ADVANCING A SUSTAINABLE FUTURE

ESG IMPACT REPORT 2024

EQUE2

ESTIMATING
CONSTRUCTION
HOUSEBUILDING
MAINTENANCE

CONTENTS

ABOUT EQUE2

Working within construction, housebuilding and contracting, Eque2 provides industry-specialist software to provide full visibility and control across our customers' businesses. Our contract management software and construction solutions provide customers with the foresight to complete projects on time and to budget, whilst retaining the clients' margins.

We understand how the construction industry works and have been developing our solutions in line with the requirements of our customers for over 25 years. This means that not only are our solutions the best in the sector, but they are supported by a team with a practical understanding of the daily processes and challenges they face.

EQUE2 CONSTRUCTION

Our range of cloud-based construction software uniquely integrates with Sage Accounts and Xero, or is built within Microsoft Dynamics 365 Business Central to provide businesses of all sizes with industry-specific solutions that protect margins, reduce risk, streamline processes, and drive visibility of the key financial information of their projects from start to finish.

EQUE2 ESTIMATING

Eque2's construction estimating software EValuate helps businesses of all sizes produce fast, accurate and consistent tenders to help track budgets and costs effectively for both pre and post-contract.

EQUE2 HOUSEBUILDING

No matter the size of the house building business, we help customers to manage processes and information across all phases of development – from land appraisal, through the build to the sale and after-sales customer care.

EQUE2 MAINTENANCE

Managing the administration of planned or reactive maintenance works is a complex process. Our dedicated maintenance management software helps customers to capture job details, manage the scheduling of engineers, report on SLAs (service level agreements) and ensure customers can see the status of their job at any point in time.

WELCOME

Justin Moule,
Chief Executive Officer

I'm proud to report that we reduced our overall emissions by around 30% in the last financial year.

At Eque2, we are constantly evolving to meet the changing needs of our customers, the construction industry, and the world we live in. The importance of addressing climate change continues, and it is crucial for the construction industry – a pivotal player in the shift towards a low-carbon future – to continue to explore and implement ways to help businesses decarbonise. As the UK moves closer to its 2050 Net Zero target, Eque2 is proud to support our customers through this transition, helping them capture critical data and reduce emissions across their operations.

A major milestone for us this year was the launch of our dedicated carbon tracking software. This innovative solution empowers quantity surveyors to track and manage embodied carbon throughout the entire lifecycle of construction projects, giving them the ability to minimise the carbon footprint of their work. The product is a testament to our commitment to providing sustainable solutions that align with the goals of our customers and the broader industry.

Our own sustainability journey continues to progress as well. Last year, we published our first Net Zero report, setting an ambitious target to achieve Net Zero by 2035. Since then, we've made significant strides. I'm proud to report that we reduced our overall emissions by around 30% in the last financial year.

These successes would not have been achievable without the efforts of our dedicated workforce, and this year, we have continued to strengthen our social practices to foster a supportive and inclusive workplace. We also adapted our appraisal process, ensuring every employee has clear opportunities for career growth and development. We've also placed employee voices at the forefront of our initiatives, launching a number of employee-led community groups to shape our approach. Our efforts to improve diversity and inclusion are already bearing results, with a positive increase in representation from ethnic minority groups and women across the group.

Governance remains a cornerstone of our ESG strategy, spearheaded by our ESG committee. This year, we enhanced our Health and Safety management systems to ensure we maintain safe working environment for our employees. Our focus on responsible business practices is reflected in our commitment to strong governance, and we are actively working to integrate climate change and ESG risks into our long-term strategy.

I would like to thank our customers, investors, ESG committee, the Board, and all of our employees for their dedication and hard work throughout the year. This report echoes our ongoing passion and drive to become an even better business for our stakeholders, people, and planet. Taking a step back to reflect on our ESG efforts of the last year, I am immensely proud of the progress we've made, and we look forward to reporting on our continued progress next year, as we further scale our ESG ambitions.

VALUES

WORK HARD, PLAY HARD

We live by this mantra! We want our people to come to work and enjoy what they do. At Eque2, our success comes from hard work and being sociable. Our offices are designed with collaborative spaces to create a modern, fun, and collaborative place to work.

INNOVATION

We encourage creativity, embrace new ideas and investigate opportunities to innovate in all that we do; to remain the number one market-leading software vendor in the construction industry.

RESPECT

We treat everyone with respect and dignity regardless of their background, and open doors for people from all walks of life.

DEVELOP

We develop and support people to achieve their goals and realise their career aspirations.

We inspire our people to think about their next role and understand how we can support their ambitions to unlock their full potential.

REWARD

When we start to bring all our values together; we create success! With success comes great rewards and benefits for our people.

Not only in financial rewards but in creating a safe working environment and promoting mental health and wellbeing to make Eque2 a great place to work.

ANNUAL HIGHLIGHTS

ENVIRONMENTAL IMPACT

- **Achieved 100% renewable electricity** for 50% of our leased sites
- Launched **our first dedicated carbon product** offering, 'Embodied Carbon'
- **Reduced overall carbon emissions** by more than one-third since the last financial year

SOCIAL IMPACT

- **Launched employee-led community groups:** Women at Eque2, Health and Wellbeing, REACH and Environmental
- **Reduced our gender pay gap** by 16%
- Increased the number of **women in senior management roles by 4%**
- Increased the number of **women in leadership roles by 17%**

GOVERNANCE IMPACT

- Undertook a **high-level climate risk assessment**
- Appointed a **designated H&S Lead**

GOVERNANCE

OUR BOARD

JUSTIN MOULE –
CEO

TOM SHELFORD –
MANAGING PARTNER,
BOWMARK CAPITAL LLP

MARK ROGERSON –
CHAIRMAN

STEVE MOORE –
PORTFOLIO DIRECTOR,
BOWMARK CAPITAL LLP

TOM KEEN –
INVESTMENT DIRECTOR,
BOWMARK CAPITAL LLP

SIMON KAUFMAN –
PARTNER,
BOWMARK CAPITAL LLP

Eque2's Board is responsible for overseeing the strategic direction of the company from our service delivery to the shaping of our company culture. Our Board also plays an active role in the strategic development of our ESG programme, regularly providing input in the long-term direction of the business and embedding sustainable principles across the organisation.

