

A message from our CEO

It is hugely important that we each individually play a part in leaving a positive environmental legacy that we are proud of.

This report will help us to build on the great work we are doing around sustainability and is an important catalyst in bringing about a wealth of further positive steps, as we work together to make a difference for our customers, our people, our communities, and our planet.

As we all witness the effects of climate change, this way of thinking has never been more important. In this report, we share our business initiatives and commitment to focus on the environmental challenges that we face. We're investing in sustainable practices because it's the right thing to do, but also because we know our staff, customers and partners are looking for leadership and action on the issues that most affect society.

Our sustainability is key to our future success and our long-term profitability. We have much more progress to make but have made some good progress that we are proud of, achieving the important goal of not only reporting on our overall carbon footprint, but taking steps to be carbon neutral in 2021. Knowing we are aligning to the Sustainability Accounting Standards Board (SASB) framework and having implemented a structure to materially reduce our carbon footprint further still, bodes well for the future. We have achieved a lot, but we need to hold each other accountable and push further to ensure lasting change for us all.

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About this report

Our ESG report provides maturing clarity on our management of environmental, social and governance opportunities and risks.

Along with disclosing milestones from the past 2 years, we are also sharing the trajectory for our strategy. We are committed to ensuring that our impact is long-term and sustainable.

By publishing an ESG Report on an annual basis, we can continue to transparently share our priorities, challenges and successes. These reports serve as a comprehensive baseline and we will be able to expand the level of transparency as we mature data collection systems.

The ESG journey is not a sprint. Like most businesses, we will look to evolve and usher in best practice, learning from our peers as a growing number of organisations embark on their sustainability journeys, sharing their thinking and progress.

The content in this report was informed by SASB's Internet Media & Services and Software & IT Services guidance. We take climate risk seriously and recognise the importance of the Task Force on Climate-Related Financial Disclosures (TCFD) and intend to align ever more closely with the TCFD framework.

As well as our climate commitments, we are ensuring that we do more to support our people and our communities.

This is shown through our commitments to social responsibility, charitable support and improving DE&I frameworks.

We are committed to making a positive impact for our planet, our people and our communities.



Ourapproach

Advanced exists to make a difference. We need to set an example for the workplace of tomorrow. Our commitments go beyond statutory guidelines, as we prove what is possible when we truly care. Our commitments to our people, our communities and our world guide us to make better choices every day.

We have a responsibility to the people that we serve, and we are committed to integrity and transparency in how we meet that responsibility. Our record shows how we have achieved this over the years. We have produced in-depth and accurate reports on our impact, showing the difference we have made.

ESG is a wide and important field. We endeavour to meet all its challenges to the highest possible standards, and this report is a key tool in achieving this. We have identified the three key areas of responsibility for us to make a difference, and we are making an impact in those areas.

Our planet, our people and our communities are all vitally important to us. These guide us to make more responsible decisions every day, and form the basis of our strategy. We believe that our ESG strategy would not be complete without a commitment to all three.

We now track all our GHG emissions and have trend data from 2018. Our commitments to a low carbon society are aligned in our net-carbon pledge which is to reduce company emissions by 50% by 2030 from the baseline set in 2018. Our goal is to become a carbon-neutral organisation, which we have made important steps towards completing.

Finally, our joint parent company Vista became one of the first North American private equity firms to commit to the Net Zero Asset Managers initiative. In doing so, they pledged to reduce emissions in their portfolio companies by 50% by 2030 and to be net zero by 2050. Each year, we offset our emissions to a carbon neutral position.

Advanced has signed up to the Vista Climate Pledge along with all majority owned companies in the Vista Equity Partners portfolio. The pledge consists of four parts:



Measuring GHG emissions annually



Setting a GHG reduction target



Reducing GHG emissions annually



Offsetting GHG emissions annually

Advanced has committed to support this pledge and already have applied this pledge into our ESG approach.

Our strategy is guided by three focus areas



Protecting our planet

- Climate crisis

"Climate change is the defining crisis of our time and it is happening even more quickly than we feared... It is clear that business as usual is not good enough. As the infinite cost of climate change reaches irreversible highs, now is the time for bold collective action."

- United Nations

Given the accelerated rate of climate change, it is clear that early optimism about reversing the damage to the natural world have been replaced with humankind having to accept and live with the changes we have bought about.

It is more important than ever that businesses, and individuals set clear goals and keep the topic of sustainability high on the agenda. We all have to adapt our business and personal lives to mitigate the impact we make in order to build a groundswell for more dramatic improvements that can only come with widespread focussed action.





Supporting our people

- Fostering inclusivity and building community

Cultivating a diverse workforce and inclusive culture is a priority for Advanced. Our continued efforts towards equity in 2021/2022 include a second and third Diversity Pay Gap Report, reducing bias in recruitment and promoting internal career mobility.

Alongside the brilliant work of our Inclusion Networks, we have undertaken new initiatives such as becoming a Stonewall Diversity Champion, a Disability Confident Employer and partnering with charity Astriid which supports people with long-term health conditions.

Wellbeing is a key area of concern to maintain a productive work environment. As investors in people, we have supported our employees to achieve their best in a supportive environment. This includes our new men's mental health network and our provision of counselling and advisory support through Care First.

Advanced also strives to be a responsible and contributing part of society, seeking to build strong relationships and acting as a good neighbour. Fundamental to this is making a real difference to those in our community who are disadvantaged and needing help, not just in the form of monetary donations but also available time and access to opportunities.



Delivering strong governance

- Excellence and accountability

Sturdy governance enables Advanced to run ethically, sustainably and successfully – benefiting our investors, employees, customers and our wider community. It supports our organisational standards and includes clear decision-making processes, transparent reporting, active stakeholder engagement and management of risk – allowing Advanced to achieve its purpose.

Our core reason for existing is powering the world of work through mission-critical software. We allow our customers to get the job done in a way they can rely on in the long-term. That means providing high-quality solutions in a sustainable and responsible manner.

The protection of sensitive and confidential information is central to the duty of care we have for our customers and partners. Our software powers critical operations for over forty million people in the UK alone, which is why integrity and accountability are at the heart of our values. This approach to our practice ensures that we put governance first in our most important practices.



Deploy enhanced method of governance tracking of actions for 2022



1 Protecting our planet

Climate change is the defining crisis of our time and it is happening even more quickly than we feared... It is clear that business as usual is not good enough. As the infinite cost of climate change reaches irreversible highs, now is the time for bold collective action.

A net-zero future

In our inaugural report the goal was to underline our climate commitments, share our initiatives and raise awareness of activities throughout the business and our markets.

Embedding sustainability as a guiding objective for 2021/22 allowed us for the first time as a business to have a clear sustainability agenda aligned to the whole business.

Our net zero goals continue to be guided by four core principles:

- To reduce the environmental impact of our operational activities through effective management of our estate
- To create and maintain a positive environmental sustainability culture
- To maximise the positive impact of our sustainability actions through effective communication, collaboration and partnership
- To fulfil all environmental compliance obligations and seek to exceed regulatory requirements

These principles allowed us to set our sustainable milestone targets to achieve by the end of 2022 which were:

- To track our total carbon impact from all our offices, travel and data centres
- Switch our Scope 2 grid electricity in our UK offices to a green energy provider
- Target 1,443 tonnes of carbon dioxide equivalent (tC02e) usage
- To offset this impact though carbon credits in the UK or carbon offsetting worldwide

Against these targets we are delighted to say that we achieved these and in addition aligned our net-carbon pledge with that of our parent company, Vista Equity Partners who have committed to a 50% emissions reduction by 2030 and net zero emissions by 2050.

