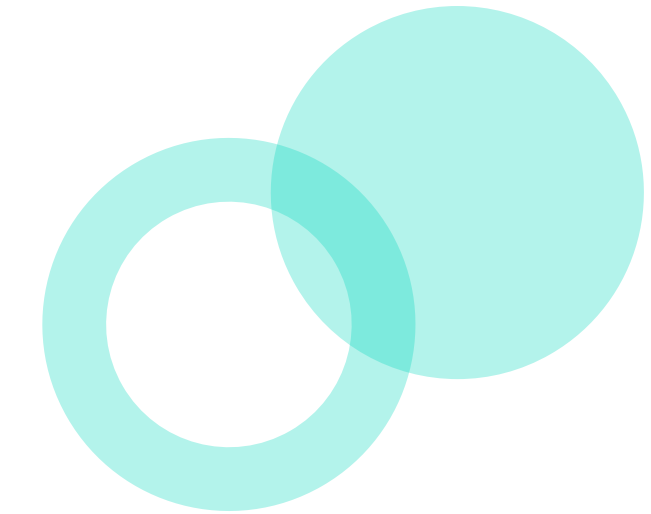




**2022 Sustainability
Highlights Report**

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About this report

This Sustainability Highlights report covers the period 1 January to 31 December 2022, unless otherwise stated.

The report includes sustainability performance data across our environmental, social and governance material topics identified and prioritised as part of the materiality assessment conducted in 2021. This report covers Colt Data Centre Services Limited (“Colt DCS”).

Some data points cover Colt Group Holdings Limited (“Colt Group”), which includes Colt DCS and Colt Technology Services Limited. The Colt Group Sustainability Report can be found [here](#). The Group report is developed in accordance with the Global Reporting Initiative (GRI) Standards. To locate the disclosures, a separate Index is available on our [website](#).

A third-party auditor has provided assurance on selected key performance indicators in the Group report. More information on this can be found in the annex of the Group report.

For questions and feedback on this report, please contact:
sustainability@coltdatacentres.net

Message from our CEO

Since having released our first annual global sustainability report last year, we have taken important steps in delivering our sustainable hyperscale strategy and staying true to our vision 'to become the most trusted and customer-centric data centre operator' in the industry.

2022 proved to be a year that tested our resilience and ability to adapt, as the world struggled to navigate through the ongoing situation in Ukraine, the global energy crisis and turbulent economic conditions. Despite these challenges, we managed to make significant progress on our sustainability ambitions. I would like to thank our employees, customers and shareholders for their unwavering support and commitment to our success.

Our priority over the past year has been to develop and progress on our Colt DCS stand-alone ESG strategy, focusing on three strategic themes: **Decarbonising our business**, **Connecting people** and **Safeguarding our company**. As the data centre industry continues to grow as a whole, it is more important than ever that we focus on our ESG commitments. I'm proud to present our progress and accomplishments across these three strategic priorities in this year's sustainability report.

Decarbonising our business

The ESG strategy reinforces our commitment to become a net zero business by 2045. A target that was approved by the Science-based Targets initiative (SBTi) in accordance with their latest Net Zero Standard. Our carbon footprint is estimated to be 186,487 tonnes of CO₂e, a decrease of 30% compared to our baseline year in 2019. This reduction is mainly due to the steps we've taken to integrate renewable energy sources into our operations, increased engagement with our suppliers and implementing new technologies. Our new data centres will be built in line with the environmental requirements outlined in our Global Reference Design Document.

Connecting people

From customers and suppliers to local communities and our colleagues, we are striving to create a lasting positive impact on stakeholders across our entire value chain. With the impact of the pandemic, employee wellbeing took on even greater significance last year, leading us to launch designated Wellbeing Days to prioritise the physical and mental health of our employees. As we look towards the future, we remain committed to investing in the development of our employees, as well as strengthening our partnerships with suppliers and customers.

Safeguarding our company

Underlying all of this is our commitment to systematically embed sustainability across all relevant parts of our business, ensuring that every colleague, customer and supplier is working towards the same ambition. Our management systems and policies ensure we run our business responsibly and to the highest ethical standards.

I am extremely proud of the progress we have made and am excited about the future. We are committed to continuously improving and will continue to progress on our ESG strategy.

Niclas Sanfridsson

CEO
Colt Data Centre Services



About Colt DCS

Our mission is to become the most trusted and customer-centric data centre operator.

Our services in the design, build, delivery and operational management of hyperscale data centres allow our customers the freedom to plan effectively for the growth of their business, knowing that their data centre strategy is ready for the demands of tomorrow.

We provide data centre solutions to some of the largest Cloud Service Providers and Enterprise businesses across 16 state-of-the-art carrier-neutral data centres spanning seven cities across Europe and APAC.

Colt DCS was established as an operationally independent business in 2015 to accelerate the business's ambitious growth plans. The following year, we secured a number of global expansions to add to our data centre footprint within key markets across Europe and Asia.

Following the acceleration of our hyperscale strategy, we opened our new 120 MW data centre in Mumbai, which is the largest data centre in our current portfolio and marks its entry into the India data centre market. Over the last two years, we have worked closely with our shareholders on their acquisition and development of multiple parcels of land in London, Frankfurt, Paris and Japan, which will see our current capacity grow from 162MW to over 944MW globally.

For more about Colt DCS, please visit our [website](#)

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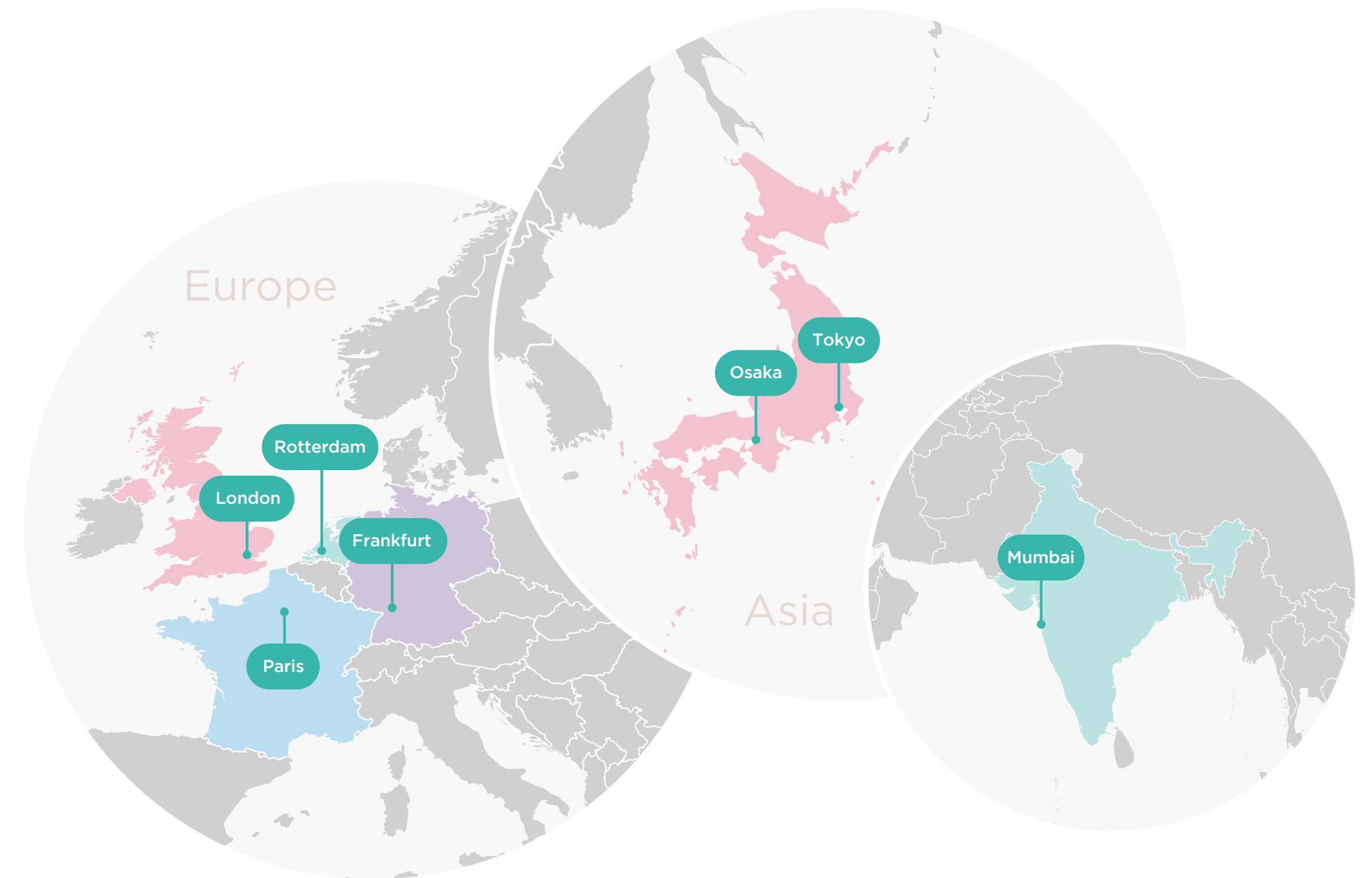
State of the art data centres spanning across **7 cities**.

