



Avanade Corporate Citizenship Annual Report

September 2017

Welcome to the Avanade Corporate Citizenship Report 2017

We present this report to our employees and other stakeholders to show how we are fulfilling our corporate citizenship mission to “help close the gender, technology and income gaps for women to better enable them to realize their full potential.” We hope that the stories we tell through the voices of the people participating in our partnerships and programs will bring Avanade’s corporate citizenship to life.

We fill out the picture with metrics, as a way of holding ourselves accountable to you as investors, since your work at Avanade and the revenue it produces every day is what makes any of this possible.

We hope you find this report inspiring and welcome your feedback as we strive to increase our impact in fulfillment of our mission.

What is "Corporate Citizenship?"

“Corporate Citizenship” stands for an organizational mission that links how we conduct our business to its impact on ourselves, our customers, and the rest of the world with the aim of aligning and creating value for all of them.

We acknowledge that we are a citizen of the globe and that our ability to sustain ourselves and grow depends upon our ability to create value for Avanade, our clients and their customers.

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Statement from Our Chief Executive Officer

This is an unprecedented time in the world with technology fundamentally changing the way we live, work and relate to one another.

Organizations are eager to embrace the latest technology innovations including Artificial Intelligence, to drive innovation and speed to market, increase productivity and collaboration, and enhance customer reach and experience. At the same time, organizations are rethinking traditional business models and considering new ways to attract, win and retain both employees and customers.

In parallel, worrying levels of climate and political instability and social inequality across the globe make it ever more important to engage, motivate and empower society to promote global citizenship. Organizations have an important responsibility to provide work environments that allow people to feel part of a bigger community and to embrace technology as a force for good, improving the way we work and live.

Our vision at Avanade is to be the leading digital innovator, realizing results for our clients and their customers through the power of people and the Microsoft ecosystem. Leading in today's marketplace demands "outside-in" thinking, which is why over the past two years, we have been working to align Avanade's Corporate Citizenship approach behind our business vision.

Our global Corporate Citizenship approach focuses on closing the gender, technology and income gaps for women to better enable them to realize their full potential. Alongside this, we aim to foster environmentally sustainable growth, education through technology and uphold the highest ethical standards in our business operations. In 2017, I became a member of the Junior Achievement Europe Board of Directors, helping to further Avanade's support of this vital partnership that is equipping girls with the professional skills essential for their lives. I personally encourage each of you to take the opportunities available to you to actively engage in our Corporate Citizenship approach at Avanade.

While we have a significant way to go, we are proud of the exceptional efforts our team is making today. This report provides an account of the actions we have taken in 2017 and recognizes the teams involved across the globe. I would like to thank our Corporate Citizenship Council and team for their leadership and guidance, and our employees who do remarkable things every day to change things for the better.

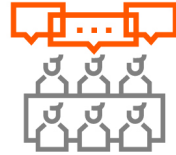


Adam Warby
Chief Executive Officer

Our Corporate Citizenship Highlights (FY17)



Received silver rating
by the **Ecovadis**
Sustainability
Ratings Agency



Reached **200**
young women
through keynote
address at the
G(irls) 20 Summit



£33,000 raised
for The Prince's
Trust Million
Makers Competition



11 Avanade
mentors supported
young women
through Modern Muse



Over \$100,000 raised
for charities
across the globe since
the launch of
Avanade Gives



Signed the
UN Global Compact,
committing to
ten principles



802 volunteer hours
donated by Avanade
employees to Junior
Achievement activities



236 mobile phones
and 69 battery
chargers donated
to help young people
have access to
technology



1,000+ women
in the charity sector
mentored by
Avanade employees
with The Aspire
Foundation



1,124 students
supported in
skill development
by Avanade
employees with
Junior Achievement



40 women supported
in higher education
in STEM subjects
through **Avanade's**
15 for 15 Scholarship
Program

Corporate Citizenship in Practice

Corporate Citizenship
in Practice

Corporate Citizenship in Practice

Our Approach

Our global Corporate Citizenship mission

Our mission at AvanaDe is to help close the gender, technology and income gaps for women, to better enable them to realize their full potential.

We will achieve this by

- **empowering women** to help close the gender gap
- building programs that give **women access to technology**, and
- upskilling women to make a living to **help close the income gap**

Our Commitment as Signatories to the UN Global Compact

Business has a key role to play as an engine of economic growth and employment and a source of finance, technology and innovation. The UN Sustainable Development Goals – otherwise known as the “SDGs” or “Global Goals” – represent a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Achieving the vision of a prosperous world in 2030 will rely heavily on innovations across such areas as sustainable cities, climate-smart agriculture, clean energy and improved medicine and health care.

We embrace our status as a global corporate citizen and acknowledge that our ability to sustain ourselves and grow depends upon our ability to create value, not only for AvanaDe and our clients but also for the planet we live on and for the people we live with. The 17 Global Goals provide

an overarching framework to shape, steer, communicate and report our Corporate Citizenship strategy, goals and activities. While there are several Global Goals that align with our business purpose and Corporate Citizenship mission, we highlight two principal focus areas for AvanaDe below:



GOAL 4

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



GOAL 5

Achieve gender equality and empower all women and girls



Corporate Citizenship in Practice

WE WILL

Help close the gender, technology and income gaps for women to better enable them to realize their full potential.

HOW



GENDER GAP

We **empower** women to help close the gender gap



TECHNOLOGY GAP

We build programs that give women **access** to technology



INCOME GAP

We **upskill** women to make a living to help close the income gap

WHAT

- AvanaDe's 15 for 15 Scholarship Program
- Junior Achievement
- Local Charity Partnerships

Our Global Corporate Citizenship Initiatives

Help close the gender, technology and income gaps for women, to better enable them to realize their full potential

Global Outreach

Global Corporate Citizenship

Avanade 15 for 15 Scholarship Program

In celebration of our first 15 years in business, Avanade made a strategic decision in 2015 to invest in the future of young women by awarding 15 university scholarships to women interested in pursuing an education in science, technology, engineering or math (STEM) subjects.

