blancco

2021
Environmental, Social and Governance Report

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2021 Environmental, Social and Governance Report

About this report

This report presents the Environmental, Social and Governance (ESG) information, metrics and policies that are material to Blancco Technology Group plc ("Blancco" or "the Company"). The report has been developed in alignment with the Sustainability Accounting Standards Board's (SASB) Software & IT Services standard, the United Nations Sustainable Development Goals (SDGs), and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Key to our ESG approach is the promotion of recycling and repurposing of devices, reducing physical destruction and landfill waste and promoting a positive environmental impact.

ESG Highlights

Sustainability is ingrained into our business. By securely erasing devices we support the circular economy and reduction of e-waste. We are proud to have a positive social impact, creating a supportive and open culture for our employees, and supporting our customers to achieve their own ESG objectives.

Environmental

54 million

Total number of assets securely erased

68.2 million kg*

Electronic equipment landfill waste prevented

Social

80%

Employee engagement as a percentage

47%

Rate of sign up to SAYE scheme (in territories it was offered)

Governance

57.5

Customer Net Promoter Score (NPS)

0

Number of data breaches

*This figure was calculated based on the information gathered from customers and the estimated weight of devices securely sanitised during the year.
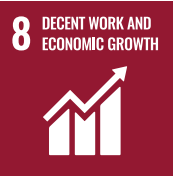
ESG accreditations

Award/Accreditation		Country	Description	Year awarded
	MSCI ESG Rating	UK	MSCI ESG Research provides MSCI ESG Ratings on global public and a few private companies on a scale of AAA (leader) to CCC (laggard), according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers. In 2021, Blancco Technology Group received a rating of "A" in the MSCI ESG Ratings assessment.	2021
	London Stock Exchange Green Economy Mark	UK	The Green Economy Mark highlights companies and investment funds listed on all segments of London Stock Exchange's Main Market and AIM that are driving the global green economy. To qualify for the Green Economy Mark, companies and funds must generate 50 percent or more of their total annual revenues from green activities. Blancco was one of the first companies to have been awarded the Green Economy Mark.	2019
	ISO27001	Global	This accreditation highlights how operate an excellent Information Security Management System. Recipients of this certification must demonstrate their organization's strategy and practices in protecting sensitive information within a management system. Blancco's dedication to information security is built into its enterprise DNA; safeguarding data is at the core of its product offering. The audit for the renewal of our ISO27001 accreditation was successfully completed in September 2021.	2018
	ISO9001	Global	ISO9001 certifies that Blancco's core functions meet specific requirements for a quality management system and provides proof that Blancco consistently offers products and services that meet stringent regulatory requirements and satisfy customer demands. It is the only standard in the ISO 9000 series that can be certified. The audit for the renewal of our ISO9001 accreditation was successfully completed in September 2021.	2018

UN Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) were created to tackle some of the world's greatest challenges, such as inequality, climate change and environmental health. In 2016, the United Nations created 17 SDGs, with 169 underlying targets and a target achievement goal of 2030.

Every part of society – from governments and organisations to businesses and private citizens – must play a part in achieving the SDGs in order to create a better and more sustainable future.

In shaping our approach to sustainability and ESG risk management, we considered these SDGs and identified a series of objectives, relevant to our business, to which we can contribute. We identified Champions committed to tackling the risks that relate to achieving the specified SDGs and we continue to incorporate them into our risk management practices so that we effectively consider them in the day-to-day running of our business.

SDG	FY'21 approach		Target outline	Relevance to Blancco
8 DECENT WORK AND ECONOMIC GROWTH	We provide secure, well-paid jobs to our 320+ employees and equip them with the tools and opportunities to develop and progress within the Group.	**Target** **8.3**	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.	At Blancco we invest in our people. We provide training opportunities for skills' development, including specific management training for both junior and more experienced individuals, and a global online training platform available to all our employees. In this way we ensure that we are nurturing our talented employees and enabling promotion from within the Group.
		Target **8.4**	Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead.	Our products encourage re-using hardware and promote responsible consumption.

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Greater awareness of the alternatives to physical destruction of equipment, the importance of data security, and growing environmental concerns, drive the use of our products. We continue to promote our sustainable solutions, develop and implement new process efficiencies, and invest in the people that enable Blancco's success."

SDG 8 Champion
Adam Moloney, Chief Financial Officer

UN Sustainable Development Goals

SDG	FY'21 approach		Target outline	Relevance to Blancco
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	We promote innovation and growth as a market leader. Through engagement with our customers and strategic partners, we understand their evolving needs and continue to invest in new product developments and integrations that support their operations and improve efficiency in their processes.	**Target 9.5**	Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.	We continue to invest in R&D, growing our product management team as well as our product offering. In the last year we have implemented improvements to reduce time spent handling and processing devices, and to maintain the stability of the application, enabling our customers to increase their operational efficiency. We work in partnership with universities to give talks about our industry, offer internship placements to students, and hire graduates in our India office to work on product development and support.

> **Research and development investment, both in new products and our team, continues to be a key priority for Blancco, and this product development is driven by the engagement we have with our customers and the attraction and retention of talented individuals."**

SDG 9 Champion
Russ Ernst, EVP Products and Technology

SDG	FY'21 approach		Target outline	Relevance to Blancco
10 REDUCED INEQUALITIES	We are committed to reducing inequality and fostering a diverse and inclusive culture to ensure that all our employees feel heard and supported. We have rolled out a number of initiatives in the past year to ensure that our internal processes reflected this commitment.	**Target 10.3**	Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.	In the past year we have undergone a thorough review of our internal documentation on software to ensure that the language used is inclusive. We have conducted mandatory unconscious bias training for our managers and are currently working to eliminate any bias in our recruitment processes. Furthermore, our support of the "Laptops for Kids" campaign in the UK addresses the lack of access to devices for some families, providing devices to children to continue their schooling online during lockdown.

