



Environmental *Sustainability* Report 2021

Our commitment
to reducing our
environmental impact

Netcall's long-term growth is underpinned by a set of value-based operating principles. These have regularly been reviewed and adapted as Netcall has developed. They centre on customer focus, innovation, integrity, quality and teamwork.



Overview



The culture of Netcall is characterised by these values. They are communicated widely including within the competency framework, which sets out how we want our colleagues to work within Netcall, and promoted throughout the organisation by managers in their daily work.

Our commitment



Netcall is committed to reducing our environmental impact and enhancing our environmental policy and environmental management systems to establish and measure improvement in this area.

Netcall is at the start of its journey to measure and improve its impact on the environment. The business is committed to working towards “carbon neutral” status with an ambition to be carbon neutral by the end of 2026.



During the financial year, Netcall has measured and is voluntarily reporting its Scope 1 and Scope 2 emissions. These have reduced by 31% to 46 tons of carbon dioxide equivalent ‘tCO₂e’ (FY20: 67 tCO₂e).



scope 1

Covers direct emissions from owned or controlled sources.



scope 2

Covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by a reporting company.



Netcall plans to measure

scope 3

 emissions

which cover indirect emissions that occur in a company's value chain, and establish science-based targets to provide a path to reduce emissions to net-zero in the next financial year.



Putting sustainability into practice

While starting with its operations, Netcall's strategy expands beyond its business by ensuring the changes implemented flow into the Group's product strategies. In this way, the organisations and communities in which Netcall operates will also benefit.

For example, today Netcall customers benefit from solutions:

- that reduce resource requirements and associated office and transportation costs, such as contact centre agents working from home;
- such as Patient Hub, which reduces carbon emissions with electronic communications replacing printed and posted materials;
- utilising technologies such as Automatic Speech Recognition (ASR), Optical Character Recognition (OCR), and Computer Vision to improve efficiency and lower the carbon intensity of operations; and,
- that are cloud based and leverage cloud operators' large-scale efficiency innovations combined with their ongoing carbon reduction strategies.

In general, digital transformation by increasing automation and improving stakeholder engagement and communications, makes processes and interactions more efficient and supports reduction of carbon emissions for our customers and their eco-systems.

Therefore, by implementing our solutions and delivering our roadmap, Netcall also supports our customers environmental strategies while at the same time working towards our own environmental targets.



Carbon neutral

A company is said to be carbon neutral by reducing their emissions and/or paying others to not emit an equivalent to their remaining emissions.

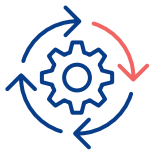
“Netcall is committed to working towards ‘carbon neutral’ status with an ambition to be carbon neutral by the end of 2026.”

Getting to Carbon Neutral

Our strategy includes reducing our Scope 1 and 2 emissions to zero by 2022, reducing our Scope 3 emissions by 100% by 2026, and then removing more carbon than we emit.



The framework for sustainability requires focus in three areas:



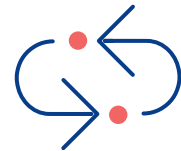
Procurement

Purchase green energy, sustainable water and sustainable hardware.



Operations

Move as much as possible to the cloud to exploit energy at scale.



Retirement

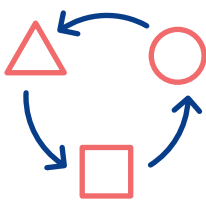
Ensure E-waste management.





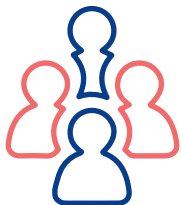
Operations

We will take responsibility for our carbon, water, waste and land footprints across the way our products and facilities are sourced, manufactured, operated, and managed at end-of-life. This includes our supply chain.



Products & services

We will develop new technology and services driven by data, AI and digital technology to power environmental sustainability.



Customers & partners

We will help our customers and partners around the world reduce their carbon, water, waste, and land footprints through our learnings, technology and services. We will work with partners to explore GHG reporting using Netcall solutions.



Employees

We recognise that our employees are the most important asset and resource in advancing innovation and will create new opportunities for them to contribute to our efforts.



Netcall is a software and service business with very little transport and distribution of solutions. Waste generated is typical of an office-based organisation, not a manufacturer.

Business Travel, employee commuting, and home-working have changed considerably during the pandemic.

For Netcall customers, whilst solutions will reduce resource requirements and associated office and transportation costs, such as contact centre agents working from home, a key method to reduce their energy use is to migrate from on-site solutions to the cloud.