The Avanade 15 for 15 Scholarship Program is a long-term commitment by Avanade to build a network of women with the skills to succeed in STEM careers. In addition to a scholarship, Avanade provides mentoring and internship opportunities, a support network and will ultimately create an alumni network for young women to remain connected through their education and careers. Avanade also provides opportunities for our scholars to attend learning events, such as our annual Tech Summit, held at the Microsoft Conference Center in Washington, USA.

We have continued to grow the program each year and now offer scholarships at 8 Universities across the globe, providing 40 women with the opportunity to achieve their dreams of gaining an education in STEM subjects.

With our first scholars about to graduate in 2018, we hear from Tatiana Kambwa and Desislava Koleva as they near the end of their studies:

I AM SO CLOSE TO ACHIEVING MY GOAL

"I am one semester away from graduating and I'm struggling to find the words that can properly express my feelings about Avanade's scholarship program. This scholarship has given me so much and enabled me to focus my attention on my education. It has provided me with a mentor who gives me valuable advice and encourages me to participate in academic clubs, extend my network, and always participate in job fairs.

Once I have graduated and found a good job, my first ambition is to become an active member of The Aspire Foundation. My dream is to be able to help and encourage women across the world. I know I can do it.

Thank you, Avanade for helping me to see that there is no dream that cannot be realized. Those who persevere and succeed are called achievers."



Tatiana Kambwa

Avanade 15 for 15 Scholar and Senior at California State Polytechnic University, Pomona, California

THIS EXPERIENCE HAS BEEN EXTRAORDINARY AND LIFE CHANGING

"I was born and raised in Bulgaria and came to the UK having been awarded a scholarship in high school. I made the decision to stay in the UK and in 2015 I began to study computer sciences at University College London. However, I was unsure about whether I had made the right decision on my place of study and my course subject. With no previous exposure to IT, I felt isolated in a room full of students that had previously studied the subject at school or in college. I decided to apply for a scholarship with Avanade and it was the best decision of my life. I was granted the scholarship and it has transformed my attitude and opened my mind to future possibilities. Feeling part of a community that wants to support girls like me in their STEM studies is so important. In my own experience, around 15% of the course is made up of girls, so it can be quite daunting being on a course that is overwhelmingly male-centric.

Attending the Tech Summit in June 2016, was the highlight for me; an experience of a lifetime seeing how the subjects that I had been studying were being practically applied to all sorts of technologies. It boosted my confidence and enabled me to grow and develop as a person. I am so thankful to Avanade for giving me the support and encouragement and for opening my mind to the opportunities that exist for me and those like me. To any girls reading this I would say, don't give up and keep pursuing what you enjoy."



Desislava Koleva

Avanade 15 for 15 Scholar at University College London

Global Outreach

Global Corporate Citizenship

Avanade Tech Summit 2017

Each year, Avanade holds Tech Summit, a three-day technology event, at the Microsoft Conference Centre in Redmond, Washington. The event brings together our top technologists from around the globe, along with key clients and strategic partners to share ideas, knowledge and showcase the latest technology innovations.

We are proud to include our 15 for 15 Scholars as participants at Tech Summit. It provides them with a unique experience to learn about and be inspired by the amazing ways that technology is shaping and changing our world.

Scholars attending this year's Tech Summit in Washington, USA share their experiences:

"One of the best parts of Tech Summit was meeting the amazing and inspiring people from across the many areas of Avanade, who shared their knowledge about what they have learnt throughout their experiences and how they have evolved and built their careers. For me, Tech Summit was life changing; it opened my eyes to the potential of technology and Artificial Intelligence. The presentations about projects that have been developed to help clients really interested me. Having thought that I wanted to be a physical therapist, I now know that I want to be on the technology side, developing innovative products that can transform the medical field by treating patients more effectively and efficiently."

Tracey Brereton

New Jersey Institute of Technology

"Participating in Tech Summit has been a great and exciting experience, not only because I had the opportunity to gain insight into new technological innovations but it also enabled me to meet talented and inspiring professionals from all over the world. I had the possibility to informally meet executives and leaders and speak with them about their career paths. One executive, during his presentation, offered me and other Italian scholars the opportunity to participate in an internship in South East Asia. The chance to interact with these professionals impressed me the most about Tech Summit."

Silvia Modino

Polytechnic University of Milan

Global Outreach



Our 2017 Scholars

From September 2017, Avanade will be supporting ten more scholars who start their degree courses at Ochanomizu University in Japan and the Institut National Sciences Appliquées in Lyon, France.

They join the 30 scholars already a part of this program at California Polytechnic University of Pomona, University College London, the University of Pretoria in South Africa, the New Jersey Institute of Technology, Politecnico Milano in Milan, Italy and Shanghai University in China.

Global Corporate Citizenship

Junior Achievement

In 2016, Avanade made a strategic decision to collaborate with Junior Achievement (JA), a worldwide organization providing young people in primary, secondary and higher education with quality education on practical skills linked to enterprise, entrepreneurship, business and economics. For Avanade, we believe that diversity drives creativity, invention and a more human-centered approach; qualities that lie at the heart of innovation and digital transformation. JA is working hard to bring girls into STEM studies and careers and Avanade is excited to support its mission.

Key facts:

- Despite the demand for STEM professionals expected to grow by 8% between 2013 and 2025, women are still underrepresented in these fields with just 28% of the world's researchers being women.
- Women constitute 52% of the total European population but only 30% of start-up entrepreneurs.
- Women represent 34.4% of all self-employed people in the EU.
- Over 50% of business leaders believe they need to do more to attract, retain and promote women to leadership positions.

