



D4t4 Solutions plc
ESG Report 2022



Conducting business to the highest ethical standards

This report outlines how D4t4 conducts its business activities to the highest ethical standards and expects clients and suppliers to embrace these same principles, notably the Corporate Governance section.

Introduction and Overview

How we incorporate ESG into what we do

In 2021 Annual Report, we announced the formalisation of our ESG efforts. At that time, as well as the involvement of an Executive and a Non-Executive director we also had the engagement of nine colleagues from across our four locations. This initiative has clearly caught the imagination of our employees as we have had as many as twenty colleagues involved in committee and sub-committee meetings and many more engaging in our initiatives.

Therefore, on behalf of the board and all the employees who have contributed and engaged with this initiative, we're delighted to present D4t4's first ESG Report. The first section describes our Environmental impact with data on our carbon usage and our initiatives to reduce our impact on the environment.

The second section focusses on the social impact we have been able to have on our communities but also on our employees and their safety and wellbeing.

The third section discusses our approach and initiatives to being a good corporate, and ensuring we treat all our stakeholders fairly, including policies covering matters such as tax fairness, bribery and whistleblowing.

Impact of the global pandemic

The coronavirus pandemic has had a dramatic impact on people's lives and has caused us to consider more urgently what we can do to support our employees and our communities.

It has also highlighted, more than ever, the need for businesses to operate in a socially responsible and environmentally sustainable way and to look after their staff by providing a safe operating environment, whether in the office, while travelling, or working from home.

Environmental

D4t4 cares about the environment and fully supports, and is committed to, the principles of promoting good environmental practice and sustainability in the conduct of its activities. The Group wants to ensure that any adverse effects on the environment are kept to a minimum.

It aims to do this by:

- wholly supporting the requirements of accepted international standards and current EU environmental legislation and codes of practice.
- minimising consumption through the reduction, reuse, or recycling of materials as much as possible.
- encouraging efficient use of energy, utilities, and natural resources.
- continually striving to improve environmental performance.
- communicating its environmental commitment to clients and suppliers and encouraging their support.

Carbon Audit 2021

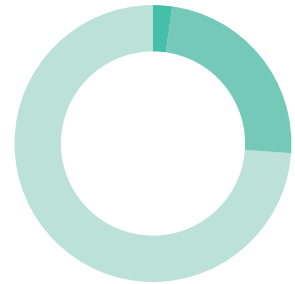
For the first time ever, D4t4 appointed an external consultant, Alectro LLP, to perform a carbon audit for the calendar year 2021. Whilst there are no comparisons with previous years, this report sets out a baseline of understanding about the Group’s carbon impact and makes recommendations for reducing our carbon impact.

During the year, the Group’s activities including our facilities, operations and transport generated 334 tonnes of CO2 with Facilities and Transport each accounting for 129t and Operations accounting for 76t. These figures include Scope 1,2 and 3 emissions as defined under the Greenhouse Gas (GHG) Protocol, and the breakdown is shown below;

Category	tCO _{2e}	tCO _{2e} per employee	% of total
Scope 1	8.16	0.06	2.4%
Scope 2	79.49	0.54	23.8%
Scope 3	246.82	1.69	73.8%
Total	334.47		

tCO₂ consumption

- Scope 1 (2.4%)
- Scope 2 (23.8%)
- Scope 3 (73.8%)



Of the Facilities figure of 129t, an amount of 79t was due to purchased electricity for the India offices. Whilst we have taken steps to move to green electricity tariffs in our US and UK offices which produce no CO₂, this is more difficult to do in India where in the Chennai area 76% of electricity is coal, diesel or gas, with 24% being nuclear, hydro or other renewables, and no purely green tariffs are available.