100%

Carrier neutral sites

24/7

Local language customer service desk



2022 in a glance

Decarbonising our business

30%

Reduction in emissions across all Scopes compared to 2019

3

Data centre sites on the journey to Zero Waste to Landfill Certification

100%

Renewable energy in Europe

SBTi

Approved climate targets

Connecting people

86%

of our suppliers have signed the Supplier Code of Business Conduct

4

Wellbeing days organised

78%

Engagement on our People Matter survey

72

Global NPS Score

Safeguarding our company

ESG Strategy

Launched our global stand-alone ESG Strategy

TCFD

Completed a global scenario analysis in line with TCFD

Anti-Bribery and Corruption

Mandatory training

Enterprise Risk Management

In line with ISO 31000 principles

Awards and certifications

We are proud to have our customer service and sustainability initiatives recognised by leading benchmark and awards organisations.

Deliver exceptional customer experience



Colt DCS has been awarded the Global Data Centre Infrastructure and Operations Customer Value Leadership Award 2022 by leading industry experts, Frost & Sullivan. More information can be found on our [website](#).

72 NPS

A record-breaking customer satisfaction (NPS) score across all our customers in Europe and Asia (increased from 61 in 2021). We have an ever-evolving programme of customer intelligence that helps us to understand and improve the experience we give our customers.

Responsible and sustainable business



Colt Group received a "B" score for our 2022 CDP Climate submission. CDP is a non-profit organisation helping businesses to disclose and manage their impacts on climate change.



Colt Group received a Platinum Score for its EcoVadis submission. EcoVadis provides a global sustainability rating service that enables companies to measure their environmental, social and governance impacts.

Certifications

ISO 9001	Quality	ISO 14001	Environmental Management
ISO/IEC 20000-1	Service Management	ISO 50001	Energy Management
ISO/IEC 27001	Information Security	ISO 22301	Business Continuity Management

Sustainability at Colt DCS

At Colt DCS, we believe in building a sustainable hyperscale data centre future.

To achieve our sustainability ambitions, we are launching our environmental, social and governance (ESG) strategy. The strategy is an integrated part of our long-term growth direction that outlines goals and actions across three strategic priorities:

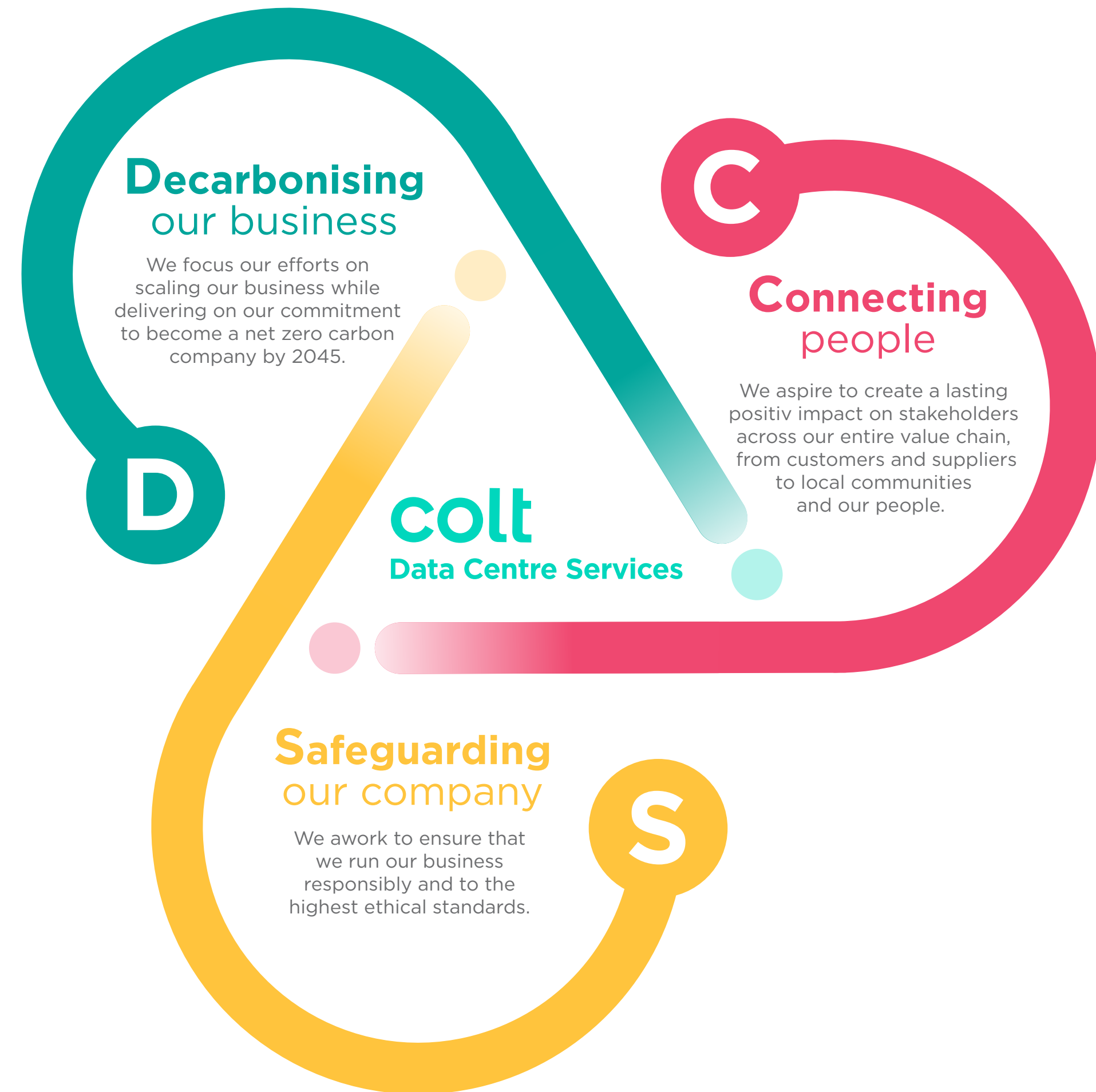
Decarbonising our business, Connecting people and Safeguarding our company.

Material impact areas

In 2021, we conducted a comprehensive materiality assessment to understand the ESG topics that are most relevant to our business. We engaged with staff members across different levels in our organisation and key external stakeholders through interviews and surveys. It also incorporates

the research and guidance from internationally recognised ESG frameworks, including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), CDP, EcoVadis and the UN Global Compact. More information on our materiality assessment and stakeholder engagement approach can be found in the Group Sustainability Report.

Last year, we refreshed our materiality assessment to ensure our sustainability efforts prioritise the areas that are important to our stakeholders and our long-term business success. There were no significant changes in the prioritisation of our material topics. The insights of our 2021 materiality assessment became the blueprint for developing our ESG strategy.



Our targets and progress

	Topic	Targets	Performance at glance (2022)
<h2>Decarbonising our business</h2> <p>Read more on pages 8 to 15.</p>	Climate change	Reduce our absolute Scope 1 & 2 (market-based) emissions by -47% by 2030 compared to a 2019 baseline (SBTi approved)	52% reduction (compared to 2019) of Scope 1 and 2 emissions
		Reduce our absolute Scope 3 emissions by -28% by 2030, compared to a 2019 baseline (SBTi approved)	28% reduction (compared to 2019) of Scope 3 emissions
		Engage and support 95% of our suppliers by emissions to set science-based targets by 2025	Engaged with 70% of our Group suppliers (per December 2022) on sustainability
		Become a net zero carbon company by 2045 (SBTi approved)	30% reduction (compared to 2019) across all Scopes
	Renewable energy	Procure 100% renewable energy by 2030	52% renewable energy in Scope 2 across our global operations
	Nature & biodiversity	Develop and implement a biodiversity and nature strategy by 2024	Feasibility study on biodiversity and nature to be completed in 2023
	Waste management	Achieve zero waste to landfill	Three data centre sites in progression to full certification
<h2>Connecting people</h2> <p>Read more on pages 16 to 23.</p>	Diversity, equity and inclusion	Accelerate diverse representation at all levels of our organisation	Refreshed the Colt Group Diversity, Equity and Inclusion Strategy
	Customer excellence	Maintain and improve our global NPS score	72 global NPS score
	Wellbeing, health and safety	Continue to improve the wellbeing, health and safety of our employees through our policies, management systems and trainings	Organised four wellbeing days and mental health and wellbeing training for managers
	Community engagement	Develop and implement a community engagement strategy by 2024	Selected local initiatives and charities enabling employees to connect with communities
<h2>Safeguarding our company</h2> <p>Read more on pages 24 to 27.</p>	Commitment to transparency	Improve our CDP Climate score	Colt Group achieved a B score for CDP Climate
		Maintain our EcoVadis Platinum score	Colt Group achieved a Platinum score for EcoVadis
	ESG governance	Embed sustainability across all relevant parts of our business	Colt DCS ESG steering committee to be formalised in 2023

Decarbonising our business

At Colt DCS, we focus our efforts on scaling our business, while delivering on our commitment to become a net zero carbon company by 2045.

- 9** Designing for the future
- 10** Science-based climate action
- 13** Energy management
- 15** Protecting natural resources

Designing for the future

Our innovative design principles are focused on helping our customers deliver greater business value and resilience. From inception to decommissioning, the design, development, operations and end-of-life stages are all approached with sustainability in mind.

Supporting our customers to transition to net zero

In 2022, we developed the Global Reference Design (GRD) framework in which we outline our design requirements to develop and operate resilient and more sustainable data centres for the future. The framework includes several requirements to reduce our environmental impact, from carbon management and the use of sustainable materials, to energy efficiency and biodiversity.

We are committed to design all our future data centres in line with the GRD requirements. This means that we strive to achieve LEED Gold certification (or equivalent), with a specific focus on improving energy efficiency, transitioning to alternative fuels and reducing operational waste.