Our goals for 2023:



Target a full year emissions figure of 1,207 tCO2e which represents a 40% reduction on the 2018 figure of 2,037 tCO2e



Capture and incorporate the emissions related to employees working from home – both flexible and homebased (We have a vista calculated estimate for energy usage from devices and will be administering a survey to calculate commute emissions)



Target 0.4 tCO2 or lower per employee

The role of our people | The Green Network

Our Green Network helps us to think about the ways in which we can be more sustainable at a personal as well as a company-wide level. It harnesses the passion of the workforce to promote and implement further emission reduction initiatives and promote environmental awareness within every area of the business. It enables all employees to play a part in sustainability initiatives.

The Green Network focuses on five core principles:



To protect the environment by reducing our carbon footprint



To reduce the environmental impact of our operational activities through effective management of our estate



To create and maintain a positive environmental sustainability culture



To maximise the positive impact of our sustainability actions through effective communication, collaboration and partnership



To fulfil all environmental compliance obligations and seek to exceed regulatory requirements.





Our offices

The way we use our offices, and the approach to property management have continued to evolve over the last year.

Having invested in more collaborative workspaces in preparation for a return to the office we have continued to provide choice for employees about how best, and where they work.

This flexibility, which has led to an increase in hot-desking areas meets the needs of employees who are alternating between working from home and being in the office, whilst better utilising our office space.

We continue to provide energy charging stations at our head office in Birmingham and continue to encourage the use of these for employees who own electric cars. Finally, like many businesses, we rely heavily on paper.

Our average monthly paper usage pre-pandemic was

12,563 sheets a month - which dropped to 2,675 per month
during the pandemic. We aim to reduce this usage by continued
adoption of digital initiatives, but we also took the available
time during lockdown to install central smart printers in all our
offices. These devices reduce energy consumption thanks to
environmentally-friendly low Typical Electricity Consumption (TEC)
values and provide greater information about print volumes.
They have reduced the total number of print devices and
standardised our approach.

Printing is now based on a 'follow me' approach and is tied to staff cards. This allows accurate collective and individual tracking of all printed, scanned and copied documents which we hope will reduce the amount of duplicate printing and ensure people stop and think ahead of using printed materials. Alongside the improved efficiency, the average cost per print has been reduced from £0.48 to £0.23 for black and white.

Recycling

Reducing the amount of paper we generate is a key focus, but also recycling the (recycled) paper that we do use.

We have taken steps to recycle other materials such as plastics and cardboard, and comply with Waste, Electrical and Electronic Equipment (WEEE) regulations and recycle our electrical items.

Our corporate responsibility to the environment is central to how we run our business. We minimise our consumption of natural resources and manage waste through responsible disposal – reusing and recycling materials wherever possible.

In terms of sustainability across our Head office in the Mailbox, we have continued to embrace the three Rs principle of Reduce, Reuse and Recycle.

In terms of other considerations:

All doors and bespoke joinery products are supplied by companies that promote and support the Forest Stewardship Council (FSC) and Programme for the Environment of Forest Certification (PEFC) schemes.

We are 98% compliant in reuse of all products during office fit outs.



Some key highlights of our approach to recycling are:

94%

reuse of existing carpets

100%

reuse and reconfiguration of building services 92%

reuse of existing furniture, this being reuse from within the premises and also from our existing stock



Software solutions for our customers

We believe that technology holds the solution to the challenges we face. Software can provide solutions which don't rely on outdated and environmentally unsound methods. For example, cloud solutions cut down on the use of paper, which has a huge impact on the environment.

The paper industry is responsible for 1% of all global CO2 emissions, as well as emitting a range of other harmful pollutants. This makes a significant impact on the atmosphere, as well as land and natural wildlife. Polluting land and waterways on top of generating greenhouse gasses means that paper is becoming an increasingly unviable option.

That's why we have moved away from paper as a business, and we are supporting our customers to do the same. Cloud solutions are often the most responsible option, providing greater security and efficiency as well as lower emissions. This is an important step for better governance.

At Advanced, we believe that paperless is the future, and we are creating the tools that make that future work. To protect our planet and provide the latest capabilities, we are powering the world of work for the future.





Carbon emissions at a glance

We calculate all material emission sources for Advanced in accordance with the Greenhouse Gas Protocol market-based approach, including any direct emissions (Scope 1), and our indirect emissions from purchase energy and other indirect emissions (Scopes 2 and 3).

Our centralised system to measure our overall greenhouse gas (GHG) emissions footprint went live in June 2021, allowing us to aggregate three years' worth of historical data, and importantly baseline our emissions prior to Covid.

Using this data, we set a target of 1,595 tCO2e for 2021 and 1,443 tCO2e for 2022, and as part of continued commitment to halve our emissions by 2030 we will challenge the business to continue with stretching reductions year on year.

Our Scope 1-3 GHG footprint in 2021 was 1,240 tCO2e in 2021 and 1,312 in 2022. This includes emissions associated with electricity use, business travel, supply chain and waste. Our GHG footprint is calculated on a calendar year basis, and this report covers the periods 1 January - 31 December 2021 and 1 January - 31 December 2022.

As Advanced is growing at scale and acquiring other companies we take the approach of rolling all emissions relating to each acquired company to the following full calendar year. This avoids having to pro-rata usage but does slightly skew the following year's total emissions, this is broken out in the usage so that emissions related to the acquisitions can be seen. 2648_{MWh} of electricity consumed





0.5%

of our waste from facilities projects being taken to landfill **1,312** tCO2e for 2022

Overall emissions footprint

With four years' worth of data, we are able to see the impact of Covid on our overall business emissions with 2020 being 20% lower than the previous 2019 usage emissions.

Despite in 2021 the workforce returning to the office and considering the inclusion of acquired companies over that period we continued to see a reduction in our emissions. This was due to a review of our office estate and the introduction of continued hybrid working.

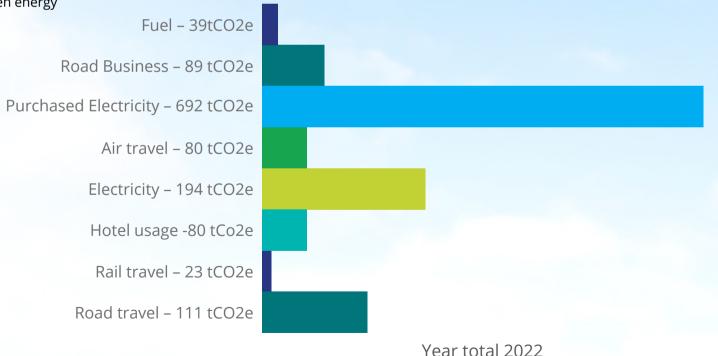
16 per cent of the emissions were due to acquired companies during 2022 which will be integrated into the business and further synergies of office footprint will be gained. We also expect to see a material reduction in our electricity usage as we switched to green energy

providers for all our main offices during the later months of 2021.

As such, when coupled with our other ESG initiatives we achieved a 2022 emissions figure of 1,312 tCO2e which was within our target of 1,443 tCO2e.

Our 2023 target is 1,207 tCO2e which represents a 40% reduction in the 2018 figure of 2,037 tCO2e.