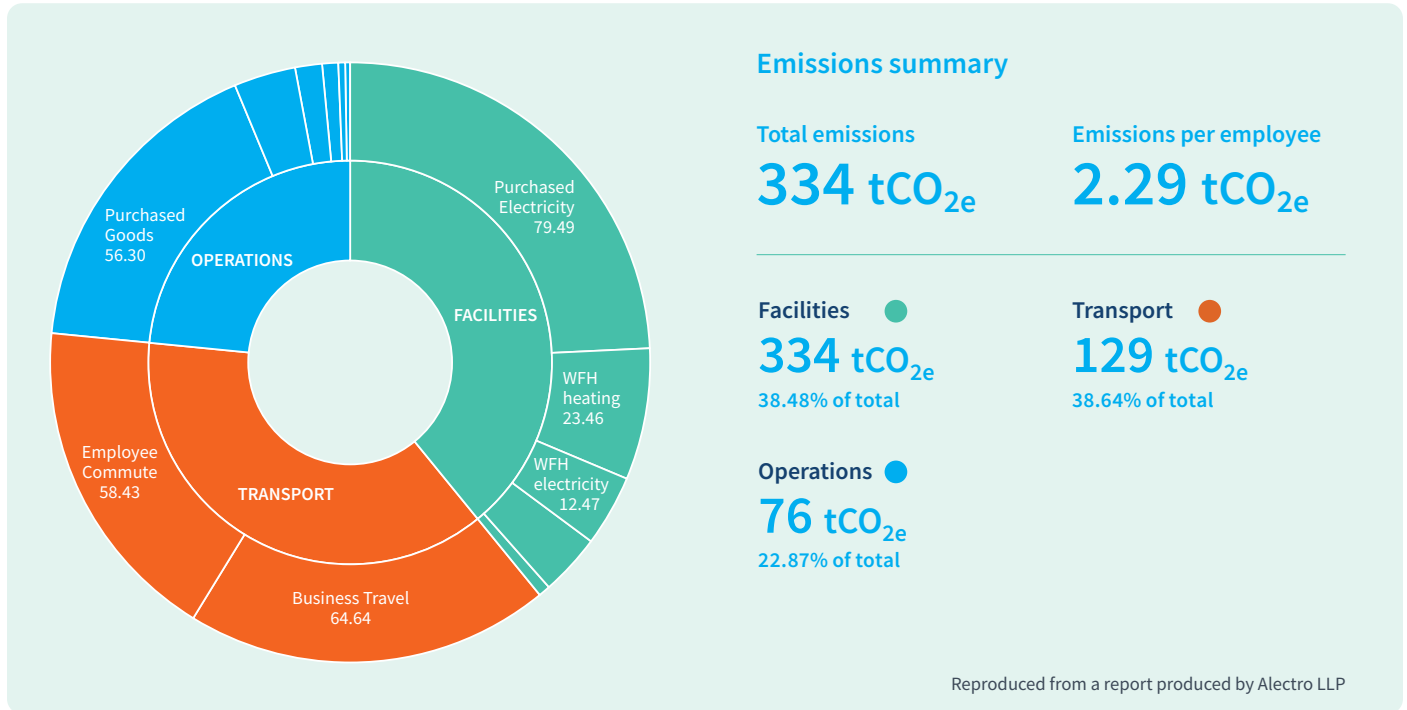
On a positive note, over the last few years we have been working on reducing our consumption of natural gas and this year, for the first time, we brought it down to zero.

Due to the disruption of the pandemic, the report considered the excess energy use caused by employees working from home. This increases the emissions from facilities for two reasons:

- Not all employees use low-carbon/renewable electricity.
- Employees use natural gas for heating their home, and home setups tend to be less optimized for working and cost-saving.

The additional working-from-home emissions are still comparatively lower than the alternative of having all staff commute to the office five days a week.

ESG report continued



The Transport emissions of 129t were generated by business travel (64.6t) and employee commute (58.4t). Flying was a large contributor as the total impact created by flights was 59.6 tonnes. Due to different national lockdowns in the US, India and UK, working patterns were different in each country. The commute was lower than in a typical year because of these lockdowns, and so it only contributed to the impact on days where staff came to the office. A proportion of employees did not travel to their respective office at all in 2021, and it is expected in coming years there could be increased commuting and higher emissions.

The impact of the employee commute will be considered in the coming periods, as new working patterns are introduced in each of the offices post-pandemic. Additionally, we recognise that flights will likely be a large contributor to carbon footprint in the coming year, as with the relaxing of lockdown rules we expect there to be more flights than in the previous year.