Bowmark takes ESG seriously because it is the right thing to do from an ethical perspective. We remain committed to supporting our portfolio companies in achieving their carbon reduction targets and driving meaningful, sustainable growth. However, as importantly, it makes commercial sense. A diverse, engaged and motivated workforce will help drive company performance; and as ESG regulation is being "trickled down", customers increasingly expect their partners to help them meet their ESG obligations. We have been impressed with the progress made to date by the Eque2 team to support its customers and people, and look forward to supporting their future plans. Anne Sheedy, ESG Director at Bowmark Capital

ESG GOVERNANCE

OUR ESG COMMITTEE

JULIE BARBER –
HEAD OF STRATEGIC PARTNERSHIPS

RUPINDER DYAL –
HEAD OF HR

JAS BADYAL –
TALENT MANAGER

RICHARD BOSTON –
CHIEF REVENUE OFFICER
ESG CHAIR

RACHAEL COLE –
HEAD OF CUSTOMER EXPERIENCE

As a responsible business, embedding ESG into our governance and compliance practices is essential. Our established ESG committee of passionate representatives meet monthly to assess progress against our goals. These individuals are tasked with driving our ESG agenda forward, holding the business accountable on commitments, and reporting on progress to the Board.

PROMOTING RESPONSIBLE BUSINESS PRACTICES

MANAGING ESG RISK

All businesses are exposed to ESG risk– regardless of sector or standing. However, given its vulnerability to environmental and social impacts, few face as much scrutiny as the construction industry. As a key player supporting this sector, Eque2 is acutely aware of the importance of identifying and mitigating ESG risks to maintain resilience and uphold our values.

Effective ESG management is crucial not only for protecting our business, but also for meeting the evolving expectations of our stakeholders, including our clients, investors and employees. ESG risks are discussed regularly at Board level to ensure they are integrated into our strategic decision-making, while our company-wide risk register incorporates key business risks, including ESG variables, to systematically address potential challenges across the organisation.

We have recently taken steps to better understand climate risks through a high-level assessment, identifying key risks relevant to our sector. To ensure we are equipped to weather both the physical and transitional risks posed by climate change, and preparedness for the low carbon transition. Alongside this, we have established a system to track our progress on ESG, ensuring that we stay on course to meet our commitments and targets.

HEALTH AND SAFETY

Protecting the health and safety of our staff remains a top priority, not only as a moral obligation, but also to ensure we uphold our reputation as a committed and responsible employer. In 2023, we have continued to strengthen our approach to health and safety, with the appointment of a designated Health & Safety Lead, who is IOSH (Institute of Occupational Safety and Health) certified, ensuring expert oversight of health and safety processes.

We have a robust H&S management system in place, which is annually reviewed by external provider, Croner, to ensure we maintain the highest levels of compliance and effectiveness.

We also ensure all staff are thoroughly briefed on H&S issues. Our induction training covers essential topics such as Health and Safety awareness, display screen equipment usage, lone working, driving for business, and mental health awareness. Additionally, a number of our employees are trained in First Aid and as fire marshals, ensuring our offices are well-equipped to handle emergencies.

We are proud to report that for the financial year ending 2024, we recorded zero days lost due to work-related injuries. This reflects our ongoing commitment to maintaining a safe working environment, supported by our proactive measures and the guidance of external health and safety specialists.

ANTI BRIBERY AND CORRUPTION

Integral to our reputation as a trusted business is our commitment to conduct ourselves with the utmost professionalism, fairness, and integrity. This is reflected in our Anti-Bribery and Corruption policy, which undergoes annual reviews to ensure it continues to adhere to the highest ethical standards. Additionally, we take precautions to ensure all staff receive annual training to understand the principles around anti-bribery and corruption and how to report any suspected concerns.

MODERN SLAVERY

Modern slavery is a crime and violation of fundamental human rights. Eque2 is committed to ensuring transparency in both our own business and in tackling modern slavery throughout our supply chain. Our Modern Slavery Statement outlines our expectations of our employees, contractors, suppliers, and other business partners, supplemented by our Supplier Code of Conduct.

We advocate for employees to raise any suspicions of modern slavery in any part of our business or supply chains. Concerns can be raised with either management or reported in accordance with our Whistleblowing policy.

We take a zero-tolerance approach to modern slavery and any employee or partners found to be in breach of the policy face disciplinary action, dismissal, and the termination of the partnership.

DATA PRIVACY AND CYBERSECURITY

We take extensive precautions to maintain the standards of our cyber security programme. This is underpinned by our Cyber Essentials Accreditation, a level of certification offered under the Government's Cyber Essentials Scheme.

Our security systems and processes undergo rigorous testing to ensure we remain robust against external attacks. We also have secure measures and processes in place to continue to meet the high standards expected by our customers, partners, and employees.

Additionally, 100% of employees undertake mandatory GDPR training upon joining the business and we have strict measures in place to keep any data we manage safe and secure.

ENVIRONMENT

SUPPORTING SUSTAINABLE DEVELOPMENT

As one of the highest emitting industries, the built environment is being held to tough emission targets to support the UK's 2050 Net Zero deadline. In the UK Government's Heat and Building strategy, published in October 2021, it was announced that all new buildings should be prepared for Net Zero from 2025, requiring a 27% reduction in carbon emissions (compared with current standards) for non-domestic buildings and a 30% reduction for domestic buildings[1].

Cloud technology has evolved at pace over recent years, offering significant opportunities to develop solutions that enhance business efficiencies, alongside helping clients deliver against their ESG goals. By enabling accessibility to centralised data from any location or device, cloud solutions negate the need for organisations to pay for and manage their own infrastructure, whilst reducing paper use, printing, and energy costs. Additionally, our systems are designed in line with Microsoft's energy optimised systems, which are shown to be 98% more efficient than an on-premises deployed solution.

To support our clients in their decarbonisation targets, we regularly seek feedback to enhance our product and service offerings. The configurability of our ERP (Enterprise Resource Planning) systems organically supports clients to track their project's environmental impacts. This includes the ability to report on carbon values against key business assets, such as fuel consumption. Our systems allow clients to reduce their fuel consumption by locating the most efficient fuel routes and allocating local staff. Additionally, the reporting function provides clients with comparative data, allowing clients to compare the hourly consumption rates between electric and diesel vehicles.

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[1] Net zero in UK construction - where are we now?

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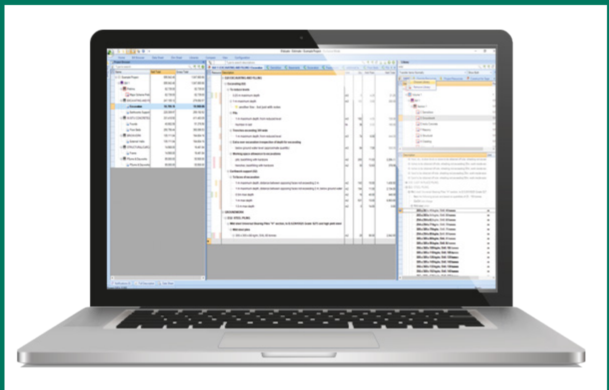
EValuate helps construction firms to quickly produce accurate tenders by working out the cost of a job to provide an estimate, considering factors such as the cost of materials.



