



Environmental, Social and Governance

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Introduction

In recent times the subject of Environmental, Social and Governance (ESG) has arisen as an important subject for consideration by the boards of companies across the globe. There is increasing demand for transparency and accountability within this arena for very clear reasons. However, there is also the personal 'DNA' of a company to consider.

AdEPT has a social conscience, and the Board are keen to ensure we do our part in making the world a better place both for current generations and those of the future.

Sustainability is of interest across the full spectrum of AdEPT stakeholders: customers, employees, suppliers, shareholders, and communities and as such this paper intends to set out our framework for engaging with this subject as a company.

The three pillars for clarity are:

- **Environmental Responsibility** – which includes energy use, waste management, and climate change.
- **Social Responsibility** – including labour relations, human rights, diversity and inclusion, and product liability.
- **Governance** – which includes compliance, business ethics, controls, and procedures.



After reviewing the various frameworks that can be used for ESG reporting...

ADEPT TECHNOLOGY GROUP HAS DECIDED TO ADOPT THE APPROPRIATE ASPECTS OF THE UN GLOBAL COMPACT.

Our reasoning for this is outlined in Appendix 1.

UN Global Compact – background and relevance

The UN Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) – and 169 associated targets – were adopted by the General Assembly of the United Nations in September 2015 to inform a global action plan on ‘people, planet and prosperity’ through to 2030.

The value of the framework that the SDGs set out, lies in its universality and bottom-up nature, reflecting the fact that it stems from an agreement reached after a long process of international negotiations and consultations involving governments, businesses, and civil society.

The 17 SDGs can provide a useful and internationally recognised framework to shape and prioritise business plans and associated reporting. They are consistent with several leading global ESG reporting frameworks and are reflected in a growing number of ESG assessment frameworks including FTSE Russell’s ESG Ratings Model. Measuring progress against relevant sustainable development goals and targets enables the harmonisation and comparability of sustainability investments and actions on a global scale. A summary of the SDG framework is presented graphically.

For more information, please visit the UN Sustainable Development Knowledge Platform at <https://sustainabledevelopment.un.org>

SUSTAINABLE DEVELOPMENT GOALS



Selected aspects of this framework also map to the AdePT obligations as a corporate entity.

Rationalising the UN Sustainable Development Goals

After a detailed review, AdEPT has rationalised the 17 SDGs (the “Goals”) to those most relevant to AdEPT and where we can have most impact. This reduces the 17 to the following Goals:



Sustainability Development Goals – analysis in detail

The following tables detail the UN Sustainable Development Goals and map them both to Mandatory or Legal Requirements, and also to AdEPT’s ability to influence.

Each action is labelled as either:

E – Environmental Impact

S – Social Impact

G – Governance Impact

We then show what action we are proposing to take to help this global goal.

Action list

The consolidation actions arising from this paper are as follows;

Action #	Area	Action	Status	Owner
1	Gender Equality	Implement a new HR platform to assist in the measurement of gender equality by summer 2021	Complete – furthermore we have signed up work with the Employer Network for Equality and Inclusion (ENEI). Our aim is to review our working practices and further the work we have already been doing in employee diversity and inclusion.	Chief People Officer
2	Gender Equality	Produce gender pay gap report and act on the findings	Ongoing – Initial report published during the Autumn of 2021 and updated in April 2022	Chief People Officer
3	Gender Equality	Map individuals, and their related gender, to roles to assess differential	Ongoing – Completed as per legislative requirements and an action plan produced	Chief People Officer
4	Affordable & Clean Energy	Constant review of our supply chain relating to energy and the migration of supply to renewable sources. Consideration of the use of solar where appropriate	In progress – Solar investigated where AdEPT has influence on the property (roof inspection to test support beam strength required).	
5	Affordable & Clean Energy	Constant review across the AdEPT Group taking into account the energy consumption of any equipment being used and compare the options at purchase	In progress – lights changed across the company to LED's achieving a substantial energy saving.	
6	Decent Work & Economic Growth	Our Founder and Chairman, Ian Fishwick will continue to advise the UK Cabinet Office on business policy with a particular focus on helping smaller businesses.	In progress	Chairman
7	Decent Work & Economic Growth	Maintain HR policies that enshrine equal opportunities this intent within working practices.	Complete & under constant review.	Chief People Officer
8	Decent Work & Economic Growth	Offer over five apprenticeships per year, providing members of the local community with training programmes geared to the progression of their career	Over achieved – we have more than five in place, with plans to recruit more within the FY23 budget.	Chief People Officer
9	Reduced Inequalities	When evaluating policies and working practices ensure that these are drafted and acted	In progress	Chief People Officer