Emissions by source (2021/22) (tCO2e)

Emissions by source

In 2021 we saw our scope 1 emissions increase, due in part to the acquisition of two businesses who owned a larger fleet of company vehicles. Our scope 2 energy usage has stayed consistent as the largest percentage emission type but we expected this to drop during 2022 when the full year benefit of switching to green energy providers is realised.

In 2022, we saw a significant decrease in Scope 2 emissions. With the introduction of green energy sources for mains power, we were able to reduce emissions to 692 tCO2e. This is a 101 tCO2e reduction since 2021 and is still below the low level set in 2020.

We have also seen a consistent reduction in Scope 3 emissions from business travel. From 269tCo2e in 2020, this was reduced to 212t in 2022, following a consistent year-on-year reduction. This reflects a stronger commitment to sustainable travel, even after the end of Covid-19 restrictions.

Our emissions from waste have been significantly reduced since 2020. Through switching to a recycle-first policy, we have eliminated a great deal of the emissions caused by landfill waste. From 22.32tCO2e in 2020, we rose to a high of 30.96t in 2021, but this has been turned around. We have now reduced our emissions to 3.62t in 2022, eliminating the majority of emissions from non-recyclable general waste.



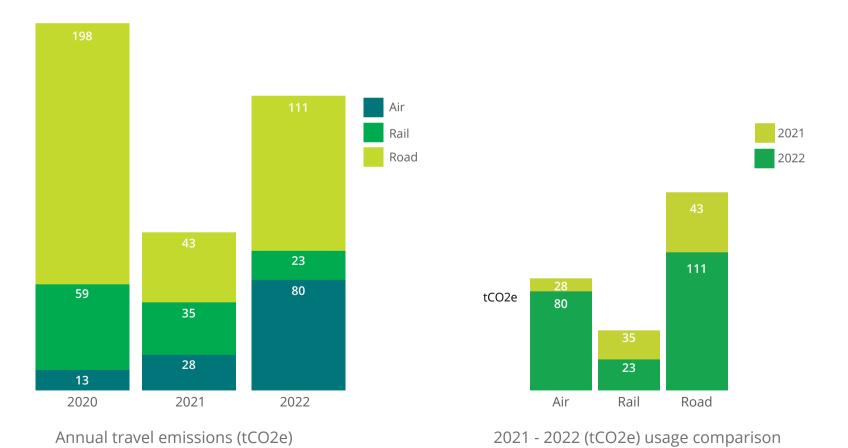


Scope	Emission Name	Emission Source	Year Total 2020	Year Total 2021	Year Total 2022
Scope 1	Fuel	Natural gas, landfill and owned vehicles	41	84	128
Scope 2	Electricity	Standard grid, green tariff	797	786	692
Scope 3	Air Travel	International, Long/ Medium Haul, Short Haul	13	28	80
Scope 3	Rail Travel	International rail, National rail	59	35	23
Scope 3	Hotel Stays	UK Hotel, International Hotel	N/A	25	80
Scope 3	Electricity	Supply chain	N/A	198	194
Scope 3	Road Travel	Car	198	43	111
Scope 3	Waste	Dry mixed recyclable, General waste, General waste (non recyclable), Withdrawal	22	32	4
		Total	1130	1231	1312

Breakdown of Scope 3 emissions due to travel

The decrease seen in 2020 was still very much visible in 2021 as the effect of Covid lasted well into the later part of the year. The increase since 2019 in road travel has obviously been influenced by the pandemic – with more people choosing to travel via road comparted to rail or air. In 2022, we saw a rise in the travel emissions from air and rail, but not to the extent we might have feared.

We saw a marked decrease in emissions from road travel, which has offset the rise in air and rail emissions. This was aided by a 34% reduction in travel by road compared to other modes of transport. This has allowed us to report a total below 2021 – our lowest since 2018.



16

2022 emissions by travel type (tCO2e)

Significant reductions or increases of note

A major target for 2021 was a commitment to sourcing 100 per cent renewable electricity for all our UK buildings.

This switch took place for our HQ and regional HQ in August 2021. As such, from September 2021 onwards we have applied our renewable energy purchases to our Scope 2 emissions.

As displayed, whilst we have taken many measures to decrease our carbon output there have been increases in emissions since 2020. The reasons for this are detailed below:

- The continued growth within our Software-as-a-Service (SaaS) business includes adding scale through acquisitions, depending on the scale of acquired businesses this will at times result in an increase to our carbon footprint
- Increase in business travel following the significant reduction during Covid-19 and lockdown restrictions
- We are continuously looking to increase the number of data points being measured to improve Scope 3 coverage and data quality. As a result of this our measurable scope 3 emissions can increase

 Increase in road business due to acquisition of Mitrefinch vehicle fleet and increased requirements to travel to customer sites to repair and install our hardware

Whilst the overall emissions have increased slightly overall due to the above factors there is a significant reduction in other areas to set us up for meaningful long-term reductions.

For perspective we have achieved a record low emissions per person intensity value in 2022 which is further detailed in the next page of this report.

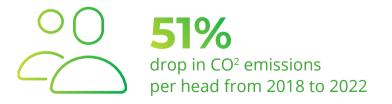


Emissions to headcount

We continue to track our emissions to employee as a core metric of sustainability. Normalising the data, based on the GHG intensity and the size of the workforce shows an efficiency of business growth against the impact of emissions.

Our target, based on pre-Covid levels set in 2019 is to achieve emissions per employee below 0.4 tCO2e per person.

This has remained consistently low for both 2020 and 2021, and, although Covid was a contributing factor, we expect to keep striving and tracking at the current level into 2023 due to the initiative to switch scope 2 grid electricity to green suppliers.



This has had a marked effect, with our per-capita emissions reducing in 2022. Despite a slight upward trend in 2021 – 0.3 from previous year – we are now back on track with continued reductions. In 2022, our emissions fell to 0.44tCO2e/FTE, a reduction of 0.7 from 2021.



Emissions (tCO2e) per employee

2 Supporting our people

Not only is it right to recognise and celebrate differences, and ensure everyone has the opportunity to thrive, but creating a culture that is genuinely committed to a meritocratic workplace is important to our success.

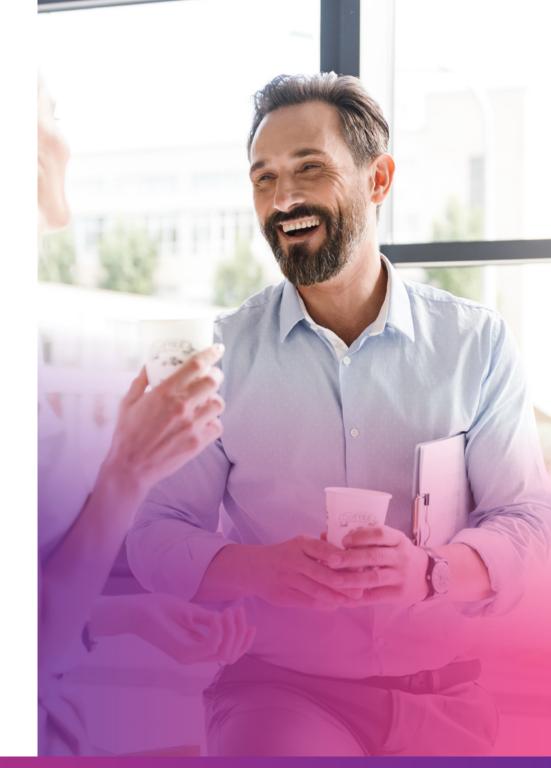
People policies

Reducing bias in recruitment | Our approach to hiring

Advanced's <u>innovative recruitment process</u>, which seeks to reduce bias – unconscious or otherwise – when hiring, helps us make systematic change. In our recruitment, we use tools that focus the process on the potential of candidates.