> **Our people are core to the success of Blancco and as such we are passionate about supporting every individual. I am very proud that our D&I initiatives have been championed throughout our organisation, from the CEO to our employees themselves. These initiatives are not standalone projects, but part of a long-term strategy to progress equitability and inclusion at Blancco."**

SDG 19 Champion
Sarah Smith, Human Resources Director

UN Sustainable Development Goals

SDG	FY'21 approach		Target outline	Relevance to Blancco
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Our data erasure products enable the extension of the useful life of devices, supporting the circular economy and avoiding the unnecessary physical destruction and disposal to landfill of hardware.	**Target 12.5**	By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	By securely erasing hardware, our products extend the useful life of devices, supporting the circular economy of reuse and repurposing, and minimising the need to manufacture new devices.
		Target 12.6	Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.	We continue to promote the sustainable benefits of our products to our customers and are proud to be able to support other businesses to reduce their environmental impact with our solutions.

> **As the industry standard in data erasure, responsible consumption is woven into the fabric of Blancco. We are proud to hold the London Stock Exchange (LSE) Green Economy Mark and continue to promote the sustainable benefits of our solutions in reducing unnecessary e-waste and endorsing the circular economy."**

SDG 12 Champion
Matt Jones, CEO

Activity Metrics

Metric		Disclosure			
(1) Number of licenses or subscriptions (2) percentage cloudbased	Number	**Total**			**TC-SI-000.A**
			FY'20	**FY'21**	
			36,588,286	54,905,792	
(1) Data processing capacity (2) percentage outsourced		(1) CPU: 469.3 GHz, Mem: 1.78 TB (2) 9.3%			**TC-SI-000.B**
(1) Amount of data storage (2) percentage outsourced	Terabytes Percentage (%)	(1) 65 TB (2) 22.7%			**TC-SI-000.C**

*We are restating the figures for FY20 in this report, as we have improved the calculation through which this figure was reached.

Environmental

We enable businesses to minimise their carbon emissions and keep their hardware in circulation. This year, 54 million devices were securely erased using Blancco products.

Environmental

Environmental topic	Accounting metric	Unit of measure	Disclosure
Task Force on Climate-related Financial Disclosures	Governance: Disclose the organization's governance around climate-related risks and opportunities.	Discussion	As an office-based business with over 320 employees globally our environmental impact is minimal. Nevertheless we remain committed to limiting our direct environmental footprint. The Board has oversight of climate-related risks and opportunities and as ESG is an integral part of the Chief Financial Officer's report, environmental matters are discussed at Board meetings. Additionally, this year we engaged a consultancy to conduct a carbon audit of the Company to enable us to understand our environmental impact and where improvements can be made.
	Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	Discussion	**Reducing our footprint** We recognise that travel is our largest carbon hotspot and moving forwards we are addressing how our travel policy could be evolved to reduce that impact. The pandemic provided us with the opportunity to reduce our travel emissions and also showed us that we can operate with less travel. Thus far we have identified two of our annual Board meetings that can be held virtually, and additional Board meetings which will be hybrid to avoid transatlantic flights. We accept that travel will remain a part of our business, as we are a global Group with customers and employees around the world, but we are considering how the travel we do can be less impactful, including educating our employees about the impact of different airlines, assessing where different modes of transport could be taken, and providing greater flexibility around the price. Our office-related carbon footprint is not significant as we have a small headcount and we seek to rent office spaces that provide facilities to meet our operational needs, principally hiring offices contained within larger buildings with communal areas. However, we continue to pursue emissions reduction initiatives; we have now closed one office in the UK, we encourage sustainable resource use across our employee base, and we are considering green energy suppliers for our offices. **Our positive impact** Our products directly support the circular economy, as by securely erasing data from hardware we extend the lifetime of devices, thereby enabling reuse or reselling of devices. The typical refresh rate of certain devices is approximately 3 years; data sanitisation can double the lifetime of a product. Consequently, we can reduce both the demand for, and the carbon emissions produced by, the manufacture of new devices, as research suggests that the environmental impact of most consumer electronics is greatest during the manufacturing and distribution process. By securely erasing data, we also avoid the need for less environmentally friendly methods of data and device destruction and for those devices to be sent to landfill. **By providing our solutions, we enable businesses to minimise their carbon emissions and keep their hardware in circulation. We continue to work with our customers to assess how we can develop our products and increase the efficiency of their operations, thereby increasing the number of securely erased devices.**
	Risk management: Disclose how the organization identifies, assesses, and manages climate-related risks.	Discussion	The Board is responsible for determining the nature and extent of the risks it is willing to take in delivering Blancco's strategic objectives and manages these risks through the Blancco Risk Management Framework. The strategic risk appetite for the business is reviewed annually by the Board. The Audit Committee is asked to assess whether risks are within the Company's risk appetite. Further detail to Blancco's approach to risk management and Principal Risks can be found in the Annual Report.

Environmental

Environmental topic	Accounting metric	Unit of measure	Disclosure
Task Force on Climate-related Financial Disclosures	Metrics and targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.		

	Scope 1 & 2	Scope 3	Total
Year 2019	152.95	949.20	1,102.15
Year 2020	104.05	148.46	252.51

*The data here represents the calendar years of 2019 and 2020, not the financial years. The Scope 3 data covers business travel only.

We attribute the reduction in our Scope 1, 2, and 3 emissions to our offices closing and the limitation on travel during the pandemic. Certain small satellite offices were closed permanently, in agreement with employees moving to remote working practices, which also contributed to a reduction in our emissions. As a Group, while we are beginning to capture our carbon footprint, we are not yet in a position to set a target as, due to the pandemic making 2020 data anomalous, we cannot establish a baseline.

Our 12-month CO_2e emissions (Scope 1, 2 and 3) for 2020 decreased by 77%, compared with 2019. Scope 1 and 2 emissions reduced by 32%, or by 1.5 tonnes of CO_2 per £1 million revenue. In total, we emitted 7.6 tonnes of CO_2e per £1 million of revenue in 2020, compared with 33.1 tonnes in 2019. Electricity usage reduced 16%.

