# Centrica Fujitsu Sustainability Report 2023

Sustainability across Fujitsu and local initiatives from your Centrica account team





centrica FUJITSU

# **Contents**

## Impact from our Centrica Fujitsu Sustainability Partnership

- > 3 Introduction
- **4** Junior talent sustainability hackathon
- **8** Awards, events and published articles
- > 10 Carbon conscious calculations
- > 13 Responsible products and e-waste management
- > 16 Collaboration: embedding sustainability into our everyday
- > 18 Coming up

## Sustainability and the Fujitsu Group

- > 19 Climate change commitments
- > 22 Fujitsu Technology & Service Vision 2024

# Introduction

November 2022 marked the official launch of Centrica and Fujitsu's Sustainability Partnership. During our first collaborative workshop, we welcomed colleagues from Centrica's Digital Technology Services (DTS), Group Environment and Responsible Sourcing, as well as our Account Sustainability Director and fellow sustainability consultants. The discussions covered different ways in which we could collaborate to embed sustainability into all areas of our work together, and to bring together IT and Sustainability teams to spreadhead DTS' role in achieving Centrica's net zero goals.

What followed has been a true collaborative and long-lasting endeavour, involving HR, Talent Acquisition, Events, Comms, Procurement, Sustainability and many across DTS to make this journey a reality. This report will highlight the impact that we jointly have had, the awards for which we have been shortlisted, and the value received by our talented graduates and apprentices. Throughout the last year, we have remained true to our original pillars for this partnership:

### Pillar 1: Sustainable technology and circular economy

 Ambition: Pioneering digital techniques for sustainable outcomes, with a clear community and environmental impact.

#### Pillar 2: Building a sustainability-minded workforce of the future

• Ambition: Harnessing the power of collaboration at all levels of our organisations.

Both our companies believe the biggest accelerator of net zero transformation is collaboration. Strong sustainability partnerships are crucial to achieving our environmental commitments and long-term relationships will ensure proper contribution to local communities and climate change mitigation measures. Fujitsu also works closely with our partners (Getac, Riverbed, BT, etc) to continuously find sustainable outcomes in our work. Together, we continue with our goal of making a positive societal impact.

We look forward to sharing what's next in our partnership and for you to join us in our carbon conscious and sustainable IT journey.

"Partnership with Fujitsu can bring real advantages that extend far beyond the walls of our own business. Bringing together businesses, colleagues, and communities. Pivotal to achieving real, lasting change on the journey to leaving the planet a better place for future generations."

Darren Miles, Centrica's Group Chief-Information-Officer











# Junior talent sustainability hackathon

One of the biggest challenges in the corporate world is embedding a company's sustainability strategy and governance with its business strategy, and ensuring stakeholders believe in this drive. To continue our ethos of embedding sustainability into our teams' roles, we wanted to involve the 'workforce of the future' in the ideation and implementation of our sustainability partnership. We came up with a joint Sustainability Hackathon for junior talent from both companies to address this challenge with a focus on technological solutions, sponsored by Centrica's CIO Darren Miles and CSO Jim Rushen. This ignited a creative and collaborative environment that surpassed all expectations.

"We are committed to a more inclusive and sustainable future that supports communities, our planet and each other. Neither we nor anyone else can make the necessary changes alone. We need to collaborate with our business partners and other stakeholders to pool our talent and find new ways of doing things."

Will Teale, Group Environment Manager, Centrica.

### Benefits to the participants:

- Training on ideation and innovative thinking
- Stakeholder management and customer-facing exposure
- Communication and presenting to senior stakeholders
- Financial awareness and product development
- 100% of participants scored 5/5 for how valuable the hackathon was in terms of learning, networking and skill development, with all of them stating they would like to participate in similar future events.









### Company impact:

- Communication and talent attraction: joint LinkedIn posts reached over 200,000 impressions, with this material being used for Centrica recruitment
- Skilling workforce: embedding sustainable thinking from the beginning of junior talent careers
- Reputational: bringing more internal and external visibility to Centrica's People & Planet plan

Did you know? Committed to our carbon conscious partnership, the carbon footprint of the hackathon was calculated using Fujitsu's Carbon Footprint tool. The 1 tonne of CO2e was offset through the BaumInvest Mixed Reforestation project in Costa Rica, chosen by the winning teams.

