

Communications on Progress 2016

Statement of Support by the Chief Executive Officer



I am pleased to confirm that NGA Human Resources (NGA HR) reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment, and Anti-Corruption. In our Communications on Progress, we update on activities completed this past year to continue to integrate the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders through our annual report, CSR initiatives and other channels of communication.

At NGA HR we are committed to sustainable growth and working to integrate the Ten Global Compact Principles, which promote social, economic and environmental improvement, into our business as usual. We recognize that companies have a positive role to play in developing a society that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Our mission is to develop sustainable, efficient and effective organizations in the markets in which we operate, to support progressive public services which break down inequalities and to reach out to those most disadvantaged in our communities.

Our objectives are to:

- Embed responsibility into the way we govern, manage and perform as a business
- Achieve the highest standards of integrity, ethical behaviour and corporate governance
- Conduct our business in a manner that is environmentally and socially responsible
- Develop solutions that increase business productivity and competitiveness
- Contribute to well-being through supporting services to the public that promote social justice

This document describes NGA HR's continued response to the ten principles of the Global Compact and provides an update on new activities to support our ongoing commitment.

Adel Al-Saleh
Chief Executive Officer
NGA Human Resources



Our Commitment

Corporate Responsibility

As a global business, operating in 35 countries, NGA HR is committed to sustainable growth that promotes social, economic and environmental improvement.

Our aim is to conduct our business in a socially responsible way, contributing to the communities in which we operate, minimising our impact on the environment and respecting the needs of employees, clients and other stakeholders.

Governance

Our corporate responsibility agenda is included within the overall framework set by the Corporate Responsibility Group (CRG). The CRG sets our Corporate Responsibility policy and strategy and is responsible for best practice across the Group.

Adel Al-Saleh, our Group Chief Executive, is Executive Sponsor of the CRG. Our corporate responsibility programme is managed to ensure that corporate responsibility is embedded into day-to-day practice.

Sustainable Services

Our services have an impact on people all over the world.

In NGA HR we work to make organisations more efficient and effective, saving money and reducing environmental impact.

Improving organisational performance is at the core of what we do – at work, at home, in school and within the community. Globally, we understand the business of HR and the role it plays within an organisation.

We help our clients become better employers through smarter, more streamlined business processes - to save money, manage employee life cycles and support globally-connected, agile organisations.

The combination of deep HR experience and insight, advanced technology platforms and applications, and a global portfolio of flexible service delivery options is how NGA HR makes a measurable difference for our clients outsourcing services.

We work with our clients to introduce remote and flexible working, reducing environmental impacts and improving quality of life for employees. We continue to extend our Software as a Service delivery model, reducing environmental impact and making services more readily available for our clients.

Combating climate change remains integral to developing sustainable services for NGA HR's clients. Our business continues to place a strong focus on improving our clients' environmental performance by enabling them to access modern 'on demand' technologies, which enable working practices that reduce environmental footprint and generate considerable savings.

Environmental sustainability is fully embedded into our service delivery methodology. We focus both on reducing the number of assets required as well as favouring energy-efficient energy consumption models. Assets are reused wherever possible and where they are beyond economical repair, they are recycled in accordance with the Waste Electrical and Electronic Equipment Directive (WEEE).

Further reductions are gained by equipping our employees with the tools and technology to enable flexible and mobile working.

NGA HR has introduced a number of initiatives designed to reduce carbon emissions and improve the efficiency and effectiveness of HR systems. These include online pay slips, recycled pay slips, self-service HR and the development of a carbon emissions calculator that enables employees to calculate their CO2 emissions for business travel. The implementation of paperless HR, by using self-service and online payslips, results in reduced environmental impact and costs for our Clients.



Sustainable Procurement

NGA HR is committed to ensuring that the products and services that we buy are sustainable. As such, we have integrated corporate social responsibility criteria into our group-wide procurement activities. Sustainability considerations are integrated across our entire procurement process - in the identification of needs, evaluation of options, evaluation of tenders, and post-contract management. This approach is applied globally to all new and existing major suppliers.

Together with our Legal, Finance and Compliance departments, our Procurement department has developed standards to ensure we meet NGA HR's commitment to the UN Global Compact principles and work to ensure that all suppliers who wish to do business with any NGA HR Company sign up to those same standards we hold ourselves up to. This approach helps propagate the benefits and global best practices onto the workforces across our supply chain. We are continuously evaluating suppliers who might not meet those principles with the objective of bringing our entire supplier base to the same global standard.

