



Commitment to achieving Net Zero

Avanade is committed to achieving
Net Zero emissions by 2025



Do what matters

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2016

(01/09/2015 through to 31/08/2016)

Additional Details relating to the Baseline Emissions calculations.

Avanade is a global business with operations and activities across many countries. Established in 2000, Avanade is a joint venture between Accenture and Microsoft, and is a majority owned subsidiary of Accenture. Avanade's environmental commitments and targets are set at a global level, both within Avanade and our parent organisation Accenture, with strategies and direction propagated down to the local regional level. Environmental reporting for Avanade UK is completed by Accenture UK (and all Accenture UK subsidiaries) and then aggregated, and internally and externally verified to provide the global dataset.

For clarity, in this document, the emissions data provided is focused on Avanade UK full operational scope for the specified period, not Accenture UK. Avanade UK determine its proportion of the Accenture UK emissions data through an equity share approach of the parent Accenture UK organisation. The equity share is based on the proportion of Avanade UK headcount contribution of overall Accenture UK headcount. This equity share approach will be consistently applied for subsequent emissions reporting periods and future versions of this document. Avanade UK is also subject to the same carbon reduction commitments and initiatives laid out by Accenture UK, and any Avanade UK deviances will be documented here. Avanade Ireland emissions data will not be included.

Avanade UK's reporting period begins on 1 September and ends on 31 August the following year in line with the financial year of both Avanade UK and Accenture UK. Our baseline year for emissions follows Accenture UK which is financial year 2016, also known as FY16, therefore the reporting period covers 1 September 2015 through 31 August 2016.

Carbon emissions have been prepared in accordance with the Greenhouse Gas ("GHG") Protocol. GHG emissions amounts are presented in metric tonnes of carbon dioxide equivalents (mtCO₂e).

Declaration change: In a continued focus on Sustainability reporting, Accenture & Avanade revised Avanade's reporting model in FY22 based on Headcount proportion rather than Revenue.

Baseline year emissions (Avanade UK data): FY16 (01/09/2015 to 31/08/2016)

FY16 Headcount – Avanade UK proportion of Accenture UK Headcount = 3.2% (share for emissions reporting)

EMISSIONS	TOTAL (mtCO ₂ e)
Scope 1	Scope 1 total = 0.003 mtCO ₂ e
Scope 2	Scope 2 total = 29 mtCO ₂ e <i>(This was measured on a Market-based approach)</i>
Scope 3 (Included sources)	Scope 3 total = 1,840 mtCO ₂ e
	1. Purchased goods & services = 1,017 mtCO ₂ e
	4. Upstream transportation and distribution = Included in PG&S
	5. Waste generated in operations = Included in PG&S
	6. Business travel = 823 mtCO ₂ e Breakdown of source(s): Air travel = 506 mtCO ₂ e Rail travel = 11 mtCO ₂ e Taxi travel = 19 mtCO ₂ e Company/rental cars = 11 mtCO ₂ e Personal cars = 276 mtCO ₂ e
	7. Employee commuting = 0 mtCO ₂ e
	9. Downstream transportation and distribution = Not a material part of Accenture/Avanade operations
Total Emissions	1,869 mtCO₂e

¹Note that Accenture disclosed emissions from Hotels under Category 1. PG&S emissions in FY16. In FY23, Hotels are included in Category 6, Business Travel.

²Purchased Goods & Services (Category 1) may include emissions associated with other Scope 3 upstream emissions sources such as Upstream Transportation and Distribution (Category 4), Waste Generated in Operations (Category 5), and Upstream Leased Assets (Category 8).

Current Emissions Reporting

Reporting year emissions (Avanade UK data): FY23 (01/09/2022 to 31/08/2023)

FY23 Headcount – Avanade UK proportion of Accenture UK Headcount = 8.6% (share for emissions reporting)

EMISSIONS	TOTAL (mtCO ₂ e)
Scope 1	Scope 1 total = 9 mtCO₂e <i>Diesel generators are the only contributing source of emissions (non-Avanade related) under scope</i>
Scope 2	Scope 2 total = 91 mtCO₂e <i>(This was measured on a Market-based approach. Scope 2 emissions have increased due to an increase in office occupancy levels and improved availability of Gas reporting).</i>