Our approach is underpinned by our Environmental Policy, which affirms our key commitments to climate, waste management and more. Environmental management systems support our operations to meet environmental regulations and permits. We have implemented ISO 14001 (environmental management system) across all our operations in Europe, and are exploring equivalent standards in Asia.

Simultaneously, we continue to invest in upgrading our existing facilities to drive down energy use and improve the Power Utilisation Efficiency (PUE).

Driving innovation

Sustainable innovation is a key driver for our business growth. In 2022, our Global Sustainability Champions organised a Sustainability Month to raise awareness of the environmental issues impacting our business. Discussions around climate change, energy, waste, water and biodiversity were organised across our internal engagement platforms. As a result, we collected over 30 new ideas to reduce our environmental impact in and around our data centres.



Alternative cooling refrigerants



Alternative fuels for our future back-up generators



100% renewable energy



Zero waste to landfill



Creating biodiversity net gain



Science-based climate strategy

Our science-based climate strategy ensures that we're acting across all three Scopes, while working closely with our suppliers, customers and other stakeholders to transition to net zero.

In 2022, we resubmitted our 2030 climate targets to be aligned with the updated Science Based Targets initiative (SBTi) requirements. Our long-term net zero carbon by 2045 target has been approved by the SBTi in accordance with their latest net zero standard.

Our climate targets

47%

Reduction in absolute Scope 1 and 2 emissions by **2030**, from a 2019 baseline

28%

Reduction in absolute Scope 3 emissions by **2030**, from a 2019 baseline

93%

of our suppliers by emissions covering purchased goods and services and capital goods will have Scope 1 & 2 science-based target by **2025**

Becoming net zero by 2045

We are acting across all three Scopes and working closely with our suppliers, customers and other stakeholders in the value chain to achieve reductions across our operations and value chain. By 2045, Colt DCS is committed to becoming net zero by reducing greenhouse gas emission to near zero, while growing our data centre portfolio.

For Scope 1 and 2, we commit to reduce our absolute emissions by 47% by 2030, from a 2019 baseline. This target is aligned to the emissions pathway needed to keep the global temperature rise below 1.5°C. Emissions from our direct operations (Scope 1 and 2) accounted for around 5% of our total carbon footprint.

The vast majority of our emissions (95%) come from our activities in our supply chain. We are committed to cut our Scope 3 emissions by -28% by 2030, from a 2019 baseline. This emission pathway is aligned with the Paris Agreement well-below 2 degrees trajectory.

We are committed to become net zero carbon company by **2045**.



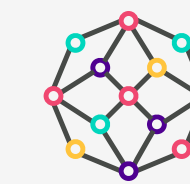
Scope 1 - Direct emissions

These greenhouse gas (GHG) emissions result from owned or controlled sources, such as Colt DCS's company vehicles, gas consumption, refrigerant leakages and fuel use for generators globally.



Scope 2 - Indirect emissions

These GHG emissions come from purchased electricity, steam, heating, or cooling consumed by any Colt DCS location around the world.



Scope 3 - Supply chain emissions

These GHG emissions come from the rest of the value chain and are made up mostly from supply chain emissions. This scope also includes business travel, employee commuting, downstream leased assets, and waste disposal.

Our net zero roadmap programmes



Shifting towards a sustainable energy future

Our commitment:

We are committed to decarbonise our own energy consumption across Scope 1 and 2.

Our aim is to procure 75% renewable energy by 2023 and 100% by 2030 for all sites globally.

Our actions:

- Aligned our emission reduction target with climate science, as validated by the SBTi
- Procured 100% renewable energy in the UK and Europe
- Implement business travel carbon tax

Read more on pages [13](#) and [14](#).



Designing and operating sustainable and resilient data centres

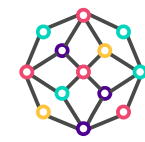
Our commitment:

To reduce our operational emissions (Scope 1), we will continue to improve operational efficiency, transition to alternative cooling and fuel sources, and strive to achieve LEED Gold or equivalent in all future data centres.

Our actions:

- Development of our GRD document
- Zero waste to landfill programme across three sites
- Environmental management system in line with ISO 140001
- Expanding electrical vehicle (EV) charging points

Read more on pages [12](#) to [15](#).



Future proofing our supply chain

Our commitment:

Our aim is to actively engage with our suppliers, representing 93% of our supplier base by emissions, to set science-based targets for Scope 1 and 2 by 2025, and report on their emissions.

Our actions:

- Launched a supply chain decarbonisation programme to strengthen collaboration with suppliers
- Increased transparency across our supply chain emissions

Read more on pages [21](#) and [22](#).



Creating biodiversity net gain across our operations

Our commitment:

We are committed to accelerate our efforts to protect and restore biodiversity areas throughout the construction and operating stages of our data centres.

Our actions:

- Conducting feasibility studies
- Developing a stand-alone biodiversity and nature strategy and implementation roadmap
- Investing in green spaces in and around our data centres

Read more on page [15](#).



Measuring and reporting our progress

Our commitment:

Transparency and traceability remain priority areas for us. We will continue to participate in external benchmarking initiatives, including CDP Climate and EcoVadis.

Our actions:

- Annual sustainability report
- CDP Climate B score
- Platinum score with EcoVadis
- Quarterly carbon footprint in line with GHG protocol



Educating and partnering for net zero

Our commitment:

People remain at the heart of our climate strategy. We want to give our people the confidence to take action and unlock the potential across the business in line with our climate targets.

Our actions:

- Events and webinars organised by our global Sustainability Champions
- Annual sustainability month

Measuring our carbon footprint

Each year we work with a credible third party consultancy to measure, calculate and review our global carbon footprint, in-line with the Greenhouse Gas Protocol.

In 2022, our carbon footprint was 186,487 tonnes of CO₂e (market-based), a decrease of 30% in absolute emissions compared to our baseline year 2019. We have continued to drive decarbonisation across our operations and value chain through efforts like procuring renewable energy, increasing energy efficiency, implementing new technologies and engaging with our suppliers. As we find ourselves ahead of our targets, we will continue to decarbonise and focus our efforts on our long-term net zero target. Additionally, reviews of our annual calculation models have resulted in increased traceability and improved accuracy of our carbon footprint. More information about our calculation methodology can be found [here](#).



Scope 1 and 2 emissions

Colt DCS Scope 1 and 2 market-based emissions in 2022 made up 5% of our overall emissions. Compared to our 2019 baseline, we have reduced our Scope 1 and 2 market-based emissions by 52%. The reduction was achieved through an increase in the share of renewable electricity to 52% in 2022, and the divestment of European data centres in October 2021.

Read more about Energy management on page 13.

Scope 3 emissions

Our Scope 3 emissions in 2022 made up 95% of our overall emissions. It covers the emissions from our suppliers, the electricity consumption by our customers, and other categories including business travel, employee commuting and waste generated in our operations. Since 2019, our scope 3 emissions have reduced by 28%.

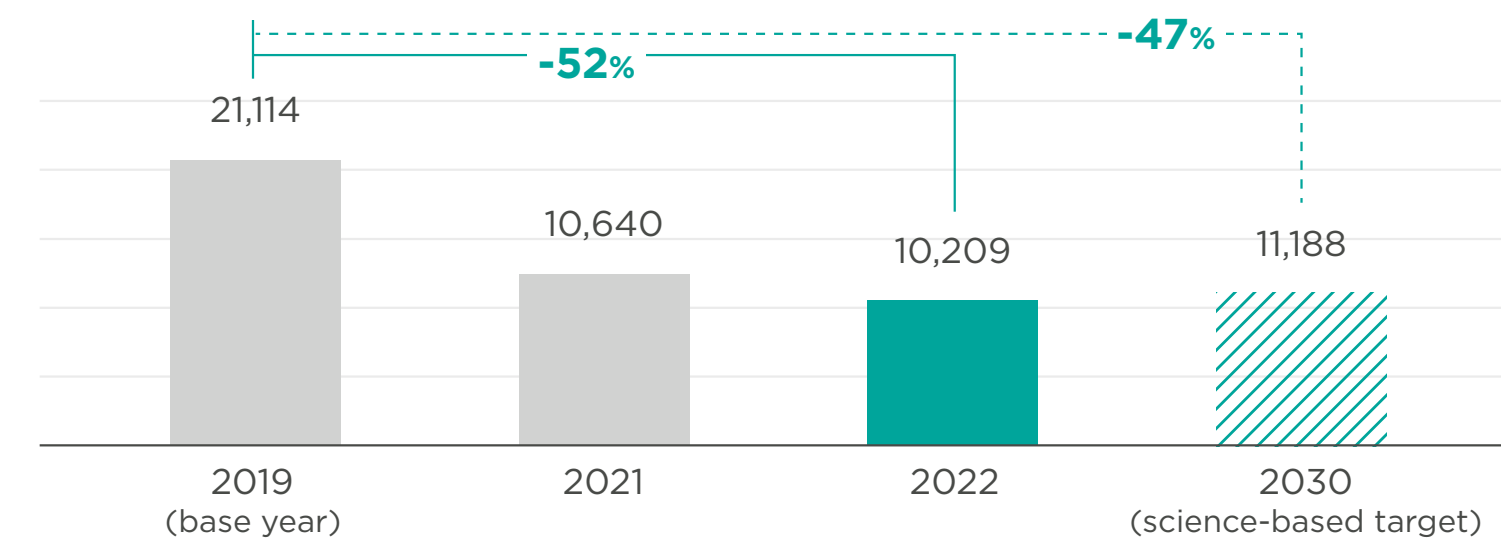
In 2022, we reviewed and improved our methodology for the calculation of GHG emissions related to Purchased Goods and Services (PG&S) and Capital Goods categories. We incorporated supplier-specific emissions for three Colt DCS suppliers, covering 20% of total PG&S and Capital Goods emissions, based on public and externally verified GHG emissions data. With regard to spend-based data, we included an inflation rate correction factor to account for the significant inflation rate seen in 2022. Both methodology updates have resulted in the improved accuracy of our PG&S and Capital Goods calculations, which alongside our efforts to engage with our upstream value chain partners, have positively influenced our scope 3 emission reductions.