Methodologies
We classify GHG emissions into three 'scopes'. Scope 1 emissions are direct emissions from sources that are owned or controlled by Blancco, including the combustion of fuel and operation of facilities. Scope 2 emissions are indirect emissions from the purchase of electricity, heat, steam and cooling purchased for our own use. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain. All footprint calculations comply with the standard set by the World Resource Institute: GHG Protocol for Corporate Accounting. All Scope 1 and 2 emissions factors derive from the International Energy Agency (IEA). Scope 3 business travel has been calculated based on route, aircraft/train/ferry/car hire, make and manufacture of transport and travel class and have applied the appropriate methodologies and data published by the European Environment Agency (EEA), the UK Department for Environment, Food and Rural Affairs (DEFRA) and the International Civil Aviation Authority (ICAO). Business accommodation data is calculated using the International Tourism Partnership Methodology, based on duration and location.

Environmental topic	Accounting metric	Unit of measure	Disclosure	
Environmental Footprint of Hardware Infrastructure	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Gigajoules (GJ), Percentage (%)		TC-SI-130a.1

	Scope 1 & 2 (kwh)	Scope 1 & 2 (GJ)
Year 2019	23622.86	85.04231
Year 2020	19918.71	71.70736

*The data here represents the calendar years of 2019 and 2020, not the financial years.

Environmental

Environmental topic	Accounting metric	Unit of measure	Disclosure	
Environmental Footprint of Hardware Infrastructure	(1) Total water withdrawn, (2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand Cubic meters (m³), Percentage (%)	Our water usage is limited to personal consumption by our 320+ employees within our offices. We do not consider water extraction to be a material risk to our business and therefore do not track consumption.	**TC-SI-130a.2**
	Discussion of the integration of environmental considerations into strategic planning for data center needs	Discussion and Analysis	We have considered this metric and believe it not to be relevant to the Blancco business model as we do not construct data centres ourselves. Nevertheless, our data centre needs are provided by AWS, which has exceptionally high standards.	**TC-SI-130a.3**

Environmental Impact	Number of assets securely erased (1) Laptops (2) Desktops (3) Servers (4) Loose drives (5) Smartphones (6) Tablets	Number (millions)			

				FY'20	FY'21
			Laptop	8,740,783	9,481,656
			Desktop	3,072,256	3,219,164
			Server	661,132	805,819
			Loose Drive	3,160,472	3,291,126
			Smartphone	20,068,977	35,590,979
			Tablet	502,816	2,153,191
			TOTAL	**36,206,435**	**54,541,935**

*We are restating the figures for FY20 in this report, as we have improved the calculation through which this figure was reached.

	Landfill waste prevented	Weight of devices (Kilograms), CO2 (Kilograms)	**Based on information gathered from customers, an estimated 68.2 million kilograms of electronic equipment was securely sanitised during the year, with a pre-use carbon footprint of 5.6 billion kilograms.** (FY20: 60.7 million kilograms of electronic equipment, with a pre-use carbon footprint of 4.6 billion kilograms.)*

*These figures were calculated based on the information gathered from customers and the estimated weight of devices securely sanitised during the year. We are restating the figures for FY20 in this report, as we have improved the calculation through which these figures were reached.

Social

By implementing a host of initiatives to promote inclusivity, connectedness, and development, we have improved engagement and become an integral part of our employees' lives.

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Social topic	Accounting metric	Unit of measure	Disclosure	
Recruiting & Managing a Global, Diverse & Skilled Workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore	Percentage (%)	(1) None of our UK team are foreign nationals (2) 40 working in the UK, 285 outside the UK - 87.7%	**TC-SI-330a.1**
	Employee engagement as a percentage	Percentage (%)	80% (September 2019: 77%)	**TC-SI-330a.2**
	Percentage of gender and racial/ethnic group representation for (1) Management, (2) Technical staff, (3) All other employees	Percentage (%)	 **Management** 20% female 80% male **Technical staff** 21% female 79% male **All other employees** 42% female 58% male (1) Management ethnic breakdown; 95% White, 5% Asian (2) Technical staff ethnic breakdown; 49.5% White, 50% Asian, 0.5% Caribbean (3) All other employees ethnic breakdown; 64% White, 32% Asian, 2% Black, 1% African, 1% Hispanic	**TC-SI-330a.3**
	Description of diversity and inclusion training and recruitment initiatives	Discussion	**We are an equal opportunities employer and we are committed to maintaining open and supportive working environments for all our employees around the world. This commitment starts at the Board level, with D&I initiatives being led and championed by our CEO.** In the past year, we have promoted a number of new initiatives to nurture a diverse workforce and an inclusive culture. Through our Global Learning Management System, 'Blancco Learning', we set mandatory D&I training for all managers across the Company, with modules covering 'The value of diversity and inclusion in the workplace', 'Unconscious bias', and 'Becoming an inclusive leader / manager'. We undertook a review of all our internal documentation from a D&I perspective to address the language used in the software space and replaced any offensive terminology. This is an initiative that we felt very passionately about and was received very well by employees. While we acknowledge our customers and peers may still use the pre-existing terminology, we prefer that our internal language reflects our values as a Company. We completed a data collection exercise to assess and benchmark our performance on D&I. This has enabled us to understand where we are lacking in diversity and need to implement changes, whilst also highlighting where we have improved; we have seen a significant increase in the proportion of women at Blancco, speaking to our efforts to interview a more diverse range of candidates. We were supported in this data collection process by our Global Employee Forum, a diverse and enthusiastic group of individuals from across the business who act as D&I Champions. Being positioned throughout the Company, these individuals were able to explain the objective of the data gathering and reassure their colleagues about participation. These individuals have championed the work we are doing in this area and gathered feedback from their colleagues on the initiatives we have undertaken to present to the Board. To ensure that our recruitment initiatives also reflect our commitment to nurturing a diverse and inclusive workforce, we conducted a review of all job descriptions from an unconscious bias perspective. We will continue to develop our approach to advertising employment opportunities to include insight into our flexible working culture and ensure that people understand roles can be adapted to suit individuals' needs.	