## Congratulations to the winning teams!

Winning solutions: A sustainability engagement platform providing employees with the autonomy to think sustainably to contribute to the People & Planet Plan and relate their day-to-day jobs to the company's sustainability ambitions, in conjunction with a Hive-approved autonomous energy saving system for Centrica offices.

The winning teams have created a Sustainability Solutions Working Group, in which they had 4 weeks to evaluate their ideas, interview wider stakeholders and create a Proof of Concept. This included detailed information on financial investment, workforce resource and time scales. The final POC was presented to Group Facilities.

Throughout this enablement, we endeavoured to give the winning graduates and apprentices face time with senior stakeholders within Fujitsu and Centrica, to allow them to enhance their technological skills as well as understand the needs to make their ideas a reality.

A big thank you to our judges and the 'Hackathon' team in DTS, Junior Talent, HR and Events for making this a reality!



Thank you to all our judges. Left to right: Matt Pearce (Centrica Head of Dynamics Platforms), Sarah Ingram (Centrica HR Business Partner), Shany Mizrahi Otero (Fujitsu Sustainability Director), Dan King (Fujitsu Director of Delivery) and Gaby Kaur (Fujitsu Customer Success Director). Not pictured: Will Teale and Eleri Mason (Group Environment).

Stay tuned for hackathon 2.0 coming late August 2024, focusing on how emerging technologies can accelerate sustainability.



# Awards, events and published articles

Our efforts have not only been recognised within our organisations, but for the first time in our Centrica Fujitsu partnership we have been shortlisted in the sustainability and ESG categories for the following industry-recognised awards:













User Experience (UX) Technology of the Year [WINNERS]

Technology Vendor of the Year [FINALISTS]

Customer Services [FINALISTS]

The feedback from the judges has been around the value of our partnership and the strides we are making in the sustainability space due to the collaborative nature of our work.

We have also attended awards together supporting valuable causes, such as the <u>Diversity, Equity and Inclusion (DEI) in Tech Awards</u> and <u>DiversityQ Women in IT</u> Awards.

Knowledge-sharing and ideation being a key pillar in our partnership, we have also hosted Centrica's Group Environment teams at our London Nova events around Innovation and our European Executive Discussion webinars on delivering a balance on People, Planet and Profit.

All of our efforts caught the attention of journalists at SG Voice, publishing an article headlined by Kevin Traynor, Centrica's Head of Organisational Development and Tech Sustainability. Kevin discussed the successes of our sustainability partnership thus far, in particular around our goals of making IT a relevant force in decarbonisation and the net zero transition.

It has been fantastic to see a level of recognition in doing the right thing, not just through great colleague sentiment, but also through the recognition of the awards in echoing the values of both our companies.



#### STRATEGY

## Creating sustainable change through collaboration: a journey with Fujitsu and Centrica

The climate crisis is an ever-present issue in our lives. Kevin Traynor, head of organisational development & tech-sustainability at Centrica (LSE:CNA), discusses how collaboration can transform the sustainability journey.





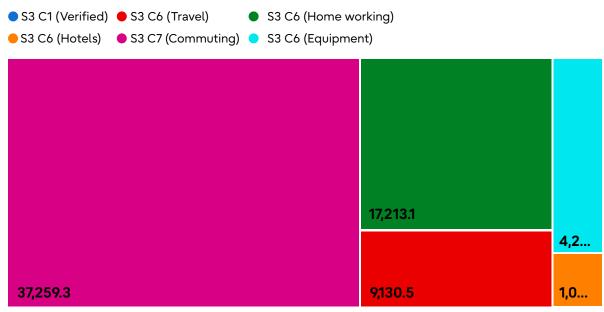


# Carbon conscious calculations

Since 2019, Fujitsu's 'Carbon Footprint' technology has been invaluable to tracking our partnership's Scope 3 emissions with the ambition to deliver significant year-on-year reductions. We are happy to report that since our 2022 report, our carbon footprint methodology has been enhanced to increase the granularity of the data captured. Our report now details emissions from two calculation methods: spend-based emissions and calculated emissions; wherever possible, Fujitsu have gathered primary data to replace the spend-based data for improved transparency.