Our People

NGA HR continues to enhance skills and increase employability in our communities through Apprenticeships, Graduate Trainee Schemes, Careers Visits, Work Experience and partnership with companies.

In the UK, within the last year, the company welcomed a number of apprentices working across a range of services and clients, whilst gaining valuable experience in ICT / Social Media and Payroll they also gain work experience that will help them gain permanent employment with the company or other organisations.


By enhancing employability through these schemes, NGA HR is addressing shortages of skilled staff, gender issues and supply chain issues, creating a skilled future workforce that will benefit the growth of the IT sector.

Every employee is encouraged to do something, however small, to help deliver value and build sustainable and healthy communities, embracing sustainability, community involvement and engagement.

The company has encouraged employees to become involved with numerous charities throughout the year, including The Prince's Trust, Macmillan Cancer Care, Comic Relief, Children's Toy Foundation (CTF), India National Association for the Blind (NAB), United Way and the Red Cross, amongst others.

Key Highlights and Measurements for this year:-

- New employees, as part of our mandatory on-boarding process, are required to complete our Business Fundamentals Program. This program includes a module on CSR that explains our commitment to the UN Compact, explains the ten principles and what we do as a Company toward fulfilling our obligations. The course also includes information on responsibilities for our employees to ensure they are aware and committed to helping us fulfil this commitment.
- NGA HR aims to be an employer of choice for people from different backgrounds, and to promote respect for the individual and equality of opportunity. NGA HR is committed to eliminating discrimination and encouraging diversity. Our aim is for our workforce to be truly representative of all sections of the wider community and for each employee to feel respected and able to perform their duties to the best of their ability. We have recently updated our Equality, Diversity and Dignity Policy and have published this on our intranet so all employees are aware of our expectations on acceptable conduct.
- We have mandatory Annual Compliance Training for all employees and this year the completion rate was 95%. The small amount who did not complete this training were on long-term absences – e.g. Maternity leave and long-term sick leave.
- We are a diverse organisation — geographically and culturally — and we celebrate our different talents and skills with personalised development plans for each of our employees around the world. All employees at NGA HR are required to participate in the yearly performance development review with their manager. We aim for 100% completion for this program and this year 99.1% of employees received a performance review rating and had a performance and development conversation with their manager. The small percentage of employees who did not complete this program,



have various reasons for non-completion, such as long term sick, maternity leave or they joined NGA HR after the start date for the program.

Donations / CSR Activities

Throughout all regions, NGA HR supports employees to find ways to give back to their communities, including mentoring, volunteering and donations to their favorite charities. Below are some examples of the last year of activities we have supported.

- NGA HR UK has continued our partnership with The Prince's Trust, which believes that every young person, no matter what their background, has the potential to succeed and build a better future for themselves. Young people supported by the Trust have often overcome tremendous barriers: ill-health, poverty, homelessness and lack of confidence. Our employees are able to work directly with young people on voluntary programmes, boosting their self-esteem and employability, as well as participating in a whole host of fundraising challenges.

Over the last Financial Year our employees in the UK donated to many different charities including:

- Donations of toys, toiletries, chocolate provided to Parkside by the team in our Fleet office. Parkside is a registered charity that provides support services for children and adults with learning disabilities.
- The team in the Halifax office held a Cake and Bake sale with the proceeds going to the Cystic Fibrosis Trust.
- Funds from a Cake Baking Day held in Musselburgh went to the Save the Children Fund.
- Our Bury team were busy collecting and donating food items to a local hospice as well encouraging people to wear their Christmas jumpers to raise funds which supported the Give a Child a Present initiative hosted by Key 103.
- September saw all the Moorepay sites complete activities on behalf of their chosen charities including holding morning tea events in aid of MacMillan Cancer support. This followed on from two of colleagues completing the 10k Adrenaline Rush Obstacle Course in Manchester which also raised funds for the charity.
- The SMB team in Sheffield also held a Team Picnic / Raffle / Quiz in aid of PACT (Parents' Association of Children with Tumours and Leukaemia)
- Our Australian business sponsors two children through World Vision. Employees are invited to donate each month and NGA HR matches the donations received.
- In Brazil, Children's Day is celebrated on 12 October each year. Our office held a Toy Donation campaign to support a Volunteer Group in the city of Osasco. The volunteers were then able to distribute toys to the local children as well as throwing them a party with hot dogs and ice-cream.
- Ronald McDonald House, the chosen charity for our Canadian colleagues, provides accommodation for children, their siblings and their parents who travel for medical treatment and care at the Janeway Children's Hospital. In September our St. John's team participated in a Home For Dinner event at Ronald McDonald House. The team of 12 provided the food and the volunteers to prepare 40 meals for people staying at the house. In October, the office participated in the Ronald McDonald House 'Sock-it' campaign which provided much needed funds for the on-going costs associated with the house.
- Employees in our Malaysia offices raise and collect funds to feed the poor in the local community.
- The Kochi office in India continues with its CSR initiative 'DIYA'. This year the Kochi employees Celebrated World Environment Day to raise awareness of environmental issues within their region. In November, our colleagues raised funds through a number of fun activities to sponsor 2 children's educational and school needs through ACTIONAID.
- Our Hyderabad office continues with its employee driven CSR initiative, NGAging Lives. Through this initiative the employees have:
 - Provided food, medicine and support to HIV affected children.