The partnership between Avanade and JA is active across Brazil, Italy, Norway, Spain and Sweden. This partnership, which will grow in scale and extend to more countries over time, set out to reach more than 500 girls in the first year.

By working to close the gender, technology and income gaps for women, Avanade is working

to equip girls with critical and professional skills that empower, upskill, educate and enable them to make considered choices of careers in STEM subjects. As volunteers, mentors, advisors and classroom presenters, Avanade employees provide practical advice and experience as well as encouragement and motivation. They are important role models too.

Statement from Caroline Jenner, CEO Junior Achievement Europe

"Junior Achievement focuses on the skills that we think young people need to make it in a global economy. We want to help them with their work readiness, by developing the financial and IT literacy skills that are often missing from national curriculum as well as other complementary skills such as communications and languages. By involving business people in the initiative, we can demonstrate to young people the skills that are necessary to achieving fulfilling careers.

Given that young people make career decisions between the ages of 14 and 18 years, it is so important they acquire soft competencies and entrepreneurial skills that will equip them throughout their careers. Let's face it, people today are predicted to change careers up to ten times in their lifetime. These transitions, jumping from one rock to the next, can be daunting, so it's important to be able to help people to see where the next opportunities lie and give them the confidence to make the leap.

Why the focus on girls? Based on our experience of working with other digital companies, I believe that girls have an intuitive way of focusing on the solution to any problem; they have an innate ability to think about how solutions can be applied in different ways and in different social contexts. Girls may not be so familiar with coding or other back-end work involved in digital solutions, but once they understand what it is designed for, they can apply it to any number of situations, for instance, how can it benefit older people or other marginalized

Global Outreach

Global Corporate Citizenship



sections of society? Of course, entrepreneurship is all about coming up with a great idea in the first place. But being able to apply it – to see it through to fruition – is essential to making that idea a success.

As with many great partnerships, our relationship with Avanade was serendipitous. Attending a Microsoft-hosted event to celebrate the promotion of girls into STEM and digital industries, I had the pleasure of meeting Avanade's Global Director of Corporate Citizenship. The shared passion of our organizations for enabling girls to realize their full potential led to us establishing a partnership in December 2016.

Avanade – like any successful business – is a microcosm of skills and talents. Every skill set is needed to make a business operate. So, although girls may not be immediately attracted to the ICT sector, there are endless opportunities to build great careers in companies such as Avanade. Another exciting aspect of this collaboration is the appointment of Adam Warby onto the JA Europe Board. Adam's story is inspiring; coming from an engineering background and working his way through the ranks in Microsoft, ultimately using the experience he acquired to establish Avanade as a successful business. Young people need to learn that success follows many years of honing skills and continually developing talent. Adam is a great asset to the Board and an equally inspiring role model for young people starting out in their careers.

I am very excited about the opportunities that this partnership will bring and I look forward to exploring how we can further extend the reach to more countries where Avanade and JA operate."

Caroline Jenner
CEO, JA Europe



Progress update

In the first year of the partnership, 102 Avanade volunteers supported 1,124 girls across Brazil, Italy, Norway, Spain and Sweden. This is an exciting start to our ongoing partnership with JA and it is very positive to see our reach exceeding the targets we initially set. More details on the events and activities we have run in partnership with Junior Achievement can be found in our Local Outreach section.

Global Outreach

Global Corporate Citizenship

The Aspire Foundation

The Aspire Foundation has a mission to make a difference to the lives of 1 billion women around the world by 2020 by empowering and upskilling women working in charities and social enterprises. Women in the non-profit and social enterprise space look to The Aspire Foundation for a variety of skills and advice — from strategic planning to creating a budget to communicating effectively. The Aspire Foundation draws from its pool of mentors to provide coaching and encouragement to women through one-to-one relationships that are developed over six months.

Between 2015 and 2017, Avanade worked closely with The Aspire Foundation and, in just two years, Avanade employees mentored 1,000 women, providing them with the skills and motivation necessary to succeed in their careers. In addition, Avanade worked with The Aspire Foundation to improve the organization's IT infrastructure, enabling it to better process applications from mentors and mentees, and provided an interactive experience for mentors and mentees to participate directly in the matching process.

Although The Aspire Foundation has now closed its doors to new mentoring relationships, Avanade continues to invest in the current mentoring relationships our employees have forged. We are delighted with the outcomes of this partnership and look forward to hearing about the amazing work and ongoing success of The Aspire Foundation.

Reflecting on Avanade's partnership with The Aspire Foundation, Global Sales Lead, Nigel Kirkham, comments:

"Being involved in our mentoring activities through The Aspire Foundation program has given me a whole different perspective outside of Avanade. I have had the chance to meet young, entrepreneurial women with a hunger for guidance on how to overcome challenges and develop their business ideas. The mentoring program is incredibly rewarding for both mentees and mentors. I do not only feel that I helped to accelerate my mentee's plans, the experience also challenged me, providing the opportunity to think creatively in areas of work in which I don't normally engage. I believe this program showed Avanade at its best; a caring business. I am proud to share such stories of our Corporate Citizenship approach with our clients."

Nigel Kirkham
Executive, Global Sales Lead



Global Outreach

Global Corporate Citizenship

Supporting Developing Countries

UGANDA

Avanade are supporting Awamu, a charity focused on enabling women in the slums of Kampala to change the lives of vulnerable children in their communities.

In Uganda, awamu means "together", and to the many orphaned children living in the slums of Kampala, the importance of being part of a community that comes together to create lasting change cannot be underestimated. Many of the children in Kampala are born with HIV, which means that their immune systems are fragile, and with many of these children receiving antiretroviral medication, it is vital that they are given food to optimize the effectiveness of their medication.