With the ability to now break down Scope 3 emissions further, we have created a more accurate and reflective baseline of our service to Centrica and hope to use this data over the coming year to make further improvements to the carbon emissions generated from our service. Your dedicated Sustainability Director analyses this data for improved visibility of account operations and identification of hotspots as areas to be optimised.

### **Summary of Emissions Data**



Reporting Year	Home Working & Commuting (tCO2e)	Business Travel (tCO2e)	Total Scope 3 Category 6 & 7 - commuting, business travel & home working (tCO2e)
2019	34.08	211	245.08
2020	35.79	55.4	91.19
2021	37.6	0	37.6
2022	32.9	16.5	49.4
2023	58.6	10.2	68.8

Given our tool's additional accuracy from the updated methodology, we recognise the emissions have increased marginally from the previous year. For instance, this year we have included timesheet data to track how many hours both our part-time and full-time employees dedicate to our services to Centrica. Therefore, our data has increased from 304 employees to 528 employees. Importantly, in previous years we relied on average work from home data, whereas we have polled our employees this year to understand better which form of heating is used, how they cool their homes and other working patterns (such as average days commuting to the office).





# Offsetting our emissions

We are committed to helping Centrica achieve their People & Planet Plan and reduce their Scope 3 emissions. As part of this, we voluntarily offset the respective Scope 3 (Category 6 and 7) emissions from our partnership through our long-standing partner Gold Standard.

This year, we asked Group Environment for their preferred project to offset our remaining 2021-2023 emissions. Their <u>choice</u> was the 300 MW Solar PV Plant at Rajasthan, India. This large-scale solar energy project by Clean Solar Power (Bhadla) Pvt. Ltd generates electricity using renewable solar energy. The project replaces emissions of greenhouse gases (GHG's) estimated to be approximately 693,327 tCO2e per annum, thereby displacing 741,845 MWh/year amount of electricity from the generation-mix of power plants connected to the Indian electricity grid, which is mainly dominated by thermal/ fossil fuel-based power plant.



# Responsible products and e-waste management

Throughout their lifecycle, Fujitsu and Centrica work closely with our partner Riverbed to ensure that we extend the life of devices by undertaking proactive, remote automations and sentiment analysis that improve performance and customer satisfaction.

For devices that have reached the endof-life, we ensure their components are
systematically broken down and recycled
to promote circular economy principles,
proudly leveraging Fujitsu's Technical
Integration Centre (TIC) in Warrington for
our Asset Lifecycle Management Services.
This process ensures that Centrica achieve
their own Corporate Responsibility and
Duty of Care obligations, safe in the
knowledge that Fujitsu are implementing
the Waste Hierarchy and ensuring no IT
assets go to landfill. Please revisit our 2022
Sustainability Report if you would like a
refresher on our decommissioning process.

Item	Quantity	
Desktop	190	
Laptops	2336	
Servers	151	
Monitor	116	
Printer	11	
Other (Inc loose HDD)	245	
Oversized	8	
HDD failed datawipe	1230	
Total	4287	

From January - December 2023, Fujitsu have safely disposed of 4,287 of Centrica's IT hardware.

In line with our ambition of "pioneering digital techniques for sustainable outcomes, with a clear community and environmental impact", we have also continued partnering with the <u>Turing Trust</u> for the last couple of years. Overall, we have donated over 750 refurbished laptops which have supported:

- Pentland Ukrainian Support Group
- Bristol Outreach Services for the homeless
- Schools in Kenya and Malawi
- 352 devices donated to Centrica colleagues during the pandemic to support homeschooling.

These donations alone have offset 202 tonnes of CO2e emissions, and the embodied energy savings created are also enough to power 45 UK homes/year. Moreover, these initiatives allow us to help vulnerable communities, providing them with access to technology they wouldn't normally have.