Social

Social topic	Accounting metric	Unit of measure	Disclosure	
Recruiting & Managing a Global, Diverse & Skilled Workforce	Description of policies and programs in place for employee development	Discussion	We recognise the importance of providing training and development opportunities to our employees, both to enable our colleagues to expand and develop their skillsets, and to ensure that we are nurturing talented individuals and future leaders.	8 DECENT WORK AND ECONOMIC GROWTH
			This year we introduced the Global Learning Management System, 'Blancco Learning', a global database of training courses available for our employees across the world to access. There are over 300 courses available in 34 categories, ranging from broader corporate topics such as D&I and coaching training, to tailored courses supporting specific job functions such as cybersecurity and data analysis. The platform has seen a lot of traffic and we are able to track participation and set mandatory modules for essential training. By opting for an online training platform, we are awarded green points each time an employee completes a module, as they have not travelled to do an in-person course. The platform allows us to report on a series of potential benefits and cost savings; following the launch to managers in January and to all employees in April, we have already seen US$10.65K in training savings, 92 hours less in commuting, -1.49MgCO2 in environmental impact, and 92 better skilled workers.	
			At the end of each year we carry out performance assessments. First, employees and managers complete a feedback process and, once submitted, they can view each other's comments. Following this, managers conduct discussions with employees on their performance and agree on goals to set for the coming year.	
			Another key focus for the Company is succession planning and we have significantly increased our proficiency in this area. This year, we rolled out a programme of management development for junior and more experienced managers with the objective of honing their skillsets and ensuring they have received comprehensive training should a more senior role become available. This allows us not only to promote individuals from within the Company, but also to nurture a diverse pool of individuals and ensure that our leadership becomes more diverse over time.	
			In addition to training, we have identified key roles that would not be easily filled in R&D and assigned junior colleagues to work with those individuals. This enables the offload of some work as well as the knowledge transfer to provide a safety net should that key individual leave. Our nine box exercises also act as a valuable succession planning tool, identifying individuals with high performance and potential, for whom we can provide appropriate training to support their career pathway, as well as those employees who are performing strongly at their current level and would suit a sideways move.	

⚇ Social

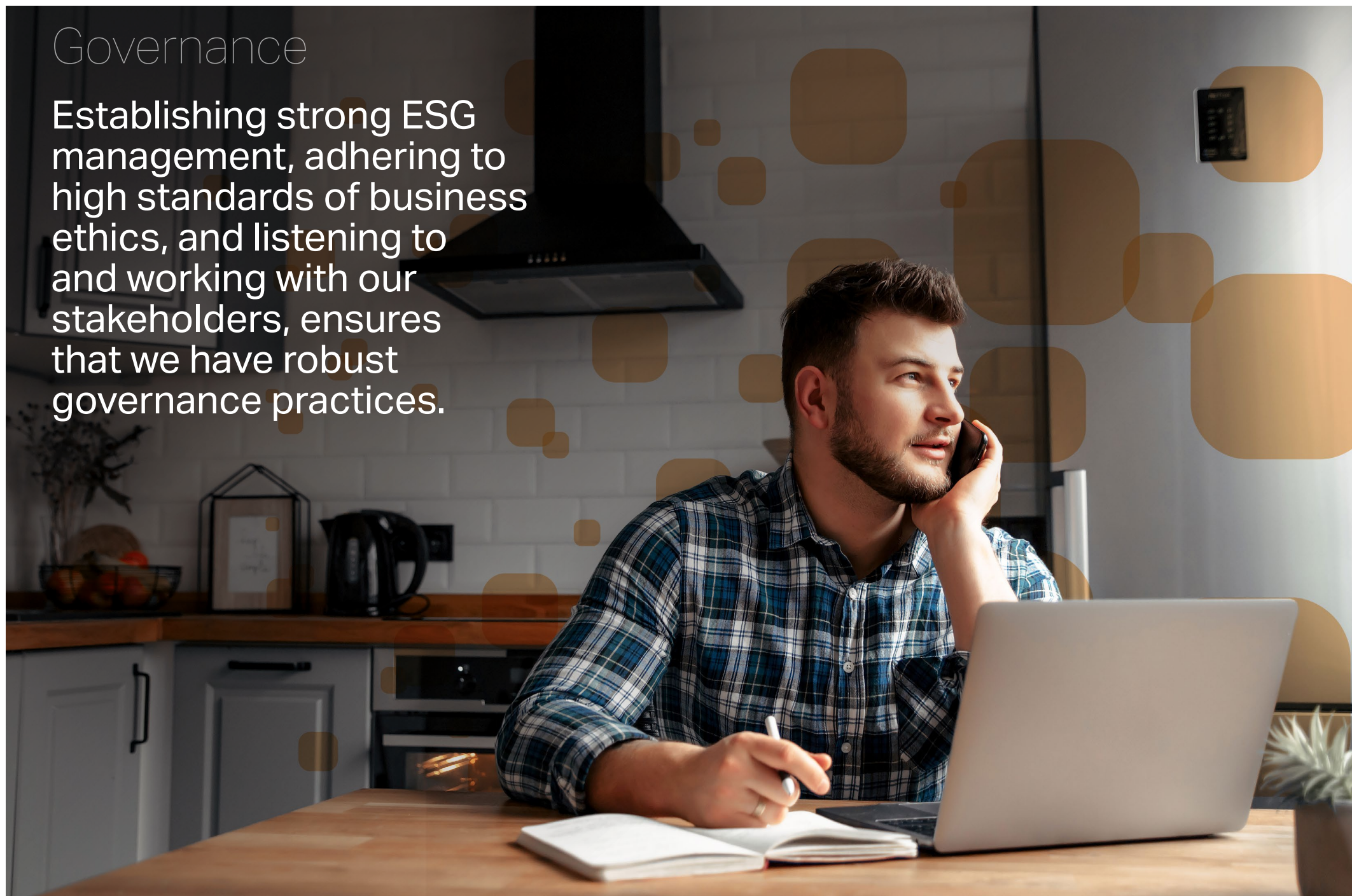| Social topic	Accounting metric	Unit of measure	Disclosure
Recruiting & Managing a Global, Diverse & Skilled Workforce	Employee engagement discussion	Discussion	At the beginning of the pandemic, we implemented new communications channels to ensure that, despite not being able to see each other in person, we were maintaining effective and consistent engagement across the workforce. While some of our offices have reopened and we are moving towards a hybrid working culture, these channels of communication are firmly established. HR Country Calls are conducted on a fortnightly basis; employees have expressed their enthusiasm for these to continue as they appreciate the ability to hear what is going on in the business and to speak directly to their HR representative. On our All-Hands Calls, which include the global workforce, employees welcome the opportunity to see all the Executive team members on camera and to ask any questions. **At Blancco, we have created a culture that is open and honest and in which members of the Senior Leadership Team are easily approachable. We are very proud that in the past year we have really built upon this culture and, by communicating more than ever before, have become an integral part of our employees' lives such that we improved our employee engagement and saw scores rise in every category for our annual survey.** Our Awards Programmes allow employees to be recognised for their hard work. The Value of the Month Award is presented to an individual who has performed well against a key value which is chosen monthly; we reviewed the reward for this, gifting a monetary prize and an engraved trophy rather than the previous extra day of holiday, which resulted in a rise in applications. For the Spotlight Award, we received an overwhelming number of nominations from people wanting to recognise the support given to them by their colleagues during these testing times. The award winners and nominees are announced on our All Hands Calls and it is fantastic to hear the positive reactions from those who have been nominated. To ensure that we are best placed to attract and retain employees, especially as we move towards a post-pandemic world, we continue to conduct regular benchmarking and we review and update our benefits annually. We introduced our Save As You Earn ("SAYE") share option scheme to our 7 largest locations (Germany, Finland, Ireland, India, US, Japan and UK) this year, which has had a fantastic subscription rate amongst the workforce, with nearly half of all eligible employees signing up.
	Description of initiatives and practices to promote employee wellbeing	Discussion	As we switched to remote working last year and are now transitioning to a hybrid working environment, supporting our employees' mental health has never been more important. Throughout the year we rolled out a number of initiatives globally to promote mindfulness and monitor employee wellbeing. We worked with a wellbeing coach to run a Mindful Wellbeing Webinar covering how to look after yourself during lockdown, advice for those living alone, and simple techniques on anxiety management. The coach also allowed employees to contact her directly if they were particularly struggling. We ran posture workshops which provided guidance on how to set up workstations at home and released update videos on the latest views about remote working. To ensure our leadership were best positioned to support employees during the past year, we rolled out a training programme for managers focussed on their teams' wellbeing, in particular what they needed to be looking out for and how to approach colleagues if they seemed to be struggling. We promoted our Employee Assistance Programme (EAP) which has a 24-hour confidential hotline for employees to call and receive the appropriate support or coaching. Where individuals have been open about their mental health issues this year, we have been proactive in following up with check in calls and we have maintained close contact with those struggling significantly.