Entrepreneur, Emma Scullian, was inspired to create her social enterprise, Awamu, which is creating networks of inspiring women to change the lives of orphans through the provision of sustainable feeding programs. Awamu has successfully piloted food gardens with 60 families and is now creating two community gardens that will provide food for over 600 children. With core funding from Avanade as well as other donors, Awamu can buy seeds, soil and tools and provide training to over 150 families, enabling them to come together to create change. Importantly, the enterprise is helping to upskill women and children, enabling them to build gardens in their community to grow their own food.

We asked Emma Scullion, Founder and Director of Awamu what Avanade's support means to her:

"The story of Awamu began through my association with The Aspire Foundation. I was fortunate to participate in the mentoring program and my mentor, Bernie, works for Avanade. I learned that Avanade was looking to identify projects in Africa as part of the company's Corporate Citizenship program. I had just finished making a film about the slums in Kampala and I felt compelled to do something that would help to make a difference to the lives of the children living in these slums, many of whom were orphaned and were living with HIV. I met so many caring and compassionate women, many of whom provided shelter and a family to orphaned children. But providing shelter and security is only part of the solution. With many families living in poverty, finding enough food for their extended families remains a constant worry.

Through Awamu, we have set up two women's groups – in Bwaise and in Makerere – to create a network of community gardens. The women may live two miles apart, but they share the same issues around gaining an income and providing sufficient and healthy food for their families and neighbors. The women will acquire the agricultural and business skills that will be vital to their future. They will be responsible for training five gardening groups, including two gardening clubs in primary schools and one in a secondary school.

Our community food gardens will be a source of food for over 600 children in the slums of Kampala, and the women will learn how to run them as enterprises and start their own savings groups from the profits they make selling the produce. This, in turn, can help towards the education of children who are currently not in school because their guardians simply don't have the means to pay for their uniforms or tuition.

I have seen hunger crush the aspiration of even the brightest and most ambitious children we work with, which is why we are determined to scale up the project. These children need the help of enterprises such as Awamu that can have a direct positive impact on their lives. If we are to help them to change their lives, we must act now.

Awamu runs on pure passion! All donations go directly to helping women and children with the knowledge, skills, seeds and tools necessary to grow their own food. Everything else is provided on a voluntary basis. I am delighted that Toni Handler, Executive, Global Organizational and Leadership Development at Avanade is joining the Awamu board. Her involvement in shaping our future will be tremendous. Thank you to Avanade, The Aspire Foundation and my mentor, Bernie Neville, who have supported me and given me the confidence to make Awamu a reality."

Global Outreach

Local Outreach

*Driving change in Avande and the communities
where our people live and work.*

Local Outreach



Local Outreach



15 young people

built mobile apps with Avanade volunteers in NYC

1,900 views

of Avanade Sweden's 'Women in IT' articles series

68 girls

took part in job shadowing with Avanade volunteers in Spain and Italy

490 girls

took part in leadership programs with Avanade volunteers in Norway



Avanade volunteers in Germany supported

10 girls to develop their IT skills for Girls Day



130 students

helped with their resumes by Avanade volunteers in the Netherlands



4

non-profit organizations in Germany helped by Avanade volunteers in developing business and technical skills



\$3,500 raised for Home of Hope for girls in South Africa, helping to support 76 vulnerable girls to regain their lives

168 girls

introduced to STEM careers through job shadowing in Brazil, Spain and Italy



Local Outreach

As a global company with 30,000 digitally connected people across 24 countries, Avanade strives to have an identity and brand that unites us in a shared purpose. We want all our people to feel a part of the same story of realizing results for our clients and their customers. Despite our global scale, we recognize that people identify most with what is closest to them – their work colleagues, their local offices, their neighborhood, their country. Avanade works within each market to identify a non-profit organization that can realize our global mission through partnerships that are closer to home. The process of selecting and aligning organizations is ongoing, but many of our local teams have already committed to projects, some of which are highlighted in this chapter.

Key facts:

- Research by Microsoft revealed that while most young girls are attracted to STEM subjects around the age of 11, their interest drops off sharply by secondary school. The findings also revealed that girls are looking for better access to role models.
 - While the percentage of women working in STEM has decreased by 1%, the number of roles available has increased by 13,000. This means that STEM industries are thriving, and within these, so are the opportunities for women.
 - Over half of STEM companies in the FTSE 100 have more than two female directors, and this figure is expected to grow. So, the future is looking bright for female STEM graduates!
-

UNITED STATES OF AMERICA

Modern Muse – Inspiring the next generation of female leaders

Modern Muse is a hub for career inspiration and advice. With a mission to change lives through knowledge, the charity's online platform enables girls to connect with women ("muses") who share stories about their careers and the subject choices they made along the way to inspire girls to explore careers they may never had considered before.

Avanade's story with Modern Muse began as a commercial relationship in early 2016 but we were so inspired by their work that we decided to lend our support through volunteering, with 11 Avanade employees to date becoming Modern Muses. Their profiles can be found at www.modernmuse.org.

After School All-Stars – Closing the income and technology gaps to help young people realize their full potential

After School All-Stars (ASAS) strives to close the opportunity gap that exists between low income and higher income youths, providing help with homework and offering enrichment through learning activities and health and fitness programs.

We know colleges are placing increasing emphasis on students that have resumé demonstrating all kinds of extracurricular activities, and we recognize that such opportunities are often out of reach for many young people. We have partnered with ASAS in New York City to provide exciting opportunities to inspire young people with the world of technology through interactive digital skills workshops. Our first, in July 2017, saw 15 young people learn about design and innovation.