CASE STUDY: HELPING CONSTRUCTION FIRMS TO ASSESS AND REPORT THEIR EMBODIED CARBON FOOTPRINTS

Reducing the operational emissions of buildings has been a long-standing conundrum. However, to meet Net Zero targets requires the construction industry to tackle another critical, complex issue: embodied carbon. This refers to the carbon emissions generated throughout the construction process lifecycle-from the extraction and manufacture of materials to their transportation, installation and eventual disposal.

Whilst there are currently no formal regulations in place to monitor or limit embodied carbon, this is likely to change in the near future. Industry leaders are pushing for the introduction of legal limits on embodied carbon, while the new Labour Government is facing growing calls to introduce a set of standards. Current proposals include an amendment to Part Z building regulations, which would enforce mandatory caps on embodied carbon, and require construction firms to assess and report their embodied carbon footprints.

In addition to meeting future regulatory requirements, local authorities are increasingly requesting this information in planning permission and environmental impact assessments. Despite the scale of the issue, there remains a data gap in the industry, with many construction firms unsure where they can turn to get the required information on the amount of embodied carbon within their projects.

Eque2’s estimating tool, Evaluate, eases this transition with the launch of our new embodied carbon feature. EValuate helps construction firms to quickly produce accurate tenders by working out the cost of a job to provide an estimate, considering factors such as the cost of materials. In much the same way, construction companies will now be able to establish an estimate for how much embodied carbon they will produce. As businesses are increasingly asked for this information when producing tenders, the software helps to simplify the tendering process.

Additionally, as plans or drawings are updated, so too is the embodied carbon calculation, providing up-to-date insights that help companies, and their clients, weigh environmental concerns alongside budget considerations.

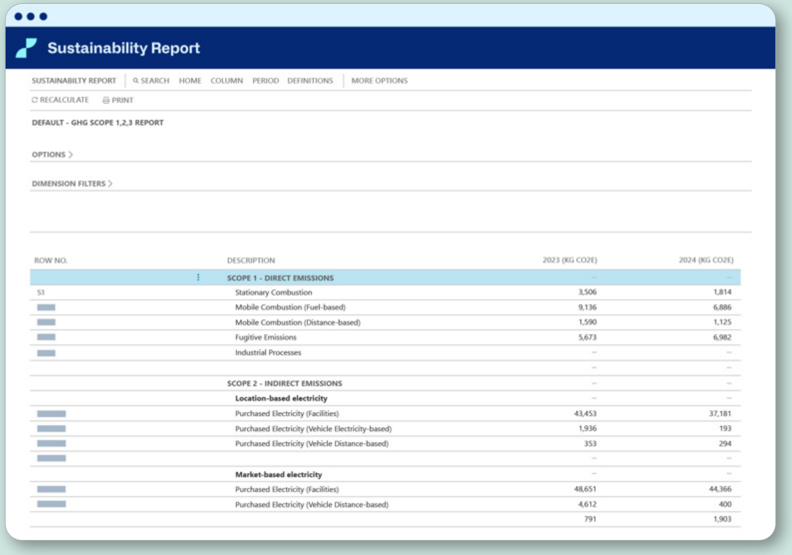
INTRODUCING CONTINIA SUSTAINABILITY

Continia

Eque2's commitment to ESG principles extends beyond our internal practices to our partnerships. One such partnership is Continia Software, a leading provider of add-on solutions for Microsoft Dynamics 365 Business Central. As Continia's largest UK partner, Eque2 will be offering customers access to **Continia Sustainability**, a product designed to support carbon accounting.

Born out of Continia's drive to create an accurate method for carbon accounting, Continia Sustainability enables Eque2 customers to track and report their carbon emissions directly from Business Central. The platform automatically converts financial and quantitative data into CO_2 equivalents, calculating and allocating Scope 1, 2, and 3 emissions with precision. Using more than 50,000 up-to-date emissions factors, businesses can generate carbon reports that align with the Greenhouse Gas (GHG) Protocol.

With new EU regulations, such as the Corporate Sustainability Reporting Directive (CSRD) businesses will increasingly be required to report on their emissions and their efforts to reduce them. Armed with this data, companies can take action to reduce their carbon footprint. Even for companies that do not yet meet the threshold for reporting, as customers increasingly expect transparency when it comes to sustainability, reporting on emissions can help businesses stay competitive in the market.



Sustainability Report

SUSTAINABILTY REPORT SEARCH HOME COLUMN PERIOD DEFINITIONS MORE OPTIONS

RECALCULATE PRINT

DEFAULT - GHG SCOPE 1,2,3 REPORT

OPTIONS

DIMENSION FILTERS

ROW NO.	DESCRIPTION	2023 (KG CO2E)	2024 (KG CO2E)
	SCOPE 1 - DIRECT EMISSIONS	–	–
S1	Stationary Combustion	3,506	1,814
	Mobile Combustion (Fuel-based)	9,136	6,886
	Mobile Combustion (Distance-based)	1,590	1,125
	Fugitive Emissions	5,673	6,982
	Industrial Processes	–	–
		–	–
	SCOPE 2 - INDIRECT EMISSIONS	–	–
	Location-based electricity	–	–
	Purchased Electricity (Facilities)	43,453	37,181
	Purchased Electricity (Vehicle Electricity-based)	1,936	193
	Purchased Electricity (Vehicle Distance-based)	353	294
		–	–
	Market-based electricity	–	–
	Purchased Electricity (Facilities)	48,651	44,366
	Purchased Electricity (Vehicle Distance-based)	4,612	400
		791	1,903

