



SUSTAINABILITY PLEDGE

2023 - ONWARDS

**CSI Group's
commitments as a
responsible Managed
Service Provider (MSP).**

GREEN TECHNOLOGY CLIMATE POSITIVE NET ZERO ENVIRONMENT SUSTAINABILITY GOVERNANCE CARBON NEUTRAL

EXECUTIVE SUMMARY

After 40 years in the regulated market, CSI has learned that compliance, security, and sustainability are forces reshaping how modern businesses operate. Modernisation – or what we see as a meaningful transformation from the inside out – hinges on a business' ability to dynamically understand and interpret the changing market it speaks to everyday. Even if sustainability initiatives are well-intentioned and drafted, the wider market of consumers and shareholders are craving connections with, and investments in, responsible organisations. They vote for environmentally-conscious, socially integrated, 'green' firms with their everyday transactions.

Listening to the changing attitudes towards mission-critical climate subjects like emission reduction, nowhere more prevalent than in the global regulations, CSI has outlined its focus on creating positive climate action, captured in our "Sustainability Pledge".

Our pledge is engrained into our long-term vision for growth. We operate responsibly with a focus on customer care and excellence, service quality and integrity, valuable skill shares, and innovation.

Sustainability is far-reaching and all-encompassing. Where CSI's position on ESG (environmental, social and governance), as well as wider sustainability commitments, differentiates us, is in our belief that we need to operate as a

responsible managed service provider (MSP).

A Responsible MSP

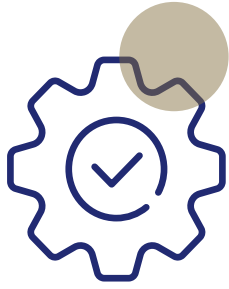
The culture around sustainability at CSI is always evolving, carefully watchful over the global frameworks that inform and pull together guidance for MSPs.

Not only do principles of sustainability shape our own practice, but we understand that increasingly businesses want to partner with service providers that enhance their goals through technology. Strategically, an MSP should promote and encourage best practice as part of a business' supply chain – that means the likes of hardened security postures or a green approach to carbon emission reduction.

Looking ahead, CSI is focussing on its role as a sustainable 'link' in the supply chain of partners present and future. We envision positive climate actions as a pathway to sustainable, responsible service delivery and support where our business is an extension of others. Aware of our role in deep and rich supply chains, CSI has ambitions to execute an environmental policy that will place more urgency on positive climate actions.

Our pledges are as follows:

1. Work toward reductions on environmental impact
2. Immerse our business in the local cultures and remain responsible as a global citizen
3. Deliver against our model as a responsible MSP by promoting sustainability on future projects
4. Launch enhanced e-waste management scheme that centres on sustainable technologies



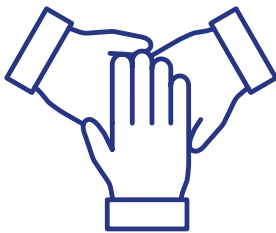
Operational Efficiency

CSI operates responsibly where carbon, waste and energy is sourced, managed and consumed across our solutions and facilities. Operationally efficient, we strive to reduce our footprint and create positive climate actions wherever possible through our various roles, including where supply chains are concerned, and especially where we manage end-of-life technologies.



Our Services

CSI aims to onboard new technologies to underpin services that drives operational efficiencies and resilience. Even existing products will be optimised to align with positive, sustainable outcomes for clients.



Partnerships & Clients

CSI engages clients on the importance of sustainability and the technologies available that are capable of reducing their corporate footprint.

CSI holds dialogues with core technology partners, like IBM, to ensure alignment on sustainability and cross-pollination of insight, data and learnings surrounding ESG.



Employees

CSI starts with transformation from the inside out by enabling employees to give back to their local communities through corporate policies and encouragement. Our people are crucial to the sustainability effort - whether that's through innovation or impact.

pledge 1 **Build a Framework**
CSI will outline a sustainability framework that will nurture and enrich culturally and operationally how the business views climate and environmental impact, ensuring we "pass on" a positive, healthy approach to our employees, clients, and vendors.

pledge 2 **Drive Engagements**
From the third quarter in 2023, CSI will be fronting sustainability-first solutions to existing and net new clients, campaigning for positive climate action.
CSI will double engagements where sustainability is part of the solution by 2025.

pledge 3 **Sustainability as a 'default'**
As a key technology partner for regulated industries, CSI will start engagements to help simplify the path to environmental compliance by promoting our view that companies should view sustainability as a 'default' piece of their business.