Scope 3 (Included sources)	Scope 3 total = 1781 mtCO₂e
	1. Purchased goods & services = 813 mtCO₂e
	2. Capital Goods = 234 mtCO₂e
	3. Fuel and Energy related activities = 25 mtCO₂e
	4. Upstream transportation and distribution = Included in PG&S
	5. Waste generated in operations = Included in PG&S
	6. Business Travel = 708 mtCO₂e Breakdown of source(s): Air travel = 425 mtCO ₂ e Rail travel = 21 mtCO ₂ e Taxi travel = 44 mtCO ₂ e Company/rental cars = 29 mtCO ₂ e Personal cars = 61 mtCO ₂ e Hotels = 128 mtCO ₂ e
	7. Employee commuting = 0 mtCO₂e
	9. Downstream transportation and distribution = Not a material part of Accenture/Avanade operations
Total Emissions	1,880 mtCO₂e

¹ In fiscal 2023, Accenture and Avanade changed the presentation for Scope 3 emissions to separately report emissions from Capital Goods, which were previously included in Purchased Goods & Services, and we elected to present Fuel and Energy Related Activities as part of our reported carbon emissions. We also enhanced our methodology for calculating Scope 3 emissions to include well-to-tank emissions for personal car travel and taxi under Business Travel and Employee Commuting.

² Purchased Goods & Services (Category 1) may include emissions associated with other Scope 3 upstream emissions sources such as Upstream Transportation and Distribution (Category 4), Waste Generated in Operations (Category 5), and Upstream Leased Assets (Category 8).

³ We separately disclose Scope 3 Employee Commuting, where possible. In some instances where the nature of reimbursed travel is not known, emissions remain included in Scope 3 Business Travel.

Emissions reduction targets

Avanade works closely with its parent organisation Accenture to ensure collective progress is made towards our goal of achieving Net Zero carbon emissions by the end of 2025.

We are focusing first on actual reductions across our Scope 1, 2 and 3 emissions. Our most significant aspects relate to indirect emissions from Scope 2 electricity usage in our locations and Scope 3 emissions from business travel and purchased goods and services.

We achieved our goal of 100% renewable electricity across our offices globally by the end of 2023. To address remaining emissions, we are investing in nature-based carbon removal solutions. Our nature-based

carbon removal solutions are generally expected to reforest land, improve biodiversity, make agriculture more sustainable, and help create green jobs—all while removing CO2 from the atmosphere.

The table below illustrates Accenture's "Global" emissions progress, which includes Avanade UK operations. The data captured in this table represents activities outside the scope of PPN 06/21 such as emission data from other market units.

Accenture Group Emissions

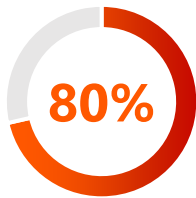
For the fiscal years ended August 31, 2023, 2022, 2021 and 2019

	2023	2022	2021	2019
Carbon Emissions by Scope				
Scope 1	22,038	17,804	9,250	19,922
Scope 2 (market-based method)	4,786	8,356	70,659	226,013
Total Scope 1 and 2 Carbon Emissions	26,824	26,160	79,909	245,935
Scope 3	515,371	405,352	297,067	1,049,032
Scope 1, 2 and 3 Reported Carbon Emissions	542,195	431,512	376,976	1,294,967

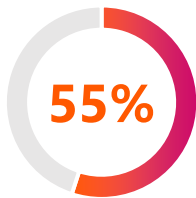
Climate Change Programmes

Accenture (including Avanade) has implemented the following climate change projects (relevant to our UK operations) since the 2016 baseline:

- Globally we achieved our goal of 100% renewable electricity in 2023. We achieved this across our UK operations in FY20. We plan to maintain 100% renewable electricity for our offices on an annual basis through continued purchase of renewable electricity contracts.
- Achieving ISO 14001 and ISO 50001 Environmental and Energy management system certifications.
- In October 2023, Accenture (including Avanade) received approval from SBTi for our new, near-term target aligned to 2030, which we will begin reporting against next year. Also, in fiscal 2024 we plan to set a new long-term science-based target. Our new fiscal 2030 target is to:



Reduce our absolute Scope 1 and 2 greenhouse gas (GHG) emissions 80% from our fiscal year 2019 base year.



Reduce our Scope 3 GHG emissions per unit of revenue 55% from our fiscal year 2019 base year.





Responsible travel

Accenture (including Avanade) continue to use technology to facilitate more cost- and carbon-efficient delivery for our clients and our business. We have implemented an internal carbon price on travel to encourage climate-smart travel decisions. When travel is necessary, we are equipping our people to make climate-smart travel decisions.



