



Corporate Social Responsibility Communications on Progress 2017



Statement of Support by the Chief Executive Officer



As the incoming CEO of NGA Human Resources (NGA HR), I can confirm that our organisation continues to integrate the Ten Global Compact Principles, which promote social, economic and environmental improvement, into our day-to-day global business. We are fully committed to playing a positive role in the development of a society that addresses the needs of the present without compromising the global culture and environment that future generations need to continue to thrive.

NGA HR's core business values address exactly the Ten Principles of the United Nations Global Compact, specifically, Human Rights, Labour, Environment, and Anti-Corruption.

In our "Communications on Progress", we have outlined activities completed in the last 12 months that demonstrate how we integrate the principles of Global Compact into our day-to-day business strategy, culture and operations, and our commitment to sustainable growth.

Our mission is to integrate into the local communities and skills in the countries we operate, recruiting locally and providing training and career opportunities, but also supporting local charitable and not-for profit organisations. We commit to share the information in this report with our stakeholders through our annual report, CSR initiatives, and other channels of communication.

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.

Andy Monshaw
Chief Executive Officer
NGA Human Resources



Our Commitment

Corporate Responsibility

As a global business, operating in 35 countries and with clients in over 100, NGA HR is committed to a growth model that is socially responsible and contributes to economic and environmental improvement in each location.

In each country where we operate, we have voluntary projects taking place, from equipping schools, planting trees and building houses through to providing training, apprenticeships and careers advice.

Governance

Our corporate responsibility agenda is included within the 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.

Andy Monshaw, our Group Chief Executive, is Executive Sponsor of the CRG and ensures that the programme is well managed and embedded into day-to-day practice.

Sustainable Services

As a global HR and payroll services company, the core objective of our business is to help other organisations unlock the value in their employees and workplaces.

We help plan operational transformations that enable greater efficiencies and enable business models that require less travel and less manufacturing and disposal of IT equipment by providing managed and hosted services.

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

With nearly 50 years of experience in global and local HR and payroll solutions, we're able to make a real time and cost difference to organisations. We advise on and deliver insight, advanced technology platforms and applications, coupled with a global portfolio of flexible service delivery and outsourcing options, to make a measurable difference for our clients.

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.

The sustainable services that we deliver to clients help combat climate change by introducing digital solutions that reduce the need for people to travel. By delivering hosted services, we also greatly reduce the environmental cost of manufacturing and running IT hardware. 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).

Managed and outsourced services also mean that a high percentage of the work we do for clients can be done locally. We have examples showing how a multi-country payroll solution can easily be delivered to a client with hardly the need for NGA HR to leave a base location.

Further reductions are gained by equipping our employees with the tools and technology that make flexible and mobile Working possible. These modern, 'on demand' technologies, introduce working practices that reduce environmental footprint and generate considerable savings are no longer nice-to-haves, but very real opportunities for all organisations.

NGA HR has introduced many 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 helps employees calculate their CO2 emissions for business travel. The implementation of paperless HR results in reduced environmental impact and costs for our Clients.



Sustainable Procurement

At NGA HR, we are committed to ensuring that the products and services we buy are sustainable and so have incorporated a social responsibility criterion into our group-wide procurement activities. Sustainability considerations traverse our entire procurement process, from the identification of needs, through evaluation of options and tenders to post-contract management. This global approach is applied to all new and existing major suppliers.

In partnership with our Legal, Finance and Compliance departments, our Procurement department has introduced standards to ensure all parties in our supply chain meet our UN Global Compact commitments. These are regularly reviewed.

Our People

NGA HR has an ongoing people investment programme. We have self-service training courses for all employees and specialist courses for managers.

We also have relationships with colleges and universities in many of the cities where we have large offices and services centres, such as with the University of Granada, in Spain. In 2018, we will extend the partnerships with many of these, introducing specific study programmes that will ensure we are building the pipeline of highly digital employees we need the future and in return, we're continuing our commitment to local employment.

Our #OneTeam mantra is vital to us as a global organisation. It ensures we share a culture and a belief system. All employees are encouraged to contribute, to help deliver value and build sustainable and healthy communities, internally and externally, maintain sustainability, and to engage with each other.

The company has encouraged employees to become involved with numerous charities throughout the year, including 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:

- 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 5,300 employees around the world. All employees at NGA HR are required to participate in a bi-annual performance development review with their manager. 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 favourite charities. Below are some examples of the last year of activities we have supported.

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 Tumors and Leukaemia)
- 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, NGAgging 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 many 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 continually 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

Because 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 are being implemented during 2017/18. This will further reduce our emissions from buildings. As part of this review we have committed to close a number of underutilised sites.
- In addition to all the great work that has been done or is underway across the organisation, we have recently included 'People' as one of the three strategic priorities of the entire company. The People Strategic Priority is about enriching the employee experience of our employees and our client's employees, through putting people first. We are now in the process of implementing tangible actions towards this including around CSR, diversity, recognition and reward and our company values. We are also launching a 'Pulse' survey tool to enable to listen to our employees more effectively and far more frequently.

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 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 www.ngahr.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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