Continuing our carbon-conscious ethos, we have also created a new, environmentally friendly setup for Centrica engineers when receiving their Getac devices. Centrica originally requested that users receive in-person training and a 33-page document in the device box. This was flagged as unsustainable and costly. Instead, we launched a personalised introduction to users' devices through a postcard and QR codes, which allowed 6,500 users to seamlessly access a digital artifact on their phone and view the video or document set up.

This privately hosted material ensured the security of the documents, allowed users to access it instantly and removed the need to travel into the office for time-consuming workshops, but rather setting it up from the comfort of their home. The outcome was £1,608 saved on printing charges and an estimated 124.4kg of carbon emissions in printing material.



Did you know? Getac's next generation <u>S410</u> is the most eco-friendly device that Getac has manufactured to date, with over 24 percent of the chassis made from post-consumer recycled (PCR) materials. This new design approach reduces both carbon emissions and e-waste during the manufacturing process, helping to promote a more environmentally responsible future.



## People & Planet Plan

GOAL 2

Be a net zero business by 2045





# Collaboration

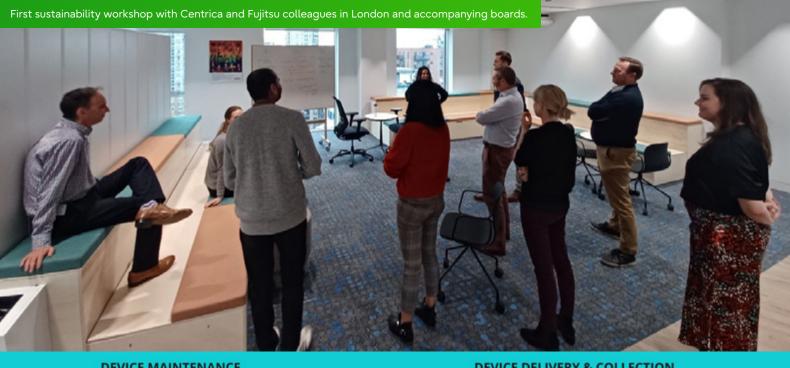
Engagement and understanding is key to making a difference. To help drive our ambitions and plans, our Sustainability Director led Fujitsu's 'Sustainability in Action' workshop with our Service Delivery Managers. This workshop teaches employees more about sustainability, why it matters, answer their questions and demonstrate that everyone can have an impact on sustainability and support Centrica's net-zero goals.

The workshops aim to coach employees through realising the impact their role and actions can have, and how they can foster a culture that encourages sustainability and making positive change. The result was over 60 suggestions around how they can directly support Centrica's People & Planet Plan through their daily jobs and interactions.

2023 also saw the successful completion of the migration of Centrica services from our data-centres into Microsoft-Azure. On top of the usual benefits of cost savings, agility, flexibility and scalability that's synonymous with cloud, the move has seen improved business processes, increased colleague productivity, and by no longer having physical data-centres, a 43% reduction in power consumption which will have a positive impact on our net zero drive.

The success of the hackathon was largely down to Fujitsu's ideation framework championed by our **own, evolve & delight** teams. This allows Centrica and Fujitsu to cultivate a community where vision, challenges and problems can be shared, based on human centric design and methodologies to provide solutions to drive wider outcomes. To date 15 ideas have been successfully triaged into value creation through this ideation engagement process.

**Did you know?** Fujitsu's Centrica Account's total investment in our sustainability initiatives over the last 12 months constitute over £250,000.



#### **DEVICE MAINTENANCE**

Have you calculated and quantified the potential carbon savings, energy costs savings and productivity gains from device best practice?

Have you considered the best use of language for your target audience when discussing best practice of new equipment? (i.e. How best to engage that audience to read and digest the information given?) Have you provided users with Have you provided users with the appropriate information for better device management? (E.g. Have you communicated the energy and carbon impact of switching off devices at the end of the working day? Or the battery life savins from restarting given?)