Microsoft Partner Microsoft | Dynamics 365 Business Central

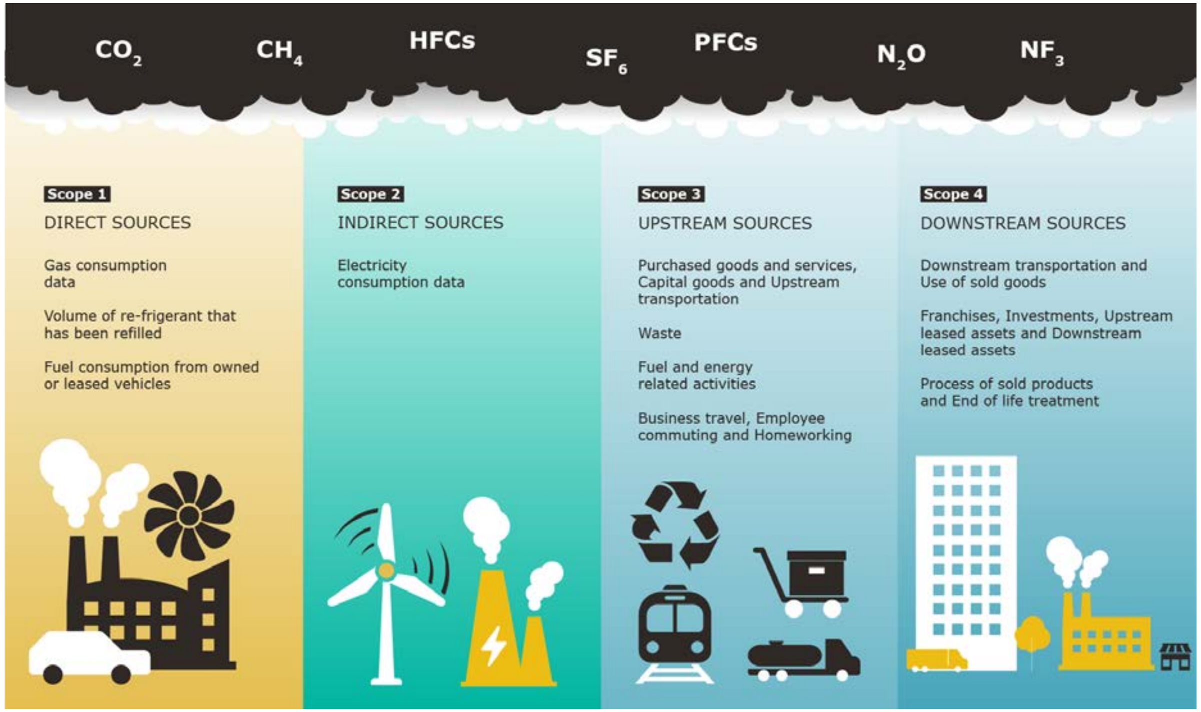
PREPARING FOR THE NET ZERO ECONOMY

The urgency around climate action has only intensified since last year, with 2024 on track to be the hottest year on record globally[1], which would make it the eighth warmest year in history. As extreme weather events become more frequent, pressure from investors, regulators, and the public to act on climate change continues to escalate. The UK has committed to reducing its greenhouse gas emissions by 100% from 1990 levels by 2050, and at Eque2, we recognise the need to align with this national roadmap as we prepare for a Net Zero economy.

We have made significant strides in our sustainability journey over the last few years. In 2023, we published our first Net Zero report, setting an ambitious target to achieve Net Zero by 2035. As part of this effort, we expanded our focus to assess key Scope 3 impact areas and developed a carbon reduction glidepath to significantly reduce our greenhouse gas emissions over time. We also achieved carbon-neutral status for our Scope 1 and 2 emissions.

Since then, we have continued to reduce our overall emissions and remain committed to driving further reductions as we work toward our long-term Net Zero goals.

The Net Zero calculations were prepared following the GHG Protocol standards for calculating Scope 1, 2 and 3. The GHG Protocol outlines three categories of emissions sources: Scope 1, Scope 2 and Scope 3.



Scope 1: Direct emissions

- This includes emissions generated from on-site natural gas, as well as company vehicles that are leased and/or owned and fugitive emissions from refrigerants

Scope 2: Indirect emissions

- This includes emissions generated offsite, namely purchased electricity

Scope 3: Indirect emissions

- This includes emissions from upstream and downstream business activities including purchased goods and services, capital goods, fuel and energy related activities, waste, business travel and employee commuting

[1] https://climate.copernicus.eu/copernicus-summer-2024-hottest-record-globally-and-europe#:~:text=The%20average%20anomaly%20for%20the,the%20warmest%20year%20on%20record.

This year, we are proud to report that Eque2 has achieved a substantial reduction in our overall emissions, reducing our emissions by 30%. A major contributor to this success has been the significant reduction in our Scope 1 emissions, which have decreased by over 400%. This reduction is largely due to the consolidation of our office locations over recent years, which minimised our gas, refrigerant and company vehicle use.

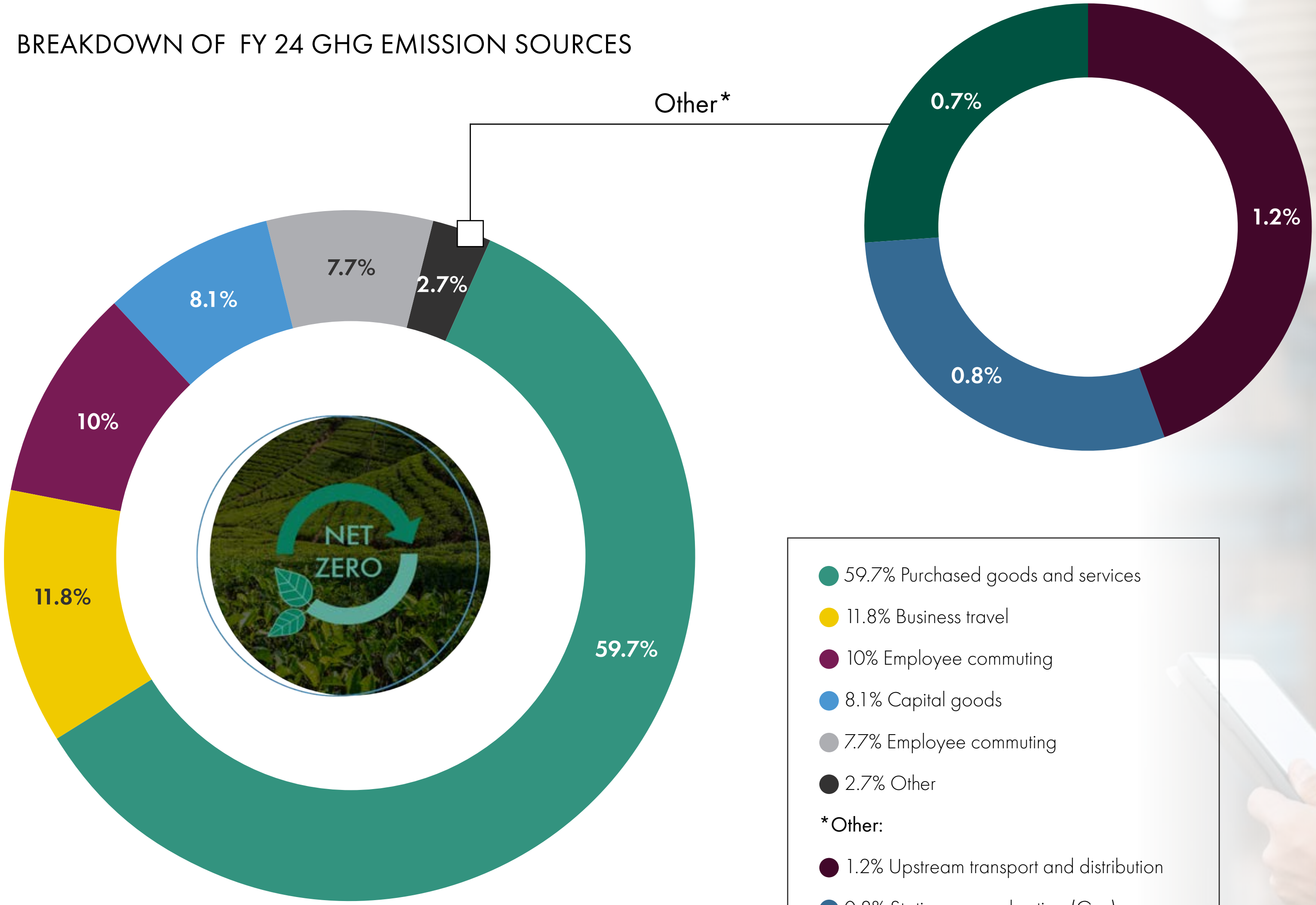
Whilst this is a positive, some of these emissions have transferred to business travel and employee commuting, as employees now need to undertake further distances to offices. To address this, we launched an electric vehicle salary scheme in partnership with Octopus Energy, which complements our already existing cycle-to-work scheme.

