

CAPCO

CAPCO ANNUAL SUSTAINABILITY REPORT

2019



BACKGROUND

In 2019, Capco founded its first firm-wide Environment and Sustainability Network to drive leading environmental and sustainability policies and practice into all aspects of the business and its operations. We recognize that holding ourselves accountable and growing sustainably and responsibly is increasingly vital to our people, our clients, the talent we attract, and the communities we serve and operate in.

To kickstart this critical work, Capco's Global Environment and Sustainability Network team has enlisted representatives from each geography, formulated a framework, and adopted a series of ambitious goals and measures. In the coming months and years, we will align activities with growing a sustainable business and assess our progress regularly.

The Capco Annual Sustainability Report aims to:

- **Empower our leaders** to drive real and sustainable change in the way we do business and operate day-to-day
- **Educate our employees** on our strategy so they can support our efforts and help achieve our goals
- **Inform clients and industry** about Capco's progressive, active sustainability agenda and show our commitment to measuring and reporting progress regularly
- **Support growth** by improving the quality and accessibility of environmental credentials and data that is increasingly important in winning new work
- **Show our investors** and other stakeholders that we are committed to responsibly growing our firm, mindful of the impact of our services on the communities we serve.

ANNUAL REPORT

This report sets out our achievements in 2019 and summarizes:

- the framework in place to support Sustainability
- our priorities and goals
- our progress so far
- our plans for 2020, and beyond



CAPCO ENVIRONMENTAL POLICY AND STANDARDS

Capco agreed to its first-ever firm-wide Environmental Policy and Standards in May 2019 to support our agenda. The policy sets out our expectations of our leaders and employees, clients, and suppliers on the environment as well as our broad approach to energy and emissions, natural resources, printing and stationery, travel, waste, and water.

Last year, we also confirmed that activity in support of the network, and sustainability more generally, will be eligible for recognition in our annual performance management review so that our people can be recognized and rewarded for their contribution in this area.

GOALS, PRIORITIES AND PROGRESS

In May 2019, we also agreed on a three-year plan, which includes a scorecard comprising goals, metrics, and timelines. The plan, summarized below with progress to date, is formulated around ten priority areas. Our goals are ambitious, and we wanted to leverage our aspirations to drive real, sustained improvement.

All Capco offices now have a formal improvement plan to drive ongoing delivery against these targets.

Additionally, Capco is also looking to drive environmental improvement across our various facilities. It is worth noting that several of our offices are hosted in multi-tenant accommodation.

Currently, we have four formal building certificates in place (2 Leed Gold, 1 Breeam, 1 Energy Star). All new Capco office buildings will require official environmental accreditation.

CAPCO SUSTAINABILITY PLAN 2019 – 2022

PRIORITY	GOAL	METRIC AND TIMELINE	PROGRESS 2019
Waste	No waste streams from a Capco office go to landfill. Materials are diverted to other uses	<i>Annual 30% reduction in landfill waste 2019-22</i> <i>Annual deployment of multiple recycling points/food waste bin on each floor</i>	<ul style="list-style-type: none"> • Recycling bins in every office • Reusable cutlery, glassware and mugs instead of plastics • Use event and meeting vendors with reduced packaging options • Education of staff in recycling and waste management
Energy	A reduction in energy use in all Capco offices by energy-saving initiatives including moving to renewable energy suppliers, reducing AC/Heating use, smart appliances, printer default settings	<i>5% annual energy saving 2019-22</i>	<ul style="list-style-type: none"> • Energy tracking in all offices. • Regulator EED/ESOS audits in the UK and Germany • 100% renewable energy in the UK and Germany • A/C monitoring for non-working days and after hours • Motion sensor lighting in new offices
Lighting	LED motion sensors in all Capco offices	<i>100% compliance across all offices by 2022</i>	<ul style="list-style-type: none"> • Sensors are in place in Capco's UK, France, Bratislava and India offices
Appliances	Energy-efficient appliances (fridges, IT equipment) in place in all Capco offices	<i>100% compliance across all offices by 2022</i>	<ul style="list-style-type: none"> • New appliances meet standards
Water	Water-saving devices in toilets and showers in all Capco offices	<i>100% compliance across all offices by 2022</i>	<ul style="list-style-type: none"> • Met goal of energy saving devices installed at Capco owned offices
Plastics	Eradicate single-use plastics (cutlery, glasses, cups) in all Capco offices	<i>Annual 30% reduction in single-use plastics 2019-22</i>	<ul style="list-style-type: none"> • Single-use bottles removed in UK, Bratislava, Germany, Canada and US • Replaced plastic with bio-degradable cutlery or stainless steel