We don't focus on CVs and past experience, redacting demographic information. This reduces unconscious bias in hiring, which is vital to ensure an effective and equitable process.

By using this process, we are creating a diverse team of individuals who are selected purely on merit, aptitude and potential - bringing powerful teamwork, ingenious problem solving and a more rounded approach to decision making to our business.



Internal mobility

Our innovative recruitment process broadens our entrant talent pool, and many of these employees then go on to take on more senior roles. In 2021 we enabled 600 people to kick-start their career, as well as filling senior positions by internal promotions.

"If you're open-minded about where you start – where you end up can be a whole different story."

Amanda Grant, Chief Product Officer





Diversity and Inclusion

D&I Mission Statement

We strive to provide a truly equitable experience and genuinely equal opportunities for all our people at every stage in their Advanced journey. We celebrate diverse identities, educate on differences of lived experience and advocate for inclusion.



Diversity Pay Gap Report

In 2021/22, we published our second and third Diversity Pay Gap Reports, going beyond the legal requirement for a Gender Pay Gap analysis to also include a range of diversity characteristics - ethnicity, sexuality, education, disability and socio-economic status. There have been ups and downs, but it has allowed us to make strong and effective improvements.

Our diversity data volunteered by our people was updated in November 2021. We compared the diversity characteristics to the UK census of 2021 to understand how representative we were in the UK, where most of our staff are based. The financial information is from April 2021.

Through this period, we have seen some encouraging results. We have seen significant reductions in demographic pay gaps in most areas, as well as a strong increase in representation. This has not been a universal success, with strong indications of areas for improvement.

We had already seen progress in our Gender Pay Gap reports since 2017, which continued through 2021 and 2022. From 16.8% in our 2020 report, we saw reductions to 12.2% in 2021, then 6.8% in 2022. This shows a strong shift in the gender pay balance, supported by a shift in the gender balance in the most senior roles. At the same time, we have seen the representation of women at the top of our career framework nearly double – from 16.3% to 31%.

Since we began our Diversity Pay Gap Reports, we have seen a strong LGBTQ+ community at Advanced. The number of employees who are part of this community has consistently been higher than the census average. Until 2021, we worked from 2011 census data, suggesting that 5.6% of UK adults were non-heterosexuals, although the 2021 census revised this to 10.6%. In either case, we have long been above the national level, with 5.1% in 2020 rising to 7.5% in 2022.

It must be remembered that this may not be entirely accurate, with those who prefer not to state their sexuality at Advanced remaining above the national average. This disparity has dropped significantly between 2020 and 2022, which would suggest that our current data is more accurate.

Through the same period, we have seen the sexuality pay gap experience significant shifts. From 11%, the gap rose to 21.8% in 2021. There has been progress more recently, lowering the pay gap to 15.5% in 2022. This may be explained by the rise in LGBTQ+ employees joining the business at a lower level in the pay structure.

We have also seen a rising proportion of employees from a minority ethnic background joining Advanced. This has, however, coincided with a rise in mean ethnicity pay gaps, from 18.8% in 2020 to 20.1% in 2022. This is a clear area for improvement. On the other hand, we have seen a reduction in median pay gaps, which shows an area we can learn from. We have seen a significant increase in non-white employees in the most senior positions in the career framework, and we believe that having the right insights in leadership is key to making a difference.

We saw a rise in disability pay gaps between 2020 and 2021, from 18.3% to 23.6%. This showed that this was an issue that required attention. In 2022, we became a Disability Confident Employer, showing our commitment to ensuring the greatest possible equality. This, alongside our work with Advanced Enable – one of our inclusion networks – has made a positive change for our people. In this report, we are able to say that we have significantly reduced the disability pay gap, which is now below 2020's figure at 13.4%.

All workforce representation data can be found within our <u>Diversity Pay Gap Report.</u>

Inclusion Networks

Set up in 2020, our Diversity and Inclusion Networks were created based on three core principles which were to:



Celebrate



Educate



Advocate

Our Inclusion Networks provide a safe space and support – as well as a focus for change and fresh approaches. They help to educate us all and share greater understanding. The Chairs and other members of our Inclusion Networks have been invited to speak at our monthly virtual Town Halls which go out to all employees worldwide. It is a chance to talk about personal experiences to increase business-wide empathy and awareness. We also want to extend our reach outside of the business, for example our D&I Networks work with relevant charities such as the Prince's Trust and Astriid, and they represent us when speaking about these issues with the media.

Our Inclusion Networks encourage employees to take part in and lead conversations on the challenges and barriers for people of different communities in order to drive change and focus on the celebration of diversity within the business:

Exec-level sponsorship provides additional support for each Network, which means when we decide we need to take action for improvement we can do so at pace. The Inclusion Networks also each have a People Experience sponsor who guides and provides insights to help them connect with the wider community within Advanced.

Our Networks

Advanced Enable

A supportive and informative space within the workplace for colleagues with disability, long-term health conditions or impairments, neurodivergent colleagues, carers, and allies.

Team Rainbow Network

A place to share stories and work together to support and celebrate the LGBTQ+ community.

Advanced Women's Network

The Network was founded with one key goal in mind: to support and empower women to reach their full potential and overcome barriers to success.

Black Lives Matter Network

To promote racial equality and diversity within all levels of the business, focussing on the enhancement of Black lives.

Men's Mental Health Network

A safe place to discuss mental health and wellbeing.

Family Inclusion Network

Supporting people with families to advance their careers in a positive and open environment.

Initiatives for 2021

Disability Confident Employer

Disability Confident Employers play a leading role in changing attitudes for the better. It was an important step for our business to take towards providing truly equitable opportunities. It is an indicator to disabled candidates that we are committed to getting the right people for our business. And it helps hold us accountable to ensure we are doing the right thing to develop our disabled employees and progress their careers.

The scheme helps us recruit and retain great people, drawing from the widest possible pool of talent and securing high-quality staff who are skilled and committed. It improves employee morale by demonstrating we are treating all our people fairly and helps to create allies within the organisation.

We intend to attain the Disability Confident Leader (level 3) certification in 2024, to further demonstrate our commitment to supporting this community.

Stonewall Diversity Champion

In June 2021, we were delighted to become a Stonewall Diversity Champion. It is the leading employers' programme for ensuring all LGBTQ+ staff are free to be themselves in the workplace. This supports our focus on ensuring everyone feels welcome and able to bring their authentic selves to work at Advanced.



Charity

The Prince's Trust

We are proud patrons of The Prince's Trust – like us, the charity is passionate about giving people the chances they deserve. It supports 13-to-30-year-olds, many of whom are unemployed, disadvantaged, living in care or facing issues such as homelessness or mental health problems.

Throughout the year we organise and participate in charity events, from sponsored hikes to bake sales. All the proceeds from these endeavours help The Prince's Trust continue its great work to inspire young people to build their confidence and start a career.

Additional Fundraising

We match up to £50 raised by each member of staff for a charity close to their heart – with a dedicated £10,000 a year through our MatchIt! scheme. This allows us to help all our employees with their wonderful fundraising activities. It is important to us to recognise and support all of the dedication and hard work our people do to make the world a better place.

We also work with Pennies from Heaven, which enables UK employees to donate pennies from their net pay each month to The Prince's Trust. In 2021/22, our staff donated a total of over £1870.