		upon in the context of this directive		
10	Climate Action	Promote the use of Electric Cars / Hybrids for any company car or van leased or purchased by the company	In progress – A flexible benefits platform is being investigated, which will permit easier access to such schemes.	AdEPT MD's
11	Climate Action	Electricity suppliers (under our jurisdiction) to be switched to Green Energy suppliers at the next renewal	Complete – Transferred to SSE environmentally green tariffs.	AdEPT MD's
12	Climate Action	All light bulbs will be replaced with LEDs and AdEPT will look to put sensors in place to switch off power when rooms are not in use	In progress – LED's fitted, sensing switches being the next step.	AdEPT MD's
13	Climate Action	AdEPT will encourage the re-use of discontinued or broken equipment through charity schemes	Complete – all recycled equipment is handed over to an accredited recycling company.	AdEPT MD's
14	Climate Action	Encourage changes to employee behaviour by adopting a carbon friendly working from home policy, the use of public transport, the adoption of smart meters at home and the move to electric vehicles by way of flexible benefit schemes that encourage such vehicles	In progress – The working practices have been adapted to more flexible working with working from home becoming an entrenched part of the working week if tasks allow. Flexible benefits scheme being introduced in FY23 to capitalise on environmentally friendly behaviours where possible.	AdEPT CPO
15	Social Responsibility	Identify the next company-wide fund raising initiative once Covid permits.	In progress	CEO
16	Social Responsibility	Provide staff with the opportunity to take a paid day's leave to provide time for their chosen charity, in return for a blog post / news item to demonstrate their commitment.	Complete, with members of staff already taking advantage of this policy.	Chief People Officer
17	Social Responsibility	Create a pro-bono 'pot' of free consulting days that can be called upon by charities served by AdEPT.	In progress.	CEO

Note: Updated following Executive Off-site, March '22.

Goal 5 – Gender equality and women’s empowerment



How does this goal map to AdEPT’s mandatory or legal requirements and ability to influence?

Goal 5 – Gender equality and women’s empowerment						
Achieve gender equality and empower all women and girls						
E/S/G	Target Ref	Description	Mandatory / Legal Req.	Ability to influence		
				Internal	External	Supplier / Customer
S	5.1	End all forms of discrimination against all women and girls everywhere	Equality Act 2010	✓	✓	✓
S	5.5	Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life	Equality Act 2010	✓		



The action AdEPT is proposing to take to help this global goal

Goal 5 – Gender equality and women’s empowerment					
Achieve gender equality and empower all women and girls					
Target Ref	Description	Mandatory / Legal Req.	Status	Specific Action (#)	Measure
5.1	End all forms of discrimination against all women and girls everywhere	Equality Act 2010	<p>AdEPT is an equal opportunities employer and has clear directives to ensure there is no gender discrimination</p> <p>The AdEPT COO manages and coaches an U16 girls football team, sponsored by AdEPT.</p> <p>Girls football is about personal development, team enrichment, sociability and providing them with the confidence to progress in a traditional male sport. The learning this gives them will help them enter the workplace and help remove the expectation of discrimination. It also provides them with mental health benefits at a sensitive time of their maturity.</p> <p>Barclays sponsor the Women’s Premier League and have employed an agency to do research into encouraging girls to participate in grassroots, which the AdEPT COO has been helping them with.</p> <p>In the Kent Girls & Ladies Football League there are 76 clubs, 289 teams and over 5,000 girls playing football. In summary, AdEPT has its CCO actively volunteering, has provided sponsorship in the</p>	<p>Action 1 – Implement a new HR platform to assist in the measurement of this directive by summer 2021</p> <p>TBA: Formalise the AdEPT support and mentoring of women in our industry</p>	Action 2 – Gender pay gap report and act on the findings

