Annual Communication on Progress 2023

January 2022 – December 2022

Greenstone +

Data that talks to you

Contents

Introduction

We are pleased to confirm that Greenstone⁺ Ltd reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

Greenstone was acquired by Cority in May 2023. This report reflects Greenstone's 2022 GHG footprint and activities pre-acquisition for the period 1 January – 31 December 2022.

As part of the Cority acquisition, Greenstone will be working with the Sustainability Committee and senior leadership teams in each business to align our sustainability goals and set a future strategy.

In 2022, our global team grew to over 50 staff and we continue to expand the client base using our award-winning Greenstone Enterprise, SupplierPortal and InvestorPortal solutions globally.

Greenstone had its 2030 science-based emissions reduction target formally approved in 2020 and continues to track and monitor our progress towards this commitment to ensure it is consistent with levels required to meet the goals of the Paris Agreement by the Science Based Targets initiative (SBTi). We report on this progress in our 2022 Communication on Progress. Greenstone's approved science-based target and Tech Zero commitments will be reviewed in the context of the Cority acquisition to outline a strategy for 2023 and beyond

With this Communication on Progress we continue to demonstrate our commitment to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company. We also continue to demonstrate our commitment to engaging in collaborative projects which advance the broader development goals of the United Nations.

We support public accountability and transparency and we are committed to share this information with our stakeholders using our primary channels of communication.

Yours sincerely,

Matthew de Villiers
Chief Executive Officer

Our commitment to UNGC Principles

At Greenstone, we provide software and services that enable our clients to advance their sustainability strategies and become responsible businesses. Through our sustainability software and services, we enable our clients to collect, manage, analyse and report the data required to fulfil their non-financial, environment, health, and safety (EHS), corporate social responsibility (CSR), environmental, social, and governance (ESG), risk & compliance and supply chain reporting requirements.

We actively use and promote the UN Global Compact Principles as a standard for our clients and are dedicated to improving the transparency of corporate reporting in the four key areas of Human Rights, Labour, Environment and Anti-Corruption. We also promote engagement with the Sustainable Development Goals (SDGs), as well as the recommendations of the Taskforce on Climate-related Financial Disclosure (TCFD) across our client base and in our software solutions. Greenstone is also a signatory to the United Nations Principles for Responsible Investment (UNPRI) and enables our clients and their stakeholders to engage with the principles through our sustainability software solutions.

Sustainability software – enabling responsible business

Through our Greenstone Enterprise software, we enable organisations to measure, understand and communicate their environmental, frameworks and health & safety performance and impacts. Reporting on sustainability provides transparency to consumers, employees, investors and other stakeholders. It also enables organisations to reduce their environmental footprint, achieve their sustainability goals and become a responsible business.

Greenstone is an easy-to-use, secure software solution used by organisations to support the collection, management, analysis and reporting of sustainability and ESG data. The user-friendly platform includes Environment, Frameworks, and Health & Safety modules to provide organisations with a complete picture of their sustainability performance, enhanced data quality, and increased confidence in their reporting.

Supply chain software – enabling responsible supply chains

Through our SupplierPortal software, we are helping our clients to improve transparency across their supply chains. SupplierPortal is an online platform for suppliers and their buyers to track and monitor relevant sustainability information, for example: environmental, labour, health & safety and anti-bribery & corruption information.

Using a series of questionnaires, suppliers are able to disclose information about their policies, compliance and procedures they have in place. This helps buying organisations to better understand the companies they work with across their supply chain and in turn help them make informed business decisions.

In 2022, we enhanced SupplierPortal's GHG calculations capabilities enabling suppliers to accurately calculate their carbon footprints and buyers to gain visibility of their supplier emissions. This enhanced functionality is helping many of our clients to calculate and report their Scope 3 emissions.

Investor ESG software – enabling responsible investing

Incorporating ESG performance into investment decisions and portfolio management strategies is becoming increasingly intrinsic to investor decision making. Although awareness of materiality in ESG issues continues to spread, investors are faced with many challenges when it comes to gathering, maintaining and analysing ESG data. Greenstone has developed InvestorPortal as a solution to address this challenge.

Through our InvestorPortal software, we enable the collection, management, and analysis of customisable ESG data across investments, portfolios and funds. This allows investors to better understand and monitor the ESG performance of their portfolios, helping them make better-informed investment decisions. The platform is also integrated with the SDGs and the TCFD's recommendations, which helps investors track their progress, accurately manage climate-related risks and opportunities, and assess the impact of their investments.

In 2022, we enhanced InvestorPortal's GHG emissions capability to enable investors to measure and understand the carbon impact of their portfolios in an even deeper way, adding third-party benchmarks and data approvals.