Twice a year we run our Net Promoter Score survey amongst our customers. For each survey completed, we make a donation to a charity – which typically leads to a total donation of around £2,000 each time. Past charities have included NHS Charities Together and the Prince's Trust.



Volunteering

Each year, our employees are entitled to take one paid day of Volunteering Leave, to support a cause they are passionate about with their time.

We encourage employees to get involved in these activities, a number of which were carried out in 2021 and 2022. This including assisting food banks, vaccination drives and other personal volunteering efforts.

We also extend this to medical volunteering, giving staff time off to donate blood and stem cells.

We're passionate about supporting our local communities, and regularly donate laptops to those in need in Birmingham and Slough.

In 2022 we increased the number of volunteering hours by 561% to





Workforce wellbeing

We are committed to the wellbeing of our employees. Our range of benefits and working environment help to support the physical, mental, emotional and social health of our people.

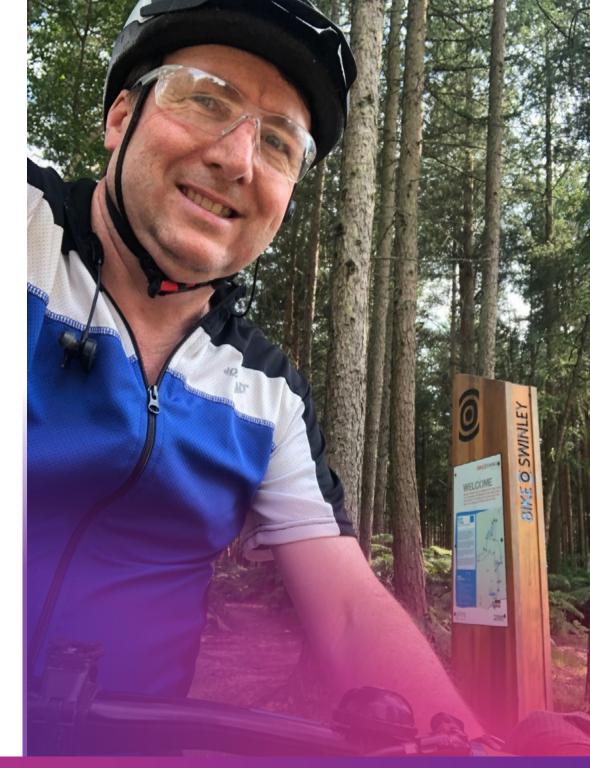
We encourage everyone to include healthy behaviours in their working practices – for example there are automated reminders questioning whether emails need to be sent outside of working hours.

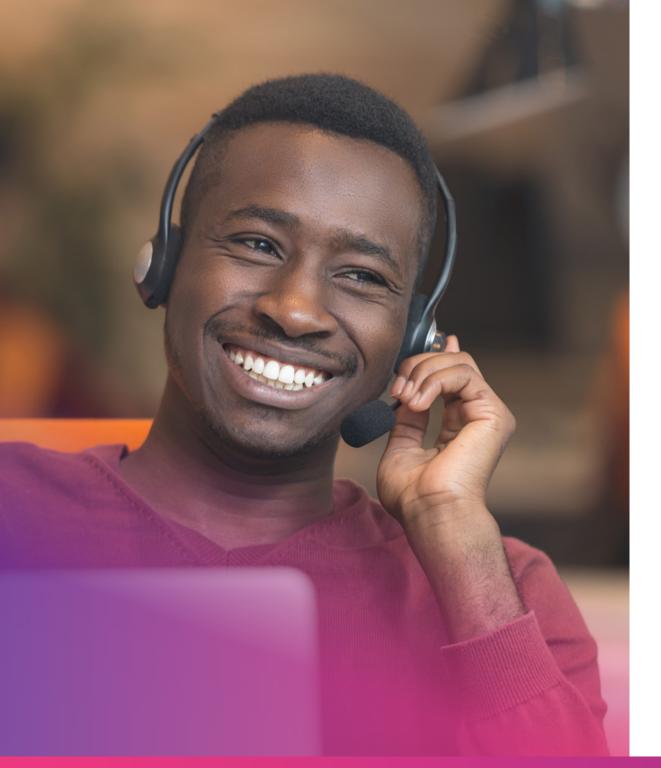
We support our people to be proactive about their wellbeing. Our free and confidential Employee Assistance Programme provides support, advice and counselling to all staff, and is available 24-hours a day.

In addition to personal wellbeing, we also have a financial wellbeing scheme run in conjunction with HSBC and Scottish Widows. It provides information about everyday resources that are available to help staff plan for their financial future.

24/7

Employee Assistance Programme provides support





Employee listening

In order to become a destination technology career provider and to excel as a business, it is vital that we are listening to our employees and taking action as a result of their feedback. There are multiple routes through which we gather their thoughts:



A central email inbox where people can ask questions and send in suggestions



Pulse surveys through our monthly Town Halls



Topical surveys via email



Focus groups to gather specific feedback



Hearing more on the sentiment of each function from the leaders.

We believe in giving our employees a voice within the business to ensure that we are moving in the right direction. Our employees who have direct contact with the sectors we serve have the best understanding of the issues that they face. By listening to them, we are able to be more responsive and responsible for our customers.

Furthermore, when ensuring that we are supporting our people to the greatest extent possible we need to ensure that we are responsive to their needs. This is something we achieve through high-quality employee listening. This is carried out through a range of methods, including our close work with our inclusion networks.

Hybrid working

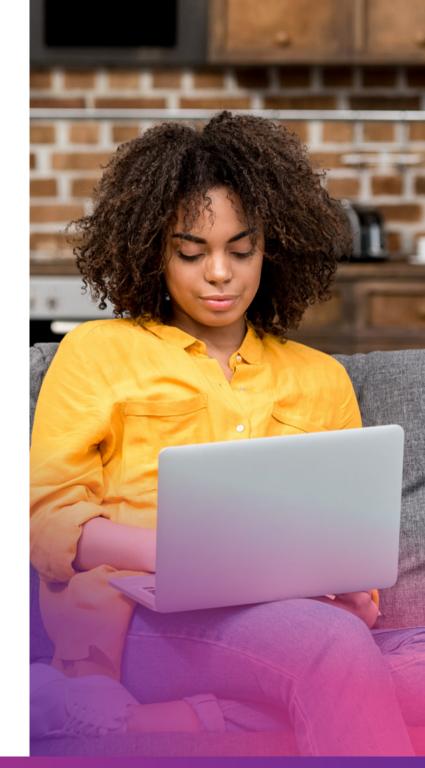
Times have changed and Advanced now operates a flexible hybrid working model. It recognises that since the pandemic, the structure of our working life has evolved.

We have taken a fresh look at our office space and asked important questions about its use, how it can best serve the business, employees and customers, and the impact it has on our environmental initiatives.

We ran pulse surveys and listened to our people when they told us about their working preferences, how they can be most productive and what work / life balance means to them. We want to follow a model that answers the needs of the business and supports the wellbeing of our employees.

We trust our people to use the mobile technology enabling effective communication through audio and video meetings, webinars and online training as well as document sharing. For our customers, we seek to offer our consulting, implementation and training services remotely where appropriate and when necessary.





3 Delivering strong governance

We strive to be a responsible and contributing part of society, seeking to build strong relationships and acting as a good neighbour.