We continue to work with our suppliers to reduce the emissions in our value chain. At Colt DCS, our top 60 suppliers are responsible for 93% of our Scope 3 emissions. We have a dedicated supplier programme to work with these companies to reduce our emissions.

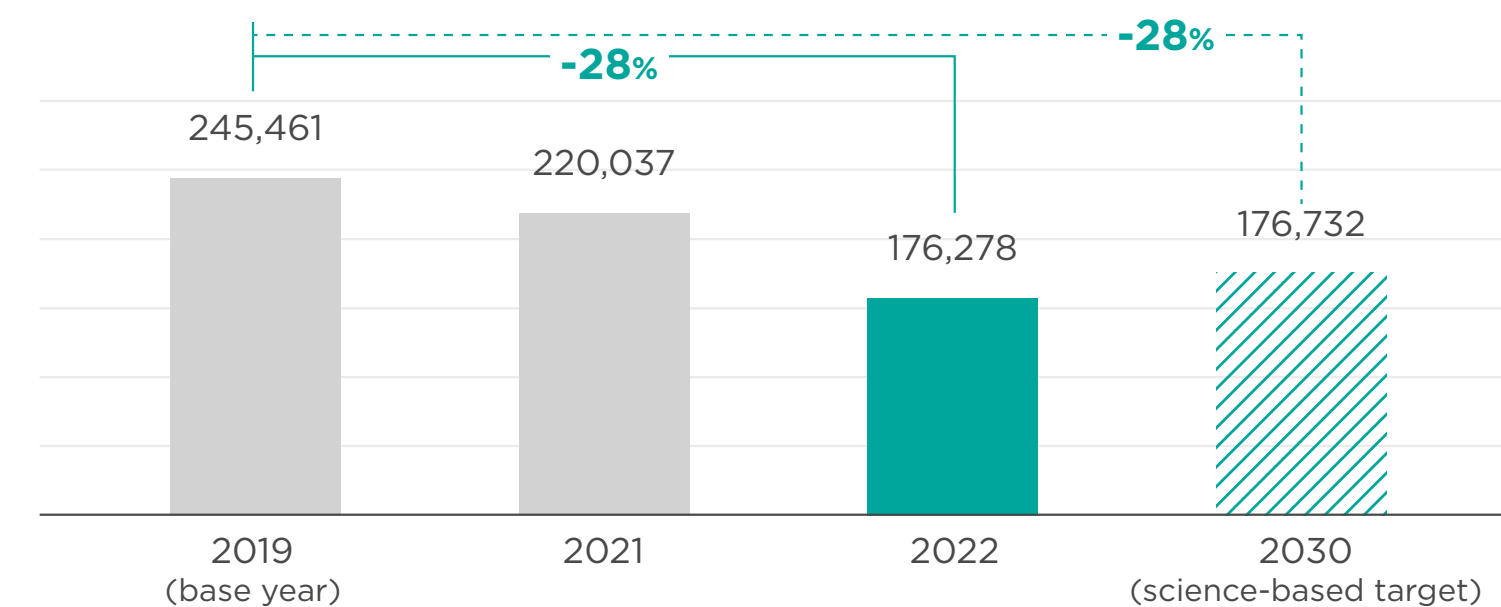
Read more about Supplier engagement on page 21.

We reduced our emissions by **30%** compared to 2019 across all scopes.

Absolute **Scope 1 and 2** (market-based) emissions in tCO₂e



Absolute **Scope 3** (location-based) emissions in tCO₂e



More information about our calculation methodology and our Scope 1, 2 and 3 emissions can be found in the Annex 'Greenhouse gasses calculation methodology' and in 'Global Reporting Initiative (GRI) Content Index'.

Energy management

Emissions from our energy consumption is one of the primary sources of greenhouse gas emissions in our footprint. Colt DCS has long been committed to reduce its energy consumption, improve efficiency and transition to renewable energy sources across our operations. Our goal is to procure 100% renewable energy by 2030.

Procuring and generating renewable energy

As part of our annual carbon accounting, we measure our own electricity (Scope 2) and the electricity consumed by our customers (Scope 3, Downstream Leased Assets). We've made strides to align our commitments with our customers' strategies and we will continue to help our customers understand their environmental impact.

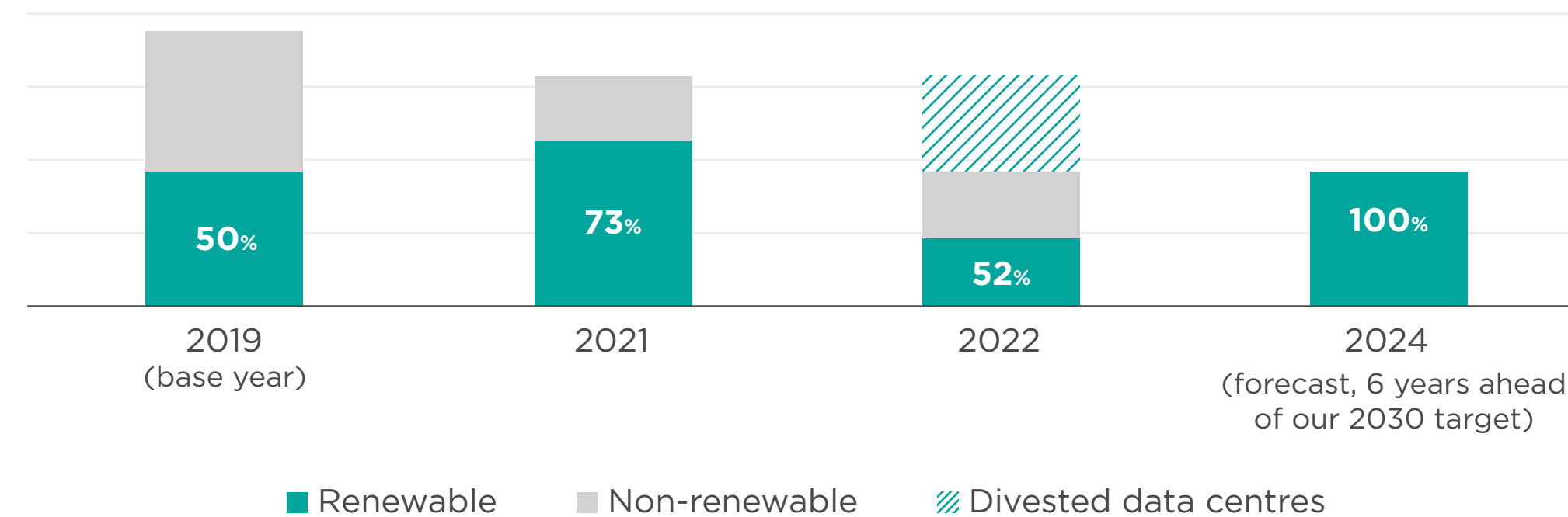
Colt DCS is procuring 100% renewable energy across its operations in the UK and Europe. In 2022, our global share of renewable energy across Scope 2 reduced from 73% in 2021 to 52% in 2022 due to the sale of a number of data centres in 2021 across Europe. Looking ahead, we have secured contracts for renewable energy in both Japan and India for 2024. We're planning to hit our 100% renewable energy in 2024, 6 years ahead of our 2030 target and explore alternative supply strategies to support our roadmap to reduce our electricity emissions to nearly zero by 2045.

Solar energy generation in the Netherlands

As part of our net zero journey, Colt DCS is switching to 100% renewable energy by 2030. Besides purchasing renewable energy, we are also generating some of our own supplies on-site. In December 2022, we completed a solar park in the Netherlands which consists of 114 panels and generates at peak capacity maximum 42.7 kW. This will cover the energy needs of our entire office block and 'meet-me rooms' which are secure rooms where businesses can connect to carriers. Looking ahead, we're planning to install EV charging points on-site to support at least 10 vehicles for our staff and customers to encourage sustainable travel behaviour. Read more about our solar park on our [website](#).



% Renewable energy procurement across Scope 2



We procure **100%** renewable electricity in the UK and Europe using Guarantees of Origin certificates

New hyperscale data centre in Mumbai, India

Colt DCS is due to complete Phase 1 of this development by H1 2023. It is one of the largest data centres in our current portfolio with a 120 MW IT capacity, located in Navi Mumbai. Our commitment to reduce emissions is reflected in the design and development. We are proud to use our Navi Mumbai data centre campus with 100% round-the-clock renewable energy. Additionally, the campus is about to obtain Green Building Pre Certification from IGBC.

Read more about our Mumbai data centre on our [website](#).

‘Adopting sustainability into the design, build and operational management of our Mumbai data centre is essential, not just for us but for our customers. We give them the reassurance that they are partnering with a hyperscale data centre provider that is strategically aligned to support them in achieving their sustainability goals’

Nikhil Parate
Head of Energy and Sustainability, India

Investing in energy efficiency

As part of our efforts to reduce our global emissions, we ensure that all our data centres meet energy efficiency requirements. In line with our Global Reference Design guidelines for the build and operation of data centres, we use efficient cooling systems and LED lighting with motion detection to minimise energy consumption.