- Organised food donation camps near hospitals to serve food to the needy.
- In Argentina, employees support two main charities:
 - The Garrahan Foundation - a civil society whose mission is to encourage in every way the development of the Hospital of Pediatrics Prof. Dr Juan P. Garrahan. The charity works with the conviction that health is a right that everyone deserves to achieve.
 - Construir un Futuro Foundation – which consists of a children's / adolescent's home where shelter, food, clothing and health care is guaranteed; ensuring primary education, secondary or other forms of training, recreation and leisure, according to the characteristics of the child.
- Our office in the Philippines has been very busy raising funds and supporting a number of charities. The year started off with our colleagues working together to provide school supplies for the start of the school year. February saw the team taking part in an outreach programme to help the children of an elementary school based in a rural area outside Manila. As well as donating school supplies and footwear, the team of volunteers organised games and art activities for the 100 students.
- A Blood Donation drive was held in the Manila office with a number of employees lining up to donate to this worthy cause.
- The NGA HR Family Day organised by the Manila office will see employees and their families enjoying games and activities, raffles, food and prizes – with all the proceeds raised on the day going to the Kanlungan ni Maria Home for the Aged.

Environment

We constantly seek ways to lower our emissions and improve our energy efficiency. Some initiatives are localised, such as installation of energy efficient lighting and improved recycling schemes.

In the UK we completed our submission to the UK Government under the UK Energy Savings Opportunities Scheme. The report was compiled by an External Assessor who, as a condition of the scheme, made recommendations for further opportunities for additional energy saving initiatives. The scope of the review included buildings and business travel. Some of these recommendations, like LED lighting are being adopted others are being evaluated and reviewed

As a result of the Report we have commenced a two year program of works to replace the lighting in our largest office, Peterborough, with energy efficient LED lighting. A similar program has commenced at our office in Manila in the Philippines

During the year we relocated our Bristol office from a building with an Energy Efficiency Certificate of C to an EPC rating of A which has dramatically reduced our emissions from the site. We also relocated our office at Jacksonville to a building with a significantly higher energy rating reducing our emissions

As a result of our evaluation of our Global footprint of leased office space we implemented a program of reduction through better space utilisation, office planning and flexible working. This resulted in a reduction of leased floor area in the year of ~ 150,000 square feet or around 15% of our portfolio reducing our emissions from buildings accordingly.

Through our maintenance and capital investment programs we continue to upgrade air conditioning plant and equipment to more modern energy efficient units, examples of this investment in 2016 include our server room environment in Peterborough



Upcoming initiatives

Below are examples of some of the initiatives we have already committed to:

- We continue to evaluate our Global footprint of leased office space through better space utilisation and office planning. This ongoing review has identified further potential saving opportunities, which will be implemented during 2016/17. This will further reduce our emissions from buildings
- As part of this review we have committed to relocate our offices at Fleet in the UK and in Paris, France and in both cases our staff will be relocated to more modern buildings with higher energy performance.



Future Actions

- NGA HR will continue to demonstrate its commitment to the UN Global Compact by continuing to implement and incorporate the ten principles throughout our organization.
- NGA HR will focus attention on the same Key Performance Indicators as 2015/16 and continue to document improved progress for our Key Performance each year.

More information

Please refer to the Northgate Information Solutions Annual Report online at <http://www.northgate-is.com/> for more information on NGA Human Resources:

- Economic, financial performance and organisational strategy
- Operational structure of the organization: main divisions and group structure
- Financial report: Direct economic value generated and distributed, including revenues, operating costs, employee compensation, retained earnings and payments to capital providers and governments and information concerning ownership and investment

For more information regarding NGA Human Resources and the contents of this report, please contact:

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