Corporate Governance & Sustainability

April 2022

Introduction

This document is intended to address client assurance requirements by articulating how Pulsant has implemented its business governance framework, and working towards social and sustainability goals.

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Leadership

Statement from the CEO

As the UK's hybrid cloud specialists, we are trusted to deliver by more than 1,200 organisations across the private and public sectors. We have extensive experience in delivering to many industry sectors subject to heavy regulation, which means we set high expectations internally and with partners and suppliers in relation to security, service availability and quality of support. Our governance structures exist to ensure that while we are driving service excellence, we are connected with of our impacts and act in accordance with our Values.

We are fully committed to meeting our responsibilities to our clients, but also to our people, investors, and the wider community. Connectivity and technological innovations have a key part to play in the drive to decarbonise and protect our natural resources for future generations. Along with my executive and senior leadership teams, I believe in delivering for our clients, while also maintaining ethical and regulatory compliance, supporting our people and communities, and working towards a sustainable planet.

Accountability

The CEO is ultimately accountable and responsible for health & safety, quality, environmental, and security performance across the business. For current profiles of the executive leadership team please visit: Meet the Pulsant Team

Further executive and business-wide accountabilities are outlined in our policies related to health & safety, quality, the environment, and information security, which are embedded throughout our operations by our management system.

Pulsant's Environmental, Social and Governance processes are overseen by the dedicated assurance team who report directly to the CFO. The Head of Environment & Sustainability has specific responsibilities to oversee environmental performance and to drive our sustainability strategy throughout the business. The Head of Information Security and Assurance is qualified to CISM and CRISC, and is also an ISO27001 ISMS Internal Auditor, and maintains oversight of information security management. Additional governance in relation to cyber security is implemented through our Cyber Security team, led by our Director of Cyber Security. Pulsant also engages with specialist third party health & safety support services.

Delivering for Our Clients

Our promise

We are committed to providing the cloud, colocation, and networking services our clients need to transform their businesses, strengthen resilience and security, and remove complexity.

As the UK's hybrid cloud specialists, we recognise that there's no one-size-fits-all approach to digital transformation and will work closely with our clients to transform at your own pace, while ensuring business-critical applications remain secure, compliant, and resilient.

Most importantly, with our support, our clients can focus on what really matters – growing their business – with the peace of mind their IT infrastructure is in safe hands.

Client Feedback

Service Excellence is one of our core strategic pillars. We believe communication with stakeholders is an essential component of our business operations and that communication is two-way. We will always let clients know of issues that affect them and we welcome feedback and input on any aspect of our business, and so engage in both transactional and periodic surveys. All feedback is carefully reviewed and fed into our continuous improvement processes.

Complaints are handled in accordance with our Customer Complaints Guide and may be submitted to complaints@pulsant.com or through the account manager.

Problem Management

Pulsant aligns with ITIL and ISO9001/27001/14001 best practice in relation to problem management, because it is important that when problems do occur, appropriate action is taken to address the root causes of the issue as well as the immediate concern. We have processes in place to ensure these actions are tracked and managed through to resolution.

Change Management

Pulsant operates change management process at both client and infrastructure level, to ensure that risk to service is minimised throughout a change.

In-service changes may be requested by the client submitting a written request into the Pulsant ticketing system via the client portal. In-service changes may also be initiated by Pulsant in order to perform maintenance tasks.

All in service changes must contain the following; Risk Assessment; Peer Review; Backout Plan; Post implementation testing and acceptance; Communication plan and Authorisation.

All change must be risk assessed, with high-risk changes presented to the Change Approval Board (CAB).

All client in service changes must be authorised by the client. Client changes are requested in the client portal and must be authorised by a previously agreed authoriser. Pulsant staff will only execute a change exactly as agreed with the client. Any problems encountered during a change will be actioned, backed out or fixed forward as agreed with and duly authorised by the client.

Failed changes are reviewed and promoted to problem management.

Where changes to the contracted service are required, either by Pulsant or by the Client, this will be done in writing

Incident Management

Pulsant has documented Incident Management processes. Any member of staff is empowered to initiate an incident or major incident. Major incidents will be immediately automatically escalated to senior management.