Additionally, we have made notable progress in reducing our Scope 3 emissions, primarily by cutting back on purchased goods and services and reducing expenditure on capital goods. These efforts have helped us to streamline our operations while simultaneously cutting costs, reinforcing our focus on both sustainability and business efficiency.

Scope/Category	Item	Total tCO_2e FY2023	Total tCO_2e FY2024	% for FY 24	% Difference
SCOPE 1					
Stationary combustion (Gas)	Gas consumed	35.56	6.9	0.77	-80.5
Transportation	Owned and leased vehicles	1.70	0.4	0.4	-74.6
Refrigerants	HVAC's	1.58	-	0%	-100
SCOPE 2					
Electricity (Location-based)[1]	Purchased electricity, for own use (grid average)	-	13.8	N/A	-
Electricity (Market-based)[2]	Purchased electricity, for own use (specific contract)	17.23	25.58	2.84	+48.5
SCOPE 3					
Cat 1: Purchased goods and services	Goods and services	832.45	522.27	58.04	-37.3
Cat 2: Capital goods	CapEx expenditure	220.66	70.46	7.83	-68.1
Cat 3: Fuel & energy related activities	WTT[3] & T&D losses[4] from electricity, stationary combustion of fuels and transport	12.59	5.80	0.64	-53.9
Category 4: Upstream transport and distribution	The warehousing and transport of goods from Tier 1 suppliers	-	10.45	1.16	N/A
Cat 5: Waste generated in operations	Waste generated in operations	0.09	0.089	0.01	-3.8
Cat 6: Business travel	Land and air travel and hotel stays for business purposes WTW	71.73	103.36	11.49	+44.1
Cat 7: Employee commuting	Employees commuting to and back from work	74.84	87.4	3.72	+16.8
Cat 7: Employee commuting	Employees working frowm home	77.71	67.0	7.44	-13.8
Total Gross Emissions (Location-based)		**1,346.10**	**888.01**	**-**	**-34.0**
Less emissions avoided by procurement of renewable electricity		(0)	(0)		
Less emissions avoided by production of renewable electricity		(0.0)	(0.0)		
Total Gross Emissions (Market-based)		**1,346.10**	**899.77**	**100**	**-33.2**
Less carbon offsets		(60)	(55)		
Total Net Emissions		**1,286.10**	**899.77**		

[2] Location based represents emissions from electricity consumption based on grid average emissions
[3] Market based represents emissions from electricity consumption based on specific energy contracts
[4] WTT – Well-to-tank emissions. Emissions associated with the extraction, refinement, and transport of fuels before consumption
[5] T&D losses – Transmission and distribution losses. Emissions associated with the energy lost during the transmission of electricity through the network

BREAKDOWN OF FY 24 GHG EMISSION SOURCES



- 59.7% Purchased goods and services
- 11.8% Business travel
- 10% Employee commuting
- 8.1% Capital goods
- 7.7% Employee commuting
- 2.7% Other

*Other:

- 1.2% Upstream transport and distribution
- 0.8% Stationary combustion (Gas)
- 0.7% Fuel & energy related activities

Annual CO_2 Reduction
67,458 metric tons CO_2e

OFFSETTING

Accepting accountability for our emissions impact means taking every possible step to reduce them at the source. However, we understand that the route to Net Zero requires acknowledging that some emissions output is unavoidable. To address this, we invest in independently verified restoration and regeneration projects that support our Net Zero ambitions. As we gradually decarbonise, we approach this as a necessary cost to manage our environmental impact, while putting a tangible cost on our carbon output.

The Maisa REDD+ Project, Brazil

The Maisa REDD+ project protects a vital area of the Brazilian Amazon currently threatened by deforestation. Located within the centre of Belém, this region boasts immense biodiversity, home to over 450 unique species of plants and animals, many of which exist nowhere else on Earth. Tragically, years of severe deforestation have left the landscape fragmented and degraded, with over 75% of the forest cover already compromised. As these forests are cleared, stored carbon is released into the atmosphere, further driving global climate change.

To combat this, the project aims to safeguard more than 15,000 acres of the Amazon rainforest by addressing the main drivers of deforestation in the region. This includes developing alternative economic activities that encourage forest conservation, such as harvesting acai berries, sustainable farming practices, and other forest products. These help to strengthen local producer cooperatives and provide additional income sources for local families. To prevent illegal timber harvesting, the project also uses satellite images to identify possible sources of deforestation. By increasing the economic value of standing forests and improving surveillance, this initiative seeks not only to preserve this critical habitat but also to foster sustainable livelihoods for local communities.

SDGs Supported:

Environmental Benefits

- Mitigates climate change by preventing deforestation
- Protects 71,047 acres of forest cover
- Conserves biodiversity by protecting the habitats of endangered species

Community Benefits

- Increases income for impoverished communities
- Trains local producers on sustainable forest management and land use

TRANSPORT

As part of our ongoing commitment to decarbonising our transport emissions, we recognize the importance of reducing the impact of our small fleet and promoting more sustainable travel options across the business.