			past, and would provide a regular profile to support Target Ref 5.1.		
5.5	Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life	Equality Act 2010	When evaluating candidates for roles, and influencing positions within the business AdEPT considers all candidates equally	Action 1 – Implement a new HR platform to assist in the measurement of this directive by summer 2021	Action 3 – Map individuals, and their related gender, to roles to assess differential

Goal 7 – Affordable and Clean energy



How does this goal map to AdEPT’s mandatory or legal requirements and ability to influence?

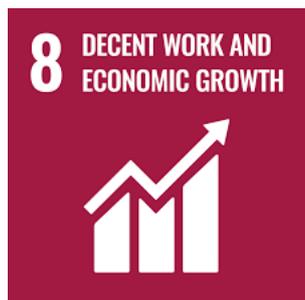
Goal 7 – Affordable & Clean Energy						
Ensure access to Affordable, Reliable, Sustainable and modern energy for all						
				Ability to influence		
E/S/G	Target Ref	Description	Mandatory / Legal Req.	Internal	External	Supplier / Customer
E	7.2	By 2030, increase substantially the share of renewable energy in the global energy mix		☑		☑
E	7.3	By 2030, double the global rate of improvement in energy efficiency		☑		☑



The action AdEPT is proposing to take to help this global goal

Goal 7 – Affordable & Clean Energy Ensure access to Affordable, Reliable, Sustainable and modern energy for all Whilst this section is designed to apply at a global level AdEPT Group chooses to use some of these targets with the group as an effective marker for progress.					
Target Ref	Description	Mandatory / Legal Reqt.	Status	Specific Action (#)	Measure
7.2	By 2030, increase substantially the share of renewable energy in the global energy mix		AdEPT is conscious of the consumption of energy within the business and is working pro-actively to reduce the non-green energy consumption. By far the largest consumer of energy in one use within the group is in its data centres.	Action 4 – Constant review of our supply chain relating to energy and the migration of supply to renewable sources. Consideration of the use of solar where appropriate. Note: Specifically review the AdEPT owned Data Centre in Orpington and identify how we can best address the carbon footprint of this facility	Ongoing monitoring of ratio between green and non-green energy consumption
7.3	By 2030, double the global rate of improvement in energy efficiency.		AdEPT operates a policy of continual improvement of the delivery of services and the reduction of the energy required to run them. In the most basic example this is addressed by the replacement of std lighting with lower energy LED lights.	Action 5 – Constant review across the AdEPT Group taking into account the energy consumption of any equipment being used and compare the options at purchase.	Ongoing monitoring of energy Kwh usage

Goal 8 – Decent work and economic growth



How does this goal map to AdEPT’s mandatory or legal requirements and ability to influence?

Goal 8 – Decent work and economic growth						
Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all						
E/S/G	Target Ref	Description	Mandatory / Legal Req.	Ability to influence		
				Internal	External	Supplier / Customer
S	8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors		✓	✓	
S	8.3	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium sized enterprises, including through access to financial services		✓	✓	✓
S	8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	Equality Act 2010 / Equal Pay Act 1970	✓		
S	8.6	By 2020, substantially reduce the proportion of youth not in employment, education or training		✓		
S	8.8	Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	Worker & Employment Rights	✓		✓