Security and environmental incidents are also managed using the standard incident management processes, with appropriate escalation, support and involvement of the assurance team for specialist support as required.

Security & Trust

Pulsant considers security a core deliverable of all products and is committed to maintaining the confidentiality, integrity and availability of both client and internal data. For an overview of our approach covering physical, cyber, systems development, personnel and supply chain security, as well as business continuity, incident management and data protection, please refer to our Security & Trust report.

Supporting Our People & Communities

Our Values Framework

Pulsant's 'Values Framework' has been developed in consultation with our p in order to reinforce how we want to work together in order to continue to build an even better place to work and deliver great service to our clients. Everyone is provided with guidance and examples on how the values can be applied, as well training and further resources, and challenged to consider their own behaviours as part of the bi-annual performance review cycle. Pulsant operates a recognition scheme for those who have shown strong examples of living our values.

Our values

PEOPLE FIRST
We put our people and clients at the heart of everything we do.

NURTURE AND GROW
We care about one another and take steps to improve wellbeing, development and continued success.

MAKE IT HAPPEN
We proactively seek better outcomes for our people, clients and partners.

OWN IT
We take responsibility for delivering the right results and don't pass the buck.

TOGETHER WE THRIVE
We work together to align goals, build trust and deliver on our promises.

Wellbeing

We believe that actively supporting the wellbeing of our people is critical to our teams' successes. As part of our wellbeing program, we provide access to a range of resources covering mental, physical, and financial aspects, including webinars and workshops with external speakers and support helplines. We also have a number of qualified Mental Health First Aiders that actively engage and support our people. Wellbeing is formally monitored through our people surveys and monitored by our executive leadership team.

Consultation & Feedback

Pulsant aims to engage with our people through appropriate consultation in matters that impact their employment. In relation to safety, this is formally supported by our safety committee and network of safety representatives. We also measure sentiment through periodic surveys as well as continuous feedback, in order to understand our people and act responsibly as an employer.

Training and Development

First impressions are a key element of the culture of an organisation, so we manage our induction program to embed a strong initial understanding of Pulsant's values and the fundamental policies that support them. Ongoing development is managed at an organisation and individual level, through periodic performance appraisals, role-specific needs, and annual awareness programs.

Health & Safety

Pulsant governs health and safety through our integrated management system across all sites and functions. The management system is aligned with OHSAS45001 and accredited against ISO9001/14001/27001. Comprehensive health and safety policies are in place and endorsed by our CEO, who is ultimately accountable for safety throughout the organisation. We maintain external consultancy to provide expert advice and carry out audits across all of our locations.

Site inductions will be provided to all clients and contractors unless fully escorted, including awareness of welfare facilities and relevant emergency procedures. Contractors undertaking works on site are subject to permit-to-work requirements and submission of risk assessments/method statements.

Our people are made aware of their and the company's obligations for health and safety on induction and thereafter training is provided periodically and in accordance with their job role. Our safety committee ensure everyone is fairly represented and consulted on matters concerning their health and safety. Where high risk activities take place, risk assessments and documented safe working procedures are in place.

Diversity & Equality

We are committed to providing equal opportunities in employment and to avoiding unlawful discrimination in employment and against clients. We have a working party across the organisation to focus on Diversity and Inclusion. The aim of this group is to develop initiatives and drive awareness across the wider business. For further information, please refer to our Gender Pay Gap report on www.pulsant.com

Whistleblowing

Pulsant maintains and communicates our Whistleblowing Policy. This encourages all individuals to raise any concerns that they may have about the conduct of others in the business or the way in which the business is run. Reporting details are also provided of escalation routes, including external authorities. A worker who makes a protected disclosure has the right not to be dismissed, subjected to any other detriment, or victimised, because he/she has made a disclosure. Any matters raised are investigated thoroughly, promptly, and confidentially, and the outcome of the investigation reported back to the worker who raised the issue.

Modern Slavery

Pulsant recognises its obligations to prevent modern slavery and adheres to applicable employment legislation and principles of fair pay. A statement in relation to our management of modern slavery risk throughout our operations and supply chain is available through our annual Modern Slavery Statement, published on www.pulsant.com.