Cloud operators utilise their massive scale for adopting large-scale efficiency innovations. In 2014, the US Natural Resources Defense Council's report on data centre efficiency stated that average server utilisation remained static at 12% to 18% between 2006 and 2012, while hyperscalers could achieve 40% to 70%. Higher utilisation is more efficient.

Therefore, the move of Netcall customer workloads to the cloud will reduce CO2 emissions.

Moving to 100% renewable energy

We will reach our 100% renewable energy goal by purchasing enough renewable energy to match our electricity consumption at our offices. Scope 1 gas consumption will require Netcall to purchase energy that includes offsets and includes renewable biogas made from food and farm waste.



Reducing Scope 3 emissions

We are reducing our Scope 3 emissions by 100% by 2026. While we do not have direct control over the majority of emissions in the Scope 3 category, they represent the bulk of our emissions. We are addressing them in our carbon negative commitment by the following methods:

- Improving supplier emissions data tracking
- Improving supplier emissions reporting
- Further improving energy efficiency of devices and software
- In our solutions, we are continuing to reduce carbon emissions and environmental impact throughout lifecycles.





“We also made good strides pushing forward our sustainability objectives and reducing the Group’s impact on the environment. This was the first year we initiated voluntary environmental impact reporting, in recognition that sustainable business practices will play an increasingly important part in the Group’s long-term objectives. Over the year, we lowered the Group’s direct carbon emissions by 31%. We are well on track to reach our target of being carbon neutral for Scope 1 and 2 emissions by end of 2022 and Scope 3 net zero by end of 2026.”



Henrik Bang, Netcall CEO



Rethinking travel

Netcall has deployed Microsoft Teams to all employees, providing ways to work with colleagues and customers without travel. Once COVID-19 restrictions are removed, it is expected that there will be a 20% reduction in business travel from pre-pandemic levels.

Shifting to virtual events

The COVID-19 pandemic effectively ended live events for at least one year.

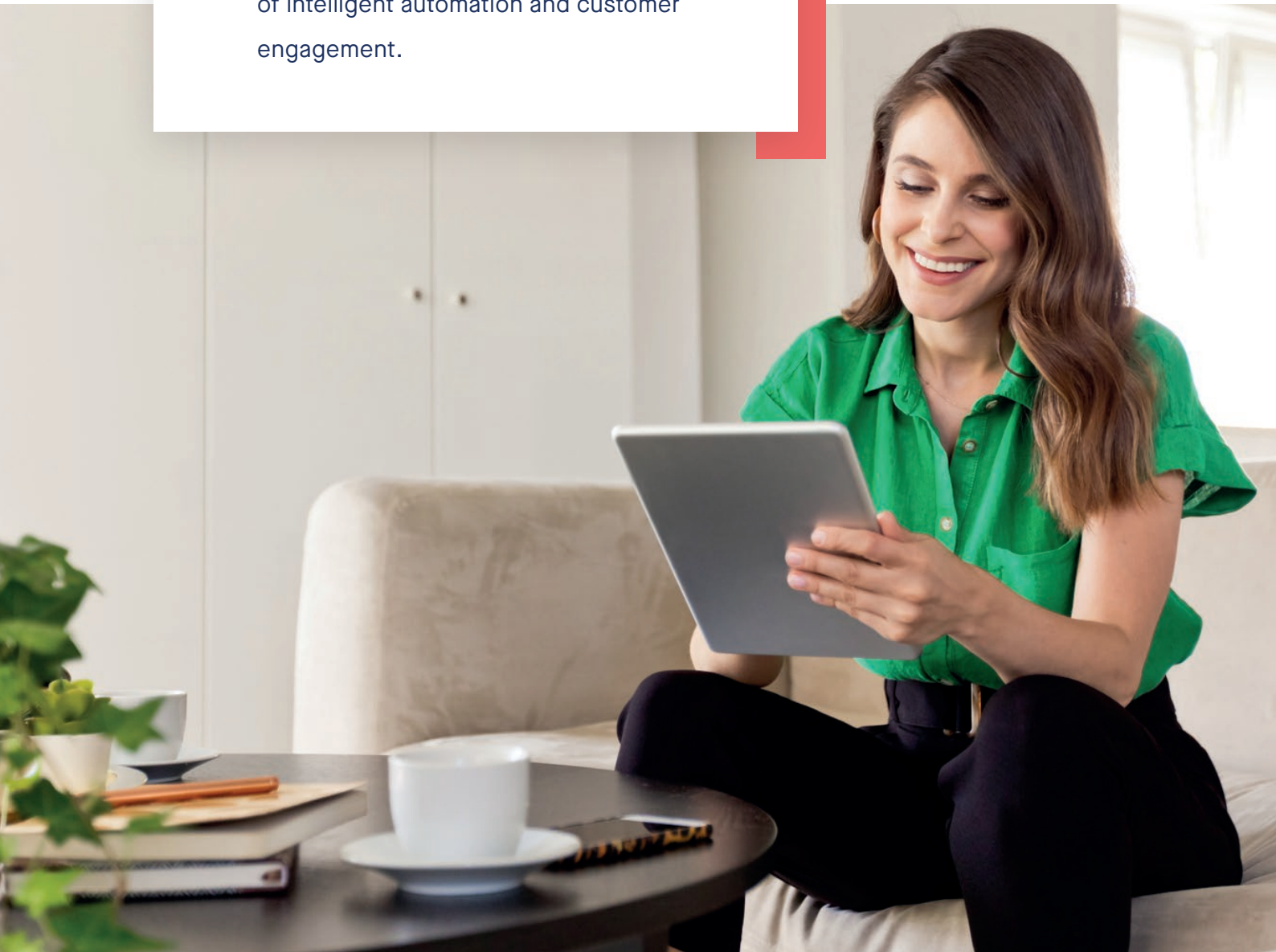
We participated in a number of virtual events and increasingly held customer meetings/presentations and investor roadshows using virtual tools. We plan to continue doing this, where appropriate.