Sustainability with Technology.

Nearly 85% of our business operates in service delivery roles and behind-the-scenes. We employ leading technologists, each impassioned with emergent, new, and exciting products that enter the market. We are committed to identifying where products like IBM's Envizi ESG Suite can create meaningful transformation behind sustainability initiatives.

But not all sustainability goals or regulations are new – and neither are the technologies that can be optimised to help nurture these campaigns.

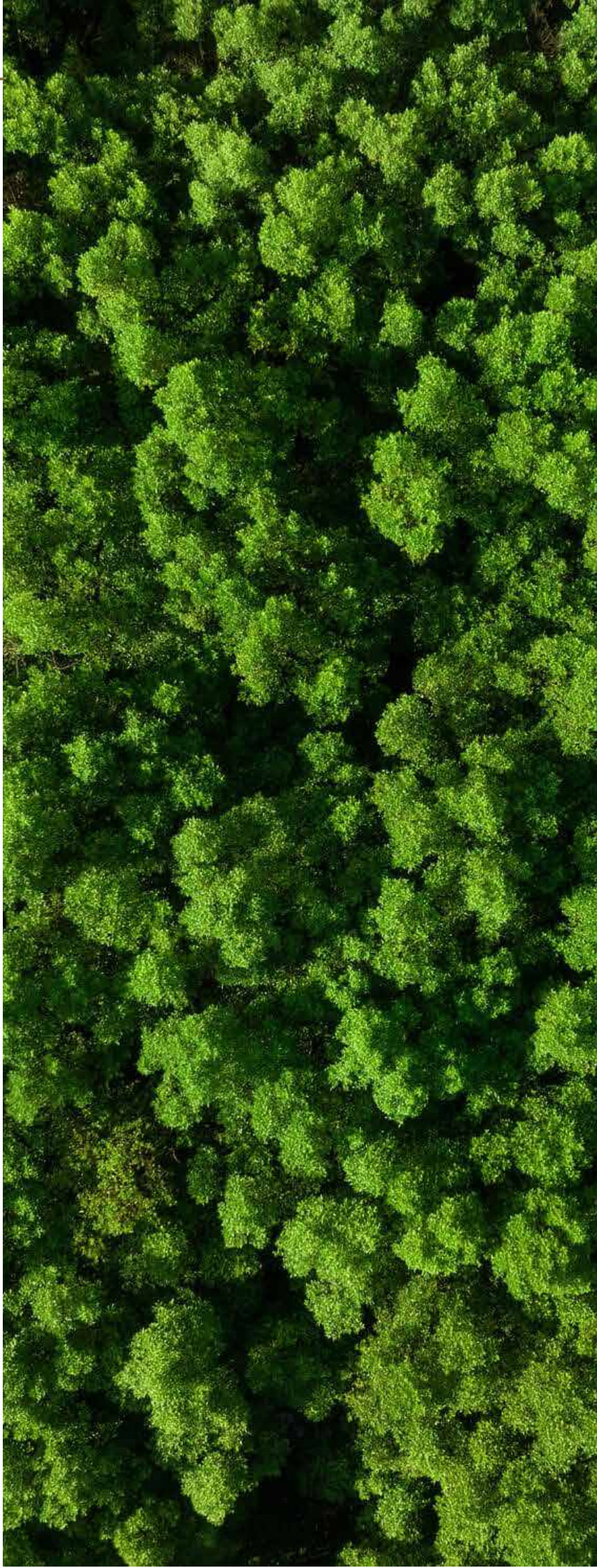
CSI believes that highly regulated organisations can achieve purposeful and profitable sustainability with technological implementations. We consult on, deploy, and optimise technologies that can help negative climate impact, recommending where workloads can remain highly performant but with a layer of sustainability enablement.

