustainable procurement policy for all new and existing suppliers to ensure consistency throughout our supply chain
- ▶ We initiated 24 projects in social value

## ENVIRONMENTAL SUSTAINABILITY



**We achieved a 66% reduction** in our Scope 1 and 2 emissions, with a 90% reduction in Scope 1 and 31% in Scope 2

Total Scope 3 emissions have increased by 71% but **we have achieved a 22% per capita reduction**

## COMMUNITY FIRST



We established a new **Community First structure, council and strategy**, completing review meetings and monthly council meetings

## EDUCATION AND EMPLOYABILITY

We hosted an **Early Careers open night** in Belfast and delivered workshops across the UK and Ireland



We provided **four work experience sessions** in Belfast, Dublin and Redditch

## DIVERSITY, INCLUSION AND BELONGING



### increase in women in UK DDC

Our goal was to increase **the number of women in practices** by a range of 3-5% per practice. We achieved, in UK DDC an increase from 22% to 25%, but in ERP a decrease from 30% to 28% and in IRL DCS a decrease from 27% to 25.3%

## COMMUNITY FIRST



**We have supported six partner charities** – Samaritans (England), ALONE (Ireland), Stonehouse (NI), Social Bite (Scotland), Yo Soy Tu (Spain), Sneh Foundation (India)

## BUSINES PLAN – ESG LEADERSHIP AND COMMUNICATION



We continued to drive our accreditations by **maintaining or improving** our CDP scores (A-) and Ecovadis

## RESPONSIBLE PROCUREMENT



We have developed a **sustainable procurement policy** for all new and existing suppliers that will start in 2024

We surveyed our top spend suppliers and have **defined a supplier code of conduct** that all suppliers must agree to uphold to ensure our legal, ethical and environmental practices are consistent throughout the supply chain

# LOOKING TO THE FUTURE

As we move forward, our focus will not just be on how we achieve our own ESG goals, but how we can help our customers drive their own sustainability agendas. There is much we can do for our customers to help them achieve their ESG goals, both through our collaboration and the services and solutions we deliver to them and by sharing our learnings. In 2024 we will look at customer and supplier impact, helping to build stronger partnerships that lead to long-term growth built on ethical and sustainable foundations.

While our strategic focus areas remain unchanged, we have consolidated our Education & Employability and Community First pillars into our new Giving Back pillar with the remaining five pillars: Environmental Sustainability, Health and Wellbeing, Diversity, Inclusion and Belonging and Responsible Procurement remaining and aligned to our chosen UNSDGs.





# ENVIRONMENTAL SUSTAINABILITY

**In 2022 we set out our target to become net zero in our operations by 2025 and across our value chain by 2035.** Our progress in emission reduction against a baseline of 2019 shows that we are on track to achieve this. In our operations, over 90% of our offices worldwide operate on renewable electricity, with all premises using LED lighting and most of these now with PIR sensors.

Members of our ESG and organisational development teams have been trained by Climate Fresk in climate literacy, which we are rolling out to suppliers and customers. Our employee environmental awareness campaign resulted in a 600% increase in the uptake of the bike to work scheme and a 700% increase in employees purchasing a new EV through the UK salary sacrifice scheme.

For our customers, we supported their efforts with tools such as our migration carbon emissions saving calculator and delivered the added benefit of all our software developers being qualified in Linux Green Software Foundation. In 2024, we will also see a positive impact from our sustainable procurement policy and supplier engagement plan.

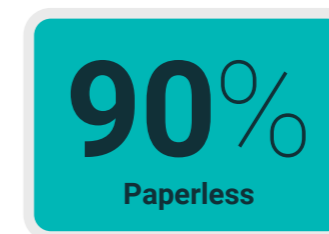
While we know that offsetting without reducing emissions is not the solution to net zero, it is a mechanism to tilt the economics in favour of the stewards of the forests and the soil, and with this in mind we continue to be a verified carbon neutral company through our partner Ecologi.