Additionally, we use certifications and management systems to improve our environmental performance. In 2022, we aligned our data centre in France to the ISO 50001 (Energy Management) standard. Looking ahead, we will continue to explore opportunities to further expand our certifications across our sites.

Saving energy through lighting control

While lighting makes a relatively small contribution to a data centre’s energy load, it is a key element in improving our Power Usage Effectiveness (PUE).

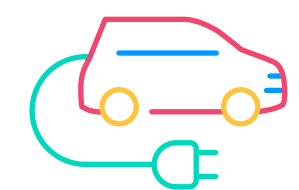
In 2022, we collaborated with one of our major customers to upgrade the lighting control system to high-efficiency LED lighting with motion-detecting sensors, while maintaining the required lux levels for security cameras to ensure visibility over the space. As a result, we were able to reduce our emissions from lighting by 49%.

Greening our vehicles

In 2022, 17% of Colt Group vehicles in our fleet are electric vehicles compared to 13% in 2021. In 2022, we ordered new electric (BEV) and Plug-in Hybrid (PHEV) vehicles to be delivered in 2023 and early 2024, which will allow us to reach up to 27% BEV and 38% PHEV.

We have electric vehicle (EV) charging points installed at five data centres across four countries. In total we have installed 15 charging points across our operations, and plan to install a further 14 in 2023. By electrifying our car fleet and installing EV charging points, we aim to support sustainable transport and reduce our emissions. Looking ahead, we will continue to assess strategies to improve the infrastructure needed for our operations.

We have installed **15 electric vehicle charging** points across our global operations.



Protecting natural resources

As we continue to grow our business, we are determined to leave nature and biodiversity in and around our sites in a better state than we found it.

Zero waste to landfill

We are committed to sound environmental practices in the way we operate. We embrace a circular economy approach to how we design, develop and operate our data centres. At Colt DCS, we follow the guidelines of the TRUE Zero Waste to Landfill certification to become more resource efficient and we currently have 3 Colt DCS sites on the road to full certification.

To reach zero waste to landfill, we aim to go beyond waste diversion as we are working through our design, development and operational stages to reduce waste generation. In 2022, the diversion rate at our London North data centre was on average 85%. At our Paris South West data centre, the average diversion rate was 39%.

We're working closely with our suppliers, general contractors and customers to measure and reduce waste. We also explore partnerships to address hard to recycle materials, such as air filters. In 2023, we're expanding the programme to three additional data centre sites.

In 2022, Colt DCS developed and launched a Zero Waste to Landfill Policy, which outlines the guidelines on how to manage the waste generated by our activities. The Policy will be implemented in 2023 across our global operations and includes requirements for our employees, contractors and supply chain partners.

Nature and biodiversity

We realise that our data centres have an impact on the natural environment, which is why we are committed to minimising the impacts on biodiversity, running an active programme to beautify our sites. We consider the impact on biodiversity and ecology at the design stage of new projects, and we are committed to assessing all biodiversity-related impacts on our value chain in the next two years. Looking ahead, we're planning to establish a company-wide nature and biodiversity strategy.

The Green Project

We are driving progress on biodiversity through our global network of Sustainability Champions across our offices and data centres. This year, we invested in several initiatives to create green spaces in and around our data centres to attract more wildlife and improve the wellbeing of our colleagues.

Colt House Honey

Colt House in London now has its very own beehive and several Colt Bee Keepers (CBKs) trained to take care of it. This project has been led entirely by employee volunteers. Our bees are an important part of our sustainability commitment, contributing significantly to agriculture and food production and helping wild plants thrive. Additionally, beekeeping provides numerous health and wellbeing benefits, including stress relief, education and skill development. We are excited to have our own Colt honey next spring and are thrilled to see how this project can improve the biodiversity around Colt House.

Water stewardship

There is a global increase in demand for water due to population growth, economic development and changing consumption patterns. Colt DCS is committed to reducing the waste of water and safeguard sustainable access to quality water resources in the communities where we operate.



Connecting people

We aspire to create a lasting positive impact on stakeholders across our entire value chain, from customers and suppliers to local communities and our people.

- 17 Our people
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- 23 Thriving communities

Our people

As owners and ambassadors, our people remain at the heart of our ESG strategy. They play an integral role in our company's success and enable us to achieve our common vision to become the most trusted and customer-centric data centre operator in the industry.

A key tenet of our culture is that we want our people to thrive and achieve their full potential whilst being empowered to prioritise their own wellbeing and that of those around them.

Flexible first

2022 saw the launch of Flexible First, as part of our commitment to flexible ways of working. The program has been developed in consultation with employees through surveys and a hybrid working pilot, which demonstrated that flexibility, trust, and empowerment are crucial to the success of the company.

Flexible First provides employees with the freedom to choose where they work, striking a balance between office and remote working that works best for the customer, the business, and each individual. The program is informed by leading research and is a progressive, forward-thinking approach to post-pandemic working.

People matter

Our commitment to employee engagement and sustainability at Colt DCS is exemplified by our annual survey, "People Matters." This survey plays a crucial role in our strategy, offering valuable insights into the experiences and engagement levels of our employees. The survey measures 12 different areas. This includes the key areas of: Diversity & Inclusion, Customer Focus, Development, Efficiency, Strategy & Leadership, Empowerment, Wellbeing & Stress and Sustainable Engagement.

In 2022, we achieved a strong response rate of 78% demonstrating the high level of engagement from our employees. The results of the annual employee survey are communicated to the entire company by our CEO and senior management.

The results highlighted strengths under Diversity & Inclusion, Customer Focus, Empowerment and Sustainable Engagement and Wellbeing & Stress with certain areas needing some focus.



Diversity, equity and inclusion

In 2022, Colt Group reviewed and refreshed its Diversity, Equity and Inclusion (DEI) strategy. Our goal is to build an innovative, great and inclusive place to work. We will achieve this through our four DEI pillars:

- Leadership and governance. Ensure we have the governance in place to deliver on our inclusion goals and develop our leaders as inclusive role models.
- Inclusive culture. Drive an inclusive culture where we can harness diversity of thought for greater success.
- Diverse representation. Improve the diversity of our workplace and ensuring we represent the communities that we serve, considering all diversity dimensions both visible and invisible.
- Equitable business practices. Employ equitable business practices that improve the employee experience and affect positive change in the wider world.

Our DEI strategy goes beyond our own company and extends to our supply chain. Our Vendor Risk Management (VRM) includes specific questions on inclusion and diversity at our suppliers.

We are extremely proud of our volunteer networks that help us strengthen diversity, equity and inclusion.

<u>Women+</u>	Women+ our women's and Allies network exists to promote diversity and gender balance at Colt Group and engage with all employees to enable women to thrive.
<u>Pride Matters</u>	Pride Matters is our LGBTQ+ Allies network, aiming to make us a more inclusive place for all. Formed in 2019, the team has grown globally and has helped drive the message that we are inclusive, no matter how you identify.
<u>YOUnited</u>	YOUnited network exists to promote cross-cultural understanding and an environment where everyone can flourish regardless of their race, ethnicity, faith or cultural background
<u>DAN</u>	Disability Accessibility Network (DAN) an employee network established with the aim to raise awareness of visible and invisible disabilities and health conditions, embrace people's differences and champion inclusion across Colt Group.

Skills and development

We strive to attract and retain a high-performing and diverse workforce. A key part of this is investing in the training and development of our people. As part of our commitment to career development, we have a range of different learning tools available for employees to develop holistic workplace skills, alongside specific skills relevant to their chosen career path.

Our learning and development offering includes a mix of internal and external training courses and access to training resources. Through our Excel Academy platform, we bring together extensive online learning content to address the latest learning needs and requirements of our employees. The training programme is a mix of internal and external courses and other learning content.

At Colt DCS, we encourage a learning culture across the entire organisation. In 2022, the emphasis of training has deliberately shifted from compliance training to include more advanced skill-based and performance-driven training.



Bringing in new young talent

At Colt DCS, we are passionate about developing our Early Careers talent. We run active graduate talent programmes to train our newest colleagues. Graduates will complete a series of rotations across a number of departments.

These typically are in Operations, Design, Commercial & Real Estate, and Pre-Sales departments. Rotating between these departments allow young talents to develop a wider understanding of the business, from operational processes and procedures to the more commercial and strategic objectives. As of 2019, we hired nine talents through our Graduate Programme.

More information about our Graduate Program can be found on our [website](#).

Our employee recognition program

Through our Colt Inspire platform, our colleagues are able to give and receive recognition for the behaviour they have shown to help others and impact our business. On the platform, colleagues are able to share e-cards, celebrate career milestones, reward successes in line with our values and celebrate role models with financial awards. In 2022, there were 865 awards issued through the platform.

Health & safety

The health and safety of our employees is paramount. We provide a safe and healthy workplace and we continuously strive to improve workplace safety and employee awareness and behaviour. Our Health and Safety (H&S) Policy Statement sets out our commitments to manage and safeguard the health and safety of our employees, contractors and any others who may be affected by our activities.

We are committed to maintaining a H&S management system designed to meet the requirements of ISO 45001:2018. We provide safe and healthy working conditions to prevent work-related accidents, injuries and ill-health.