Local Outreach

Children’s Museum of Houston

Avanade co-sponsored the Shocks and Jolts exhibit at the Children’s Museum of Houston, introducing young people to the exciting world of electrostatics, electromagnetism and electrical circuits – all essential parts of the Texas state’s science curriculum. Using fun, interactive learning, the children converted mechanical energy into electricity using a bicycle and a hand crank and they launched objects into the air using electromagnetic forces. The Museum welcomed 548,170 visitors during the eight-month run and received overwhelmingly positive feedback from parents and caregivers with 98% agreeing that the exhibit helped children develop a better understanding of electricity.

“I am so proud of what our team has achieved in such a short amount of time. It’s a great feeling knowing the money we raised is now being used to change people’s lives. If there is one thing I have taken away from the experience it is to aim high, with enough work and determination anything is possible.”



James Pemberton
Europe Marketing, Avanade

UNITED KINGDOM

The Prince’s Trust Million Makers Competition

Each year, a team of employees at Avanade UK enters The Prince’s Trust Million Makers Competition, which sees businesses competing to raise the most money for The Prince’s Trust through microenterprise initiatives. The aim is to raise £1 million to directly support disadvantaged young people in the UK, with three in four young people supported by The Prince’s Trust moving into work, education or training.

Over six months, the teams work to turn seed funding into a profit of £10,000 or more. Avanade’s 2016-17 team rose to the challenge, publishing the second edition of an e-booklet to encourage young women into STEM careers and running numerous fundraising events. Overall, the Avanade team turned the £1,500 seed funding into an impressive £33,000, seeing the chairman of Avanade UK’s Million Makers team, James Pemberton, take home the Outstanding Individual award.



Local Outreach

THE NETHERLANDS

JINC – Helping Young People into Vocational Education and Training

JINC is the local charity partner of Avanade Netherlands and our employees volunteer their time to support the charity's mission to help young people onto the employment ladder. The Netherlands places an emphasis on vocational education and training and JINC encourages young people to remain in education to improve their employment prospects. Avanade has partnered with JINC, providing career advice and training to help students apply for and secure employment. In March 2017, our Avanade volunteers helped over 130 students with their resumés and interview technique.

AUSTRIA, SWITZERLAND AND GERMANY (ASG)

Uniting Communities and Businesses in Exchanging Essential Skills

Avanade ASG has partnered with Proboneo, an organization that brings dedicated professionals and community organizations together to share technical and business skills. During a two-day workshop in Berlin, nine Avanade volunteers joined four local non-profit organizations to learn about project management and project implementation tools. The employees in the non-profit organizations got to enhance their knowledge of project implementation and facilitation, which was supported even further when our employees spent a week with them to help with things such as establishing consistent processes and creating communication plans.

Girls' Day at Avanade Germany

In April 2017, Avanade Germany invited ten pupils to spend the day in our offices. The girls were introduced to Avanade Digital and the apps that we develop to directly support businesses, and a female consultant shared her experience of working on exciting innovation-led projects. The girls enjoyed working with our IT Support colleagues in dismantling and reassembling old laptops, and it was especially impressive to find that every laptop was still working afterwards!



Local Outreach

John Tadman, General Manager at Avanade South Africa discusses Avanade's support of Home of Hope for Girls:

SOUTH AFRICA

Home of Hope for Girls: Providing Vulnerable Girls with Shelter, Love, Security and Hope in Johannesburg

In Johannesburg, around 10,000 young girls every year fall victim to prostitution and trafficking. Home of Hope was set up by Khanyisile Motsa when she relocated to the Johannesburg suburb, Hillbrow, and was shocked to see girls as young as nine working as prostitutes. Mam Khanyi, as she is affectionately known, puts herself between vulnerable girls and those who exploit them by providing security, protection and the love of a family of volunteers and support workers.

Employees at Avanade South Africa actively support the work of Home for Hope through donations and fundraising efforts. In collaboration with Accenture, our employees donated ten laptops and raised \$2500 through the sale of chocolates and candles. They also organized a Fun Day to mark International Mandela Day that raised \$1,000.

Thanks to Home of Hope, 76 young girls have regained their lives and their dignity and can now look forward to a brighter future.



"Mam's story of how she gave up her career, at great personal risk, to rescue young girls from a life of prostitution is inspirational. From inviting girls to receive warmth and a cup of tea in her flat to running two homes where she not only rescues the girls from the streets but she looks after them and supports them through their education, she has personally driven a transformational journey. Mam lives our Avanade values every day and we are privileged to support Mam and her Home of Hope for Girls."

AUSTRALIA

Bringing the outside world into the classroom

For students at Melbourne Girls Grammar School, experiential learning was taken to a new height when teachers, with the help of Avanade, brought mixed reality technology into the classroom. The Microsoft HoloLens is the first self-contained, holographic computer, enabling users to engage with digital content and interact with holograms in the world around them. The technology provides critical knowledge, expertise and intelligence in the work environment, enabling, for example, medical experts to interact virtually with paramedics to interpret vital data on a patient and advise on treatment.

Avanade Australia provided "externships" to teachers through two-week placements where they spent time in Avanade's offices, discovering first-hand what it is like to work in the technology industry. The externships led to Avanade executives, Sandy Abrahams and Lee Hamilton, orchestrating a classroom learning experience for students using the HoloLens technology. Alongside a product demonstration, the girls participated in a design-led workshop where they developed ideas for using the technology. The girls demonstrated their capacity for innovation with ideas such as military training, with virtual support on bomb disposals and guidance in realistic combat situations.

Following the success of the workshop, Avanade organized for Graeme Hackland, Chief Information Officer at Williams Formula 1 team, to talk to the girls about the role of innovation and technology in Formula 1 racing. Using the HoloLens technology again, the girls were given the opportunity to virtually change a tyre on a Formula 1 racing car!

