Strategic Sustainability at Elevate

Q1 2020
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Message from Liam Brown (CEO)

Until recently, I didn’t consider “Strategic Sustainability” a priority for our business; we are not a major pollutant or consumer of pollutants, we don’t manufacture any tangible products, we are a young & fast growing company, we have a strong Financial Management framework, we create quality jobs for people around the world and finally, something very close to our heart, we have been doing a lot in the space of diversity and inclusion and are best in class in our industry in that respect.

A few months ago my daughter asked me “but what are you doing for me?”; she challenged me to explain how we were really, truly making an impact on the world that would ensure we leave it a better place for the next generations. I didn’t have a good answer.

Turns out we are doing some great things but there are also areas where we don’t know what we do. So we have recently embarked on reviewing our impact across Economical, Social and Environmental dimensions, determining and documenting what we do today, what we do well and what we should improve. We are also shaping our Vision for the future and defining our goals for the next 6, 12 and 24 months.

Not because we are pressured by external forces or regulators, but because it simply is the right thing to do. We need to use our growing influence to be a force for good, no matter how small the incremental good created is.

Liam J Brown
CEO Elevate Services
Elevate’s Definition of Strategic Sustainability

• The following definition has been adopted internally within Elevate to describe Strategic Sustainability:

“Strategic Sustainability encompasses all actions we undertake to ensure that Elevate’s Economical, Social and Environmental activities create positive changes over the long-term and ensure that we are able to deal with the potential impacts of global megatrends, endure over time and be a positive force for change”.

• It outlines the view that as a business we have an “Internal” duty - to remain financially sound, a positive employer, deliver value to our customers and shareholders (most of whom are our employees); but we also have an “external” duty - to act in the most appropriate manner to protect and enhance the world in which we operate.
Positive Economical, Social and Environmental Impacts

- As outlined in our definition of Strategic Sustainability, we believe all 3 tenets are critically important.
- We will give equal attention to each of these areas and ensure our approach and philosophy is understood and adopted by our employees, stakeholders, customers and other organizations, governmental or not, that we interact with.
Current State:
Understanding our Impact
Framework for Measuring Sustainability

• We use a simplified version of the framework developed by Professor Mike Rosenberg of the IESE University in Spain. More info here.
• The framework has the benefit of being simple and outlines a path for progress along the 5 levels below.
• It is anticipated that we will build a more robust model as our Strategic Sustainability approach matures and evolves.

<table>
<thead>
<tr>
<th>Stage/Level</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below the line</td>
<td>Knowingly or not, companies at this stage do not comply with applicable rules and regulations applicable to them and appear in the news (for the wrong reason)</td>
</tr>
<tr>
<td>Baseline</td>
<td>Companies at this stage comply with applicable rules and regulations but do not act beyond what is “required”. They typically do not have strong internal or external incentives to progress to another stage below.</td>
</tr>
<tr>
<td>Wait &amp; See</td>
<td>Companies at this stage comply and proactively consider options for expanded impact. They take measured steps to move towards what is also “expected” of the communities in which the company operates.</td>
</tr>
<tr>
<td>Show &amp; Tell</td>
<td>These companies make meaningful, systemic changes to the way they operate. They also have a strong internal and external accountability, for example with Corporate Board and public reporting of their Strategic Sustainability actions.</td>
</tr>
<tr>
<td>Think ahead</td>
<td>Beyond general expectations, these companies are market leaders. For example Microsoft recently announced that it will revert back to its carbon footprint since its inception.</td>
</tr>
</tbody>
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Current Level of Sustainability: “Wait & See”

- Using the framework previously described and based on our current operating model, Elevate is at a “Wait & See” stage

- General:
  - We proactively comply with all applicable rules and regulations
  - Our employees are highly concerned and supportive of doing more for Strategic Sustainability
  - Through one of our acquired companies we are members of the UN Global Compact. We are working to extend this across the whole company.
  - We are exploring ways to become more active participants in the drive towards greater sustainability.

- Economical:
  - We have strong financial management
  - We have a simple corporate structure, a balanced ownership structure and are committed to paying taxes when and where due

- Social:
  - We offer qualified jobs for individuals across the world
  - We have strong track record in diversity and inclusion

- Environmental:
  - We encourage employees to work from home, limiting commute
  - We are taking steps to better understand our environmental impact
Current Level of Sustainability: “Wait & See”

- **Q1 2020**
- **Wait & See**
- **Think Ahead**
- **Show & Tell**

Diagram:
- Contribution to SDG Goals
- Benefit
- Baseline
- Below the line
- Level of compliance
- Effort

Section labels:
- LOW
- HIGH
Current State: Initiating a Living Strategic Sustainability Strategy

- Obtained Board level and Management level support for a Strategic Sustainability Initiative, also supported by our Leadership
- Set up a working group representing a cross-section of employees across location, roles and functions
- Agreed on Roles & Responsibilities (steering committee, working groups etc)
- Defined a Governance Protocol and Communications Plan
- Defined the financial and time investment to allocate
- Agreed on our current state and vision for 6 and 12 months horizon
- Started to understand, document and measure where we are today (start with the basics)
- Initiated a process to determine which KPIs we will be tracking in the future
- Initiated a process to determine which formal reporting approaches will be taken
Current State: Economical

• We have always adopted a very rigorous approach to managing our financial and business outlook. From the onset of the Company, we have strived to adopt standard adopted by publicly traded companies.

• We have a formal structure to manage financial aspects, risks and business planning with “horizon plans” reviewed on monthly basis.