## HIGHLIGHTS

Emission reduction progress based on 2022 figures against a 2019 baseline (2023 data to be available mid 2024)



**70%**  
reduction in water usage

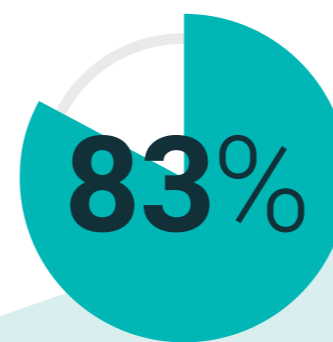


**90%**  
Paperless

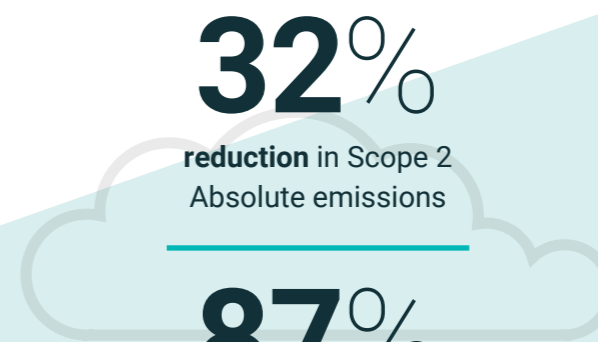


**15,350**

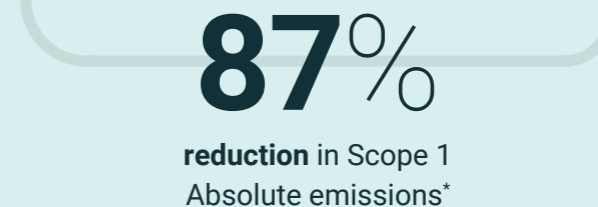
trees planted, including 1 for every new employee since January 2022



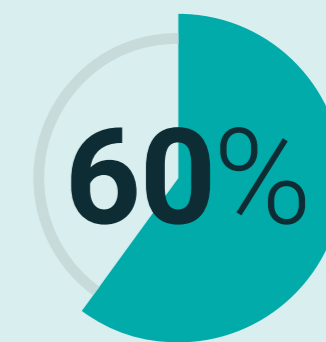
**83%**  
reduction in our total waste



**32%**  
reduction in Scope 2 Absolute emissions



**87%**  
reduction in Scope 1 Absolute emissions\*



per capita **reduction** in commuting emissions

\*Absolute emissions refer to total emissions

# OUR PROGRESS TO NET ZERO

Through a combination of energy efficiency measures, transitioning to renewable energy sources, behavioural changes and responsible resource management, we know that we can achieve our ambitious net zero targets. Our strategy is set out in six areas that are aligned to the UNSDGs.

## Strategic Objective

To be net zero in our operations by 2025 and across the value chain by 2035

### Progress

- ▶ 87% reduction in Scope 1 absolute emissions
- ▶ 32% reduction in Scope 2 absolute emissions
- ▶ 23% per capita reduction in our Scope 3 emission
- ▶ 100% of our office energy runs on electricity
- ▶ 90% of our offices operate on renewable electricity
- ▶ 100% of our offices are on LED with 44% having PIR sensors installed

## EMISSION REDUCTION



## INNOVATION

### Strategic objective

To implement innovative solutions in our operations and for our customers that measurably deliver positive climate action

### Progress

- ▶ Implemented Sustain IQ, an emissions data and methodology reporting tool
- ▶ Over 338 people certified under the Green Software Practitioner scheme
- ▶ Carbon Level Agreements (CLA) for our managed services offer (ASPIRE)
- ▶ Developed a migration carbon emission savings calculator for our customers



## Strategic Objective

To operate with zero waste by 2030 and engage in positive action for biodiversity

### Progress

- ▶ 83% reduction in our total waste
- ▶ 92% waste removed from landfill
- ▶ 90% paperless
- ▶ 70% reduction in water usage
- ▶ 81% global E-waste diverted from landfill
- ▶ Members of All Ireland Pollinator Programme
- ▶ Conducted waste and single use plastics audit of our Dublin and Belfast sites with Voice of Irish Concerned for the Environment (VOICE)

## WASTE & CONSERVATION



## COLLABORATION

### Strategic objective

To collaborate with all our key stakeholders to deliver positive outcomes on climate action

### Progress

- ▶ Developing sustainable tech propositions with our strategic technology partners
- ▶ Identifying customer solutions and sharing lessons learned with those setting emissions reduction targets
- ▶ Working specifically with customers in a high climate risk industry



## Strategic objective

To educate and empower our employees to reduce their work-related carbon emissions by 50% by 2025