Eleanor Mullins, a Year 9 student, said "The HoloLens was amazing! At school, I could imagine using it in science to explain things, such as how the brain works. I've learnt about a whole new side of technology and how working in technology does not mean simply sitting at a desk."



Avanade Gives

A world class technology platform giving employees access to fundraising, volunteering and payroll giving

Avanade Gives

Avanade Gives

Avanade has been a proud supporter of many important community initiatives over the years and much of this effort has been driven by the passion and dedication of our employees across our global network. Avanade Gives is our workplace giving technology platform, which helps our employees to quickly and easily make personal and financial contributions to further Avanade's philanthropic goals and to improve the quality of life in the places our employees live and work.

Avanade Gives was implemented globally in 2017 as an easy and flexible gateway to workplace giving, providing employees with access to tools and information to support their Corporate Citizenship activities.

Corporate Match Giving

Through Avanade Gives we offer our corporate match giving program, which enables employees to maximize their financial contributions up to \$250 per year. Employees can apply for match giving as individuals or as teams. During 2016-2017, over \$45,000 of match funding was donated to charities supported by our employees.

Payroll Giving

Avanade facilitates the administration of funds to charities on behalf of our employees through our payroll giving program. So far, we have set up payroll giving schemes in 4 countries and will continue to grow this number in FY18.

Employee Volunteering

Avanade supports employee-driven volunteer efforts by offering paid time off for volunteering. As many of the stories of our global and local outreach programs testify, our people are the catalysts for change through their passion and their dedication to supporting causes close to their hearts – from helping inspire women and girls to engage in technology and supporting young people in STEM education and vocational training, to offering practical support and financial assistance to communities affected by humanitarian crises. During 2016-17 our employees donated over 800 hours to volunteering in their communities.

Humanitarian Appeals

Avanade has established processes in place to mobilize support in response to humanitarian disasters, channeling contributions from the Company and our employees through trusted non-profit partners to ensure aid is administered quickly and effectively.

Earthquake in Central Italy

Disaster struck Central Italy at precisely 0336 hours on 24 August 2016, when an earthquake tore through the historic town of Amatrice and the many small mountain-top settlements in the bordering regions of Umbria, Lazio and Marche. With a magnitude of 6.2 at its epicenter, the tremor was felt from Bologna in the north of Italy to Naples in the south. Around 300 people lost their lives and many more sustained serious injuries or were left without food and shelter. Through a coordinated effort, Avanade paid a donation to the Italian Red Cross of 16,000 Euros having matched the 8,000 Euros donated by employees across the network.

Speaking in the immediate aftermath of the earthquake, Mauro Meanti, General Manager, Avanade Italy said:

"You all know what happened the other night in central Italy. None of us, or our loved ones were involved in the tragedy, but to thousands of people the situation is extremely tragic. Your generosity in the last few days raised Euro 8000, which Avanade has doubled to Euro 16000. Thank you to everyone who donated; in a disaster like this, it is heartening to see that solidarity remains an important value to everyone."

Mauro Meanti
General Manager, Avanade Italy

Avanade Gives

Environmental Protection

Foster environmentally sustainable growth and education through access to technology

Environmental Protection

Environmental Protection

At Avanade, we are committed to minimizing the negative effects of our operations on the environment while promoting safe and sustainable practices through education and technology solutions. We work closely with our parent company, Accenture, and in partnership with our business partners, our suppliers and our clients to identify risks and incorporate leading environmental practices in our business practices and operations. We also foster environmental and health and safety awareness and responsibility among our employees through training, campaigns and collaborative opportunities.

Our environmental impacts are measured and managed through our parent company, Accenture, who report annually on their environmental performance and that of their affiliated companies. With leadership and guidance from Accenture, we implement best practice environmental initiatives to minimize the effects of our operations.

Environmental, Health and Safety Management Systems

Avanade, in conjunction with our parent company, Accenture, is committed to implementing effective environmental management systems and occupational health and safety measures across our global operations. To date, we have obtained ISO 14001 certifications for our operations globally, and we have achieved OHSAS 18001 certifications for our operations in India, the UK, Ireland and Spain.

Energy and Emissions

We are committed to optimizing energy usage and efficiencies in our office locations and data centers and we consider renewable energy sources where feasible. In addition, we promote the use of efficient heating, ventilation and air conditioning (HVAC) technology where applicable to reduce operating costs and lower greenhouse gas emissions.

Waste and Water

We monitor waste generated and water usage and discharge across our operations and we conduct our business in ways that minimize the consumption of natural resources and prevent pollution. We operate programs promoting the reuse, reconditioning and recycling of technology

equipment, we reuse and recycle office consumables such as paper and cardboard, glass, plastic and aluminum, and we compost food waste where practicable.

Travel and Transportation

When choosing our office locations, the accessibility of public transit options is an important consideration. We actively promote the use of technology to reduce the need to travel for business.

Refurbishment and Reuse

Avanade donates its used assets and equipment to InterConnection, a non-profit organization providing high-quality refurbished equipment to under-served communities around the world. Since March 2017, Avanade has donated 373 laptops, 80 monitors, four desktop computers, two servers and 10 cell phones as well as miscellaneous hardware.

We have also donated cell phones and phone chargers for reuse to educate and connect women and children in developing countries. We have donated a total of 236 smart phones and 69 battery chargers to A Partnership in Education in Rwanda and to Falling Whistles in the Eastern Democratic Republic of Congo.

Environmental Protection

Our Corporate Citizenship Governance and Performance

Corporate Citizenship
Governance and
Performance

Our Corporate Citizenship Governance and Performance

Meet the council



"I am proud of the strengthening of our relationship with Junior Achievement, with Adam Warby's stepping onto their board as a sign of our mutual commitment. You can already see the enthusiasm throughout AvanaDe for the greater impact we can make with this partnership."