Have you considered the opportunity to communicate device best practice in billboards/screens across Centrica's offices? When above trend, have you communicated to DTS how many devices have had so be replaced because of lack of carel (Cost, productivity, sustainability data)

Have you provided users with the energy efficiency, sustainability savings and productivity gains arising from better desire measurement?

**DEVICE DECOMMISSIONING & RECYCLING** 

communicated the impact of this month's recycling drive? Le where is the donation to?

0

#### **DEVICE DELIVERY & COLLECTION**

Have you calculated the optimum distance (sussainability-wise) from the hubs where users can pick up - ie. "If you're within X miles from the office, the lowest carbon footprint is for yourself to pick it up"?

Have you arranged delivery with a trusted supplier with appropriate sustainability

Have you leveraged your connections with the area managers to allow for more efficient mass collection and delivery?

Have you engaged with DPD around sustainability KPIs and data that can be used and presented to the customer?

Have you investigated opportunities (ie. office events/training) that would allow for sameday office collection rather than individual

Have you communicated the carbon, efficiency and productivity costs associated with falled deliveries to home addresses?

Have you communicated to the TiC in Warrington to avoid excess packaging and the possibility of multiple items being packed into one box?



# Coming up for 2024...

But this is just the start. We understand that sustainability is not a destination but a journey.



Getting more value from Riverbed's sustainability dashboards



Hackathon 2.0 sponsored by Amanda Barker



Embedding sustainability at EP&S with the creation of new Leadership Team KPIs



Carbon footprint baselining for DTS



Launch of DTS Sustainable IT Working Group



Joint volunteering opportunities

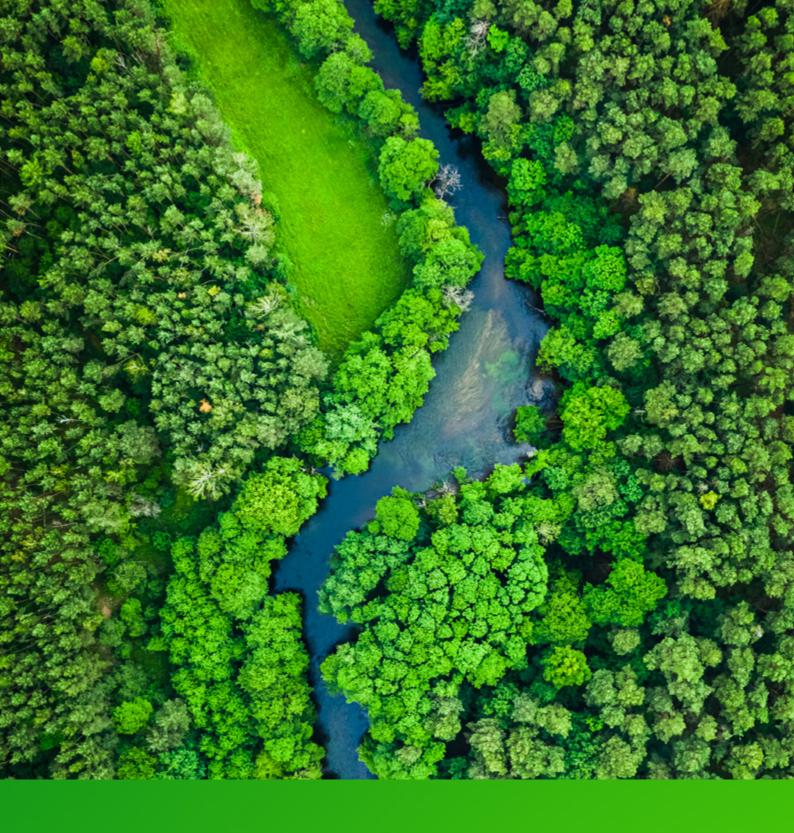
Your choice! Reach out to Shany to get your team involved in our Centrica Fujitsu Sustainability Partnership







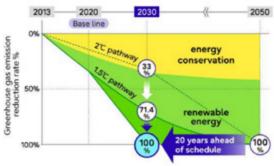


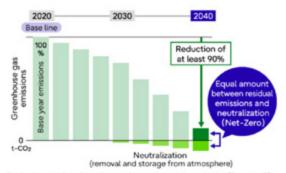


Sustainability and the Fujitsu Group

Fujitsu have been named #50 of the World's Most Sustainable Companies by <u>Time</u>.

