

USystems' first UN  
Global Compact (UNGC)  
Communication on  
Progress Report 2021/22



# USystems 2021/22

Making data center cooling sustainable

USystems first UN Global Compact CoP report 2021/22  
[csr@usystems.com](mailto:csr@usystems.com)



## From the Chairman

*This year we celebrate the 19th anniversary of the formation of our company. In this inaugural report, we share some of our highlights of the year 2021.*

*We unequivocally endorse the ten universally accepted principles of the Global Compact in the areas of human rights, labour, environment and anti-corruption in our first UNGC Communication on Progress Report. As a team, we are all committed to human rights, labour standards, anti-corruption and preserving nature. Going forward, we will continue to advocate for the principles and the UNGC in our work. Hopefully, this report helps to further explain what we stand for as a company.*

*Since our founding, we have been guided by our mission: ‘Making data center cooling sustainable’. With this mission, we aim to contribute to sustainable development and a more inclusive global economy that operates within the planetary boundaries. By working with our clients, we aim to offer solutions that support the transition towards a sustainable economy and society. This is where we expect to have a positive impact. At the same time, we recognise – just as our clients and their stakeholders do - that the road towards meeting the Sustainable Development Goals is paved with dilemmas and challenges. We are not perfect, but are determined to get better every day.*

*In 2020/21, the Covid-19 crisis had a huge impact around the globe and has introduced new challenges for everyone. However, if one is to find a silver lining, it is that the pandemic has raised people’s awareness that we as humans are vulnerable, and that one should respect the environment. Our hope is that the pandemic will help drive the sustainability agenda more effectively and quicker, in the interest of all living species and our society.*

*Covid-19 has impacted our business, too. Even before restrictions were announced, we took swift action and our non-production team has been working from home on roster since early March. This was challenging, although we coped well. But more importantly, we learned valuable lessons. We have, for instance, been able to execute our projects while travelling far less. This will have a lasting impact on the way we will organise our work. We are committed to execute our ambitious growth agenda while reducing our environmental footprint.*

*We are proud about the development of our international team. We work hard and have a lot of fun along the way. What next year holds, we’ll have to see. But this year, on our 19th anniversary as a company, we are proud of what we have accomplished and excited about the future. We thank our team and stakeholders for that trust and support.*

*Scott Bailey  
Chairman and Chief Executive Officer*

## What we do

USystems are working towards more efficient and sustainable data centers, by providing leading and innovative technologies to use less energy and reduce carbon footprint globally.

As a business, we provide cooling products that enhance data center cooling, providing these to global businesses, making their data centers, and more importantly the world more environmentally friendly.

## We engineer for a sustainable tomorrow

We have been working tirelessly since 2007 on efficient technologies which allow our customers to reach the IT densities required combined with unprecedented levels of sustainable cooling efficiency with the ability to scale and without the need to supplemental cooling.



## Engineering Sustainable Solutions

USystems strongly supports the UNGC's Ten Principles as part of a roadmap for creating systemic change and helping to redefine the role of business in recoupling economic growth with social progress. By guiding businesses on where and how they can make a positive impact on **labor, human rights, the environment and anti-corruption**, the Ten Principles enable companies to catalyze change in their own operations, in their communities, and in market systems. Delivering change means taking action on inclusion and sustainability while also acting to address the underlying systemic factors that drive the way our economies and societies work.

The world is experiencing some of the most important secular growth trends that we will experience in our lifetime: The explosive rise of digitalization and the energy transition from fossil fuels to renewables changes being driven by unprecedented growth in electrification and climate change.

We're responding by deploying our four-part sustainability strategy, which addresses environmental, social and governance issues. It also allows us to meet today's changing power management needs while making good on our mission to improve the quality of life and the environment.

We aim to improve  
the quality of life and  
the environment by...



### Creating sustainable solutions

- Energy transition
- Digitalization
- Electrification
- Sustainable research and development



### Reducing our footprint

- Science-based GHG target
- Carbon neutrality by 2030
- Zero waste
- Targeted zero water discharge



### Engaging our employees and communities

- Inclusion and diversity
- Training
- Volunteering



### Doing business right and transparency

- Ethics
- Health and safety
- Wellness
- Sustainable supply chain
- U.S. minority and gender pay equity
- Governance



# Our 2030 Sustainability Goals and Targets

We're stepping up our commitment to improve the quality of life and the environment. Our 2030 targets include reducing the carbon emissions from our operations by half, lowering product and supply chain emissions, certifying all manufacturing sites as zero waste to landfill, and achieving carbon-neutral operations. We have also set targets to further enhance employee safety, development and engagement, and to provide more transparency into the progress the company is making toward achieving its ESG goals.