Of the Operations figure of 76t, the largest component was Purchased goods, resulting from physical technology emissions (14% of overall), embodied emissions in vehicles and general purchased goods such as stationery and office items. There also were small amounts of stationery and home office equipment purchased for employees, but these are likely to have been one-off purchases made to support employees working from home during COVID.

The impact from cloud infrastructure is largely low carbon, based on the offsetting undertaken by Microsoft Azure, one of our cloud computing suppliers. However, AWS isn't as far along as Azure, and so still contributes to the overall impact.

Category	2021	2020	2019	2018
Electricity (kWh)	311,472	177,533	342,783	275,041
Impact (tCO ₂)	79.5			
Gas (kWh)	0	3,692	39,673	99,227
Impact (tCO ₂)	0			
Diesel (litres)	747			
Impact (tCO ₂)	2.0			

Emissions per employee

Based on 146 full-time employees on average in 2021, the Group's total impact of 334t results in a value of 2.29t CO₂/employee. This is above an interim target of 1.5t CO₂e/employee needed to reach UK domestic targets by 2030. The largest single contributing factor to this high number is the electricity usage in India, which will be a major area of focus for the Group in the coming year. However, making a significant reduction will be difficult due to the lack of green energy in the Chennai region.

Waste and recycling

kg	2021	2020	2019	2018
IT recycling	710	282	480	557
General recycling	563	624	922	1,521
Total recycling	1,273	906	1,402	2,078
General waste	1,804	3,158	3,664	963

UK waste and recycling data

All our offices have recycling stations to recycle key materials such as glass, plastics, and paper.

In the UK the Group recycles IT hardware and other waste using a third-party company. The level fluctuates year to year but in 2021 1,077kg of hardware was recycled ensuring that metals and plastics are not sent to landfill, and 563kg of general waste was recycled. This includes paper, plastic, and glass. The amount of general waste in the UK was 1,804 kg. Data is not currently available for the US and India offices but will be sought for future reports.

ESG report continued

Employee insights

As mentioned above, we have been delighted by the level of employee engagement in our ESG initiative. This engagement is based on the shared beliefs amongst employees as evidence by an Environmental survey undertaken during the year, the results of which are shown in the chart below.

Summary	1	2	3	4	5
Our climate is changing	2%	1%	5%	31%	61%
Humans have had an appreciable contribution to climate change	2%	2%	13%	28%	55%
I'm confident in quantifying carbon emissions resulting from my lifestyle choices and actions	5%	15%	35%	29%	15%
Climate change is an important issue in my life	5%	4%	25%	40%	26%
It is important for me to be working for an organisation that takes responsibility for its actions relating to climate change	2%	4%	20%	37%	37%

Opinion categories: 1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly agree

92%

of employees agree that the climate is changing

44%

of employees agree that they were confident quantifying emissions resulting from lifestyle choices and actions

74%

of employees agree that it's important to be working for a company that takes responsibility for its actions relating to climate change

We were pleased with the suggestions received from employees for how we can reduce our carbon impact, and we will be considering these during the current year. The suggestions included matters such as;

- A formalised Work From Home (“WFH”) policy to counter carbon emissions relating to daily commuting
- An electric car scheme and the installation of more electric chargers in our UK office car park.
- Automatic lighting to be extended across the whole of the group offices.
- Workshops on how employees can reduce carbon emissions at home as well as in the office.

We care about the environment, fully support and are committed to, the principles of promoting good environmental practice and sustainability

UN Sustainable Development Goals

As part of our ESG initiative, D4t4 will look to support the United Nations Sustainable Development Goals through carbon emission offsets. These are a blueprint to achieve a better and more sustainable future for all.

We asked employees to vote for their top three goals for guidance on which projects to support. The top goals were SDG13 (Climate Action), SDG3 (Good Health and Well-Being), SDG2 (Zero Hunger) and SDG4 (Quality Education). We will consider offset projects to best reflect these choices.



2 Zero Hunger

End hunger, achieve food security and improved nutrition and promote sustainable agriculture.



3 Good Health and Well-Being

Ensure healthy lives and promote well-being for all at all ages.



4 Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



13 Climate Action

Take urgent action to combat climate change and its impacts.