Social

Social topic	Accounting metric	Unit of measure	Disclosure
Recruiting & Managing a Global, Diverse & Skilled Workforce	Rate of sign up to SAYE scheme (in territories it was offered)	Percentage (%)	47% of eligible employees
Community Engagement	Description of charitable donations or community support	Discussion	This year, we partnered with WANdisco on their campaign, "Laptops for Kids". According to the Children's Commissioner, nine per cent of families are without a laptop, tablet or desktop at home. The issues this causes have been exacerbated by the pandemic, where many children have not had access to a device at home to receive online schooling. The Laptops for Kids campaign aims to deliver devices to schools in need across the North of England and has sourced 14,000 devices to date. **In order to safely donate devices, businesses want to ensure that their devices have been securely wiped of all data. Through donations of free drive eraser licenses, we have already enabled the campaign to securely erase 1,400 donated used digital devices, with this number continuing to rise daily.** As part of the collaboration, Blancco and WANdisco have facilitated training on how to use the erasure software to sanitise the donated devices. This practice has been carried over to the WANdisco Data Academy at Sheffield College, where students have been taught how to carry out the erasure process themselves. The students now spend one day per week supporting the project, providing them with valuable work experience, relevant to their studies and which ultimately fosters a culture of improved cyber hygiene. We recognise the value of having access to a device at home for young people, and are proud to support this campaign, to ensure that young people have access to educational resources no matter their socio-economic status. Our CFO, Adam Moloney, has joined the Laptops for Kids National Taskforce which is now working to roll out the scheme across the entire country following its success in the North of England. To find out more about the campaign, visit this website.
Social Impact	Number of internships offered	Number	4 (FY20: 5) We have had 4 internships over the last 12 months. Due to the pandemic we were limited in the number of internships we could offer and some of the internships were completed online rather than in person. This remains a key recruitment stream for the Company to attract talented individuals and we hope to scale up the programme for FY22 as it is safe to do so.
	Number of permanent employees from internships	Number	2 (FY20: 2) Of the 4 individuals who completed internships with us this year, 2 have already become permanent employees.
	Number of talks at universities and higher educational colleges	Number	2 (FY20: 3) We have spoken at 2 universities in the last 12 months. The number of talks we could give was restricted due to the pandemic.
Health and Safety	Number of RIDDOR reportable (or equivalent) incidents during the year	Number	None

Governance

Establishing strong ESG management, adhering to high standards of business ethics, and listening to and working with our stakeholders, ensures that we have robust governance practices.