Materiality assessment

With the wide range of sustainability topics organisations can report on, assessing which topics are most material enables Greenstone to focus our reporting. Both internal and external factors are used to determine 'materiality' involving organisational stakeholders such as customers or company investors.

Greenstone undertook a materiality assessment to understand the views and expectations of key stakeholders: our investors, clients, employees and partners. In 2022, we conducted an internal review of our materiality assessment relevance to us as an organisation and concluded that these material aspects remain relevant and will continue to form the basis for our reporting.

In reviewing our material aspects, we considered the following factors:
- Greenstone's main sustainability impacts
- Topics and future challenges highlighted on a sector-wide level
- Relevant laws, regulations and international or voluntary agreements
- Greenstone's key organisational values and policies
- Expectations or interests of our stakeholders
- Significant organisational risks for Greenstone as an SME
- Organisational core competencies

We also reviewed our report content against UNGC Principles and the wider ESG frameworks and standards landscape to assess possible future metrics that we may look to communicate to stakeholders.

Greenstone acknowledges the importance of advancing the 2030 Agenda for Sustainable Development and continues to align its strategy and actions with six of the Sustainable Development Goals (SDGs)
- SDG 3 - Good Health & Well being
- SDG 5 - Gender Equality
- SDG 9 - Industry, Innovation & Infrastructure
- SDG 12 - Responsible Consumption & Production
- SDG 13 - Climate Action

We also recognise that each of these goals is underpinned by Goal 17: Partnerships through the work we do to enable our clients across all of the SDGs.

Human Rights

As an employer, Greenstone is committed to providing employees all basic Human Rights guaranteed by the Universal Declaration of Human Rights and UN Global Compact Principles.

We believe that business can only flourish in societies where human rights are protected and respected. We recognise that business has the responsibility to respect human rights and the ability to contribute to positive human rights impacts.

Actions

All new and current staff are reminded annually of the commitment Greenstone has made to the Ten Principles of the UN Global Compact through the Greenstone Employee Handbook. Any updates in legislation are communicated to employees in a timely manner through education and awareness training.

As an entity, Greenstone has established all necessary human rights policies and procedures in the US and UK based on office locations. However, we are aware that our biggest human rights risk lies within our supply chain.

Forthcoming Plans

By committing to Principle 2 of the UN Global Compact, Greenstone will strive to ensure we are not complicit in human rights abuses connected within our supply chain. We will therefore, where relevant, further strengthen our supplier assessment mechanisms with regards to human rights aspects. We are committed to engaging more closely with suppliers on their policies to minimise supply chain human rights risks.

Measurement of outcomes

Since its inception, Greenstone has not been subject to any investigations, legal cases or incidents involving human rights violations.

Due to the scope of our activities and number of employees (50) in our organisation, an external audit on human rights performance is not required.

Labour

Greenstone's policies and procedures, including our Health and Safety policy, employment contracts, employee handbook and non-discrimination policies, comply with both UK and US legislation to ensure that our staff are treated fairly and without discrimination.

As a team, we have a zero tolerance policy for all forms of forced and compulsory labour both within Greenstone and within our clients and suppliers. We also do not tolerate any form of child labour or discriminatory practices within our own organisation or our supply chain.

Equality & Diversity Policy

Greenstone is an equal opportunities employer and welcomes and encourages diversity in its team. We will not tolerate or condone discrimination, intimidation, harassment or any other inappropriate behaviour based on age, race, colour, sex, gender, religion, national origin, marital status, sexual orientation or disability. Equally, all decisions and actions related to applicants, employees, agency workers or contractors will be made without regard to these factors.

Our commitment to equality of opportunity applies to all policies, practices and procedures covering recruitment, selection, assignment, conditions of employment, compensation, training, promotion, transfers and termination of engagement. It is based on our belief that respect for the individual, for our colleagues, our clients and everyone with whom we interact is the foundation for a productive workplace – that is, a place where all individuals can reach their full potential. Similarly, we believe that making decisions based solely on individual merit fosters mutual respect.

Measurement of outcomes

The feedback of all employees is continuously reviewed to ensure that the Greenstone team are happy in their work environment and that they are fulfilled and motivated by their work. We encourage a workplace approach designed to ensure that employees are committed to the organisation's goals and values, motivated to contribute to organisational success, and are able at the same time to enhance their own sense of wellbeing.

Where necessary, we take external advice to ensure that we enforce Labour principles compliant with the Global Compact position. Greenstone has never had a breach or complaint about unfair treatment since the Company's formation in 2006.

Environment

Greenstone is committed to acting responsibly and adopting best practice to minimise our environmental impact. We are committed to the continuous improvement of our environmental performance, as part of our overall goal of implementing the principles of sustainable development in all areas of our work. Our aim is to ensure that environmental objectives are integrated into relevant business objectives in a cost-effective manner.