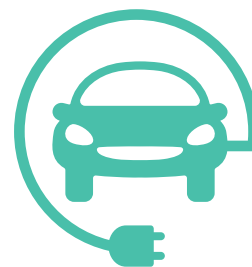
Future progress

The baseline created by the carbon audit provides useful pointers for actions we can take in the coming year to manage our carbon footprint. Some of the challenges we will face will be a likely increase in travel and a lack of influence over the energy sources for our Chennai office. However, we will continue to investigate our energy efficiency and consumption, on matters such as:

- Employee education and supporting individual responsibility
- Office efficiencies eg. automatic sensor lighting
- Ongoing review of office supplies and consumables

Business travel will inevitably increase as our customers value face-to-face engagement with our project and delivery teams. However, we will test more rigorously the need to travel, especially by air, and we will encourage the use of public transport whenever it is a suitable mode of transport and consider hiring personnel closer to key customer locations to reduce transcontinental flights.

We will aim to launch an electric car scheme and install more electric car chargers in our offices where practical. In the UK, electric car lease schemes are very attractive due to the use of salary sacrifice schemes and the low tax rate on the car benefit.



ESG report continued

Social

Our employees

As a technology business, the Group's success is built on the intellectual capital of our people, and the pride they feel in working for the Group. The aim of the leadership team and the HR function is to enable, empower and strengthen this drive through the creation of a positive working culture in which employees feel engaged and motivated.

Coronavirus

The most important employee aspect in the Group over the last two years has been our response to COVID with a view to protecting our employees and their families. Our leadership team and staff across the world displayed outstanding commitment to the business and the way they responded to the challenges of the pandemic. During the closure of our offices at short notice, our staff have been able to work from home with little interruption and have maintained the highest levels of customer service. Whilst we are a technology driven company, we are also a people led business and innovation is driven from personal interaction across the firm and with customers, so we look forward to returning to a more hybrid working model. We envisage this as a combination of home and office working, whilst optimising opportunities for creative interaction, communication, and efficient working.

Resetting culture and values, and Appointment of Head of HR, People and Culture

To support our ambitious growth plans and following a review of company culture and values, the new CEO and CFO decided to expand the HR role identifying a need for the culture to focus more on accountability and empowerment, and to create a more vibrant working environment.

In November 2021 we decided to expand the HR role and appointed our first Head of HR, People and Culture, Vicky Baker. Vicky has a strong background in technology companies and is putting in place effective organisational structures and cultural change to facilitate improved operational performance. She is engaging with all of our employees to evolve our culture to one of individual empowerment, openness and communication across all divisions and locations.

Inevitably, such changes take time to permeate through the organisation to change ways of working, but we have already seen some very positive outcomes from improved employee communication and employee engagement.

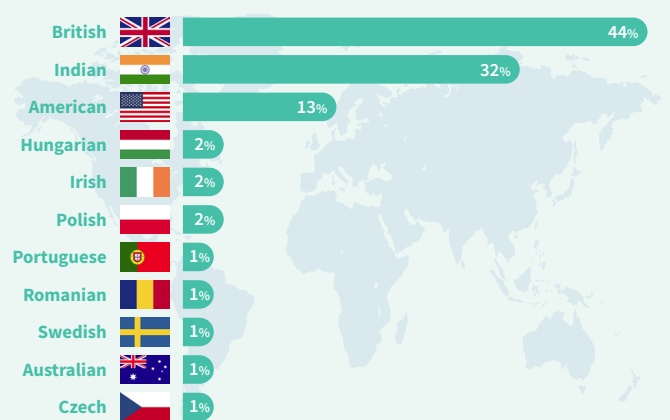
This has been assisted by the recent implementation of an HR portal enabling employees to improve communication and relationships amongst themselves, as well as manage their own personal development plans whilst being supported by their line managers.

Diversity of employee base, equal opportunities, inclusion and treating people fairly

With employees in four countries and coming from many different backgrounds, D4t4 is proud to have a diverse workforce. Nevertheless, we recognise that more can always be done, and we accept the need to ensure that the management team becomes more diverse. During the year we have added more women into key roles such as VP-Marketing, Head of Public Relations, and Head of HR, People and Culture.

We treat individuals openly and fairly with dignity and respect, and we value their contribution towards providing a quality service to our customers.