Mental health and wellbeing

We are proud of our wellbeing programmes to support our employees. We have a Global Mental Health and Wellbeing Policy that provides guidance and advice to all our employees on issues around mental health.

Our approach to mental health aims to build an inclusive and supportive environment. We want people to be able to ask for support and for those around them to be able to recognise early warning signs so that early intervention can take place.

All employees have access to an Employee Assistance Programme (EAP) which provides confidential support, resources and information. The service is a key part of our offering to support personal and work-life.

Colt Group provides benefits to support our employees and their families. In some countries, employees are eligible for additional benefits such as medical insurance, health assessments, cancer screening and meal vouchers.

Wellbeing days at Colt DCS

In 2022, Colt DCS offered four wellbeing days to encourage colleagues to take time out to focus on their own wellbeing. These days are separate from annual leave and sick days.

Looking ahead, we will continue to offer these days to encourage employees to do things that contribute to their health and happiness.



Mental health training

Wellbeing and mental health are areas we will continue to focus on for our employees. At Colt DCS, we have provided training for our managers to ensure they know how to recognise the signs of someone struggling and how to support someone with mental health concerns.

As of 2022, 73 of our managers have undergone this training. We also have a dedicated intranet area all about mental health and stress awareness.



Partnering with our customers

Customer experience is at the heart of what we do. We have been at the forefront of helping our customers with pioneering data centre services since 2015. Our vision is to become the most trusted and customer-centric data centre operator in the industry.

We have become a trusted adviser to our customers across cloud, software, data centres and technology. Increasingly, we support our customers to reduce their carbon emissions and develop innovative technology and data services to support customers' net-zero strategies. We have set science-based targets which align us with leading customers on their carbon reduction journey.

Our strong customer partnerships enables us to work with leading brands, providing jobs for employees and a positive impact on the economy.

Net Promoter Score

At Colt DCS, we always put the customer at the heart of everything we do and we strive to be the most trusted and customer-centric company in our industry. We measure this through our Net Promoter Score (NPS) Score. NPS is a key indicator of a company's ability to meet their customers' needs and a strong NPS score is synonymous with consumer loyalty and satisfaction.

We have an ever-evolving programme of customer intelligence that helps us to understand and improve the experience we give our customers.

Throughout our data centre portfolio, we set ourselves apart from competitors through our exceptional client service. In 2022, we achieved an impressive global NPS of 72, showcasing the quality of service and our efforts to be the most trusted and customer-centric operator in the industry. We continue to enhance the customer experience and perfect our operational efficiency strategies, offering value to customers in terms of power availability and uptime, temperature and security management.

Customer loyalty month

In April 2022, we organised our annual customer loyalty month to celebrate our customers and to showcase the great work that we're doing with them. We organised several internal and external events, including customer insights sessions and the annual Customer Centric Employee Award.

We achieved an impressive global NPS score of

72

An award-winning, industry-leading customer experience

In recognition of Colt DCS's commitment to our customers, Frost and Sullivan recently awarded us with the Global Data Centre Infrastructure & Operations Customer Value Leadership Award.

Our customer service and ownership experience enables total flexibility and transparency with respect to operations and management. At Colt DCS, we develop long-term partnerships with customers to support their internal business processes.

Read more on our [website](#).

'Colt DCS has dedicated a tremendous amount of time and resources to invigorate and bolster its operational and design solutions that address current unmet market needs and anticipated future customer requirements. It offers high standards in operation and management, delivering a truly holistic solution and substantial value to customers.'

Gautham Gnanajothi

Global Research Director, Energy & Environment, Frost & Sullivan

Supporting our suppliers

We rely on a wide network of suppliers to support the delivery of our data centres to our customers and we pride ourselves on the engagement with our suppliers. We seek out partners who share our values and we build relationships where we can add value to each other's businesses.

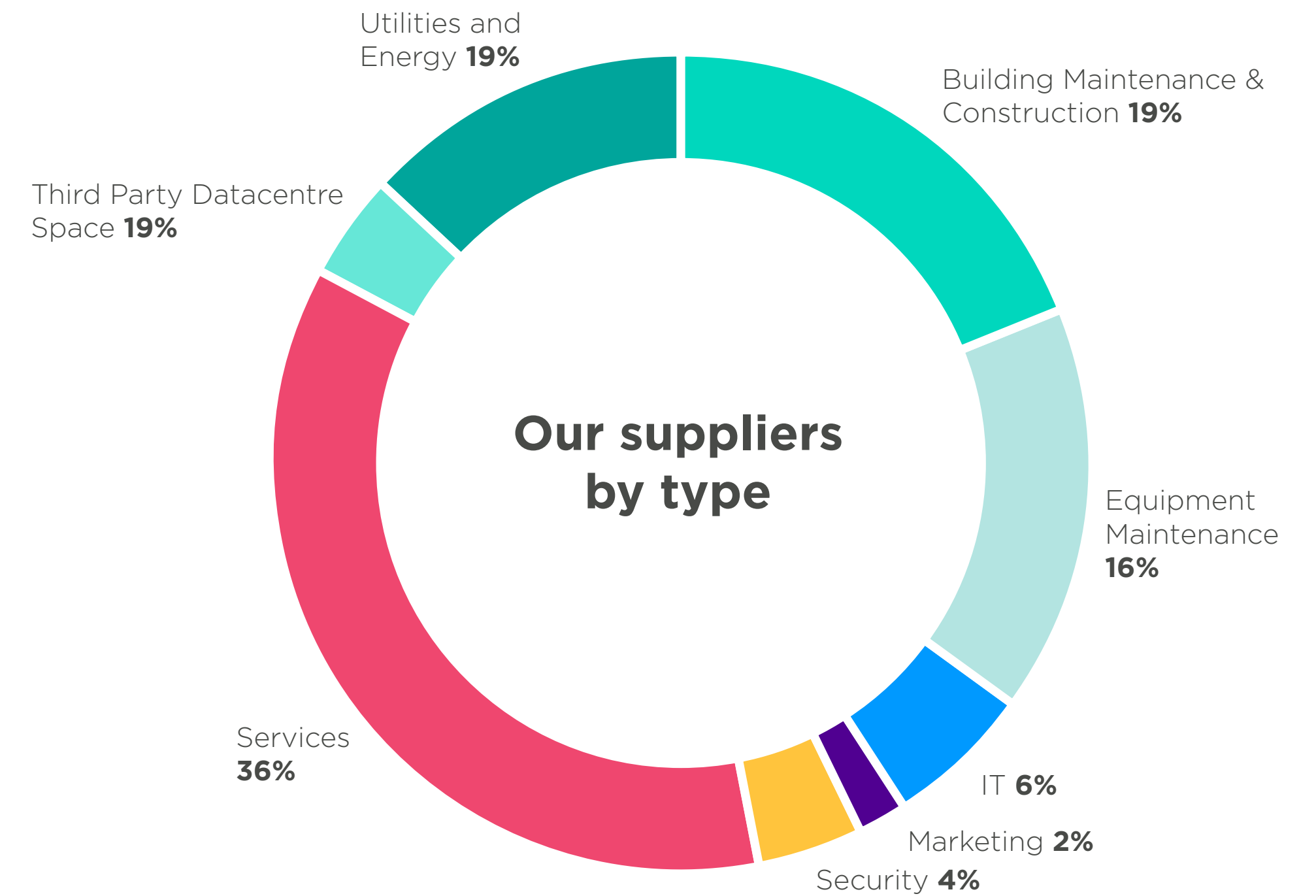
Our aim is to build long-term relationships with our suppliers and support their journey in sustainability. We integrate sustainability criteria in the selection (through our Vendor Risk Management system and our Request For Proposal Scoring), contract management, onboarding and ongoing management of our suppliers.