The action AdEPT is proposing to take to help this global goal

Goal 8 – Decent work and economic growth					
Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all					
Target Ref	Description	Mandatory / Legal Req.	Status	Specific Action (#)	Measure
8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors		<p>AdEPT invests in training, and R&D and through its company activities is an enabler for companies to enhance their productivity through the use of technology.</p> <p>Further, AdEPT’s founder and chairman Ian Fishwick sits on an advisory panel for the cabinet office specifically in relation to for SMEs.</p> <p>Ian works alongside a group of industry experts who are advising the Government on how to improve outcomes and long-term sustainable growth for small and medium sized enterprises.</p> <p>On top of this Ian has 20+ years of directing businesses and offers free consultation to organisations to overcome the difficulties that Covid-19 has presented.</p> <p>For an example here is the tenth instalment of his LinkedIn campaign proving businesses strategic direction to help survive the Covid-19 crisis.</p> <p>https://www.linkedin.com/posts/ianfishwick_adept-openreach-business-activity-6656150120607858688-KYEw</p>	<p>Action 6 – Our Founder and Chairman, Ian Fishwick will continue to advise the UK Cabinet Office on business policy with a particular focus on helping smaller businesses.</p>	

8.3	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium sized enterprises, including through access to financial services		<p>AdEPT is a champion of small to medium companies, providing a range of technology services to a significant number of UK headquartered SMEs.</p> <p>These services, across a range of industries, help our customers to become more successful that in turn encourages growth, innovation, and job creation.</p>		
8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	Equality Act 2010 / Equal Pay Act 1970	<p>AdEPT, where possible, seeks to recruit graduates and apprenticeships and is committed to training individuals to ensure they become productive.</p> <p>AdEPT will ensure that all individuals are considered equally for roles within the business.</p>	<p>Action 7 – Maintain HR policies that enshrine equal opportunities this intent within working practices.</p> <p>Note: Review the DWP Kickstart Scheme to determine how this can support this action</p>	
8.6	By 2020, substantially reduce the proportion of youth not in employment		AdEPT, where possible, seeks to recruit graduates and apprenticeships and is committed to training individuals to ensure they become productive ¹		Action 8 - Offer over five apprenticeships per year, providing members of the local community with training

¹ **Case Study:** A recent example of this is one of our employees - Emily. Joining our Business Administration (BA) Apprenticeship scheme at 18-years-old, Emily was directly learning from and shadowing the Head of BA. During this process AdEPT supported Emily with additional training, allowing her to complete Level 2 and 3 of the BA Apprenticeship Diploma. Emily has since graduated to a full time BA role and was a central cog in ‘Project Fusion’ - an internal centralisation of business branches.

	education or training				programmes geared to the progression of their career
8.8	Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	Worker & Employment Rights	AdEPT is obliged to review the Health & Safety practices across the group and will carry out suitable audits and take actions as a result of these to ensure the Health & Safety of workers across the company		

Goal 9 – Decent work and economic growth



How does this goal map to AdEPT’s mandatory or legal requirements and ability to influence?

Goal 9 – Industries, Innovation and Infrastructure						
Innovation and technological progress are key to finding lasting solutions to both economic and environmental challenges						
E/S/G	Target Ref	Description	Mandatory / Legal Req.	Ability to influence		
				Internal	External	Supplier / Customer
E / S	9.1	Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all		✓	✓	✓
E / S	9.2	Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry’s share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries		✓	✓	✓
E / S	9.4	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities		✓	✓	✓
E / S	9.C	Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020		✓	✓	✓



The action AdEPT is proposing to take to help this global goal

Goal 9 – Industries, Innovation and Infrastructure				
Innovation and technological progress are key to finding lasting solutions to both economic and environmental challenges				
Target Ref	Description	Status	Specific Action	Measure
9.1	Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all	<p>AdEPT is a provider of high speed networks to the UK marketplace. As such it is involved in reducing the overall carbon footprint of companies by advocating the use of technology over transport to facilitate B2B interactions.</p> <p>There is therefore strong alignment between the success of AdEPT and this ESG objective.</p> <p>The actions to be taken are therefore to continue to strive for success in promoting and deploying high speed connectivity and effective communications.</p> <p>The AdEPT Secure Access Service Edge (SASE) technology proposition further advances this objective as it provides a low-carbon footprint deployment, working well in a regional and transborder capacity and provides enhanced security to organisations thereby improving resilience to threat and stronger economic development.</p> <p>No specific action is required against this objective.</p>	N/A	N/A

Goal 10 – Reduced Inequalities



How does this goal map to AdEPT’s mandatory or legal requirements and ability to influence?