Social & Charitable Initiatives

As part of our commitment to the wider community and our Giving Something Back programme, Pulsant offers everyone an annual paid charity day and supports organised events. In the past, we have helped with community garden projects, foodbanks, gift donations through Mission Christmas, IT hardware donations to support education and other worthy causes. Pulsant sets an annual fundraising target towards a company charity selected by our people. We also promote and support individuals in their fundraising ventures.

Engaging with Our Partners & Suppliers

Approach

We recognise that we have a responsibility to engage with our suppliers to support social and environmental benefits, while continuing to ensure we can deliver for our clients.

Pulsant formal supplier management framework involves risk-assessment in relation to sustainability, safety, security, modern slavery and quality elements, both as part of the selection criteria and on an ongoing basis. The review cycle requires supplier managers to establish any performance concerns and take appropriate action to mitigate any resulting risk to our operations.

We maintain and circulate our Supplier Code of Conduct in order to outline our expectations around business ethics and sustainability issues, and where there are areas of concern identified, we primarily seek to collaborate with our supply base in order to encourage improvement.

Vendor Partnerships

Alongside our own technology, solutions and consultancy services, we've formed valuable collaborations with leading industry experts — from hardware and software, to networking and security. Our aim is simple: to deliver a secure, compliant and high performing set of platforms and solutions that are matched to our clients' business requirements. Where a 3rd party partner is used to deliver products and services directly, this will be indicated in the appropriate Service Schedule or service design, as an inherent feature of the service taken, or reflected in the Client Contract.

Continuity of Supply

We engage with our risk management framework in relation to supply continuity at both the operational and executive level. Risks are assessed in relation to continuity of supply of physical goods. Control measures are identified as appropriate and may include maintenance of multiple vendors, maintaining site critical spare stocks and hardware support contracts.

Security in the Supply Chain

We embed security into our supplier governance framework in order to minimise the risk of compromise of internal or client data. Please refer to our Security & Trust report for a further overview.

Modern Slavery & Conflict Minerals in the Supply Chain

We are committed to minimising the risk of modern slavery and use of conflict minerals throughout our supply chain, and actively engage with direct suppliers and hardware vendors to obtain assurance in this area. Our statement in relation to management of modern slavery risk throughout our operations and supply chain is available through our annual Modern Slavery Statement, published on www.pulsant.com.

Contractor Safety

Pulsant evaluates contractors against their management of health and safety as part of supplier on-boarding. Where applicable, this may include consideration of formal qualifications and experience, accident history and appropriate professional memberships. Risk assessment and method statements (RAMS) are required to be submitted to site management for review and approval prior to any works commencing. Where contractors are considered to be working in an unsafe manner, or in contradiction to the agreed method of work, Pulsant will take appropriate action which may include stopping work or removing an individual from the work area to rectify the situation.

Working Towards a Sustainable Planet

Tackling Climate Change is one of the great challenges of the 21st century. It is critical that we step up and take responsibility to remove the threat posed to our planet. As the UK's hybrid cloud specialists, we help our clients cut their emissions by using our colocation and cloud services to replace less efficient systems.

Rob Coupland, CEO

Our Impact and Approach

As a major data centre provider, Pulsant is a large user of power, and we work to run as efficiently as possible, both in order to minimise the carbon footprint and to deliver cost-effective services to customers. We have set ambitious direct and indirect emissions reductions goals to be verified by the Science-Based Targets initiative, as a first and urgent step towards the net zero economy and limiting climate change to 1.5°C.

As well as power usage, we are looking towards cleaner technologies that will help mitigate our other impacts around cooling, fire suppression, and standby power generation. Our Scope 3 Science Based Target takes us further and will lead to specific objectives in relation to engaging with our supply chain, our clients, our investors, and our people. Sustainability governance at Pulsant covers not only climate change, but issues in relation to pollution, plastics use, waste, hazardous materials, and water usage.

Our Commitments

We have defined the following set of commitments as a framework for our objectives and future disclosures. We are committed to achieve Net Zero by 2050 under the Science-Based Target's initiative Net Zero Standard, including through:

Emissions:
- Reduce our carbon emissions across all scopes by 50% by 2030 (from 2019) on an absolute basis. In the long term, continue to drive reductions to achieve at least 90% reduction by 2050 and balance any remainder through supporting carbon removals.
- Offset 100% of our direct greenhouse gas emissions through assured, good quality projects.
- Maintain our supply of 100% renewable electricity. In addition, actively exercise our buying power to support sustainable UK grid infrastructure and innovative power technologies.