Excellence and Accountability

Our governance structure reflects that we are taking a long-term view. We believe having our team and culture aligned with our long-term goals is the only way to incentivise ourselves to drive meaningful, lasting progress.

We've organised our Sustainability Team and initiatives to integrate them within the business. We believe the best way to drive an impactful program is to work as one Advanced team. Starting at board level with the Exec sponsors and ESG leads who meet with the Sustainability Team regularly to review our priorities and direction, to the monthly best practice meetings with our sustainability platform provider Greenstone +.

We are also meeting quarterly with the Vista ESG Committee.

Vista and BC Partners own Advanced which provides us with a unique opportunity to work closely with all the other portfolio companies.

To that end, Vista created the committee which represents over 60 global technology businesses, tapping into what is arguably one of the largest ESG committees in the world.





Data security

Information security is an integral part of our business.

We adopt industry best standards and have implemented an Information Security Management System based on the requirements of ISO 27001 in our IT Services business to ensure we have the relevant controls to keep our data secure. We have robust policies and processes which have been verified by a UKAS-accredited certification body. To ensure our commitment to security, the policies have been endorsed by our senior management and are embedded into our working culture.



Data Governance

Data governance best practices allow us to maintain data integrity and trust in our data.

We need to know what data we have, where it is stored, how it flows through our IT systems and how we use it.

Data Protection and Privacy

The way in which we process personal data is fundamental to the faith of the customers, colleagues and suppliers in our business. Our customers' and our customers' end users' expectation is that we keep their data safe, only process it in accordance with instructions, and in compliance with the applicable data protection legislation.

These concern how we handle personal data in compliance with data protection laws, regulations and general privacy best practices. It involves adherence to requirements such as setting access controls to protect information, identifying and relying upon the correct lawful basis/es for processing, abiding by the data protection principles, and ensuring data confidentiality, availability, and integrity in accordance with Advanced Data Protection Mission Statement.

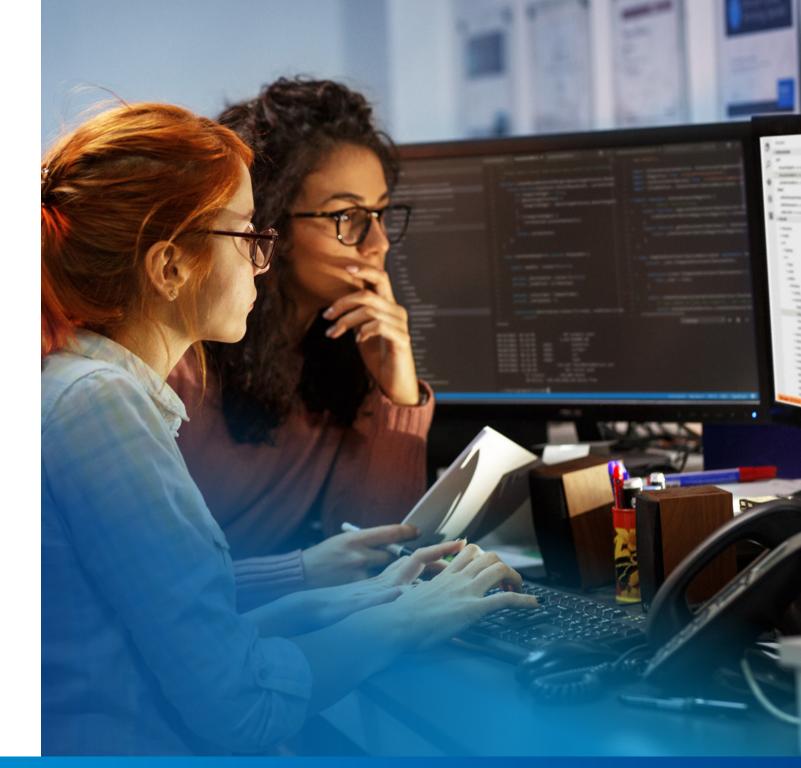
UK GDPR

The retained EU law version of the General Data Protection Regulation ((EU) 2016/679) and Data Protection Act 2018 (UK GDPR) provides a legal framework that intends to protect the "rights and freedoms" of natural persons and to ensure that personal data is not processed without their knowledge, and that processing is lawful. Compliance with the UK GDPR, and other relevant data protection legislation applicable to Advanced affiliates located outside of the UK, is a responsibility we at Advanced take seriously.

To this end, we have dedicated data protection and information security teams that continue to monitor and improve these vital practices.

Further information on our Advanced Data Protection Mission Statement may be found here

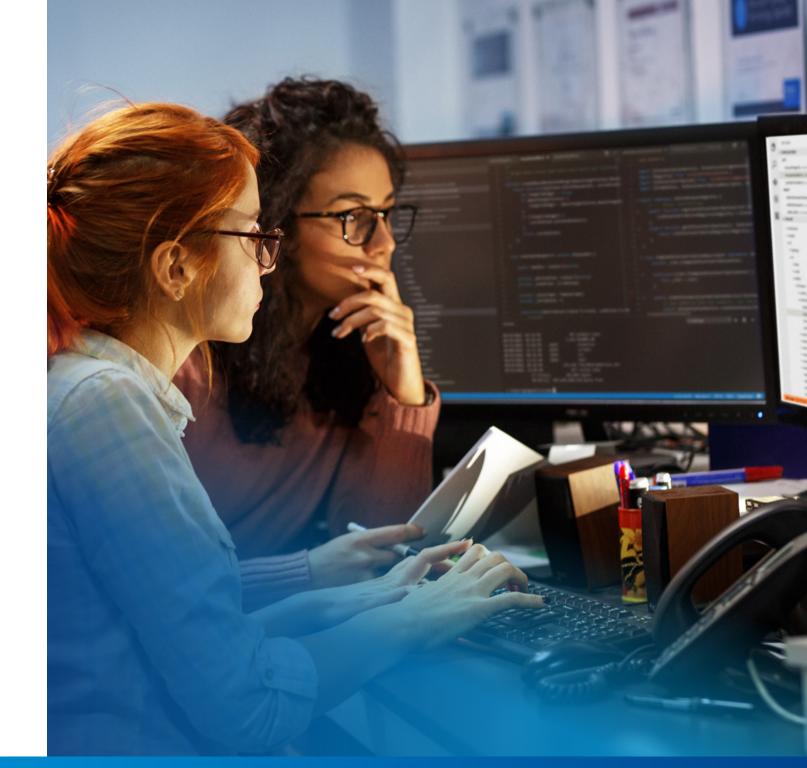
Further information on our Privacy Policy may be found here - https://www.oneadvanced.com/privacy-policy/



GDPR

"The General Data Protection Regulation (GDPR) provides a legal framework that intends to protect the "rights and freedoms" of natural persons and to ensure that Personal Data is not processed without their knowledge, and that processing is lawful. Compliance with the GDPR, and other relevant Data Protection Legislation, is a responsibility we at Advanced take seriously.

The way in which we process Personal Data is fundamental to the faith of Data Subjects (customers, staff and suppliers) in our business. Privacy and cybersecurity are therefore of paramount importance to Advanced. We have also embedded all elements of Data Protection and Information Security into its corporate management system. This includes the establishment and maintenance of an Information Security Management System (ISMS) that has been augmented to address the Data Governance requirements of the Data Protection Legislation.



Partnerships and suppliers

Our Supplier Code of Conduct codifies the standards we expect our suppliers to meet to ensure safe working conditions, fair worker treatment and responsible environmental practices.