• What we do:
  • We have strong financial management;
  • We have a simple corporate structure;
  • We have a transparent ownership structure; and
  • We pay taxes when and where due.
Current State: Social

• As a Services company, we firmly believe that our employees are our most important asset. Since Elevate’s inception, we have placed a strong emphasis on gender equality.

• As a global organization, operating in over 20 countries, we actively encourage participation of women and minority in senior roles in the organization.

• What we do:
  • We offer well paid, qualified jobs for individuals across the world
  • We encourage diversity and inclusion at all levels of the organization and in every country we operate
  • We publicly disclose our Equitability and Inclusion performance
  • We have a very active CSR programme with an substantial number of hours dedicated to CSR activities in 2019
Our current environmental impact is not well understood or measured. This is the area where we are currently carrying out the most “discovery” work to fully capture and document our current state.

Elevate is a Services company and in that sense, our environmental impact might be considered limited: we do not manufacture any goods, we do not process or consume “traditional” raw materials.

However, being a technology led company, we do use resources that consume a lot of energy: data centers for example.

Also, in order to run a global business, sell and deliver our services to customers worldwide, we have considerable travel activity, much of it being air travel.

What we do:

- We encourage employees to work from home, limiting commute
- We are heavy users of video conferencing and encourage staff to conduct meetings remotely instead of travelling
- We are taking steps to better understand our environmental impact
Vision & Outlook
Vision for the Future

• We aim to be a driving force for Strategic Sustainability and lead by example in our industry. (Services in general, Legal Services, specifically).

• Given Elevate’s industry, profile, history and ethos, we believe we can have the most meaningful impact in the Social arena, hence our focus will be there. However, at the same time we are committed to improving our standing on the Economical and Environmental fronts.

• While we acknowledge that each of UN’s 17 Sustainable Development Goals (SGDs) are meaningful and important, we will focus on the following goals in which we believe we can will be able to contribute most effectively and become a powerful change agent:
  • 5 – Gender Equality
  • 8 – Decent Work and Economic Growth
  • 10 – Reduced Inequalities
  • 12 – Responsible Consumption & Production
  • 16 – Peace, Justice and Strong Institutions

• With respect to Goal 17, we will partner with our peers, customers, suppliers, governmental and non-governmental organizations to drive the agenda forward and contribute positively.
Contributing to UN’s Sustainable Development Goals

Target Horizon: 6 & 12 Months

- Over the next months we will work towards obtaining a better understanding of our current strategic sustainability position, identify gaps, and then use that momentum to carry out meaningful changes to go from a “neutral” position to driving positive changes.

- 6 Months:
  - Measuring & Reporting: Objectives, KPIs, Targets defined for each aspect. Aligned with UN SDG Goals.
  - Gaps identified
  - Initial, tactical gaps closed
  - **Strategic Sustainability becomes embedded in our way of doing business** (in a controlled way)

- 12 Months:
  - Measuring & Reporting: moving towards simplified GRI reporting
  - More meaningful, strategic changes are effected
  - Additional activities that support our focused UN Goals are implemented
  - **Strategic Sustainability is embedded in our way of thinking** (in a natural, “reflex” way)
Target Horizon: 6 & 12 Months

- Q3 2020: Show & Tell
- Q1 2021: Think Ahead

Axes:
- Baseline
- Below the line
- Level of compliance
- Effort

Points:
- HIGH
- LOW

Categories:
- Contribution to SDG Goals
- Benefit

Timeline:
- Q1 2020 Strategic Sustainability
Future State:
Driving positive change
Approach to Driving Change

• Meaningful change will only happen if there is a **genuine interest from Senior Management as well as strong internal pressure** to change. We will continue to communicate, both internally and externally on our efforts with regards to improving our sustainability impact.

• Sustainable thinking will be integrated as part of our regular Management SOPs, not a “special” one-off project.

• We will define a range of **Strategic actions** that need to be taken across all 3 aspects (Economical, Social and Environmental) aligned with the UN’s 17 SDG goals.

• We will have clear ownership and accountability for each of these goals.

• We will deploy **Tactical actions**, day-to-day activities that will need to be carried out, (lived and breathed) by all employees and communicated to our partners. These are more general behaviour changes and adopting new habits (for example, banning single-use plastics in our offices).

• We will track and report on our efforts, achievements and failings in a transparent, open and public manner.
Future State: Economical

- In addition to our current Economical Activities, we will also start measuring the following KPIs:
  - Innovation Capacity
  - Percentage Tax Paid
  - Regulatory Compliance
In addition to our current Economical Activities we will also start measuring the following KPIs:

• Internal:
  • CEO/Average employee compensation
  • Employee compensation & benefits
  • Employee turnover
  • Women & minorities in Senior Management
  • Women & minorities on Board

• External:
  • CSR impact
  • Contributions to community
Future State: Environmental

We have embarked on a detailed analysis of our current Environmental impact along the following lines (at a high level):

- **Energy Usage**:
  - Direct: Who do we buy from? Is it clean energy?
  - Indirect: Are the data centers we use energy efficient?

- **Greenhouse Gas (GHG)**:
  - Direct: How much emissions do we create?
  - Indirect: How much emissions do our suppliers create “for us”?

- **Waste**:
  - Direct: How do we handle our waste? How much of our equipment do we recycle?
  - Indirect: How do our suppliers handle their waste? (e.g. WeWork)

- **Supplier Sustainability**
- **Customer Sustainability**: Do we “support” customers that have “unsustainable” profiles, that are “below the line”?