We help clients reach the full potential of sustainability programmes through practices like:

- Optimisation of IT environments to maximise sustainable, highly performant workloads and reduce waste and cost inefficiencies.
- Simplified ESG data capture, management and analysis to build a picture of sustainability performance.
- Automated resources and application management to minimise wastage.

Examples of IBM technologies we are currently working with to underpin sustainability best practice include:

- IBM Power 10
- Envizi ESG Suite
- Turbonomic
- Instana



Reduce Carbon & Costs

One of the most immediate and impactful paths to sustainability is to pursue operational efficiencies where IT resources simply use less compute or storage within your organisation. As Gartner noted in its research paper, "The Road to a Net Zero Data Center", the simple step of improving server utilisation levels can substantially reduce an enterprise's carbon footprint. Organisations can cut costs and carbon simultaneously through optimisation of the IT environment.

Did you know that research suggests that eliminating resource waste can reduce your energy use by up to 80%?

Organisations can now execute against sustainability initiatives, but with a focus on change that's both purposeful and profitable. Against a deep and rich technology stack, and one that's aligned on compliance, the 'art' of the possible looks more like a broad horizon rather than a narrow point-of-view.

Cloud & Data Optimisation

Moving from on-premises or inefficient data centre hosting to a public cloud can also

reduce carbon footprint significantly. Compared to in-house IT operations, Azure and AWS use their server systems with much greater attention to power optimisation and utilisation levels. They are able to share and dynamically allocate resources among multiple customers leading to less energy use for power distribution and cooling.

In the same way that moving 30 people in a bus uses less fuel than each person driving their own car, a pool of servers shared by a hundred companies will always be more carbon- and cost-efficient than having one server in each of a hundred data centres.

Fortunately, optimising cloud and data centre resources doesn't mean a compromise between application performance and reducing carbon footprint.

Application resource management (ARM) tools can dynamically allocate precisely the right level of capacity according to demand. As demand spikes, additional resources can be added to assure the customer experience is retained, but are removed when the peak passes. By reducing unnecessary use of resources in real-time not only saves costs, but also improves the long-term energy consumption profile.

Top sustainability regulations impacting our clients:

- 1 UK Net Zero, 2050
- 2 Automotive CO2 emissions, 2035
- 3 Task Force on Climate Related Financial Disclosures (TCFD), Active
- 4 ESG Data Reporting and Transparency, Upcoming

"Against a deep and rich technology stack, and one that's aligned on compliance, the 'art' of the possible looks more like a broad horizon rather than a narrow point-of-view."

ACCELERATING THE SUSTAINABLE CHANGE WE ALL ~~WANT~~ NEED

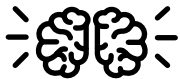
Our Framework

From retiring hardware responsibly to enabling our team and the wider community to voice climate action, CSI's framework for improvement against sustainability objectives focusses on four key areas:



PROCUREMENT.

Onboard and socialise sustainable products within the new 2023 roadmap for CSI Group.



ENABLEMENT.

Share insights and knowledge both internally and externally where it is beneficial for the climate.



OPERATIONS.

Reach the market in 2023 with *innovative* sustainable solutions, such as ESG data management, cloud technologies, and more.



RETIREMENT.

As a market-leading partner in upgrading away from legacy technologies, we commit to repurposing IT or managing waste responsibly on behalf of our clients.

Sustainability through Technology.

Technology can contribute to sustainability in different ways.

Ambitious change starts with a review of how we transform business. On the road to creating positive climate action, technology can be both sustainable and help a business to realise environmental goals. IT is now an accelerator in many sustainability strategies across the world, including those outlined by policymakers, regulators, and across different markets.

Gartner once asked its readers if they were “thinking too small” about technology’s role in accelerating sustainability. Though rhetorical, it raises a brave question about the level of responsibility that technology could have in approaching environmental concerns.

CSI’s view of sustainability through technology broadens the meaning of how we use IT to address those challenges.

Operationally, sustainable technologies have had greater importance in the market in recent years, where driving energy performance, cost efficiency and resource utilisation has been a high priority in response to economic headwinds, demand and regulatory change afoot. But seeing beyond operational benefits of these technologies, businesses can feel empowered to pursue ESG goals like never before. Community engagement, wellness projects, carbon reduction – these are just a few of the different ways organisations have responded to the changing climate where responsible

business practice is increasingly in-demand.