What's Next?

We will reduce our Scope 1 and 2 emissions to zero by 2022.

By 2026 we will reduce our Scope 3 emissions by 100%.

We will help our suppliers, customers, and partners reduce their carbon footprints through our learnings and with the power of intelligent automation and customer engagement.



Greenhouse gas emissions

Baseline: Financial year ending 30th June 2020

Additional details relating to the baseline emissions calculations:

No prior Scope 3 emissions reporting.

Baseline year emissions:

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	36.6
Scope 2	30.0
TOTAL EMISSIONS	66.6



Baseline: Financial year ending 30th June 2021

Additional details relating to the baseline emissions calculations:

No Scope 3 emissions reporting.

2021 financial year emissions:

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	38.1
Scope 2	7.6
TOTAL EMISSIONS	45.7

Purchase of 100% renewable electricity for the Poole office has been implemented since the 2020 baseline. The final invoice for electricity at the now closed Hemel Hempstead office was on 31 May 2020 and the scope 2 emissions at that location in financial year 2020 were <1 tCO₂e.

The carbon emissions reduction achieved by these schemes equates to 20.8 tCO₂e, a 31%ge reduction against the 2020 baseline and the measures will be in effect when performing the contract.

Scope 1 Emissions

Scope 1 includes emissions resulting directly from Netcall's activity, such as fuel used in vehicles or gas burnt in boilers to heat facilities.

- In financial year 20 Netcall CO2e emissions for the use of gas to heat office building was 36.6 tonnes.
- In financial year 21 Netcall CO2e emissions for the use of gas to heat office building was 38.1 tonnes.

This is an increase of 1.5 tonnes of CO2e, 4.3%.

Scope 2 Emissions

Scope 2 includes indirect emissions primarily from purchased electricity. Energy efficiency and procurement of green power are key to reduce Scope 2 emissions.

- In financial year 20 Netcall CO2e emissions for the use of electricity in office buildings was 30.0 tonnes.
- In financial year 21 Netcall CO2e emissions for the use of electricity in office buildings was 7.6 tonnes.

This is a reduction of 22.4 tonnes of CO2e, 74.6%.

Scope 3 Emissions

Scope 3 includes all indirect emissions that occur across Netcall's value chain, both downstream and upstream.

These sources are extensive and includes business travel of employees and the full lifecycle of products, including the electricity that clients consume when using a Netcall solution.

Scope 3 is optional, but it provides an opportunity to be innovative in greenhouse gas management.



Netcall will focus on accounting for and reporting those activities that are relevant to our business and goals, and for which we have reliable information. In advance of mandatory reporting requirements, Netcall will capture and analyse data for the following Scope 3 categories:



BUSINESS TRAVEL



EMPLOYEE COMMUTING



**WASTE GENERATED
IN OPERATIONS**



**UPSTREAM
TRANSPORTATION AND
DISTRIBUTION**



**DOWNSTREAM
TRANSPORTATION AND
DISTRIBUTION**