### Progress

- ▶ 60% per capita reduction in commuting emissions
- ▶ 23% per capita reduction in air travel
- ▶ 15,350 trees planted
- ▶ Members of Transport for Ireland's (TFI) Smart Travel Programme
- ▶ 600% increase in Bike to Work scheme
- ▶ ESG team trained in climate literacy from Climate Fresk
- ▶ 700% increase in UK EV salary sacrifice scheme
- ▶ Awarded Gold in UK Cycling Friendly Employer accreditation

## EDUCATION



## RESPONSIBLE PROCUREMENT

### Strategic objective

To ensure 80% of key suppliers have emissions reduction targets in place by 2025

### Progress

- ▶ 50% of key suppliers report emissions reduction targets
- ▶ Scope 3 emissions (purchased goods and services) now represent 84% of our total emissions initiatives
- ▶ Sustainable procurement policy for new and existing suppliers in place
- ▶ Supplier engagement plan in development





# ENVIRONMENTAL AWARENESS

We recognise that we can make the most impact on our carbon footprint through our workforce. With a robust environmental awareness programme, we ensure a shared understanding of our environmental strategy, we educate our employees, and de-mystify sustainability concepts, removing any barriers to active engagement. In 2023, employees from across all our global locations participated in travel programmes and environmental initiatives that delivered local community benefits and raised awareness of many of the challenges associated with climate issues.

## Active travel programme



## General environmental initiatives



## World Ocean Day beach cleaning initiative





# RESPONSIBLE PROCUREMENT

**Underpinned by the Sustain IQ ESG system, we can rate our suppliers against the cornerstones of people, profit and planet.** All key suppliers are given a status of red, green or amber which indicates who we can help to influence and those with whom we can collaborate on joint initiatives. Sustain IQ gives us the visibility of which vendors we need to work with to agree emissions reduction targets.

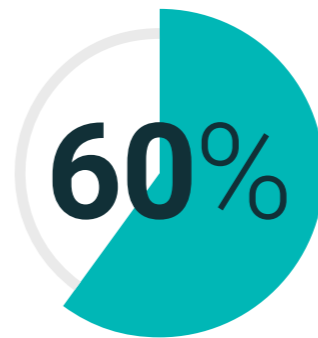
We also implemented a supplier code of conduct which means that all our suppliers must sign up to this to be added to our preapproved list.

Our intent is to only work with suppliers who share our commitment to good ethical practices and values, and who meet our health and safety, human rights, and environmental standards. We can see how diverse our supply chain is, and which areas we need to improve on.

During the year, modern slavery, anti-corruption, bribery and whistle-blowing training was rolled out through our internal platform and made mandatory for employees who engage the most with our supply chain.

## 2023 HIGHLIGHTS

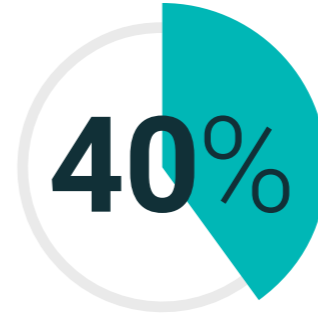
of our top 25 vendors



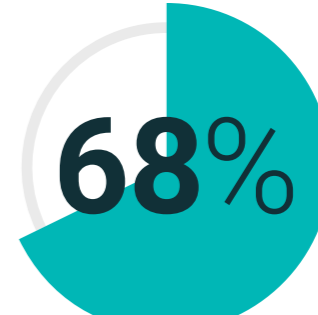
have a **carbon net zero target** set by 2050 or earlier



are **ISO14001 certified**



are small to medium **based locally**



are **ISO 27001 certified**





# DIVERSITY, INCLUSION AND BELONGING

**Diversity, inclusion and belonging (DIB) has been an intrinsic part of who we are for many years.** Our DIB strategic pillar is focused on ensuring we are reflective of the diverse communities we serve, and that we offer a place of work where everyone can belong as their authentic self. Our strategy's scope focuses on four key themes that will help us enhance gender,

disability, social mobility, and cultural differences. We also continue to progress in other characteristics such as LGBTIQ. In 2023 our work in this area was recognised with achievements such as Microsoft Social Impact partner of the Year, Disability Confident Employer status, bronze status in the Irish Centre for Diversity investors as well as Great Place to Work for Women.