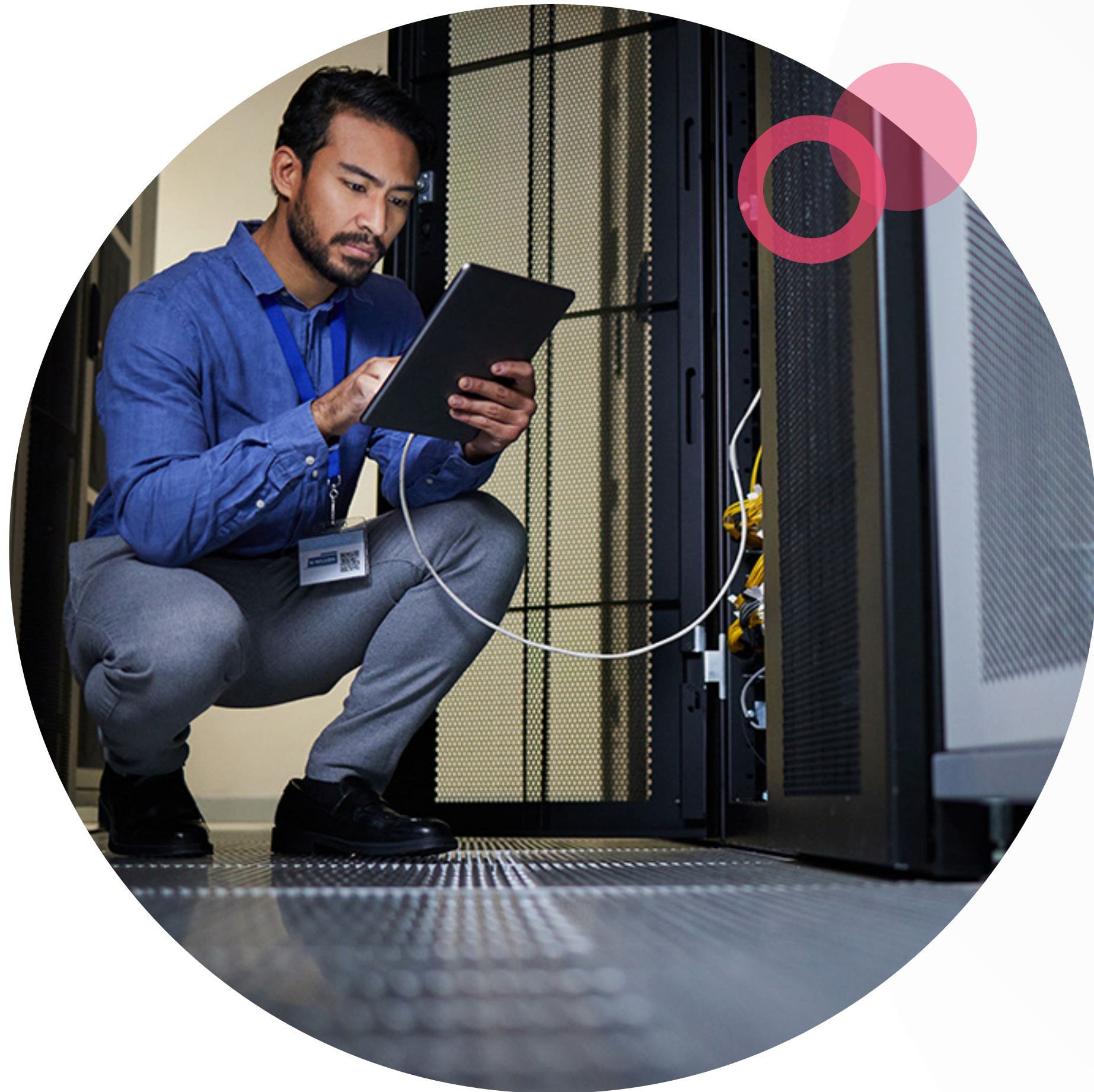
Together with our suppliers and contractors, we strive to create more transparency in our global and complex supply chains. In 2022, we developed increased reporting capabilities to track supplier sustainability performance. The dashboards contain all relevant information from suppliers in terms of ESG performance, giving our procurement team a comprehensive understanding of how suppliers are performing. In 2022, we engaged our suppliers on a wide range of sustainability matters including climate change, emissions, energy, inclusion & diversity and our Code of Conduct.

Our [Supplier Code of Business Conduct](#) and our Sustainable Procurement Policy set out the standards of corporate governance and sustainability that we expect from our suppliers.

86%*
of our suppliers have signed the Supplier Code of Business Conduct.

* The remaining 14% of suppliers include those with comparable codes of conduct and those for which we are pending the confirmation





EcoVadis platform

With EcoVadis we can assess our suppliers' sustainability performance based on criteria across four categories: Environment, Labour & Human Rights, Ethics and Sustainable Procurement. These criteria include topics such as greenhouse gas emissions, water use, labour practices, human rights, anti-corruption measures and sustainable sourcing. By using EcoVadis to assess the sustainability of our supply chain, we can identify areas for improvement and work with our suppliers to implement more sustainable practices.

EcoVadis provides a standardised and independent rating system that enables us to compare the sustainability performance of our suppliers against industry benchmarks and peers. This helps make more informed decisions when selecting and managing suppliers.

Supply chain decarbonisation programme

We run a dedicated supplier programme covering a wide ESG agenda with a special focus on our top suppliers in terms of emissions. To achieve our Scope 3 target, we have committed that 93% of our suppliers by emissions (covering purchased goods and services and capital goods) will have Scope 1 and 2 science-based targets approved by Science Based Target Initiative (SBTi) by 2025. At Colt DCS, our top 60 suppliers are responsible for 93% of our supplier emissions.



Colt Group in the Supplier Engagement A Rating Leaderboard by CDP

We are proud to have received an A rating from the Carbon Disclosure Project (CDP) for our engagement with suppliers on climate change. As a result, we have been included in the Supplier Engagement Rating Leaderboard by CDP, which celebrates the highest-rated companies in terms of engaging their suppliers on climate change. By doing so, we are playing a crucial role in the transition towards a net-zero sustainable economy.

We understand that purchasing organisations like ours have the potential to incentivise significant environmental changes in our supply chain. Therefore, we have established a system to evaluate supplier engagement practices and recognise best practice, in order to increase our own engagement and accelerate action on emissions in our global supply chains. We are committed to driving lasting improvements in management practices and promoting sustainability in everything we do.

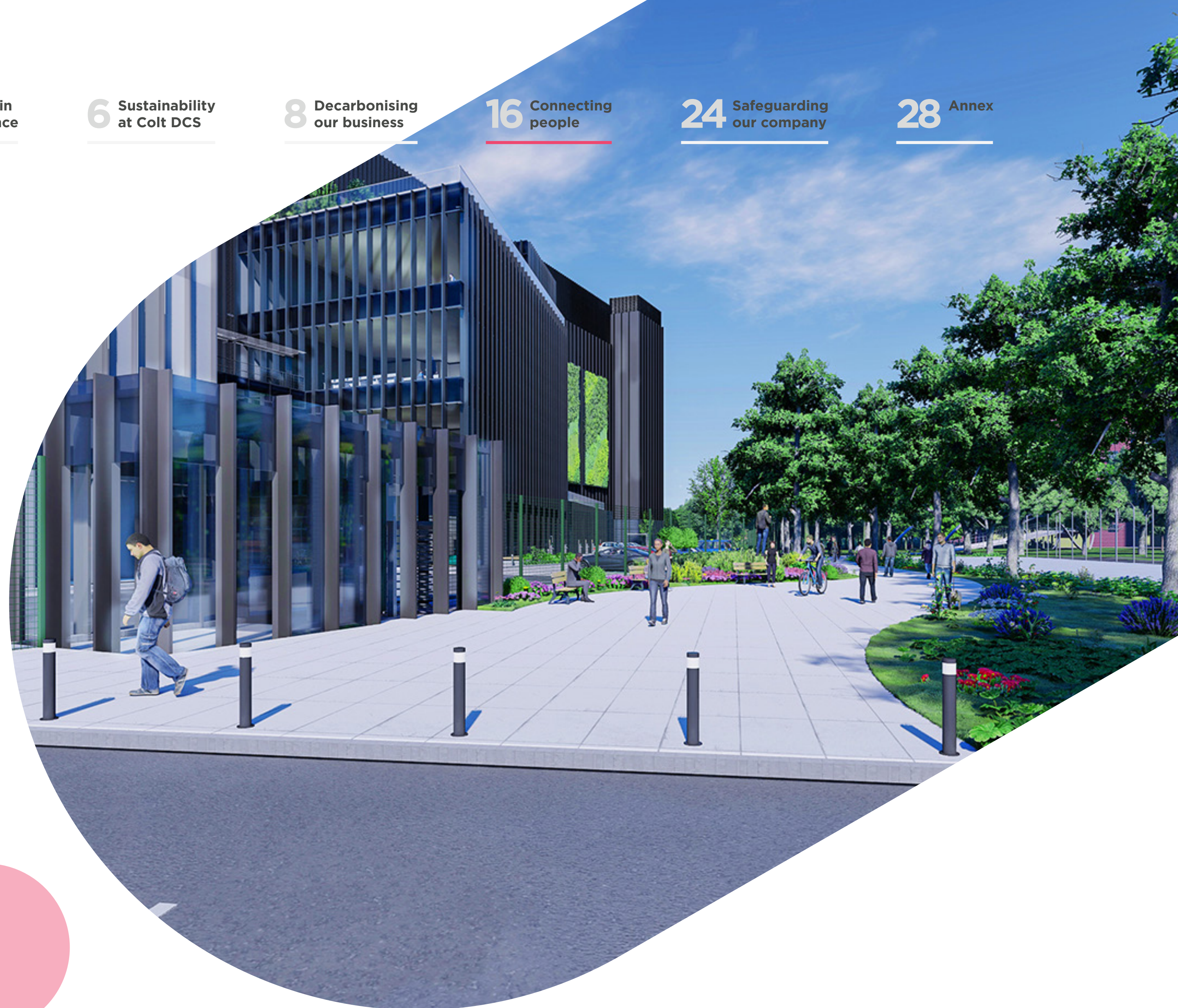
Thriving communities

Our goal is to manage our actions and operations responsibly to minimise negative social and environmental impacts, while maintaining a constructive dialogue with communities.

We are committed to supporting the local communities where we operate. We encourage employee engagement with charities and local community initiatives and we value the dual impact of supporting a good cause and enabling employees to connect with communities, outside the office environment.

In many countries, we have selected a local partner charity and an employee-led CSR team which identifies initiatives focused on fundraising and giving volunteering time/skills.

We depend on local communities for its workforce, local contractors, service providers and social licence to operate. In all new construction projects, we are committed to support and work with our local communities to help them thrive on all fronts. In 2023, we are planning to formalise our community engagement plans for all new construction projects to maximise positive influence on communities economically, socially and environmentally.



Safeguarding our company

We work to ensure that we run our business responsibly and to the highest ethical standards.

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25 Responsible business conduct

27 Risk management

Responsible business conduct

We are committed to ensuring that our ESG commitments are converted to positive impacts through ambitious targets and dedicated action. Our Code of Business Conduct and policies provide guidelines for our business practices and set out how we operate in an accountable way with consistency across all markets.