Employee nationalities



OUR PEOPLE



Esther Craddock-Taylor

Data Analytics Project Manager, London, UK

Joined D4t4 2020

What was your degree or initial qualification?

Sociology & Philosophy, University of Exeter (if only data analytics was an option for a degree back then!).

How did you get into data and tech?

I got into this space when working at Nielsen (a global data and measurement company) executing discrete choice modelling, to analyse vast sets of market data to advise leading CPG clients on how to optimise their Marketing, Advertising, CRM, GoToMarket and Pricing & Promotion strategies. I learnt early on in my career how much I love working with the wonderful world of data and tech and I would never want to divert away from this in my career.

What attracted you to D4t4?

The broad range of clients and industry leading software, as well as the international presence working across a variety of different teams. I also liked that I could work specifically within the data analytics team as that is where my expertise lies.

What do you like about working at D4t4?

The people - I have a great team who are always supportive and we have a great collaborative, non-hierarchical way of working which encourages everyone to thrive. I really am not just saying that - a day in the life at d4t4 is a great place to be! I am a member of Richmond kayaking club and tennis club and I also have a paddleboard which I use regularly, even in the winter!!!

Tell us something most people don't know about you?

I am studying for a degree in interior design for fun!

Our focus on diversity and inclusion extends to treating all our employees and job applicants fairly and equally. It is our policy not to discriminate based on gender or gender identity, sexual orientation, marital or civil partner status, gender reassignment, race, religion or belief, colour, nationality, ethnic or national origin, disability or age, pregnancy, or trade union membership or the fact that they are a part-time worker or a fixed-term employee. The equal opportunities policy operated by the Group ensures all workers have a duty to act in accordance with this.

As part of our investment into a new HR portal, we will be in a stronger position to review HR analytics to be able to provide detailed information regarding this in future ESG reports.

ESG report continued

Employee Reward and Recognition

The company recognises the need to reward and recognise our employees for their contribution to the Group's success as well as supporting their overall wellbeing. We provide an attractive range of benefits tailored to each location.

In both the UK and the US, we offer a company pension contribution higher than the statutory minimum, and during the year we improved our pension plan in the US, moving to a provider with lower costs for employees whilst retaining a good range of investment choices.

We also offer a company-funded healthcare scheme and in the UK we upgraded the scheme to include mental health, better cancer cover and 24/7 online access to a GP.

We also offer a comprehensive Employee Assistance Program to assist employees with issues of any kind, including problems at home, issues with work, housing concerns, legal problems etc. There is also support for face-to-face counselling in complex cases, as well as online live-chat counselling.

The group has an employee share option scheme to motivate and retain key staff and allow them to share in the success of the Group.

Non-financial benefits include the ability to work on a hybrid basis and on a flexible basis if required, allowing employees to work from home on a regular basis to cater, for example, for family obligations etc. This is a core component of building a culture of accountability and empowerment throughout the organization with clear goals and expectations for every role.

Employee development

In a technology business which prides itself on market-leading technologies, it is essential that our employees stay up to date with technical developments and we support them in doing that through targeted training and on-the-job support. We are supplementing this currently with greater business and line manager training. This is positive for employee development and satisfaction, but also important for the Group as it continues to build the "infrastructure" for scalable growth. We expect to add an e-learning platform to our employee development tools in the coming year.

Health and Safety

It is our policy that all of the Group's facilities, products and services comply with applicable laws and regulations governing safety and quality, so that we can maintain a safe working environment for our employees, customers, partners, and visitors.

During the year there were no major injuries reported under the Reporting of Injuries, Diseases, and Dangerous Occurrence Regulations.

Employee engagement

Employee engagement is a critical feature to any successful business. During the past two years of substantial lockdown, it has been even more important. The principal tool of engagement has been our quarterly Town Hall meetings at which all employees across four time zones are invited to join a company update and hear from management, meet new employees, and hear about business progress and initiatives. Due to their success, we have now increased their frequency to bi-monthly and have got considerably more engagement from the team. We have also held "drop-in" meetings under the Brew Monday initiative by the Samaritans in UK, and similar get togethers during Mental Health Awareness Week.