CAPCO SUSTAINABILITY PLAN 2019 – 2022 CONT'D

PRIORITY	GOAL	METRIC AND TIMELINE	PROGRESS 2019
IT / Printing	<p>Range of measures to improve sustainability in IT /printing, including:</p> <ul style="list-style-type: none"> • Adoption of eco-mode printers • The default setting for B/W printing and double-sided printing • Responsible sourcing of print cartridges • Clear 'Think Before You Print' messages on documents • Environ search engine default setting • Sustainable printing 	<p><i>Achievement or significant progress with 2 of these 6 goals per annum 2019-22</i></p>	<ul style="list-style-type: none"> • All offices have printers set to low-energy setting and b/w printing • Email signature blocks contain 'Think before you Print' messaging
Events	<p>All Capco events hosted at venues with sustainable resourcing and waste management provisions</p>	<p><i>25% of all Capco events hosted at venues with sustainable resourcing and waste management provision by 2019 (50% by 2020 and 100% by 2021)</i></p> <p><i>On-premise events to implement Capco environmental standards and waste targets</i></p>	<ul style="list-style-type: none"> • On-premise events are using vendors with sustainable behavior for food and materials in New York and London • External events hosted at venues with sustainable options at least 25% of the time
Vendors	<p>Adopt sustainability standards/ compliance as a key criterion for new / renewed vendors (energy/ materials waste minimalization, reducing the impact of deliveries, e-invoicing, maximizing use of local sources)</p>	<p><i>Conduct an environmental audit of vendors in 2020 and ensure 30% of vendors have ISSA 4001/5001 accreditation or formal, long-term Sustainability Plan with measurable goals for compliance and standards (60% 2021, 100% by 2022)</i></p>	<ul style="list-style-type: none"> • E-invoicing implemented with vendors • Review of vendors for sustainable behavior and substitutes completed in Germany
Office Supplies Branded Material	<p>All Capco offices to implement sustainable products (100% recycled materials: photocopy paper, branded stationery, business cards, marketing material, etc.)</p>	<p><i>30% reduction from 2019-22.</i></p>	<ul style="list-style-type: none"> • Business card policy has been updated, and ordering reduced by 92% • Sourcing recycled paper for printing and marketing

NEXT STEPS – 2020 & BEYOND

We are committed to ongoing improvement in our performance against targets in 2020 and to reporting progress in future annual reports. We have signed the UN Global Compact and additionally, the firm has plans for new areas of activity and goals, including:

- A program of 'Travel Tracking' and carbon offsetting / reduction
- Launch of comprehensive environment and sustainability data to support new business development

CONTACT

If you would like to find out more about how Capco is championing sustainability, please contact suzanne.madden@capco.com.

ABOUT CAPCO

Capco is a global technology and management consultancy dedicated to the financial services industry. Our professionals combine innovative thinking with unrivalled industry knowledge to offer our clients consulting expertise, complex technology and package integration, transformation delivery, and managed services, to move their organizations forward.

Through our collaborative and efficient approach, we help our clients successfully innovate, increase revenue, manage risk and regulatory change, reduce costs, and enhance controls. We specialize primarily in banking, capital markets, wealth and asset management and insurance. We also have an energy consulting practice in the US. We serve our clients from offices in leading financial centers across the Americas, Europe, and Asia Pacific.

To learn more, visit our web site at www.capco.com, or follow us on Twitter, Facebook, YouTube, LinkedIn and Instagram.

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