Building on the goals set in 2023, we've made significant strides in transitioning to lower-carbon alternatives for our leased vehicles. As leases come up for renewal we are transitioning these to electric vehicles. Now, only two petrol or diesel vehicles remain in use, and we are actively phasing these out, working towards a 100% renewable or low-carbon energy fleet in the next couple of years.

Beyond our fleet, we have continued to evaluate the wider impact of employee commuting. While we have limited control over how our employees travel to work, we are committed to encouraging more sustainable commuting options where we can. This year, we conducted our first employee travel survey to gain a deeper understanding of commuting behaviours. Over 70% of employees participated, and the survey revealed that nearly three-quarters rely on cars for their daily commute.

In response, we launched an electric vehicle (EV) salary sacrifice scheme in partnership with Octopus Energy as part of our 'Go Green Day' environmental awareness initiative in March 2024. This new program complements our existing cycle-to-work scheme, offering more ways for employees to reduce their commuting-related carbon footprint.

Vehicle overview

Fuel type	2022/23		2023/24	
	Number of vehicles	tCO_2e	Number of vehicles	tCO_2e
Electric	-	-	9	-
Diesel	1	1.63	1	0.38
Petrol	2	0.09	2	0.06
Hybrid	1	-	1	-
Total	**4**	**1.72**	**13**	**0.44**

"We launched an electric vehicle (EV) salary sacrifice scheme in partnership with Octopus Energy as part of our 'Go Green Day' environmental awareness initiative.

MANAGING OUR ENERGY

Working within the construction, housebuilding and contracting sectors, we recognise the crucial role buildings play in global energy reduction efforts. Although our own operations do not produce a significant amount of energy, we recognise that every building must embrace energy efficiencies and transition to renewable energy to achieve global Net Zero targets. Therefore, we remain committed to identifying areas within our own operations where we can make improvements, however small.

One key step we've taken is consolidating our office locations, which has already had a positive impact on reducing our overall energy consumption. Alongside this, we have continued to engage with our landlords to gain better insight into the energy management practices of the buildings we occupy, enabling us to identify areas for further efficiency gains.

Both our Maidenhead and Newcastle offices currently hold good Energy Performance Certificate (EPC) ratings (Maidenhead is rated B and Newcastle is rated C). At our Maidenhead office, we recently completed a Heating, Ventilation, and Air Conditioning (HVAC) upgrade, enabling us to conserve heat and maximise the efficiency of our heat pumps. Additionally, our Maidenhead office now runs entirely on 100% renewable electricity, and we are actively working to understand the energy contracts and usage for our Newcastle office to ensure similar improvements.

Energy overview

Energy source	2022/23		2023/24	
	kWh*	tCO_2e	kWh*	tCO_2e
Natural gas	194,802.61	35.56	37,892.16	6.93
Electricity	89,086.56	17.23	66,733.63	25.28
Total	**283,889.17**	**52.79**	**104,625.79**	**32.21**

* kWh were calculated using a mix of primary and estimated data

WASTE MANAGEMENT

Eque2 operates two offices located in Maidenhead and Newcastle. While we produce minimal waste in our office-based operations, we are committed to reducing our waste footprint as much as possible. As part of our annual Net Zero assessment, we calculated waste data for our two key waste streams, food and dry-mixed recycling, providing us with an overview of our waste impact.

Over the past year, we have slightly reduced our overall waste consumption. This is largely due to engaging with our employees on best practice. We implement small, but impactful, tactics to encourage behavioural changes, such as ensuring clear signage and keeping bin sizes small. We've also continued to divert waste from landfill across both sites and work closely with our landlords to enhance understanding and management of our waste streams. To counter our electrical waste impact, we have IT disposal arrangements in place with Tech Recycle, a company helping to counter e-waste by collecting and repurposing companies' redundant and end-of-life equipment.

Across both offices, we actively encourage employees to segregate waste with clearly signposted recycling bins, ensuring materials are properly sorted to reduce contamination and maximise recycling efforts.

Office locations

Waste stream	Waste disposal method	2022/23		2023/24	
		Kg	tCO_2e	Kg	tCO_2e
Food	Incineration/ waste to energy	194,802.61	35.56	37,892.16	6.93
Dry-mixed recycling	Recycled	89,086.56	17.23	66,733.63	25.28
Total		**283,889.17**	**52.79**	**104,625.79**	**32.21**

SUPPLY CHAIN MANAGEMENT

Effective supply chain management is not only vital for ensuring the smooth delivery of our services, but it also plays a critical role in addressing our broader environmental and social impact. With Scope 3 emissions accounting for over 90% of our total carbon emissions, partnering with our supply chain will be a key lever in our Net Zero journey. Additionally, as regulatory frameworks such as the EU's Corporate Sustainability Due Diligence Directive (CSDDD) become increasingly stringent, the need for transparent, accountable, and traceable supply chains has become more urgent than ever.

One of our primary goals this year was to enhance our understanding and assessment of the sustainability performance within our supply chain. As a first step, we undertook a high-level supply chain mapping exercise, including our direct Tier 1, and indirect Tier 2 suppliers, to further enhance traceability. Meanwhile, our Supplier Code of Conduct, now a standard feature in all new material supplier contracts, clearly outlines our expectations for suppliers to adhere to the same high ESG standards we apply in our own operations.

To reinforce these expectations, we now require all suppliers to complete a pre-qualification assessment form or ESG questionnaire, providing evidence of their environmental and social credentials. This additional layer of scrutiny enables us to better assess potential risks while promoting responsible practices throughout the entire supply chain.

SOCIAL

HOW WE'RE SUPPORTING OUR CLIENTS TO SAFEGUARD WORKPLACES

Eque2's services help clients to cultivate fair and inclusive workplace practices and protect employee's well-being.

Our HR module flags untaken holidays and excessive working hours, allowing clients to track unhealthy working patterns. Additionally, it allows customers to track and redlight absences to identify potentially vulnerable team members, or those in crisis.

Our systems can be used to support fairer workplaces, by monitoring pay banding to ensure equal pay conditions, while modules can be tailored to monitor diversity requirements and highlight any discrepancies.

Our self-service module's compliance function safeguards against modern slavery, ensuring that bank account charges are approved by a secondary user to certify antislavery conditions are met. While our subcontract management system provides ongoing monitoring to ensure adherence to anti-slavery requirements. This means that suppliers and subcontractors can be blocked from the system if documentation is marked as insufficient, missing, or outdated.