Efficiency:

- Meet or exceed annual Power Usage Efficiency (PUE) target of 1.3 by 2030.

Value Chain:

- Fully and transparently manage the lifecycle impact of each product and service by 2025.
- Make resource efficiency, disposal, and carbon impact key considerations in procurement, and be an active participant in the circular economy.

Culture:

- Together, make a positive difference to our environment and challenge ourselves to come up with creative solutions and outcomes to achieve enhanced sustainability.

Governance:

- Hold ourselves accountable for meeting our environmental commitments. Deliver accountability through progressive improvement of our ISO14001-accredited management system and transparency of reporting.

Maintaining Ethical & Regulatory Compliance

Tax Avoidance, Money Laundering, Anti Bribery and Corruption

We take seriously our obligations to not facilitate illegal activity including tax avoidance, money laundering, bribery, or corruption. To this end Pulsant has comprehensive Anti-Bribery and Corruption policies and supplier and client controls in place which are fully supported by executive leadership. Sanctions list checks and corporate criminal offence risk assessments are embedded into our operations.

Compliance with Other Frameworks

Having a broad spectrum of clients, including those in the financial sector, service agreements may in some cases be customised to ensure that we meet our clients' needs for compliance with frameworks relevant to their business.

Legislation & Standards Review

Regular reviews and updates on applicable legislation and standards frameworks take place to ensure compliance across the business. Pulsant subscribes to and monitors a number of legal and industry information sources to maintain currency with compliance issues and changes and engages with specialist support as required.

Embedding Governance

Our Management System Scope

The management system covers Pulsant's operations as a business-class internet service provider offering cloud services, colocation, managed hosting, managed networks and workplace recovery. This includes all UK operations and activities, all products and services and the technology, regulation and legislation related to the areas of operations.

Core Policies

- Health & Safety Policy
- Quality Policy
- Environmental Policy
- Information Security Policy
- Corporate Social Responsibility Policy

Our policies are subject to at least annual review. Reviews and updates may also take place as a result of legislation reviews, audit, incident review and continuous improvement activities. All policies are published centrally on the company intranet and are available to everyone in Pulsant. Our people are made aware of the primary policy requirements and policy locations as part of their new start induction process.

Management Objectives & Review

Pulsant uses the core policies and strategic pillars set out by the executive leadership team to embed operational objectives across the business, culminating in business-wide objectives in relation to the management system. These objectives include elements covering health & safety, environmental, quality and information security performance. Progress towards objectives forms part of each team's reporting requirements and overall performance is formally reviewed with the executive leadership team throughout the year.

Standards & Processes

Standards and processes that are applied business-wide include;

- Change Management (Infrastructure & Client)
- Problem Management
- Incident Management
- Risk Management
- Supplier Management
- Deployment Standards

Pulsant do not make copies of our internal standards or process documents available externally. Policy documents may be made available dependent on circumstances.

Internal Assurance

A programme of internal audit is in place against management system requirements, with the output being reviewed by senior stakeholders and feeding to the continuous improvement processes. The results of risk assessments, post incident reviews and client and staff sentiment are also inputs into the continuous improvement process.

External Assurance

Our management system is further supported by external audit as part of our third-party accreditations, including ISO9001:2015, ISO14001:2015 and ISO27001:2013. Our program of external audits is planned across all data centre and office locations to cover in relation to the relevant aspects. For all independent accreditations and certificates held by Pulsant, please visit: https://www.pulsant.com/why-us/accreditations/.

Risk Management

Our centralised risk management approach is applied throughout our operations in order to support our management system and maintain performance for our key stakeholders. Risks are assessed across a range of business and ethical aspects, including security, quality, safety, and environmental impacts. All business areas are responsible for implementing the mitigations identified under their ownership, and for updating their risks in accordance with approved timeframes.

Operational risks are overseen by the senior management risk committee on a monthly basis to validate risks and authorise treatment approaches, as well as to refer risks for review by the executive leadership team in accordance with our assessment framework. This feeds into the executive overview and governance of business risk.