## 2023 HIGHLIGHTS

Overarchingly our Gender Pay gap has



**DECREASED**

across our UK locations, and we have reported on the Irish Gender Pay Gap for the first time\*

We Signed the

**WELLBEING OF WOMEN**

Menopause Awareness Charter




Won the

**IRISH NEWS AWARDS**

Best Large Company for Diversity, Equality and Inclusion

Grew our

**WOMEN IN TECH (WIT)**

Network to over 600 women.



\*(in line with new government requirements)



# EDUCATION AND EMPLOYABILITY

**With our education and employability programme, we engage with educational institutions, forming long-term partnerships, to help inspire our young people and create interest in the IT industry.** We want to provide opportunities to everyone, regardless of their background and this means we focus our efforts on key groups; primary and post primary, students aged 16-18, school leavers, graduates, Not in Education, Employment or Training (NEET) and Special Education Needs and Disabilities (SEND).

We operate with nine regional teams the UK, Ireland, India and Spain who work with volunteers across the organisation. In 2023 we provided 46 work experience and placement offerings for students, including work shadowing, in-person work experience, insights programme and school office visits. We have built partnerships with educational and academic institutes in our local communities including STEM UK, Junior Achievement Ireland, Eye4Education, Business in the Community Northern Ireland, Birmingham Technical College and Northumbria University.

## 2023 HIGHLIGHTS





# COMMUNITY FIRST



### Our Community First initiative helps local charities and organisations with fundraising, sponsorship and volunteering initiatives.

We have built relationships with charitable organisations across the world and offered support through a myriad of other initiatives, not just with hundreds of volunteering hours given by our employees, but also through financial support.

We worked in 2023 with our charity partners who are focused on 4 key UNSDGs – No Poverty, Zero Hunger, Reduced Inequalities and Sustainable Cities and Communities. Through SNEH, our charity partner in India we provided a mobile medical van that accesses remote villages to provide basic but critical medical services to everyone. In the UK, we helped the Samaritans with donations and fundraising to keep call centres open and similarly also helped to provide homes, jobs, food and support for many others.



### Community First's Country Charity Partners



Community First Ireland



Community First Northern Ireland



Community First Scotland



Community First England



Community First Spain



Community First India





# SOCIAL VALUE

**When the Public Services (Social Value) Act came into force ten years ago, we knew it was an important consideration for our public sector customers and one that we were excited to work with them on.** Social value requires all public bodies to contemplate a contract more widely than just the budgetary impact, but to consider how the services it delivers could improve the environmental, social and economic state of a community.

It has been a considerable differentiator for us in 2023 and we are delivering on this for many customers across the UK and Northern Ireland. We have been working closely with our central Government customers to both understand and help advise them on their social value priorities. We are currently working on 24 projects that have specific social value causes.

Our own work across all our ESG pillars positions us well to advise on this, and our dedicated social value team leads by example with projects such as delivering 80 placement experiences and design programmes for schools, as well as working with the Turnaround project and CityGateway to provide alternative programming for young people returning to education, as well as young offenders. This year we were also invited to speak at the Social Value UK Members Exchange conference, which brings together experts in social value to discuss best practices in the monitoring, reporting and delivery of social impact.

“ It was exciting to see the social value programme Version 1 designed on our behalf. As a Senior Project Manager in the Department of Levelling Up, Housing and Communities, it was the first time I had the opportunity to see what social value can achieve and the pride of the students at their achievement was something special to be a part of

Louise Woodall, Senior Project Manager Digital Planning,  
Department of Levelling Up, Housing and Communities



**Version 1 is a leader in digital transformation, partnering strategically with global organisations to transform and adopt technology and drive innovation in a responsible way.** With an end-to-end offer designed to address the most difficult challenges faced by clients, and supported by the latest cutting-edge technologies, Version 1 is focused on delivering successful client outcomes through the power of world-class teams. This pledge is underscored by the key principles of the organisation, a triangle of balanced priorities comprising customer success, empowered people, and a strong organisation. Version 1 is made up of a fast-growing team of 3200+ people across 4 continents, all innovating differently to drive value through sustainable transformation.

“ We are pleased with what we have achieved so far but there is a lot still to do. We need to inspire, collaborate and lead the way in our industry to achieve the much-needed, positive change at scale, and we must do this as quickly as possible.







**VERSION 1**