WORKFORCE DEVELOPMENT

At the heart of our business is a commitment to nurturing talent and empowering our employees to grow and thrive. We believe that anyone with the potential and drive to succeed deserves the opportunity, challenges and support to achieve their goals. As part of our core value of 'Develop,' we are dedicated to offering clear career pathways, ensuring employees feel valued, and providing meaningful learning opportunities that foster both personal and professional growth.

LEADERSHIP PROGRAMME

Empowering managers to step into senior roles with mentoring, coaching, and practical leadership experiences.

APPRAISAL PROCESS

A structured, three-stage process conducted every six months to set objectives, give feedback, and establish personal career goals.

TAILORED DEVELOPMENT PLANS

Customised growth paths designed to meet each employee's individual needs and career aspirations.

TRAINING AND DEVELOPMENT

Dedicated funding to provide access to training and upskilling resources for all employees.

TRANSPARENCY ON PAY

Clear guidelines on pay reviews and benchmarking to ensure fairness and transparency.

SKILLS GAP ANALYSIS

Identifies training needs across the workforce to design impactful development resources.

ONLINE LEARNING OPPORTUNITIES

Exploring new ways to offer flexible, accessible training through digital platforms.

CELEBRATING ACHIEVEMENTS

Employee achievements are celebrated at all-hands meetings, with plans to expand recognition through Perkbox.

WELLBEING

At Eque2, we are committed to creating a workplace where employees feel supported, valued, and motivated to stay for the long term. We understand that for our employees to perform at their best, they need to feel their best. Our efforts were recognised in 2023 when we became Great Place To Work accredited, a testament to our positive workplace culture. Additionally, our absence and employee turnover rates remain below the national average (1.9% and 10.5% respectively), reflecting the success of our employee-focused initiatives.

In 2023 we became **Great Place To Work** accredited.

EQUE2'S WELLBEING HIGHLIGHTS:

- **Discounts & perks:** Our benefits and rewards platform, Perkbox, provides employees with access to discounts and perks and as well as our Health Assured employee assistance programme
- **Occupational Health:** We partner with occupational health provider, Medigold, with a referral service for employees seeking additional support
- **Mental Health support:** All employees have access to the Thrive app, which offers mental health resources, including the option to request Cognitive Behavioural Therapy (CBT) sessions. To ensure practical support, we have trained mental health first aiders, as well as employees with First Aid and fire marshal training. Additionally, we celebrated Mental Health Awareness Week this year with a series of activities designed to support employees' wellbeing
- **On the ground support:** To ensure there is practical support on the ground, we have trained 5 employees with First Aid training and 5 employees with fire marshal training
- **Fast access to healthcare:** Our HR systems and team are training on monitoring sickness and absence rates to identify vulnerable employees. Our benefits package offers free 24/7 access to an online GP to provide everyone with fast access to healthcare services
- **Support group:** Our Health and Wellbeing Group also plays a vital role in supporting all employees through practical resources that encourage self-care and mutual support

INCLUSIVE CULTURE

At Eque2, creating an inclusive and diverse culture is fundamental to who we are. We believe that by listening to and valuing the unique perspectives of our employees, we can drive greater engagement and create a more dynamic work environment. Our employee-led working groups, such as Health and Wellbeing and REACH (Race, Ethnicity & Cultural Heritage), have been instrumental in empowering individuals to shape the culture and ensure their voices are heard.

Diversity, Equity & Inclusion (DE&I)

Our formal DE&I policy is brought to life through dedicated training, which is included in every employee's onboarding process. The policy is further supported by our DE&I Council, an employee-led group that spearheads initiatives to promote inclusivity and provide ongoing insights for continuous improvement. One notable outcome of these efforts is the increased representation of individuals from ethnic minority groups in senior management and leadership roles. To strengthen our recruitment process and ensure fairness, we have introduced blind recruitment practices, led by our Talent Acquisition Manager. This approach ensures that all candidates are evaluated based solely on their qualifications and experience, helping to reduce unconscious bias in hiring decisions. To track the effectiveness of our DE&I initiatives, we regularly capture data through our HR system, with the latest update completed in April 2024. This data collection allows us to assess our progress and identify areas for further improvement, ensuring our DE&I efforts continue to drive meaningful change across the business.

Engaging Our Remote Workforce

In response to feedback from our employee engagement survey, we identified the need to enhance engagement with our remote workforce. We established a focus group of six remote workers to explore ways to enhance their experience, including the introduction of more online socials and interactive content on Microsoft Teams. These initiatives are designed to ensure that all employees feel connected and supported, regardless of their work location.

Gender Equality

Eque2 recognises the challenge of attracting women into construction and technology, two sectors where women are notoriously underrepresented. In 2022, we pledged alignment with SDG5: Gender Equality, one of the UN's 17 Sustainable Development Goals. This sets out to achieve gender equality and provide equal opportunities for leadership at all levels of decision-making.

This year, we exceeded industry averages for representation, with women making up 34% of our workforce- a slight increase from last year. We were also pleased to report that the number of women in leadership roles increased by 17%, and senior leadership roles by 4%.

However, while these are progressive steps, we know there is more to do. We are setting a diversity target to increase the number of women at Eque2, with specific goals to be established next year. In addition, we are taking steps to create a more welcoming and inclusive environment for women, including menopause awareness training for both men and women. Our newly launched employee-led community group, Women at Eque2, provides a safe and supportive space to discuss issues affecting women, including menopause, parenting, and elderly care.

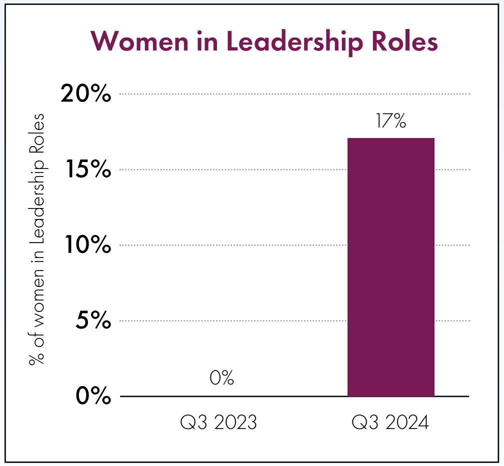
We also celebrated International Women's Day by inviting a prominent female leader from Westbridge to share insights on her professional journey.