David Oskandy
General Counsel, Legal (Chair)



"I am most proud of our new AvanaDe Gives Program for our employees. This program allows us to match our employees' charitable contributions, and I am thrilled to be part of an organization that values and encourages social responsibility."

Toni Handler
O&LD HR



"I am so proud of the work we do with Awamu. They are a small organization with a big heart, helping some of the most disadvantaged children in the world."

Bernie Neville
Global Business Management Lead



"As a father of 3 daughters, AvanaDe's focus on closing the gender, technology, and income gaps for women resonates with me at a personal level. It is great to see the global and local outreach programs making such an impact to individuals across the world."

Chris Miller
CTIO



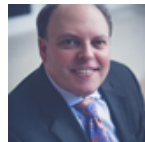
"It was great to meet several of our 15 for 15 scholars at an Aspire event, hearing their stories and experiencing the reality of how our investment in Corporate Citizenship is "paying forward" for these outstanding scholars."

Chris Buckley
Global Business Operations



"I'm most proud of the launch of AvanaDe Gives which is providing matching funding and 8 hours of volunteer time to our employees. People want to work for a company that cares and AvanaDe is demonstrating they do just that by allowing our employees to make a larger impact with the charities they are personally committed to."

Dean Olmstead
Regional GM



"I am extremely proud of the incredible organizational participation we have achieved globally with AvanaDe Gives – as well as AvanaDe's official recognition at a local level in Houston, Texas, for our 3rd consecutive Annual Top Workplace Award based on employee job satisfaction survey results."

Adam Drutz
Sales Management Executive



"I'm very proud about the work we are doing with Junior Achievement in Brazil. We are creating new and exciting opportunities that brighten the futures of hundreds of girls."

Rodrigo Caserta
GM Brazil



"I am proud to be able to support our Corporate Citizenship initiatives and enable our teams to contribute towards a better tomorrow. Our people devote their time and their skills to develop innovative ways to help people and our planet."

Rajiv Khanna
AvanaDe GDN Business Management Lead



"Every company wants to create a great experience for clients. At AvanaDe, we recognize that to achieve that, employee experience is equally important. I'm proud of how passionate and engaged our team members are when it comes to Corporate Citizenship. Whether it's providing mentoring, getting involved in our communities, or supporting one another through natural disasters. I'm excited to be able to help that happen through Corporate Citizenship at AvanaDe."

Stella Goulet
Chief Marketing Officer

Corporate Citizenship
Governance and
Performance

Our Corporate Citizenship Governance and Performance

Corporate Citizenship Governance

Executive Oversight

The Corporate Citizenship Council sets the direction for Corporate Citizenship at Avanade and reports to the CEO and the Executive Committee. The Council reviews progress on the various programs and other components of our Corporate Citizenship approach through regular structured updates prepared by the Global Director of Corporate Citizenship.

Operational Management

The Global Director of Corporate Citizenship is responsible for delivering Avanade's Corporate Citizenship approach. Reporting to the Corporate Citizenship Council, the Global Director identifies and manages our global approach, liaises with our partners and other stakeholders, develops the Corporate Citizenship policies, monitors performance and prepares internal and external progress reports.

Corporate Citizenship Metrics



Avanade Gives Portal

10% of employees using the portal
FY17: **342** (4% of FTE)



Junior Achievement

500 girls in five or more countries to be supported in STEM education
FY17 Target: **500**
FY17 Actual: **1,124**



EcoVadis

Achieve ratings of **46 and above** to maintain **Silver Medal** in annual assessment
FY16: **46%**
FY17: **50%**



Employee Volunteering

10% of employees volunteering
FY16: **194**
FY17: **196** (2.3% of FTE)



Avanade 15 for 15 Scholarship Program

100% of scholars completing their courses
FY16: **100% of women** completed Year 1
FY17: **100% of women** completed Year 2



The Aspire Foundation

1,000 women working in the non-profit sector supported by Avanade mentors
FY17: **1,000** women mentored

Corporate Citizenship Governance and Performance

Closing Remarks from Chair of the Corporate Citizenship Council

"We founded Avanade's Corporate Citizenship approach with the mission to link how we conduct our business to its impact on ourselves, our clients, and the rest of the world, with the aim of aligning and creating value for all of them. This is something that we must take the care and time to tailor to our own culture and people in order to hold meaning for us as a community. As this report hopefully shows, we've put key pieces of our approach in place. However, much more effort, and fun, lies ahead!

Corporate Citizenship rounds out our identity as a mature innovation organization that stakes out leadership positions not just in our industry, but also in the community. More and more clients consider Corporate Citizenship, or aspects of it, as a factor in determining whether to work with us, while also giving us another way to connect with them besides the work at hand. Both our clients and our people expect Avanade to be a good corporate citizen, which means being aware of and remaining relevant to the challenges we all face in today's world. They are looking for an explicit commitment and they want to see evidence of follow-through. We will judge ourselves using high standards that give weight to real actions where the density of meaning and impact are there for all to see. It's tempting to try to do everything all at once, but this approach ends up being self-defeating. That's why we vigorously debated our theme, acknowledging that a disciplined focus would increase our chances of success. We finally coalesced around a theme that combines how to attract and retain more women into the STEM industry, while

tackling the ongoing challenge of unemployment. In short, we "help close the gender, technology and income gaps for women to better enable them to realize their full potential".

I am proud of the increased engagement and enthusiasm for the programs we have established as part of our Corporate Citizenship approach so far, and the rising aspiration amongst our employees and senior managers to fulfill our mission. We have launched Avanade Gives – our program to inspire employee giving and matching funds from Avanade – and we have continued to evaluate established programs, such as the Avanade 15 for 15 Scholarship Program. More and more of our people tell me that they consider Corporate Citizenship to be a central part of their life here at Avanade and they're yearning for more.