Sustainability through technology also rekindles a different kind of customer engagement – the consumer market, increasingly conscious of the climate, has a growing appetite for responsible business practice and effectively “vote” for sustainability with their wallets.

Where sustainability is internalised culturally and operationally...

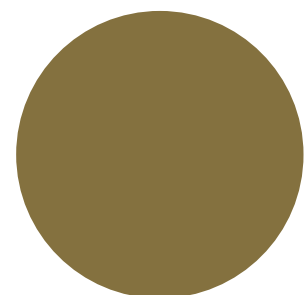
Starting with culture and operations, sustainability *through* technology means carefully curating the right stack of tools, products, hardware, and services – ever cognizant of the deeper supply chain. It also resonates into the kinds of partnerships we build, aligning with other vendors who share in similar ESG goals. CSI’s platinum business partner status with IBM exemplifies how partnerships can strategically align on sustainability agendas.

CSI is increasingly driven toward principles like responsible stewardship over IT resources and tooling optimisations for efficiencies where possible on existing hardware and environments.

Paying it forward

Organisations can pass along sustainability, enriching customer outcomes, or working in partnership with like-minded, aligned vendors and other service providers to meet ESG goals mutually.

Sustainability can result from a collaborative approach, enriching wider communities, customers, the lifecycle of your own technology, and vendors.



A Modern Picture of IT

After more than 40 years partnering with regulated markets, CSI Ltd believes that sustainability initiatives are forces defining how modern businesses operate. It's all a part of the bigger picture for IT and where organisations are heading.

SIMON PATERSON, CSI's CISO



A New Legacy

As a digital transformation partner, CSI helps global businesses reimagine ageing legacy hardware and technologies for the better. As part of our cutting-edge technology refresh programme – where our specialists work closely with clients to reinvigorate IT environments – not only do we responsibly remove waste, but we also recommend sustainable options.

Responsible waste management and the onboarding of new sustainable technologies are defaulted into how we handle projects where ageing legacies are competitively holding businesses back. We have helped large organisations, such as insurer Domestic & General, manage a legacy for the better and gain cost efficiencies in the process.



Community Action Statement

For CSI, sustainability is more than just a business principle. Community Action is enabled by our business and driven by our employees. With advantageous policies in place, CSI's employees can create meaningful differences across different communities and are actively empowered to create social value through personal projects.

Every year, CSI's employees share impassioned stories from their charitable endeavours – there are even new connections formed over how the business creates social impact on a regional level as much as globally.



“

A meaningful stride in our journey toward a sustainable future starts with our role as MSP -

strengthening links in our clients' supply chains, adding in operational efficiencies and optimising their business for the compliance changes that lay ahead. That's a strong definition for how we have started to externalise our efforts to share and disseminate positive and sustainable practices.

CSI operates a culture that puts visibility, accountability and ideas of ownership at the front of mind in discussions around the climate: *what should a modern business be doing about its footprint (and how can they role-model ownership over the likes of their energy consumption in a trying economy?)* In truth, IT providers and consultants won't change the world overnight, but we can start talking about it why there's still daylight.

”