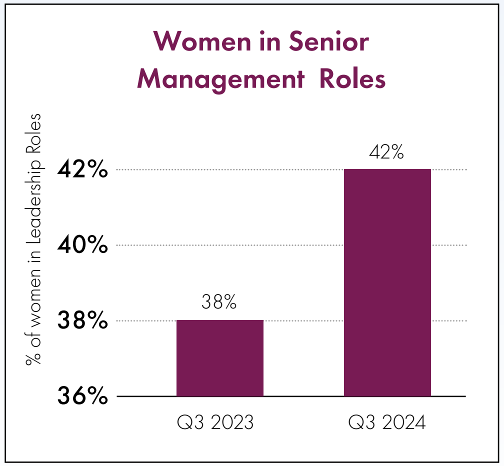
Our Women's Group, whilst not exclusively for women, has been set up to provide a safe space to speak openly about issues affecting women's lives – such as menopause, parenting, and aging parents – so that together we can tackle them and find ways to make the work environment more supportive.

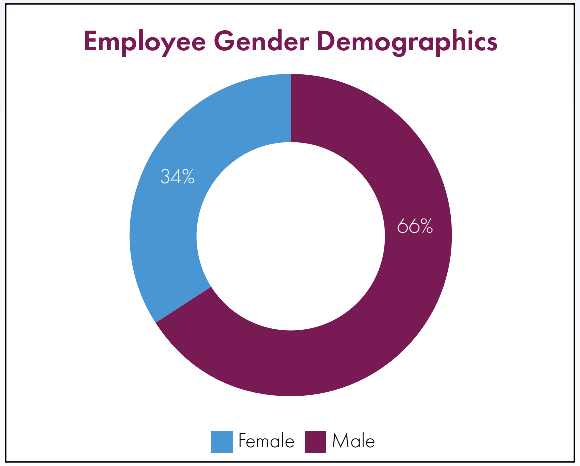
For example, if the real challenge someone is facing is menopause, but they are blaming it on headaches, we want them to feel that they can engage in an honest conversation. Only by doing so, can we support them in the best way possible.

This has real business impact too as that honesty enables us to invest resource where it is really needed... Many of the issues we are tackling are not isolated to women either – we understand that and want to create unity rather than division through our groups. It is really important we enable a space in which all our employees can lean on each other.

Rachel Cole, Head of Customer Experience







CASE STUDY: THE REACH GROUP

At the heart of Eque2's community initiatives is the REACH (Race, Ethnicity & Cultural Heritage) Group, a passionate team united by driving cultural exchange and positive change within the organisation. The group's activities are designed to celebrate diversity, promote inclusivity, and empower underrepresented groups within both the company and the wider community.

Celebrating Cultural Diversity

Embracing the rich diversity of Eque2's workforce, the REACH Group has organised various cultural celebrations to encourage deeper understanding and connection. One standout event was the Chinese New Year celebration, held at both of Eque2's offices. This vibrant event offered an opportunity for employees to share traditions, ideas, and knowledge. The day featured traditional Malaysian cuisine, symbolic decorations, and educational moments on the significance of the Year of the Dragon. Beyond this, the group also pushes for celebrations of other key cultural events, including Eid, and Diwali, helping to cultivate respect and appreciation for different cultural heritages across the company.

Supporting Charitable Causes

In addition to cultural celebrations, the REACH Group organises events that contribute to important charitable causes. For example, in December, they hosted a Festive Jumper Day to raise funds for Save the Children, bringing the Eque2 community together to support a worthy cause while fostering a spirit of fun and camaraderie.

Engaging with the Local Community

Looking ahead, the REACH Group plans to expand its efforts by collaborating with other community organisations to support underrepresented groups. By encouraging employees to participate in community volunteering, the group aims to promote inclusivity and empowerment within the local community, further extending their positive impact beyond the workplace.

We wanted to create a group that recognises the richness and diversity in Eque2's community and culture and helps those who potentially feel underrepresented to not only become more recognised but to feel valued for the differences they bring to our community.

Heritage Day was a huge success across both our Newcastle and Maidenhead offices. It was an extraordinary day which celebrated the rich tapestry of our workforce, embracing our different backgrounds and cultures by exchanging traditions, knowledge, and talents in a bid to foster greater unity and understanding. Using Microsoft Teams to connect our offices enabled colleagues to connect with peers they might not have had the chance to meet otherwise

Kate Whilby, Customer Care Manager and REACH Group Lead

SUPPORTING OUR COMMUNITY

At Eque2, we believe in the importance of giving back to our communities and are proud of our active involvement in the communities we serve. One of our key partnerships is with Learning to Work, a charity dedicated to supporting local young people in schools, colleges, and businesses. Through this collaboration, Eque2 employees volunteer their time and expertise, providing mentorship and guidance to coach young people, helping to shape the next generation of professionals.

We also have an established Volunteering Policy, providing employees with the opportunity to engage in charitable activities, and we were pleased to rack up 224 volunteering hours in the last year. To ensure transparency and measure our impact, we track all charity involvement and outcomes, providing regular reports on our community engagement efforts to the Board on a quarterly basis.

Beyond these structured initiatives, Eque2 employees have shown commendable initiative to form community groups. These groups, driven by a shared passion for social responsibility and sustainability, are fostering real, tangible change both within the company and in the wider communities where we live and work.

224
hours volunteered last year.

Additionally, we support charitable causes that are meaningful to our employees. For example, Hipatia Pries shared her personal journey, inspiring Eque2 to make a donation to Hats for Headway, a charity close to her heart.

“When a lovely recruiter approached me about Eque2, the biggest attraction about the place was their humanity. In a company with great ambition, data and innovation, humanity and people was what stood out

OUR 2024/25 COMMITMENTS

ENVIRONMENTAL

- Complete a **climate risk and opportunities assessment**
- As leases comes up for renewal, **transition to hybrid or electric vehicle alternatives** through our partner – Octopus Energy
- Recalculate and report on our Scope 1, 2, and 3 emissions, to **assess emission reduction progress against our baseline year**

SOCIAL

- Develop a **long-term community engagement** programme directly linked to Eque2s vision, purpose and values
- As part of our ongoing commitment to fostering employee engagement and collaboration, we will **continue to support our employee-led committee groups**. These groups have been instrumental in driving key initiatives across the company, and we are excited to see them grow
- To **further enhance team collaboration and promote a sense of community**, we are introducing a new Social Group. This group will be responsible for organising social events and activities that bring together teams across Eque2. Our talent acquisition manager will help refine the tone and style of our job advertisements to ensure they appeal to a diverse range of candidates
- **Continue to assess employee engagement** through regular pulse surveys and change company plans based on survey results

GOVERNANCE

- **Extend compliance training** for our anti-bribery and corruption, corporate criminal offence, and conflicts policies
- Roll out **ESG training to employees**

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