Greenstone is continually improving its environmental targets and plans. In 2021 we established a Sustainability Committee with representation across the company and Executive Committee representation for ownership of the progress. Our sustainability policy and ongoing goals include:

- Comply with all relevant environmental legislation and approved codes of practice in force, co-operating fully with the appropriate regulatory authorities;
- Foster an understanding of the environmental issues arising from our business activities among our employees, suppliers, contractors, customers and the local community.
- Set out environmental targets for significant activities and carry out regular environmental audits of these Greenstone activities.

Greenstone's science-based target

In 2019, Greenstone formally joined the Science Based Target initiative (SBTi) movement by committing to set a science-based target. Following this commitment, our target to reduce our absolute scope 1 and scope 2 GHG emissions by 50% by 2030 and to measure and reduce our scope 3 emissions was approved in 2020.

In our last report, we extended this commitment by establishing a Sustainability Committee responsible for defining how Greenstone can become a net-zero business under Tech Zero. Due to the Greenstone acquisition in May 2023, this plan is no longer valid, and Greenstone's environmental goals will be reviewed in the context of Cority's acquisition.

Greenstone's GHG Footprint

As part of Greenstone's commitment to evaluating our environmental performance, our GHG emissions footprint is calculated across all relevant scopes using Greenstone's award-winning Enterprise software. Data from our London (UK) and New York (USA) offices are included.

Our GHG footprint is calculated in Greenstone's Enterprise software for the period 1st January 2022 – 31st December 2022 using the GHG Protocol methodology and local Defra and US EPA emissions factors.

Greenstone has committed to a science-based target of a 50% reduction on our 2018 baseline in our Scope 1 and 2 emissions by 2030. We continued to procure zero-carbon electricity in the UK and our 2022 Scope 1 and 2 market-based emissions are 5.22 tCO_2e compared to a 17.81 tCO_2e baseline in 2018 (70% decrease).

Greenstone Global - Scope 1 & 2 emissions tCO2e, 2018 – 2022

Greenstone Global - Scope 1 &2 emissions tCO2e, 2018-2022
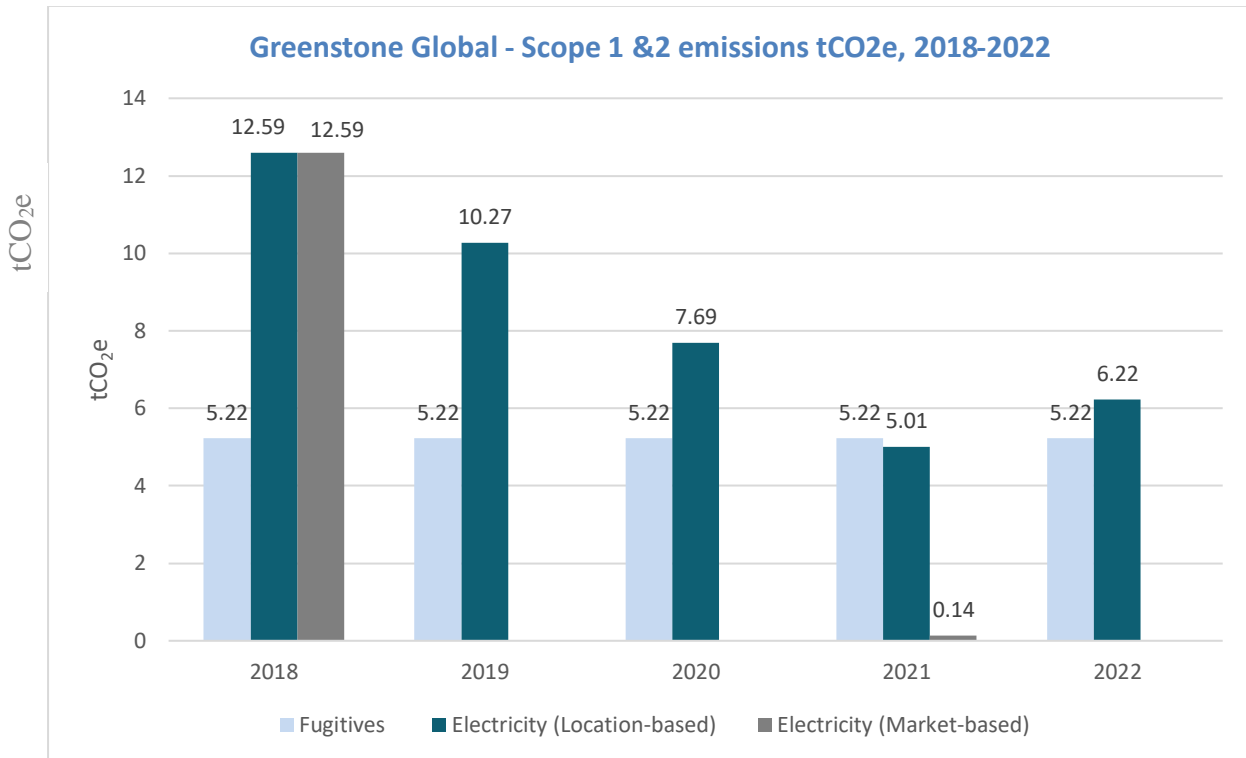
Scope	Type	2018 tCO$_2$e	2019 tCO$_2$e	2020 tCO$_2$e	2021 tCO$_2$e	2022 tCO$_2$e
1	Fugitives	5.22	5.22	5.22	5.22	5.22
2	Electricity (Location-based)	12.59	10.27	7.69	5.01	6.22
2	Electricity (Market-based)	12.59	0	0	0.14	0.00
	Total Scope 1-2 (Location)	**17.81**	**15.49**	**12.91**	**10.23**	**11.44**
	Total Scope 1-2 (Market)	**17.81**	**5.22**	**5.22**	**5.36**	**5.22**