STUART HOSKING, CSI's CRO

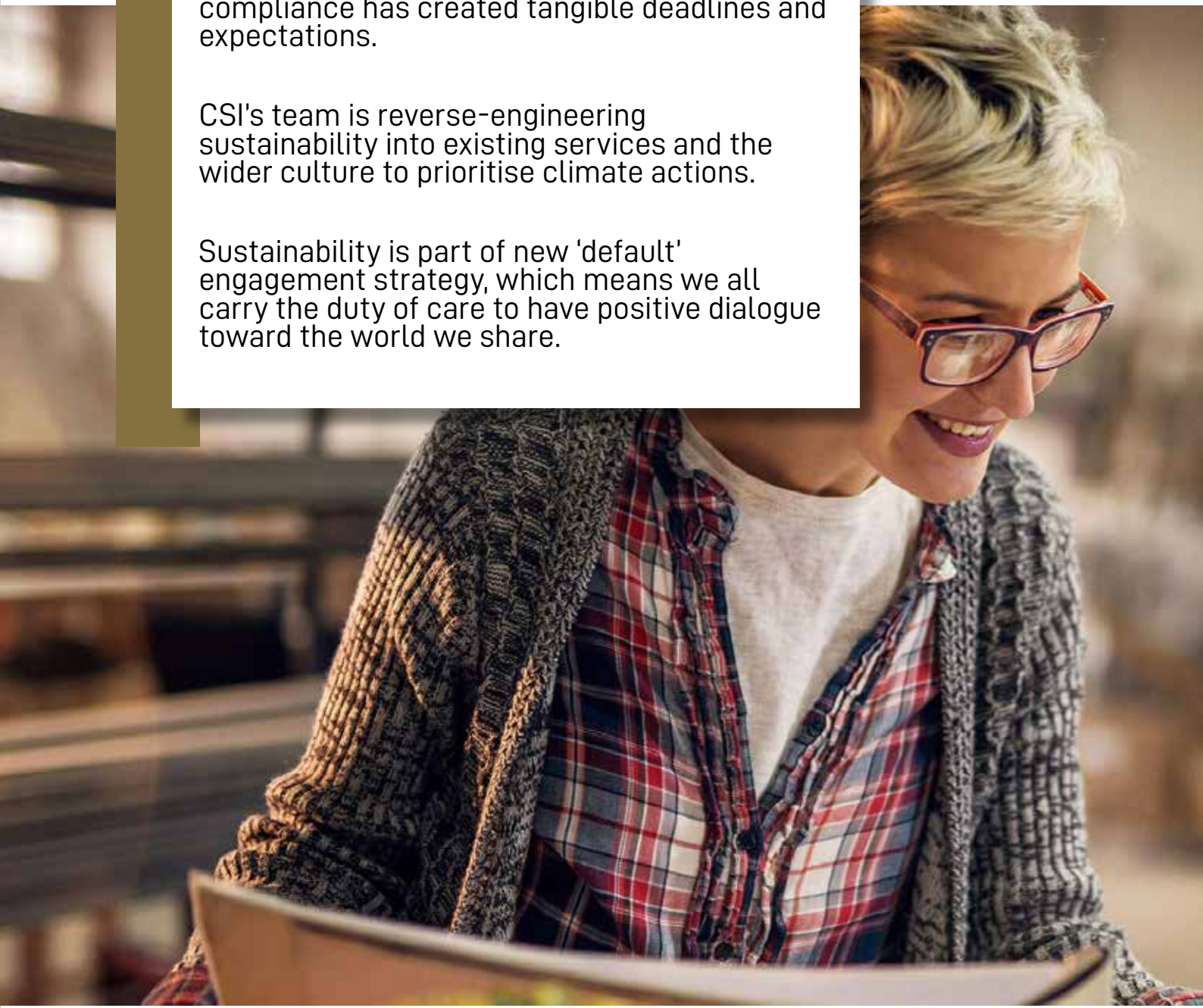
So, what's next?

Over the next few years, CSI is pledging to double client engagements where there is an opportunity to have relevant and purposeful engagements that could lead to positive climate actions.

Working closely with leading technology partner, IBM, CSI is working to constantly innovate our service offerings. New focus and energy is behind an exploration of how positive environmental impact can be produced, especially in regulated industries where compliance has created tangible deadlines and expectations.

CSI's team is reverse-engineering sustainability into existing services and the wider culture to prioritise climate actions.

Sustainability is part of new 'default' engagement strategy, which means we all carry the duty of care to have positive dialogue toward the world we share.



Greenhouse Gas Emissions Reporting

The following captures an at-a-glance overview of emissions reporting.

FINANCIAL YEAR 2021

EMISSIONS	TOTALS (tCO ₂ e)
Scope 1	82.7
Scope 2	57.4
Scope 3	32.5
TOTAL EMISSIONS	172.6

FINANCIAL YEAR 2022

EMISSIONS	TOTALS (tCO ₂ e)
Scope 1	69.8
Scope 2	48.9
Scope 3	42.2
TOTAL EMISSIONS	161.0



**A different sustainability
conversation starts here.**

For more information about CSI's support for sustainability, please get in touch.

0800 1088 301

info@csiltd.co.uk

www.csiltd.co.uk

www.csiltd.co.uk