A close-up photograph of a person's hand holding a small white card. The card has the words 'ANTI' in red and 'CORRUPTION' in black, both in bold, sans-serif capital letters. The person is wearing a dark suit jacket and a red patterned tie. The background is slightly blurred.

**ANTI**  
**CORRUPTION**

# Ethics, Equality, Modern Slavery and Anti Corruption

USystems are working towards creating, implementing and sustaining our new Codes of Conduct which will incorporate our environmental, ethical, community and equality codes in line with all current and ongoing UN Principles.

These will include

## Values

Customer Orientation, People, Trust, Respect, Dignity, Integrity, Accountability, Health and Safety, Excellence, Inclusion, Communication, Innovation, Engagement

## Environment and Community

We strive to improve the environment and our communities

## Anti Corruption

We are committed to complying with anti-corruption laws that prohibit bribes, kickbacks or other corrupt actions to obtain or retain business or obtain any improper advantage





## Ethics, Equality, Modern Slavery and Anti Corruption

## Modern Slavery

Accountability related to human rights, modern slavery and human trafficking risks will be established with our upcoming Code of Ethics and Supplier Code of Conduct. In addition, we are enacting rigorous governance and risk management processes in order to identify and mitigate a broad spectrum of supply chain risks.





A close-up, high-angle shot of a compass. The compass face is light-colored with a green arc and the word 'ETHICS' in large, bold, green capital letters. A green arrow points towards the word 'ETHICS'. The compass has a silver-colored metal frame and a green base.

**ETHICS**

Our integrity



**Obeying the law,** We respect and obey the laws, rules and regulations applying to our businesses around the world. **Integrity of recording and reporting our financial results,** We properly maintain accurate and complete financial and other business records, and communicate full, fair, accurate, timely and understandable financial results and other material information. **Respecting human rights,** We respect human rights and require our suppliers to do the same. **Delivering quality,** We are committed to producing quality products and providing quality services. **Competing ethically,** We gain competitive advantage through superior performance. We do not engage in unethical or illegal trade practices. **Respecting diversity and fair employment practices,** We are committed to respecting a culturally diverse workforce through practices that provide equal access and fair treatment to all employees on the basis of merit. We do not tolerate harassment or discrimination in the workplace. **Avoiding conflicts of interest,** We avoid relationships or conduct that might compromise judgment or create actual or apparent conflicts between our personal interests and our loyalty to our company.



## USystems initial effort to mitigate the 17 SDG's - 2021

- We aim to reduce poverty by buying ethically
- We are involved in local charities aiming to reduce hunger and homelessness
- We encourage all our staff to remain in good health and support their wellbeing
- We support gender equality and sexual identity and LGBTQ in all our endeavors
- We have eliminated our water usage in manufacturing saving hundreds of thousands of gallons of potable water each year
- We aim to be carbon neutral by 2025
- We responsibly consume and produce our products, ethically, and with decent work and economic growth ensured by our major suppliers
- We utilise affordable and clean energy

|   |                            |    |   |    |  |
|---|----------------------------|----|---|----|--|
| 1 | NO POVERTY                 | 7  | AFFORDABLE AND CLEAN ENERGY             | 13 | CLIMATE ACTION                         |
| 2 | ZERO HUNGER                | 8  | DECENT WORK AND ECONOMIC GROWTH         | 14 | LIFE BELOW WATER                       |
| 3 | GOOD HEALTH AND WELL-BEING | 9  | INDUSTRY, INNOVATION AND INFRASTRUCTURE | 15 | LIFE ON LAND                           |
| 4 | QUALITY EDUCATION          | 10 | REDUCED INEQUALITIES                    | 16 | PEACE, JUSTICE AND STRONG INSTITUTIONS |
| 5 | GENDER EQUALITY            | 11 | SUSTAINABLE CITIES AND COMMUNITIES      | 17 | PARTNERSHIPS FOR THE GOALS             |
| 6 | CLEAN WATER AND SANITATION | 12 | RESPONSIBLE CONSUMPTION AND PRODUCTION  |    |  |



# USystems 2021/22

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Committed to making our planet a better place and looking forward to making even more of a difference in 2022

We engineer for a sustainable tomorrow

USystems Limited, Systems House, 235 Amptill Road, Bedford MK42 9QG United Kingdom [www.usystems.com](http://www.usystems.com) [csr@usystems.com](mailto:csr@usystems.com)