🏛 Governance

Governance topic	Accounting metric	Unit of measure	Disclosure	
Data Privacy & Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy	Discussion and Link	**We place the highest importance on respecting and protecting the privacy and confidentiality of the information that our customers share with us.** Our Privacy Policy Statement is reviewed annually and publicly available on our website here. Through our Privacy Policy Statement, we inform our customers about the type of information that is collected through our websites and how we collect, use, share and protect their personally identifiable information (PII). We inform our customers about the choices they can make regarding the way their information is collected online, how we use demographic data for secondary purposes and how to limit the sharing of their personal information. We may use the information collected online to communicate with our customers and provide our website users with a requested service or product, special offers or additional information, as requested. Unless required to be disclosed in response to a legal process or to a law enforcement agency's request, we will not share the collected information with third parties other than as set out in our Privacy Policy Statement, nor will we keep PII longer than necessary, except as otherwise required by law. We may, however, share personally identifiable information in order to carry out our daily operations. For more information, the Privacy Policy is available on our website here. Right of access, rectification and deletion of individuals' data has been implemented in Blancco's privacy program and processes. Specifically, this applies to Marketing/Sales activities and right of access/rectification/deletion of individual's data is made available. Blancco applies both Privacy by Design and Data Minimisation throughout its development process and Sales activities. As a result, Blancco generally seeks to avoid processing customers' personal data and if this cannot be avoided or if the data is required to use the features of the Blancco products and/or services, we take mitigating measures where possible, including data anonymisation and/or data encryption among other InfoSec measures.	**TC-SI-220a.1**
	Number of users whose information is used for secondary purposes	Number	0 We do not sell user information to third parties. Personal information is only used for the provision of and improvement of the provision of the Blancco products and services and direct marketing activities.	**TC-SI-220a.2**
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Reporting currency	0 GBP	**TC-SI-220a.3**
	(1) Number of law enforcement requests for user information, (2) Number of users whose information was requested, (3) Percentage resulting in disclosure	Number, Percentage (%)	(1) 0 (2) 0 (3) 0	**TC-SI-220a.4**

🏛 Governance

Governance topic	Accounting metric	Unit of measure	Disclosure	
Data Privacy & Freedom of Expression	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Discussion	0 For China, Blancco has no direct business activities and engages a distributor. No incident of monitoring, blocking, content filtering, or censoring has occurred. In addition, Blancco is predominantly a B2B company, and therefore does not engage with private individuals/consumers, nor does it process any private individual/consumer data.	**TC-SI-220a.5**
	Information security policies audits	Discussion	External independent audits are conducted at least once every two years. This is done through Blancco's ISO 9001 and 27001 (Information Security and ISMS) accreditations. The next external audit is planned in September 2021.	
	Governance of data privacy and security	Discussion	The Legal Department is responsible for the implementation of Privacy and Data Security and the Company's Head of Legal and CFO report to the Executive Team regularly on all Privacy matters. To ensure we are prepared for ransomware attacks, we have a detailed run book that documents every person that would be affected by an attack, every process that we would operationalise, and all the communication channels and detection mechanisms we have in place. This run book covers the initial detection of an attack, right through to the back up systems.	
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Number, Percentage (%)	(1) 0 (2) 0 (3) 0 as regard to PII. No PII was breached.	**TC-SI-230a.1**

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Governance topic	Accounting metric	Unit of measure	Disclosure	
Data Security	Description of approach to identifying and addressing data security risks, including use of third-party cyber security standards	Discussion and Link	We have a layered Defence-in-Depth approach following ISO 27001 standards, using various technologies aimed to protect our IT infrastructure and data, including asset patching, MDM, firewall protection, proxy control, network monitoring, server/system access rights, user awareness training and built-in alerting mechanisms. For our products, we have the following global certifications and standards in place: (please see our website for more details)	**TC-SI-230a.2**

NYCE	Netherlands National Communication Security Agency	National Cyber Security Centre (NCSC)	The Federal Service for Technical and Export Control (FSTEC)	BSI – Federal Office for Information Security
MEXICO	**NETHERLANDS**	**UK**	**RUSSIA**	**GERMANY**

Certified for Common Criteria (ISO 15408)	Swedish Armed Forces	Central Information Systems Security Division	The Polish Internal Security Agency
VARIOUS	**SWEDEN**	**FRANCE**	**POLAND**

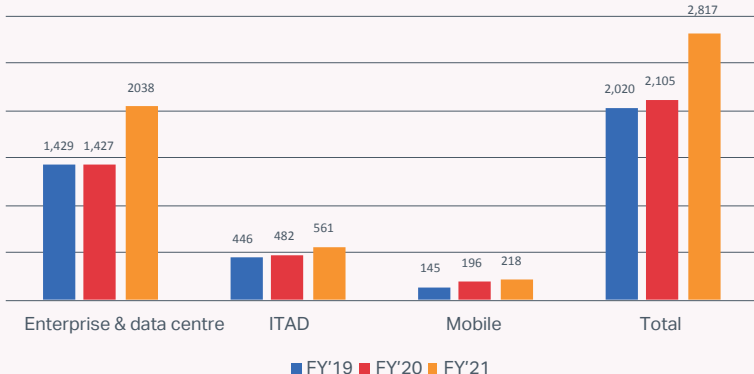| Governance topic	Accounting metric	Unit of measure	Disclosure	
	Employee training on data privacy and security	Discussion	We provide mandatory recorded training to all employees, including contractors. This is provided when an individual joins Blancco and their completion of the training is monitored. Furthermore, company-wide training is conducted on a regular basis, including Confidentiality, Data Privacy, and Information Security. As the most common form of attack is phishing emails, we wanted to raise employee awareness; we introduced a banner on every email that comes from an external organisation, which has resulted in a considerable drop in employees clicking through on suspicious emails.	
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Reporting currency	During FY21, there were no material losses as a result of legal proceedings associated with anti-competitive behaviour or Intellectual Property Protection.	**TC-SI-520a.1**
Risk Management	Approach to risk management	Discussion	The Board is responsible for determining the nature and extent of the risks it is willing to take in delivering Blancco's strategic objectives and manages these risks through the Blancco Risk Management Framework. The strategic risk appetite for the business is reviewed annually by the Board. The Audit Committee is asked to assess whether risks are within the Company's risk appetite. During the year, the Audit Committee engaged a third-party to review the way that risk is managed at Blancco. The well-received exercise yielded several recommendations that have been implemented to further enhance the way that risk is managed. More details about the recommendations from this report and Blancco's approach to risk management as well as its Principal Risks can be found in the Principal Risks and Audit Committee Report sections of the Annual Report.	