Goal 10 – Reduced Inequalities						
Reduce inequality within and among countries						
E/S/G	Target Ref	Description	Mandatory / Legal Req.	Ability to influence		
				Internal	External	Supplier / Customer
S	10.2	By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	Equalities Act 2010	☑		☑
S	10.3	Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	Equalities Act 2010	☑		
S	10.4	Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality	Equal Pay Act 1970	☑		



The action AdEPT is proposing to take to help this global goal

Goal 10 – Reduced Inequalities					
Reduce inequality within and among countries					
Target Ref	Description	Mandatory / Legal Req.	Status	Specific Action (#)	Measure
10.2	By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	Equalities Act 2010	When evaluating candidates for roles, and influencing positions within the business AdEPT considers all candidates equally	Action 1 (Repeat) – Implement a new HR platform to assist in the measurement of this directive by summer 2021	Where suitable capture information in relation to diversity to ensure AdEPT is promoting equal opportunities throughout its working practices
10.4	Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality	Equal Pay Act 1970	AdEPT is an equal opportunities employer and has captured our principles in various working practices to ensure the businesses adheres to this principle	Action 9 – When evaluating policies and working practices ensure that these are drafted and acted upon in the context of this directive	

Goal 11 – Sustainable Cities and Communities



How does this goal map to AdEPT’s mandatory or legal requirements and ability to influence?

Goal 11 – Sustainable Cities and Communities						
Make cities and human settlements inclusive, safe, resilient and sustainable						
E/S/G	Target Ref	Description	Mandatory / Legal Req.	Ability to influence		
				Internal	External	Supplier / Customer
E	11.6	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management		✓		✓
E	11.A	Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning		✓	✓	✓

Goal 12 – Responsible Consumption and Production



How does this goal map to AdEPT’s mandatory or legal requirements and ability to influence?

Goal 12 – Responsible Consumption and Production						
Ensure sustainable consumption and production patterns						
E/S/G	Target Ref	Description	Mandatory / Legal Reqt.	Ability to influence		
				Internal	External	Supplier / Customer
G	12.7	Promote public procurement practices that are sustainable, in accordance with national policies and priorities Note: The AdEPT “Approved Supplier Form” encourages working practices that are in line with CCS Frameworks and sustainable national policies and priorities.		✓	✓	✓

Goal 13 – Climate Action



How does this goal map to AdEPT’s mandatory or legal requirements and ability to influence?

Goal 13 – Climate Action						
Take urgent action to combat climate change and its impacts						
E/S/G	Target Ref	Description	Mandatory / Legal Reqt.	Ability to influence		
				Internal	External	Supplier / Customer
E	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Climate Change Act 2008	✓		✓
E	13.2	Integrate climate change measures into national policies, strategies and planning	Climate Change Act 2008	✓	✓	✓

E	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Climate Change Act 2008	✔		
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The action AdEPT is proposing to take to help this global goal

Goal 13 – Climate Action Take urgent action to combat climate change and its impacts					
Target Ref	Description	Mandatory / Legal Req.	Status	Specific Action (#)	Measure
13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Climate Change Act 2008	Whilst not specifically aligned to the Goal AdEPT will take action to reduce our environmental impact as a company Recycling points are placed in every AdEPT office and employees are encouraged to conserve resources Note: Explore teaming up with a fibre provider, for example, and thereby aligning to the DCMS gigabit funding programme? In addition, identify where AdEPT demonstrates work with Councils in supporting their regeneration (both urban and rural)	Action 10 – Promote the use of Electric Cars / Hybrids for any company car or van leased or purchased by the company Action 11 – Electricity suppliers (under our jurisdiction) to be switched to Green Energy suppliers at the next renewal Action 12 – All light bulbs will be replaced with LEDs and AdEPT will look to put sensors in place to switch off power when rooms are not in use Action 13 – AdEPT will encourage the re-use of discontinued or broken equipment	

				<p>through charity schemes</p> <p>Action 14 – Encourage changes to employee behaviour by adopting a carbon friendly working from home policy, the use of public transport, the adoption of smart meters at home and the move to electric vehicles by way of flexible benefit schemes that encourage such vehicles</p> <p>Our aim is to lead by example and encourage our employees to care.</p>	
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Goal 16 – Peace, Justice and Strong Institutions



How does this goal map to AdEPT’s mandatory or legal requirements and ability to influence?