Responsible buying

Our suppliers contribute to our own Scope 3 emissions. We expect them to make sustainability a priority and provide updates on their environmental initiatives, goals and impact. Our goal is that 90% of our key suppliers—vendors that represent a significant portion of our 2019 Scope 3 emissions—disclose their environmental targets and actions being taken to reduce emissions by 2025. 82% of our key suppliers have disclosed targets. 93% have disclosed actions to reduce emissions.



Operational Efficiencies

Operational upgrades such as our smart meter installation programme across our UK offices, ongoing LED lighting upgrades, rainwater harvesting implementation, BMS upgrades and energy saving zip taps have all contributed to operational efficiencies in FY23.



Green IT

Accenture and Avanade's global IT organisation takes a cloud-first and sustainability-focused approach to the way we operate, develop new applications, and innovate to run our business. With our journey to cloud complete, we are focused on new, more sustainable capabilities from cloud providers while further embedding our Green IT practices into our operations.



Avanade is a steering committee member of the **Green Software Foundation** and we continue to train our software engineers on Green Software Engineering practices. This allows our software engineers to be familiar with the standards, tools, and best practices so that software becomes an enabler for climate solutions, creating sustainability by design, in the code we build. Avanade co-chairs the Carbon Aware SDK and donated code for the Carbon in CICD Pipeline, to demonstrate best practice in Green Software.

Avanade UK, together with Accenture UK, is committed to reducing the carbon footprint of our operations in the future through continuing to uphold the activities related to our climate commitments, standards and goals. These include:

- Maintaining and advancing our Environmental commitments to continue to reduce our carbon emissions.
- Promoting and accelerating low-carbon technologies amongst our clients to design innovative and sustainable solutions:

To meet the changing needs of our clients and drive progress on environmental, social and governance (ESG) issues, we continue to expand and evolve our portfolio of Sustainability Services. Together with our partners, we are helping the world's leading organisations simultaneously become more sustainable and competitive, and helping build the resilience of their businesses to address climate change and help achieve the United Nations Sustainable Development Goals (SDGs).

We are helping to build more sustainable businesses in three ways:



Create

Our comprehensive suite of sustainability-focused services helps our clients not only set goals but also shape and deliver on their transformation roadmap.



Embed

We strive to embed ESG capabilities into our services across our core business. This is what we believe is required to address both the sustainability challenges facing the world, as well as the demands of our clients' stakeholders to demonstrate action beyond ambition.



Innovate

We engage our partners to innovate with us by embedding sustainability in the core business tools and processes our clients use daily to steer, run and grow their businesses.

We offer a full suite of Sustainability Services to advance our clients toward their sustainability goals:

- Sustainability strategy
- Sustainability measurement, Analytics and Performance
- Net-Zero Transitions
- Sustainable Technology
- Sustainable Value Chain
- Sustainable Leadership and Organisation
- Sustainable Customer Experience and Brand





Leveraging employee engagement to further decarbonise our business by empowering them:

We provide opportunities for our people to learn, commit, volunteer and innovate.

Accenture's Sustainability Innovation annual challenge engaged more than 4,400 Avanade and Accenture people, who produced almost 900 ideas in fiscal 2023 on the key themes of: Nature & Biodiversity, Sustainable Systems & Industries, and Equity & Human Wellbeing.

Complementary to the [UK Government's Transport Decarbonisation Plan](#), we will continue to provide tools and initiatives to our people to ensure that they have options and incentives to take low-carbon modes of travel,

participate in our cycle to work and electric vehicle schemes - and to try more plant-based diets in our offices. We continue to use technology to facilitate more cost and carbon-efficient delivery for our clients and our business, and we have implemented an internal carbon price on travel to encourage climate-smart travel decisions. Avanade and Accenture combined are one of the largest enterprise users of Microsoft Teams in the world — using more than 19 billion minutes of audio and more than 2 billion minutes of video calls in fiscal 2023 — hosted on Microsoft Azure Cloud and powered with renewable energy.



Addressing remaining emissions by investing in nature-based carbon removal solutions

We are focusing first on actual reductions across our scope 1, 2 and 3 emissions. To address remaining emissions, we are investing in nature-based carbon removal solutions.

Our projects are generally expected to reforest land, rebuild biodiversity, make agriculture more sustainable, help create green jobs and allow natural ecosystems to rebound and thrive—all while removing CO₂ from the

atmosphere. Investing in nature-based carbon removals is expected to physically remove millions of metric tonnes of carbon over the next 20 years to address remaining emissions.