It includes social responsibility standards drawn from Our Supply Chain Responsible Business Alliance (RBA) Code of Conduct, the Universal Declaration of Human Rights and other guiding principles of international law.

We have a number of key strategic partners all of which have strong GHG programs which align with our goals to drive down emissions:



AWS aims to be 100 per cent renewable by 2025

Learn more



Microsoft aims to be carbon negative by 2030 and offset its impact from 1975 by 2050

Learn more



Salesforce is already carbon neutral in the Cloud

Learn more



Managing system risks

Advanced strives to ensure there is complete availability across all aspects of its work.

The desired level of availability is evidenced through our Business Continuity Management System (BCMS), which is a key component of our wider Management System. In support of the Management System commitments, we are constantly reviewing operational practices and methods that will identify innovative changes and improvements in our operational approach to the continual availability of services.

Managing system risks includes the review of complaints, feedback, recommendations and / or suggestions from both customers and other internal / external parties. This is supported by additional policies and processes to ensure continual alignment to ISO Standards.





Anti-Corruption

Advanced is committed to operating responsibly wherever we work in the world and to engage with our stakeholders to manage the social, environmental and ethical impact of our activities in the different markets in which we operate.

Advanced does not engage in bribery or any form of unethical inducement or payment, including facilitation payments and 'kickbacks'. All employees are required to avoid any activities that might lead to, or suggest, a conflict of interest with the business of the company. We do not make direct or indirect contributions to political parties.

Measurement of outcomes

The Advanced Management Team regularly reviews the implementation of this policy in respect of its suitability, adequacy and effectiveness and makes improvements as appropriate. It periodically reports the results of this process to the Advanced Board, who makes an independent assessment of the adequacy of the policy and discloses any material non-compliance.

Certifications

We are committed to operating in line with best industry practice and international standards.

Quality standards currently held are as follows:

ISO 9001 - Quality Management System

This is an international standard relating to a collection of business processes focused on consistently meeting customer requirements and enhancing their satisfaction. It is aligned with an organisation's purpose and strategic direction.

ISO 20000 - Service Management

This is the international IT Service Management standard that enables IT organisations (whether in-house, outsourced or external) to ensure that their IT service management processes are aligned both with the needs of the business and with international best practice. This helps us benchmark how we deliver managed services, measure service levels and assess performance.

ISO 27001 - Information Security

This is an international standard on how to manage information security. It details requirements for establishing, implementing, maintaining and continually improving an information security management system – the aim of which is to help organisations reduce the risks associated with the information assets they hold.

CHAS (The Contractors Health & Safety Assessment Scheme)

This proves a business's health and safety processes meet excellent standards. It helps ensure compliance across the different areas of risk management and mitigates risks across the supply chain.

Safe Contractor

This ensures we meet the necessary requirements around health and safety, equal opportunities, diversity and environmental management practices - all in one plan so our customers can be confident about us and reduce risk in their supply chain.



40

Accessibility

Our commitment to accessibility at Advanced

We want to ensure that accessibility is standard practice at Advanced.

Throughout Advanced we are working to ensure that all products are at least <u>WCAG AA 2.1</u> compliant. In some areas this may not be currently possible. However, where we do not currently have compliance, a plan to become compliant will be place. Our product teams are creating and displaying an accessibility statement within our products, which will be reviewed annually.

We are always working on improving how accessible our products are, but sometimes we are limited by what technologies are available to us. Where this happens, it is highlighted within any accessibility policies.

At the time of many of our products' creation, accessibility wasn't as well understood or appreciated as much as it is now, and it's time for that to change.





Accessibility-first design

Our component library and internally-developed design system (Mosaic) both meet WCAG AA 2.1 standards straight out of the box. So, any product that adopts them will also pass on these benefits of a fully accessible site to its users. Throughout our guidelines for this system, accessibility advice will come baked in - as well as standardisation of page layout, component names and key binding, plus more.

We are also working to make sure that it doesn't stop at the component library: implementation, workflows and product specific components should also have the same standard of accessibility that current and future versions of Mosaic does.

An accessibility community

At Advanced, we are working to create an Accessibility
Community of Practice that works continuously with our disability
network so that we can ensure a culture of good and best
accessibility practise across the whole of Advanced, and within
all our products. The Community will meet quarterly with the
aim of educating the entire business.

User testing

We plan to ensure that both our design system and component library are fully compliant to WCAG AA 2.1 standards.

To ensure we are fully compliant we are:

- Accessibility testing with users as part of our disability network
- Accessibility testing with automated tools such as <u>WAVE</u> and Lighthouse.
- Accessibility testing with customers who identify as disabled or identify as having learning difficulties

Learnings

Speaking to people who have had their usage of software impacted by a lack of accessibility has enabled us to fully understand and be made aware of all the varieties of disabilities (both visible and invisible) that can impact product use. Education and advocacy are a huge part of ensuring that we make all products accessible.

People are all unique, and when designing products, we should be mindful of these differences as well as ensuring we don't stifle people's strengths through 'standard' and careless approaches to accessibility and product development.

The Future

We are aware of the new WCAG 2.2 guidelines that are due to be released. We are working to understand these changes and ensure that all our products are aware and work towards exceeding these guidelines too.

Important Links:

Code of conduct:

https://www.oneadvanced.com/siteassets/terms-and-conditions/code-of-conduct.pdf

Tax Strategy:

https://www.oneadvanced.com/siteassets/resources/advanced_tax_strategy.pdf

Privacy policy:

https://www.oneadvanced.com/privacy-policy/

Services Privacy Statement:

https://www.oneadvanced.com/privacy-policy/services-privacy-statement/

UK Modern Slavery Act transparency statement:

https://www.oneadvanced.com/siteassets/terms-and-conditions/advanced-modern-slavery-act-statement-fy22.pdf



Appendices

Team, Governance and Company

Board of Directors

Members: 8

Woman on the Board: 3

ESG formally considered at Board level: Yes

Company facts for 2020

Customers: 25,000

Revenue: £261m

Staff: 2.358

What we do

Advanced is a leading UK provider of business software and services delivering mission-critical enterprise and market-focused solutions to support innovation amongst customers and partners to really make a difference. Its customers are from the public, private and not for profit sectors and its solutions include Finance, HR, Payroll, Procurement and Workforce management complemented with specialist market solutions for legal, health & care, education, sport, charities & membership and field service markets.

Every year Advanced solutions help to care for up to 40 million patients in the UK, send 10 million sports fans through the turnstiles, manage over £1 billion in charity donations, support 2.5 million students and get over 1.2 billion passengers to their destinations on time.

ESG Team





SASB Framework - Current survey in Greenstone+

Next year will mark the first full year of reporting our environmental, social and governance performance with reference to the Sustainability Accounting Standards Board (SASB) framework.