During 2018, we look forward to amplifying our impact through collaborative opportunities with Microsoft. We are also forging a new partnership with Junior Achievement following the tremendous success we have enjoyed through our collaboration with The Aspire Foundation.

This report offers a way to hold ourselves accountable to our people on Corporate Citizenship. It's a way to celebrate our successes so far. It is also an acknowledgment of how much we've accomplished in a short time. But most importantly, it should serve as inspiration and a pathway for the future. I am inspired by the tremendous possibility that remains for us to fulfill and the fun we will have getting there together!"



David Oskandy

Executive, General Counsel & Secretary and
Chair, Corporate Citizenship Council

Closing Remarks from
Avanade Corporate
Citizenship Council Chair

6 September, 2018

H.E António Guterres
Secretary-General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary-General

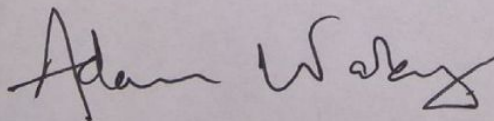
I am proud and pleased to affirm Avanade Inc's. continuing support of the United Nations Global Compact.

With this communication, we express our intent to advance the Global Compact's ten principles covering human rights, labor, environment and anti-corruption within our sphere of influence. We remain committed to incorporating the Global Compact's principles into the strategy, culture and day-to-day operations of Avanade Inc., and to engaging in collaborative projects that advance the broader development goals of the United Nations, particularly the Millennium Development Goals.

We commit to reporting annually on our progress according to the Global Compact COP policy. This includes:

- A statement signed by expressing continued support for the Global Compact and renewing our ongoing commitment to the initiative and its principles.
- A description of practical actions, i.e. disclosure of relevant policies, procedures and activities that Avanade Inc. has taken or is taking to implement the Global Compact principles in each of the four areas (human rights, labor, environment, anti-corruption) they cover.
- A measurement of outcomes, including targets and key performance indicators, to demonstrate progress.

Sincerely yours,



Adam Warby
CEO, Avanade Inc.

Anti-Corruption

Avanade stands against any form of corruption, which includes out-and-out bribery that the laws of virtually every country in the world prohibit, as well as a broader array of activities that the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act prohibit. Avanade complies with these global and local anticorruption laws wherever it does business. Avanade standards may be higher than some local customs or some other companies' business practices. Avanade does not tolerate illegal or questionable conduct, even if some of our competitors do.

No Avanade employee or Avanade representative will suffer adverse consequences for refusing to pay or take a bribe or kickback, even if this results in the loss of business to Avanade. Through Avanade policies, employees are required to pay attention to warning signs, to bring arrangements with a client, business intermediary or other business partner that appear questionable to the attention of the Avanade Legal Group immediately upon finding out about them. Quick detection and attention is a key priority for Avanade anti-corruption programs as it can make all the difference in preventing behavior that can harm Avanade or its clients.

Ethics and Compliance

Avanade has an established Ethics and Compliance team that assesses the risk of corruption in business matters. This team also is involved when a Code of Business Ethics or policy violation is reported. Additionally, Avanade has a multitude of ethical behavior policies in place that ensure that internal procedures support Avanade's anti-corruption commitment. All employees, contractors and interns are trained on Avanade's anticorruption policies during the onboarding process and continually throughout employment.

Finances

Avanade operates to maintain and present up to date accounting and financial records, as well as reports produced from those records, in accordance with the laws of those countries where Avanade maintains a legal entity. Moreover, Avanade refuses to make or accept questionable payments from vendors or clients.

Business Intermediaries

Avanade allows only ethical, qualified business intermediaries to help Avanade sell and deliver its services. Avanade hires business intermediaries to sell Avanade's services only after they have passed our due diligence and approval procedures. Proper approval at the highest level in the organization are requested. Avanade requires all business intermediaries to comply with its anticorruption policies and procedures.

Labor

Avanade is committed to respecting the rights of the individual as outlined by various international labor standards. Avanade has taken steps to ensure that we are compliant with the globally respected policies.

With the international standards in mind, Avanade respects and is compliant with all minimum wage standards and all regulations pertaining to anti-slavery, anti-child labor, and anti-human trafficking.

Safe Workplace

Avanade ensures that all employees have a safe workplace. This includes compliance with health regulations, and safety and emergency procedures. The policy is outlined in Avanade's Policy surrounding Physical Security. Employees are regularly trained on this subject.

Suppliers and Contractors

Not only does Avanade enforce and respect international standards of labor within the company, but all our suppliers must also meet the same standards.

Recruitment Process

Avanade bases employment decisions, including selection, development, promotion and compensation decisions, on individuals' qualifications, skills, performance, and overall business needs without regard to race, color, age, religion, gender, national origin, sexual identity or expression, sexual orientation, disability, veteran, military or marital status, genetic information, or any other protected status.

Governance

Governing Bodies Corporate Citizenship:

Corporate Citizenship is governed by a Corporate Citizenship Counsel made of representatives of senior global leadership and led by a Senior Director. This group meets bi-monthly and provides executive sponsorship for Citizenship initiatives. The Council also provides insights and guidance for new initiatives, policies, and the direction of Citizenship as a whole. The Council is significant to our mission as leadership sponsorship helps advance companywide awareness of Citizenship's initiatives and the company culture.

Audit Committee of Avanade:

Avanade audit committee regularly reviews and oversees among other things the Avanade compliance programs and initiatives.

Ethics and Compliance Counsel:

Avanade has an established Ethics and Compliance Counsel that discusses and administers compliance programs and initiatives. This Counsel meets on a quarterly basis.

Within its legal department Avanade has a dedicated compliance team which advises on, assesses, investigates and reports on Compliance related issues.