Over this period, we have strongly encouraged staff to use Microsoft Teams for internal communication, for video calls but also for messaging and team discussions, enabling better relationship building between colleagues, and reducing the stress of overflowing email inboxes. We have also invested in conferencing tools and systems to better connect our offices and remote employees around the globe.

We are increasing our engagement by commencing regular employee surveys to identify areas for improvement across the various locations and for granularity into different departments across the business.

Communities

Charitable initiatives

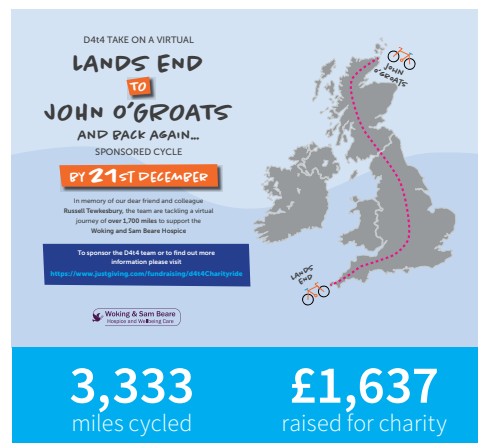
As part of our ESG initiatives, we undertook an employee survey around community engagement and philanthropic causes. This showed that employees were very keen on supporting local causes and initiatives, and have collective participation in fundraising and volunteering, with hands-on face-to-face interaction rather than behind the scenes.

Lands End to John O’Groats cycle ride

In November 2021, a team of UK employees cycled on Gym bikes or through local neighbourhoods to raise funds in aid of Woking Hospice, a patient-led charity providing palliative care and end of life care to people who have advanced life-limiting illnesses. One of our colleagues spent time at this hospice before he passed away in early 2021.

The original target was to cover the 1,748 miles distance from John O’Groats to Land’s End and back again by Christmas.

The results were outstanding, with the team not only passing the target but then going on to complete an amazing distance of 3,333 miles. That’s just short of cycling by road from London to Cairo via Istanbul! This raised £1,637 for the hospice, in memory of our colleague.



Polio vaccination

A team from our Indian office collaborated with The Rotary Foundation in Chennai, India which gave us the opportunity to contribute towards administering polio vaccine to 3,347 children across 14 booths. We called it “2 Dollars 2 Drops” because it costs about 2 USD (150 INR or 1.50 GBP) to vaccinate a child. Thanks to our employees, we were able to collect 10,250 INR for this cause and vaccinate 68 children.

10,250_{INR}
collected for cause

68
children vaccinated

D4t4 have joined forces with the Rotary Club of Chennai Titans to raise vital funds for the eradication of polio

As little as \$2* can save a child from polio

2 Drops Polio Stops. #d4t4 solutions

UK food bank collection

The recent increase in the cost of living and energy around the world prompted our UK Team to coordinate a collection for a UK food bank run by the Trussell Trust. The company and employees made financial donations and donations of daily essential food and household products to the food bank for onward distribution to people squeezed by price rises. The total sum raised was approx. £600.

£600
worth of daily essential foods and financial donations

Developments

This was a good start in the first year of our ESG initiative. The Group is in the process of considering further initiatives including time-off for pro-bono and voluntary work. Each office now has plans to complete a number of direct fundraising and volunteering initiatives across the year including setting up an apprentice scheme, and community outreach to schools and colleges to promote data analytics as a career option to young adults.

ESG report continued

Governance

Corporate governance is described in detail on pages 50 to 83 of the 2022 Annual Report. The section below outlines other aspects of governance and best practice within the Group.

Tax fairness and COVID support schemes

D4t4 is committed to being a responsible taxpayer, acting in a fair and legal manner at all times. During the year we implemented the final stage of our intragroup trading agreements ensuring that costs are passed into the tax jurisdiction to which they relate and out of jurisdictions where there were originally incurred, typically in the UK but for the benefit of our overseas operations. These agreements are made available to tax authorities as requested to support recharging between group companies and demonstrate that recharges are fair, legitimate and reflect the commercial substance of the activities to which they relate.

In FY22, our total tax contribution was £4.7m (FY21: £4.3m). Taxes borne by the Group totalled £0.9m (FY21: £0.9m) and consist of corporation tax, employer's NICs and stamp duty. Taxes collected by the Group totalled £3.8m (FY21: 3.4m) and consist of PAYE deductions, employees' NICs and net VAT collected.