At the end of fiscal year 2023, our [nature-based carbon removal portfolio](#) included projects in Indonesia, the Philippines, the United Kingdom and the United States.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the Government emission conversion factors and vendor-specific factors where appropriate for greenhouse gas company reporting².

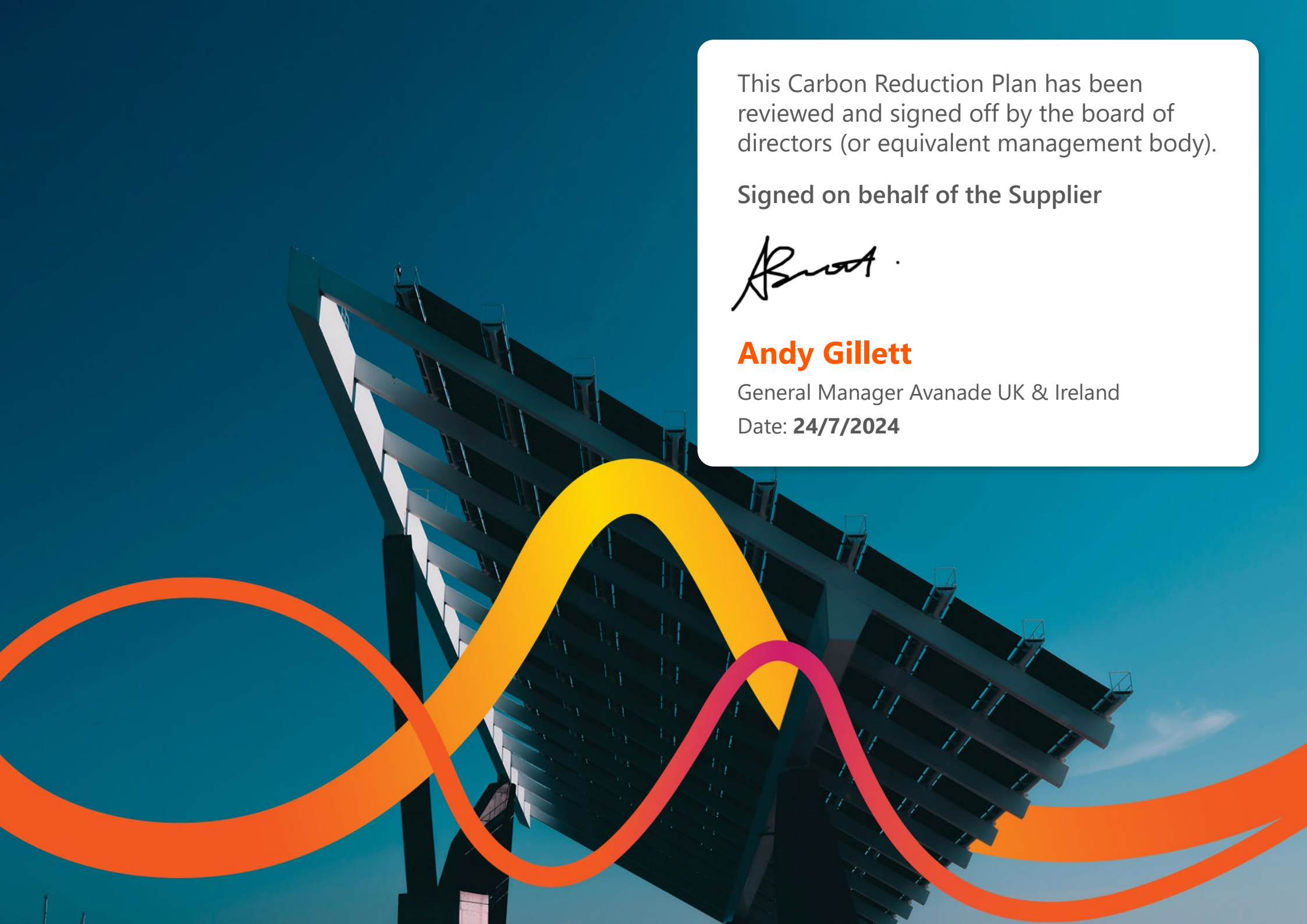
Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

¹ <https://ghgprotocol.org/corporate-standard>

² <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³ <https://ghgprotocol.org/standards/scope-3-standard>





This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier



Andy Gillett

General Manager Avande UK & Ireland

Date: **24/7/2024**



Do what matters