As part of our science-based target commitment to measure and reduce our scope 3 emissions, we are tracking supply chain emissions derived from purchased goods and services. We also continue to report on the GHG emissions associated with our colleagues working from home in 2022 as part of our increased Scope 3 data coverage.

Greenstone Global – Scope 1, 2 and 3 emissions tCO2e 2020-2022 by scope and datasource

Greenstone's global Scope 1-3 GHG footprint in 2022 was **107.35 tCO₂e (location-based)** and **101.13 tCO₂e (market-based).**

Scope	Scope 3 Category	Emissions Type	2020 tCO₂e	2021 tCO₂e	2022 tCO₂e
1	N/A	Fugitives	5.22	5.22	**5.22**
2	N/A	Electricity (Location-based)	7.69	5.01	**6.22**
2	N/A	Electricity (Market-based)	0.00	0.14	**0.00**
3	1	Purchased Goods & Services	22.30	38.30	**44.63**
3	3	Electricity (Data Centre)	3.66	3.33	**4.10**
3	3	Electricity (Working from home)	0.96	0.94	**2.17**
3	3	Fuel (Working from home)	1.34	1.70	**1.50**
3	3	Electricity (T&D)[1]	0.62	0.81	**1.36**
3	5	Waste	0.01	0.07	**0.68**
3	6	Business Travel[2]	0.01	8.48	**29.70**
3	7	Employee Commuting	2.74	5.74	**11.80**
		Total (Location-based)	**44.55**	**69.60**	107.35
		Total (Market-based)	**36.86**	**64.73**	101.13
		Full-time employees	**24.00**	**34.00**	45.00
		Scope 1-3 tCO₂e/FTE	**1.54**	**1.90**	**2.25**

[1] Transmission & Distribution (T&D) excludes Indirect T&D

[2] Business Travel emissions breakdown

Scope	Scope 3 Category	Emissions Type	2022 tCO₂e	% tCO2e	tCO2e/FTE
3	3	Air Business	27.42	92.30	0.61
3	3	Hotels	1.84	6.21	0.04
3	3	Rail Business	0.21	0.71	0.00
3	3	Road Business	0.23	0.76	0.01
		Total	**29.70**		

Anti-Corruption

Greenstone is committed to operating responsibly wherever we work in the world and to engage with our stakeholders to manage the social, environmental and ethical impact of our activities in the different markets in which we operate.

Greenstone does not engage in bribery or any form of unethical inducement or payment including facilitation payments and 'kickbacks.' All employees are required to avoid any activities that might lead to, or suggest, a conflict of interest with the business of the Company. We do not make direct or indirect contributions to political parties.

Actions

Greenstone has a whistleblowing policy, communicated via the Greenstone Employee Handbook, enabling staff to report any non-compliant activities confidentially.

Greenstone has also established an annual employee attestation process whereby employees are reminded of their responsibilities and asked to sign and return an attestation.

Measurement of outcomes

The Greenstone Management Team regularly reviews the implementation of this policy in respect of its suitability, adequacy and effectiveness and makes improvements as appropriate. It periodically reports the results of this process to the Greenstone Board, who makes an independent assessment of the adequacy of the policy and discloses any material non-compliance.

Greenstone has established feedback mechanisms in order to maintain accurate records which properly and fairly document all financial transactions. Internal control systems are subject to annual audits to provide assurance that they are effective in countering bribery and corruption.

Greenstone has also established a Security & Risk committee to monitor and register company risks. Bribery and mitigation is an item on this register. The committee meets quarterly to review register items.