Over the last two years of COVID-19, the Board has decided to not claim any COVID-19 grants, loans or furlough payments. This decision was made on the basis that the business was not materially impacted by the pandemic and whilst claims could have been made under various scheme criteria this was not felt to be appropriate from the viewpoint of business ethics.

Good Corporate Conduct

D4t4 has policies in place to help ensure that the company is a good corporate citizen, in its own right and through the actions of its employees. These policies are reviewed regularly and the next review will be a comprehensive one to ensure consistency across our offices and ensuring we are in line with current best practice. The key policies are outlined below;

Employee Code of conduct

D4t4 has a Code of Conduct policy covering all internal and external interactions by our employees covering work activities but also activities in their private lives which might fall below the standards we expect of our employees.

Bribery and corruption

D4t4 has an anti-bribery and corruption policy designed to ensure that we conduct our business in an honest and ethical manner. We have identified our principal risks as being corporate hospitality and gifts, facilitation payments and operations in India. The policy covers all members of staff worldwide, and training is provided to all employees on an annual basis.

Modern slavery

D4t4 is committed to acting ethically and with integrity in all our business dealings and relationships, and ensuring that modern slavery is not taking place anywhere in our own business or, as far as possible, in any companies in our supply chain. Our Modern Slavery Statement is available on our website. We have a zero-tolerance approach to modern slavery and expect the same high standards from all our contractors and suppliers. All counterparties are notified of this policy on a regular basis.

Whistleblowing

At D4t4, we are actively developing a more transparent and open culture, which encourages our employees to speak up whenever they have concerns about or encounter poor practice or wrongdoing in our business. Our whistleblowing policy is vital to ensure we maintain high ethical standards in our organisation and operations. We have an internal anonymous reporting facility for employees to raise concerns which are directed to the Group Company Secretary, who is not an employee, to raise with the board.

Supplier code of conduct

Our Supplier Code of Conduct outlines what we expect of suppliers and includes reference to our other policies such as those on Modern Slavery and Fraud.

Data security

Data security is core to our business, with our multinational customers entrusting us with access to their data and information systems. We handle this through a range of initiatives and we have recently invested further into this critical function by the appointment of a Chief Security Office. This is detailed in the Data security section on pages 10 to 11 of the 2022 Annual Report.

Executive remuneration

The board considers ESG to be an important part of its oversight and activities and seeks to ensure that ESG is a consideration across the whole business. Therefore, this year for the first time the remuneration of the executive directors has a proportion related to the ESG objectives. In the current year this relates to an element of their variable remuneration being linked to the set-up and updating of our ESG infrastructure.

Future ESG developments

This first ESG report demonstrates the status and development of ESG activities across the D4t4 business. Based on benchmarking discussions with advisers and consultants we believe we are in a strong position relative to our peer group of smaller quoted public companies. Our efforts will continue and this coming year we expect to make good progress across a number of areas. We look forward to reporting on that progress periodically in results announcements and on an ongoing basis through the ESG section of our website.

Ash Mehta

Chief Financial Officer

6 July 2022

Monika Biddulph

Non-executive Director

OUR PEOPLE



James Deadman

Account Executive, London, UK

Joined D4t4 2021

How did you get into data and tech?

Initially through eLearning and then secure comms for supporting IP based live broadcasting and situational awareness for first responders.

What attracted you to D4t4?

A friend's recommendation, telling me that Celebrus was head and shoulders above the rest of the market.

What do you like about working at D4t4?

The team-work, depth of skill/knowledge and can do attitude, and a collaborative approach. The strength of the relationships with our partners and end customers, we and Celebrus really add value and underpin all other martech investments.

Could you describe your typical day at D4t4?

Lots of partner and customer engagements, some of which are beginning to be face to face which really helps with building strong relationships.

What do you like to do when you're not working?

Renovating a Grade II listed, Georgian town house.

Tell us something most people don't know about you?

Had trials for the England rowing squad.

What would you say to people who might be thinking about wanting to work in data and tech and at D4t4?

Don't hesitate to join...it's a great place to be.

What's your favourite bit of tech or software?

Celebrus obviously...