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Governance topic	Accounting metric	Unit of measure	Disclosure	
Managing Systemic Risks from Technology Disruptions	Number of (1) performance issues, (2) service disruptions, (3) total customer downtime	Number, Days	(1) Performance: 3 (2) Disruptions: 1 (3) Total Customer Downtime: 7 minutes for a very small set of customers	**TC-SI-550a.1**
	Description of business continuity risks related to disruptions of operations	Discussion	There are multiple risks potentially impacting various types of operational processes and these risks are scored based on likelihood and impact. Mitigation plans are put in place and reviewed regularly with departmental owners and stakeholders. There are 3 main categories of risk: Tier 1: Mission-critical applications/functions; Tier 2: Business-critical applications/functions; and Tier 3: Non-critical applications/functions. The greatest risk to our business is the availability and performance of our Blancco Cloud, which supports a high percentage of our global customer base. We have proactive controls in place which allow our IT Dev Ops to recognise performance issues and remediate, before there is any impact on our customers. There were 3 instances observed in FY21, with only 1 causing minimal impact to a small sub-set of users (7 minutes in duration). We leverage a redundant AWS hybrid Cloud model, with multiple alerting mechanisms in place to correct performance issues before they occur. Our Business Continuity Plan covers all locations' operations and functions globally. It includes all services, tools, and infrastructure used to support critical Blancco business activities. This plan refers to a coordinated strategy involving a plan, procedures and technical measures that enable the recovery of process during and after disruption. Preparation for, response to and recovery from a disaster affecting the operations requires the cooperative efforts of many recovery teams comprising of members from support groups and the functional areas supporting the operations, represented in the Business Continuity Plan. Every function maintains business continuity specific issues and risks, mission critical applications for business continuity and function-wide contingency plans, which results in well prepared RPO and RTO values. 1. Business Continuity Plan 2. Risk & Issue Registers Function Specific	**TC-SI-550a.2**
Corporate Governance	Women on the Board	Percentage (%)	14%	
	Board Oversight of ESG	Discussion	The Company's ESG reporting and management is owned by the Board of Directors and the Board is united in its understanding that advancing Blancco's ESG agenda is the correct and necessary course of action. Adam Moloney, Chief Financial Officer and Executive Director, leads the Company's ESG strategy and ESG matters are an integral part of his report in board meetings, and in the past year, Matt Jones, Chief Executive Officer, has led the charge on championing D&I initiatives within the Company. The CEO and CFO have executive responsibility for ESG management and information flows to the Board so they are regularly updated. The Company engages with third-party advisors to consider Blancco's ESG credentials. This year we engaged a consultancy to conduct a carbon audit of the Company and enable us to understand our environmental impact and where improvements can be made.	

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Governance topic	Accounting metric	Unit of measure	Disclosure
Corporate Governance	Board Effectiveness Review	Discussion	The board carries out a regular (usually annual) effectiveness review using questionnaires. The review includes an evaluation of the board's own effectiveness and that of its committees and individual directors. The questions are updated each year. As part of the review the Chair meets with each of the directors and the Company Secretary to discuss performance, board composition and succession planning. The Senior Independent Director leads a review of the Chair's performance. All of these interactions were conducted virtually for the most recent review which was held at the end of 2020. The overall conclusion was that the board, committees and directors were performing well and there were no major concerns.
	Corporate Governance Guidelines	Discussion	The Board has adopted the Quoted Companies Alliance Corporate Governance Code (2018) (the QCA Code) and this is our third year of reporting against this code. Information about how the Company has applied the ten principles from the QCA Code can be found in the Annual Report and on the website.
Business Ethics	Code of Business Conduct and Ethics	Discussion	Our Code of Business Conduct (Code) provides a clear framework on which to base decision-making and provides details of what is expected from each of us to maintain the highest standards of responsibility, transparency and commitment. Complying with the Code, Blancco maintains its commitment to its employees, the Company and stakeholders, customers and business partners, and the community at large. The Code applies to all employees of Blancco, as well as those working on our behalf in any capacity.
	Anti-Bribery & Corruption Policy	Discussion	Our Anti-Corruption and Bribery Policy ensures that all our business is conducted in an honest and ethical manner and in compliance with the law. The policy applies to all employees of Blancco, as well as those working on our behalf in any capacity. New employees are required to read the policy, feedback with any questions, then sign to demonstrate that they have read and understood it. Ongoing training is carried out to cover any policy updates or changes.
	Whistleblowing Policy	Discussion	There is a whistleblowing hotline that is monitored by a third-party specialist call handler, compliant with the Private Security Industry Act requirements for interviewing callers. They provide a confidential and independent global service for staff to report concerns, which are escalated immediately to the CFO and Audit Committee for appropriate action.
	Human Rights Policy	Discussion	Our Code of Business Conduct incorporates our commitment to human rights. We ensure that our activities support human rights with respect to all our groups of interest in Blancco; employees, customers and business partners and the community at large.
	Modern Slavery	Discussion	As of the new financial year, 1 July 2021, Blancco falls under the scope of the Modern Slavery Act. We are in the process of preparing a Modern Slavery statement and it will be filed within the required timeline. We are also reviewing relevant policies to ensure Modern Slavery obligations are appropriately covered.
	Employee training on business ethics	Discussion	We ensure that all employees are kept up to date with the Company's governance policies. New employees are required to read Blancco's policies, including the Code of Conduct, Anti-bribery and Corruption Policy and Whistleblowing Policy, feedback with any questions, then sign to demonstrate that they have read and understood what is expected of them. This gives us the confidence that our new joiners understand the ethics and values of how our business works. Ongoing training is carried out to cover any policy changes; these sessions act as a refresher for employees, while also providing the opportunity for people to voice any questions they many have. At Blancco, we value the transparent culture we have created, and want our staff to be reassured that, should they be faced with an ethical dilemma, they can approach us with any questions they may have.