Goal 16 – Peace, Justice and Strong Institutions						
Take urgent action to combat climate change and its impacts						
E/S/G	Target Ref	Description	Mandatory / Legal Req.	Ability to influence		
				Internal	External	Supplier / Customer
G	16.5	Substantially reduce corruption and bribery in all their forms	Bribery Act 2010	✓	✓	✓
G	16.6	Develop effective, accountable, and transparent institutions at all levels	AIM Rule 26	✓		
G	16.7	Ensure responsive, inclusive, participatory, and representative decision-making at all levels	PLC Board and sub-committee structure	✓		
G	16.10	Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements	AIM Rule 26	✓	✓	✓
G	16.B	Promote and enforce non-discriminatory laws and policies for sustainable development	Equalities Act 2010	✓		

Social Responsibility

Whilst not explicitly an aspect of the UN SDG framework this aspect of AdEPT Corporate Governance also wraps into the policies in respect of Social Responsibility and therefore AdEPT actions relating to this aspect of operating a business are included below.

Goal N/A – Social Responsibility Take action to enhance the impact AdEPT has on the fabric of society				
1	Strategic Philanthropy	<p>We strengthen charities and community groups with various employee initiatives.</p> <p>We have a long standing relationship with the charity Demelza (a hospice in Kent) and the Kent Surrey & Sussex Air Ambulance, and have undertaken multiple charity initiatives to fund raise for these charities.</p> <p>We undertake a company wide charity event every year – with the most recent being the Three Peaks Challenge, raising funds for Cancer Research, Demelza and the KSSAA.</p>	<p>Action 15 – Identify the next company-wide fund raising initiative once Covid permits.</p> <p>Action 16 – Provide staff with the opportunity to take a paid day’s leave to provide time for their chosen charity, in return for a blog post / news item to demonstrate their commitment.</p>	Funds raised
2	Social Impact from activities	<p>Focussing on healthcare, an external article from Vox Markets estimates that AdEPT Technology solutions impact 2.1 million healthcare patients.</p> <p>AdEPT also supports local communities across the country through our Education Branch, which supports over 4,000 schools nationwide, and indirectly over 2.2 million teachers and students.</p>		
3	Strategic Philanthropy	<p>We currently have no pro-bono initiative yet provide services to the following charities;</p> 	<p>Action 17 – Create a pro-bono ‘pot’ of free consulting days that can be called upon by charities served by AdEPT.</p>	<p>A pool of consultancy days are utilised by charity customers that improve their IT environment and operational efficiency.</p> <p>Freeing the charities time for them to do what they do best!</p>

Appendices

Appendix 1 – Multiple frameworks, which one to choose?

On investigating this subject, it is clear there are an abundance of potential frameworks that can help measure both the ‘what?’ and the ‘how?’. It is the Board’s objective to set up a reporting system that covers the metrics most relevant to our industry and to narrow down the measurements to those areas where AdEPT behaviours can have most impact.

The ESG frameworks considered included:

The Global Reporting Initiative (GRI)

Created in 1997, the GRI was the first and most widely used framework. Its objectives were to provide companies with accountability standards metrics so they could in turn show their responsible environmental practices. Later, metrics were expanded to include human rights, governance, and social well-being. To date, this framework is one of the most holistic approaches by working with stakeholders to determine how a company affects the world.

United Nations Sustainable Development Goals (SDGs)

Adopted by member states in 2015 within the bigger picture of the 2030 Agenda for Sustainable Development, the SDGs address global challenges in the form of 17 goals aimed at creating a better future for people and the planet, some of which include: eradicating hunger and poverty, strengthening environmental protection, achieving peace, widening access to education and encouraging responsible consumption.