Governance and business ethics

The Colt Board makes decisions affecting Colt Technology Services and the Colt Group. The Colt DCS Board has a full mandate to make decisions regarding Colt DCS. The Board is comprised of non-executive directors and senior management. The Audit Committee and the Remuneration Committee do not include executive directors.

We run our business responsibly and to the highest ethical principles. It is not our policy to merely comply with the letter of the law, rather it is our policy to instil a true culture of compliance with all laws, rules and regulations wherever we do business. Each person acting for Colt Group has a responsibility to comply with all the standards. They are required to complete mandatory training about the Code of Business Conduct annually.

Additional Anti-Bribery and Corruption (ABC) training was assigned to our colleagues which is in addition to the mandatory Code of Business Conduct assigned to all employees and includes ABC guidance. The scope of the employees required to undertake this training is based on their job role and function. These include all Sales employees and pertinent employees engaged in the respective Finance, 'Major Builds', Procurement & Supply chain functions.

Employees are encouraged to raise breaches of the Code of Business Conduct through an independent Business Ethics Line or by reporting to the Corporate Compliance Committee. Anonymous whistle blowing is possible wherever permitted by local law. The Corporate Compliance Committee reports to the Audit Committee about breaches or suspected breaches of the Code. The members of the Board receive training around their duties when appointed. In addition to reviewing any suspected compliance breaches, the Corporate Compliance Committee initiates a minimum of one activity per month to raise awareness about ethical behaviour.

Anti-Bribery and Corruption Training

Colt Group places a strong emphasis on ethical conduct and compliance with all applicable laws, regulations and business standards. All employees are required to comply with anti-bribery legislation and avoid any form of corruption. Additional anti-corruption and bribery training is prescribed for certain employees, in addition to the mandatory training on the Code of Business Conduct which includes anti-bribery and corruption guidance.

The training covers various activities and interactions such as customer interactions, supplier selection and management, negotiating contract terms, and engaging with government officials. In 2022, we refreshed the bi-annual training on anti-bribery and corruption to ensure that employees are up-to-date with the latest policies and procedures.



Human rights and anti-slavery policy

We are committed to running our business responsibly and to respect human rights. We comply with all the International Labour Organisation (ILO) Fundamental Principles. We have zero tolerance to slavery and human trafficking. The Colt Board annually approves our [Modern Slavery Act](#) statement which is published on our website. We will not tolerate any such activities within our own operations or within our supply chain and we are committed to taking appropriate steps to ensure that everyone that works for Colt Group benefits from a working environment in which their fundamental rights and freedoms are respected. Colt Group respects employee's rights to freedom of association and collective bargaining.

Collective bargaining

Our employee's collective bargaining agreements cover working conditions and terms of employment between one or more employers or employers' organisations and one or more employees' organisations. For employees not covered by collective bargaining agreements, working conditions and employment terms are confirmed in the employment contracts, global and local HR policies, country-specific employee handbooks or collective agreements at company level.

Colt Group is committed to establish structures through the organisation to proactively engage trade unions, works councils and employees with a view to create and strengthen constructive relationships to harness and optimise human capital within the organisation. We have an active dialogue with our employees through the

European Works Council (EWC), National Works Councils (NWC) and employee representatives on a range of issues. Their feedback helps us stay attuned to the issues that affect our employees. In our communications to employees, we try to provide an honest and 'balanced voice' between good news and challenges to the business.

In countries where there is no National Works Council or union representation, we have other forms of information and consultation forums such as the UK Communication Committee, elected employee representatives in each office (e.g. Japan) and ambassadors in each of the countries we operate in.

Data privacy and cybersecurity

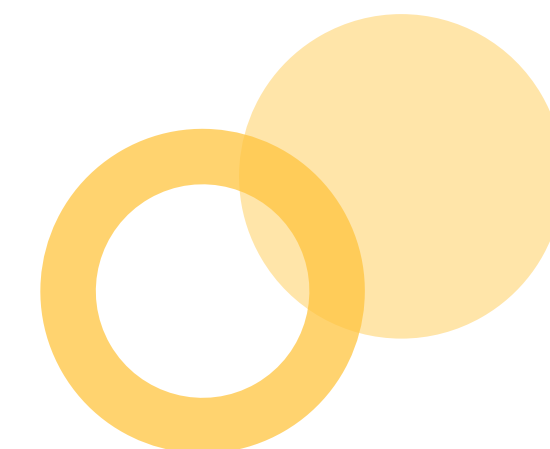
Colt Group's Privacy Goals and Global Privacy Policy enable us to effectively protect personal data and manage privacy risks to our business services, functions, information systems, assets, and people. Having robust privacy and cybersecurity policies and processes ensures that our customers and other stakeholders can trust us with their data. The [Data Privacy Statement](#) is published on the website.

We apply the principles of Privacy by Design and Privacy by Default at the very first stage of every product, application, policy, or system and along the lifecycle of the relevant data processes.

We have implemented data breach procedures as well as a complaints procedure for employees, customers, and third parties, and all employees take an annual training in Data Breach and Data Privacy compliance.

During 2022, we provided a Mandatory Privacy E-Learning Training for all employees. We organised a worldwide Data Privacy Week which addressed a range of data privacy issues. In addition, we organised Data Privacy Awareness Week Training in Ireland and India, considering local privacy topics and regulations.

To see more on how we manage data privacy and cybersecurity please see our [Data Privacy information](#).



Risk management

Managing our risks and opportunities is a key factor in the continued business success of Colt Group. We strongly believe that good risk management creates a more resilient and sustainable business.

Colt Group operates an Enterprise Risk Management Framework covering all types of risks, including sustainability risks. The risk management process at Colt Group is based on the ISO 31000 principles and follows a 4-step cycle: identify, assess, respond and monitor. The impact of potential risks cover quantitative and qualitative measures such as financial exposure, people and safety, business disruption, compliance, customers and reputation. An inability to spot, analyse and mitigate potential risks - whether business or societal - may harm or ability to adapt and grow our business.

Managing climate risks

In 2022, Colt Group updated the climate-related risk register which identifies all climate-related risks to our operations including those regarding the transition to a lower-carbon economy, as well as the physical risks of a changing climate. The impact and likelihood of each risk have been assessed over a relevant time horizon in order to give an overall risk rating. The updated assessment features an opportunity register to highlight key climate-related opportunities and help Colt Group identify ways to effectively capitalise on them.

In line with the requirements of the Task Force on Climate-related Financial Disclosures (TCFD), this year we completed our initial climate scenario analysis to better understand the potential impact of climate change and the appropriateness of controls in place to prevent them. The most material risks from our climate change risk register and one key opportunity were considered over three time horizons and across two scenarios, a high carbon business as usual scenario and a low carbon transition scenario. Each risk has been assessed qualitatively across both scenarios at each time horizon and has received a rating in terms of likelihood and impact with justification for each.

Findings from our climate scenario analysis found that due to the sustainability initiatives planned and completed to date, we sit within risk appetite for the current climate risk exposure. Over the medium and long term however we will need to further develop to mitigate climate-related risks to an acceptable residual level. This includes improving the granularity of sustainability metric reporting to track sustainability performance and continued investment to improve the energy efficiency of our infrastructure.



Annex

Greenhouse Gas Emissions calculation methodology and restatements

Colt DCS quantifies and reports its organisational GHG emissions in alignment with the World Resources Institute's Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and in alignment with the Scope 2 Guidance. We consolidate our organisational boundary according to the operational control approach, which includes all assets that have an environmental impact over which the company has operational control. This means having full authority to introduce and implement operating policies.

GHG emissions for 2019-2022 cover the following categories:

- **Scope 1:** Natural Gas, fuel from Own Fleet, Refrigerants and Other Fuel (in generators) consumption.
- **Scope 2:** Electricity consumption at Colt DCS-owned and operated sites.
- **Scope 3:** Purchased Goods & Services; Capital Goods; Fuel-and-Energy-Related Activities (FERA); Waste Generated in Operations; Business Travel, Employee Commuting and Downstream Leased Assets.

Scope coverage:

- GHG emissions include all Colt DCS countries.

Emission Factors used:

- Defra 2022, 2021, 2022 & 2019 for Scope 1 across Colt DCS, Scope 2 in the UK, and the following Scope 3 categories - Fuel-and-Energy-Related Activities FERA, Waste, Waste, Business Travel and Employee Commuting.
- IEA 2022, 2021, 2022 & 2019 for Scope 2 electricity in Europe, Asia and US, Scope 3 categories (Homeworking and Downstream Leased Assets).
- Quantis emission factors for Scope 3 Purchased Goods and Services and Capital Goods spend-based GHG emission calculations.

In 2022, we updated and restated its 2019 baseline for its Science-Based Target (SBT) to include Colt Group's global operations and ensure it aligned to updated best practice. For example, including WTT (well-to-tank) calculations for Scope 3. We took this opportunity to replace previously estimated data with actual data thereby improving data accuracy. All data changes in 2019 are minor and immaterial to overall emissions.

In 2022, we established a quarterly emissions reporting programme. This allows us to collect data more frequently, accurately track anomalies and improve overall accuracy. This has resulted in a restatement of the previously reported 2021 emissions due to the collection of actual data to replace estimations.

Additionally, 2020 Scope 1 figures were restated due to an update in some emission factors. It has been important for us to recognise that our emissions profile is variable. We are continually working towards best practices, collecting actual data (even if it is from previous years), and updating methodologies. This may continue to result in an update in our emissions. Where this does occur, we will clearly state this in our reports.