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Governance topic	Accounting metric	Unit of measure	Disclosure
Business Ethics	Governance of ethics	Discussion	The Audit Committee has oversight of ethics issues and reports to the Board. Audits of all (core) operations occur at least once every three years, through the ISO 9001 and 27001 audit schedule.

| Customers | Customer Net Promoter Score | Score | |

Trending YOY		Q1	Q2	Q3	Q4	Full Year Results
FY20	Score	41	35	46	63	48
	Respondents	17	17	22	29	85
FY21	Score	60	60	60	50	57.5
	Respondents	55	78	75	75	283

Number of customers — Number

Bar chart — Number of customers by category:
- Enterprise & data centre: FY'19 1,429; FY'20 1,427; FY'21 2038
- ITAD: FY'19 446; FY'20 482; FY'21 561
- Mobile: FY'19 145; FY'20 196; FY'21 218
- Total: FY'19 2,020; FY'20 2,105; FY'21 2,817

Legend: ■ FY'19 ■ FY'20 ■ FY'21

*Reflects Sold to Customers Within Period, not Active Customers.

Customer ESG objectives — Discussion

Our technology not only supports the circular economy and negates the need for physical destruction, but it also enables our customers to meet their own sustainability objectives. Our erasure software ensures that our customers' data is secure and enables compliance with information security standards such as the GDPR, and it allows customers to redistribute or donate securely wiped devices and avoid sending hardware to landfill, supporting social and environmental goals. Furthermore, development of machine learning technology that detects cracked glass on devices has enabled us to support large insurance providers to validate the state of a device for an after-sale insurance policy and thereby prevent fraud. For retailers, when a consumer has a problem with a device and wants to return it, our diagnostics can be utilised to assess whether there is in fact an issue with the device, instead of the device being taken to a warehouse and going through the system for there to be no fault found. This not only produces an operational saving for our customers, but also avoids the detrimental environmental impact of transportation. We are also developing an ESG dashboard, which will use our cloud data on the number and types of devices erased, as well as calculations based on the number of licenses sold, to enable customers to track their own data erasure metrics. This brand-new functionality will support customers with their sustainability reporting by demonstrating the environmental impact they are offsetting by using Blancco products.

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Governance topic	Accounting metric	Unit of measure	Disclosure
Customers	Customer engagement	Discussion	**As a Company, we strive to meet our customers' evolving needs and deliver the highest quality service. As such, we make collecting and responding to customer feedback a priority.** We measure customer satisfaction in two ways; the Net Promoter Score (NPS) and the Win Loss Survey. The NPS is just one question, asking customers the likelihood of them recommending our business. The latter survey is more extensive, covering the business, sales team, support and our website, and when possible we have a follow up call with customers who have completed the survey to receive direct feedback. To get the greatest benefit from these feedback channels and the number of respondents, we review both surveys on an annual basis, discussing whether improvements could be made and benchmarking our incentive offering. Feedback from customers is distributed around the business allowing the appropriate teams to identify the areas for improvement and respond effectively. On the occasions when we receive scores from customers that are below a 6, we immediately follow up with those individuals to understand what resulted in that rating and whether we can action an improvement to address the issue. The almost 10 point rise in NPS and an increase of over 300% in the number of respondents in FY21, attests to both the effectiveness of our customer feedback process and to the hard work the Company has done and continues to do in meeting customers' needs. Another key feedback channel is our Customer Advisory Board, which meets twice a year and is comprised of key customers from each segment of the business. The first meeting is an in-person event (though this was held online in FY21 due to the pandemic) in which we discuss in detail their use of our products, the use cases in each segment, and the innovation they want to see. From this, we take a long list of action points away, then meet as a wider team internally on a monthly basis to ensure that these points are being addressed by the relevant departments within the business. Six months later, we hold an online update with the Customer Advisory Board during which we explain what actions we have taken and what are the next actions we will execute. We also gather customer insights through engagement with our strategic partners and through the feedback and requests made to the sales teams by customers. There are therefore multiple touch points for our customers to inform us of their changing requirements and we greatly value this feedback as it helps determine the areas of focus for R&D.

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Governance topic	Accounting metric	Unit of measure	Disclosure
Industry Best Practice	Industry bodies that Blancco is a member of and/or supports	List	Tech UK – *UK* PIKOM (The National Tech Association of Malaysia) – *Malaysia* RITE (The Research Institute of Innovative Technology for the Earth) – *Japan* Japan Reuse Associations – *Japan* Reuse Mobile Japan – *Japan* JESC (Association of Certified Recyclers in Small Waste Electrical and Electronic Equipment) – *Japan* Japan Agency for Local Authority Information System – *Japan* GovSpend – *USA* TERRA (The Electronics Reuse & Recycling Alliance) – *North America* ADISA (The Asset Disposal and Information Security Alliance) – *Europe* RLA (Reverse Logistics Association) – *Global* NAID and Prism – *Global* ASCDI (Association of Service, Communications, Data & ITAD Providers) – *Global* GSMA – *Global*
	Driving best practice in the industry	Discussion	We act as a driving force in our industry for innovation and best practice, working within the technical communities helping to establish certain standards that are used in evaluating devices. As well as supporting a number of organisations around the world, we also founded the International Data Sanitization Consortium (IDSC), with the mission to 'eliminate the ambiguity around data sanitisation terms, standards and guidelines to ensure organisations are adhering to, and receive, best practices in data sanitisation'. We continue to share our expertise on data security and erasure through white papers and webinars. Our President of Global Sales has been invited by the World Trade Organisation to speak on 'The use of data protection technology in an ICT circular economy' at the 25th Anniversary of the Information Technology Agreement in September 2021.