The UN SDG framework is accepted worldwide as an ESG framework that brings reporting to a more comprehensive level, and is broad in nature.

Morgan Stanley Capital International

Of the ESG frameworks designed more specifically to inform investment decisions, the one created by financial services company Morgan Stanley is the most aggressive, as it measures long-term resilience and ESG risks through a scoring system. From CCC (laggard) to AAA (leader), their ratings parse over 1,000 data points for risk exposure on 80 industry-specific and geographic metrics.

The MSCI ESG ratings are deemed useful for an institutional investor but less useful for companies looking for a methodology that can support Corporate Social Responsibility efforts for reputational and communication purposes.

The Sustainability Accounting Standards Board (SASB)

In 2018, the Board published a set of ESG standards specific to 77 industries, each with a set of financially material topics and associated metrics. Again, this ESG framework is designed for companies and investors needing to analyse how ESG issues may impact financial performance.

As such, SASB is seen as complementary to other ESG initiatives.

Appendix 2 – How AdEPT selected an appropriate framework

AdEPT has taken the view that ESG reporting should be considered a strategic endeavour destined to improve business performance both at an ethical and a financial level, the two go hand in hand.

Our selection criteria included:

- **Clear Methodology and Scoring System** – We looked for a framework that provides a clear set of measurable criteria, that could then be scored and interpreted in an unambiguous way.
- **A framework that is all encompassing** – We searched for a framework that covers all aspects of corporate life, and each of the three pillars.
- **Relevance** – The framework needed to be adaptable, and relevant to the type of company that AdEPT is.

- Data Quality** – the quality of the AdePT ESG ‘score’ will be measured against the quality of the data we collect, along with the methodology we chose and the material issues we wish to address. The measurements need to be sufficiently specific yet also readily obtainable to ensure AdePT can track our evolution in the ESG space.

It is recognised that as a public company ESG reporting may create issues, exposing our business to liability. We recognise that even voluntary disclosures become subject to scrutiny, questioning, or legal repercussions. However, we appreciate this risk and feel that our obligations merit taking this step.

The Investor Dimension

In drawing up this ESG policy AdePT also considered the Investor Guidance and in particular the ‘London Stock Exchange Guide to ESG Reporting – 2020’².

This guidance sought to encourage good practice in voluntary reporting to investors, and is in line with the UN-backed Sustainable Stock Exchanges initiative model guidance for exchanges.

The Framework Chosen

Taking into account all of these aspects, and the fact that AdePT is not a manufacturer with a strong bias towards environmental impact it was felt that a holistic set of criteria that could be build ‘bottom up’ adopting relevant sub-topics within a framework would be most relevant.

The chosen framework is therefore;

“UN Global Compact (UNGC) – The Global Compact requires companies to commit to a set of ten universal principles concerning human rights, labour, environment and anti-corruption.”³



Governance

AdePT is committed to adhering to the highest levels of business ethics and has embedded appropriate practices within a range of Human Resource policies.

Governance is a topic covered in alternative papers given that AdePT is an AIM listed company. The board of directors recognises the importance of, and is committed to, ensuring that proper standards of sound corporate governance operate throughout the Company. Accordingly, the Group is committed to compliance with the provisions of the QCA Corporate Code published by the Quoted Companies Alliance.

Further, AdePT is required to adhere to the UK City Code on Takeovers and Mergers and AdePT publishes a web site in accordance with Rule 26 of the AIM Rules.

As a provider of Telecommunications we are also obliged to adhere to a Code of Practice which is regularly updated and published on the AdePT web site (www.adept.co.uk). We use a wide range of network carriers and suppliers to provide a range of services to our residential and small business customers throughout the UK.

This Code of Practice gives all our existing customers and any future customers an overview of our company, the services we provide, the key support they can expect and details of our main company policies that underpin our services.

² www.lseg.com/sites/default/files/content/Green/LSEG_Guide_to_ESG_Reporting_2020.pdf

³ www.unglobalcompact.org