This report outlines how our existing disclosures align with the recommended metrics for the SASB Technology and Communications - Software IT Services Standard. https://materiality.sasb.org/

Section	Question Title	Question Text	Question Details	Response Type	Default Frequency	Attach
Environmental Footprint of Infrastructure	TC-SI-130a.1	Total energy consumed		Number	Annual	Yes
Environmental Footprint of Infrastructure	TC-SI-130a.1.1	Percentage grid electricity		Percentage	Annual	Yes
Environmental Footprint of Infrastructure	TC-SI-130a.1.2	Percentage renewable		Percentage	Annual	Yes
Environmental Footprint of Infrastructure	TC-SI-130a.2	Total water withdrawn		Number	Annual	Yes
Environmental Footprint of Infrastructure	TC-SI-130a.2.1	Total water consumed		Number	Annual	Yes
Environmental Footprint of Infrastructure	TC-SI-130a.2.2	Percentage of each in regions with High or Extremely High Baseline Water Stress		Percentage	Annual	Yes
Environmental Footprint of Infrastructure	Advanced Metric 01	Total energy offset		Number	Annual	Yes
Environmental Footprint of Infrastructure	Advanced Metric 02	% waste recyclable		Percentage	Annual	Yes
Environmental Footprint of Infrastructure	Advanced Metric 03	Total carbon impact of travel		Number	Annual	Yes
Environmental Footprint of Infrastructure	TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data centre needs		TextLong	Annual	Yes
Environmental Footprint of Infrastructure	Advanced Metric 04	Charitable impact - £ value donation and number of days provided by staff		Cost	Annual	Yes
Environmental Footprint of Infrastructure	Advanced Metric 05	Value of donations put through Advanced systems		Number	Annual	Yes
Environmental Footprint of Infrastructure	Advanced Metric 06	Supplier score		Number	Annual	Yes

Current survey in Greenstone+

Section	Question Title	Question Text	Question Details	Response Type	Default Frequency	Attach
Data Privacy & Freedom of Expression	TC-SI-220a.1	Description of policies and practices relating to behavioural advertising and user privacy		TextLong	Annual	Yes
Data Privacy & Freedom of Expression	TC-SI-220a.2	Number of users whose information is used for secondary purposes		Number	Annual	Yes
Data Privacy & Freedom of Expression	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.	Cost	Annual	Yes
Data Privacy & Freedom of Expression	TC-SI-220a.4	Number of law enforcement requests for user information		Number	Annual	Yes
Data Privacy & Freedom of Expression	TC-SI-220a.4.1	Number of users whose information was requested		Number	Annual	Yes
Data Privacy & Freedom of Expression	TC-SI-220a.4.2	Percentage resulting in disclosure		Percentage	Annual	Yes
Data Privacy & Freedom of Expression	TC-SI-220a.5	List of Countries/Sectors where we operate where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Disclosure shall include a description of the extent of the impact in each case and, where relevant, a discussion of the entity's policies and practices related to freedom of expression.	TextLong	Annual	Yes
Data Security	TC-SI-230a.1	Number of data breaches	Disclosure shall include a description of corrective actions implemented in response to data breaches.	Number	Annual	Yes
Data Security	TC-SI-230a.1.1	Percentage involving personally identifiable information (PII)		Percentage	Annual	Yes
Data Security	TC-SI-230a.1.2	Number of users affected		Number	Annual	Yes
Data Security	TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards		TextLong	Annual	Yes

Current survey in Greenstone+

Section	Question Title	Question Text	Question Details	Response Type	Default Frequency	Attach
Recruiting & Managing Workforce	TC-SI-330a.1	Percentage of employees that are foreign nationals	Disclosure shall include a description of potential risks of recruiting foreign nationals and/or offshore employees, and management approach to addressing these risks.	Table	Anual	Yes
Recruiting & Managing Workforce	TC-SI-330a.1	Percentage of employees that are located offshore	Disclosure shall include a description of potential risks of recruiting foreign nationals and/or offshore employees, and management approach to addressing these risks.	Table	Annual	Yes
Recruiting & Managing Workforce	TC-SI-330a.2	Employee engagement as a percentage bHeard	Disclosure shall include a description of methodology employed.	Percentage	Annual	Yes
Recruiting & Managing Workforce	Advanced Metric 08	Disability representation		Percentage	Annual	Yes
Recruiting & Managing Workforce	Advanced Metric 09	Diversity Pay Gap		Percentage	Annual	Yes
Recruiting & Managing Workforce	Advanced Metric 10	LGTBQ representation		Percentage	Annual	Yes
Recruiting & Managing Workforce	Advanced Metric 11	MC3 score		Number	Annual	Yes
Recruiting & Managing Workforce	Advanced Metric 12	Diversity of Talent pool		Percentage	Annual	Yes
Recruiting & Managing Workforce	Advanced Metric 13	Diversity of internal mobility and regretted attrition (Split out M&A)		Percentage	Annual	Yes
Recruiting & Managing Workforce	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management	The entity shall describe its policies and programs for fostering equitable employee representation across its global operations.	Table	Annual	Yes
Recruiting & Managing Workforce	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (2) technical staff	The entity shall describe its policies and programs for fostering equitable employee representation across its global operations.	Table	Annual	Yes
Recruiting & Managing Workforce	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (3) all other employees	The entity shall describe its policies and programs for fostering equitable employee representation across its global operations.	Table	Annual	Yes

Current survey in Greenstone+

Section	Question Title	Question Text	Question Details	Response Type	Default Frequency	Attach
Property Protection & Competitive Behaviour	TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.	Cost	Annual	Yes
Managing System Risks from technology Disruptions	TC-SI-520a.2	Number of performance issues		Table	Annual	Yes
Managing System Risks from technology Disruptions	TC-SI-520a.2	Number of service disruptions		Table	Annual	Yes
Managing System Risks from technology Disruptions	TC-SI-520a.2	Number of total customer downtime		Table	Annual	Yes
Managing System Risks from technology Disruptions	TC-SI-520a.3	Description of business continuity risks related to disruptions of operations		TextLong	Annual	Yes
Activity Metric	TC-SI-000.A1	Number of licenses or subscriptions		Number	Annual	Yes
Activity Metric	TC-SI-000.A2	Percentage cloud-based		Percentage	Annual	Yes
Activity Metric	TC-SI-000.B1	Data processing capacity	Data processing capacity shall be reported in units of measure typically tracked by the entity or used as the basis for contracting software and IT services, such as Million Service Units (MSUs), Million Instructions per Second (MIPS), Mega FloatingPoint Operations per Second (MFLOPS), compute cycles, or other. Alternatively, the entity may disclose owned and outsourced data processing needs in other units of measure, such as rack space or data center square footage. The percentage outsourced shall include On-Premise cloud services, those that are hosted on Public Cloud, and those that are residing in Colocation Data Centres.	Number	Annual	Yes
Activity Metric	TC-SI-000.B2	Percentage outsourced	Data processing capacity shall be reported in units of measure typically tracked by the entity or used as the basis for contracting software and IT services, such as Million Service Units (MSUs), Million Instructions per Second (MIPS), Mega FloatingPoint Operations per Second (MFLOPS), compute cycles, or other. Alternatively, the entity may disclose owned and outsourced data processing needs in other units of measure, such as rack space or data centre square footage. The percentage outsourced shall include On-Premise cloud services, those that are hosted on Public Cloud, and those that are residing in Colocation Data Centres.	Percentage	Annual	Yes
Activity Metric	TC-SI-000.C1	Amount of data storage	The percentage outsourced shall include On-Premise cloud services, those that are hosted on Public Cloud, and those that are residing in Colocation Data Centres.	Number	Annual	Yes
Activity Metric	TC-SI-000.C2	Percentage outsourced	The percentage outsourced shall include On-Premise cloud services, those that are hosted on Public Cloud, and those that are residing in Colocation Data Centres.	Percentage	Annual	Yes



Advanced's ESG Report

Want to know more?

This report represents the current ESG journey that Advanced is on however all businesses need to work alongside each other on this critical cause.

If you have comments, or best practice initiatives that you would like to share, then please contact us.

Contact us









ESG@oneadvanced.com