Fujitsu is proud to announce that since the publication of our previous 2022 Sustainability Report, we have accelerated our company plans to achieve carbon neutrality 20 years earlier, setting fiscal 2030 as the new goal to achieve net zero. Furthermore, we have decided to aim for net zero emissions in the entire value chain, including the supply chain (Scope 3), by 2040, validated by the Science Based Targets Initiative in 2023.





Emission reduction of Fujitsu Group (Scope 1 and 2)

Emission reduction throughout the value chain (Scope 3)

Roadmap to Net-Zero

The "Fujitsu Group Environmental Action Plan (Stage XI)" outlines the Group's efforts to achieve carbon neutrality and contribute to the resolution of environmental and societal issues. Each country sets local targets to ensure we are contributing towards the achievement of Fujitsu's Global Goals. For 2023/24 in the UK these were:

- Reduce GHG emissions at sites by half of the base year level by end of fiscal year 2025.
- Establish a method for measuring supplier emissions by 2025. Once established, we plan to work with suppliers to support reduction will be developed.
- Continue to focus on water reduction the UK has previously made significant progress, the intention now is to keep this topical by reporting use on a quarterly basis.
- Continue to measure and report waste volumes in order to reduce waste from offices.
- Continue to promote and raise awareness of biodiversity at sites with outdoor space; and identify a method to measure the number and variety of species.
- Manage a fleet of 100% electric company cars by 2030.

For more detail on the UK's journey on carbon reduction, please see our <u>Responsible</u> Business Report.





Fujitsu's early reporting history originally enabled us in the UK to use 2013 as the baseline against which we demonstrate progress and track our most recent emissions – we now have a new baseline year of 2020 in line with Fujitsu groups new SBTi targets. Given our success and on-going strategies for Scope 1 and 2 emissions, reporting on Scope 3 emissions is now a considerable focus area.

In recent news, Fujitsu has won the <u>Verdantix Climate Innovation Awards EMEA</u> for our efforts in measuring and reducing our value chain's carbon footprint. This accolade recognises our commitment to sustainability and our proactive approach to climate action. Our project, in collaboration with Cority (Greenstone), has successfully measured the carbon footprint across our value chain and has set the foundation for significant reduction efforts.

We have engaged with over 1,000 suppliers, and through this engagement, we have been able to extrapolate a total carbon footprint of 25,000 tons for our entire supply chain. As we move forward, we will be sharing these insights with our suppliers and collaboratively working on strategies to further reduce this footprint.

### Current emissions reporting - UK:

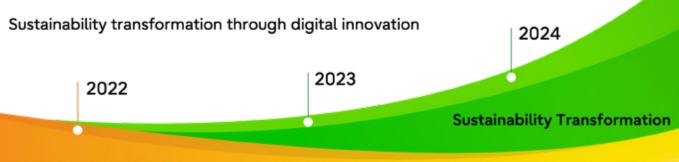
Reporting Year: FY2022/23 (Apr22 - Mar23)

EMISSIONS	TOTAL (tCO2e)	
Scope 1	<b>4057</b> this does not yet include refrigerants, these are planned to be included in FY2023	
Scope 2	<b>10,676</b> or 0 (market based)	
Scope 3	1 (purchased goods and services) - 5.75 (water), Fujitsu currently only measures water in this category; however we have surveyed our main suppliers during 2022 and are cleansing data at the moment, we will publish category 1 in 2023 external reports.  2 (capital goods) - Not currently relevant  3 (fuel- and energy-related activities) - 3,198  4 (upstream transporation and distribution) - planned to be reported in 2023  5 (waste generated in operations) - 251  6 (business travel) - 6,110  7 (employee commuting) - 7,241.3 of which 2,045 is working at home  8 (upstream leased assets) - 2,356  9 (downstream transporation and distribution) - planned to be reported in FY23  10 (processing of sold products)  11 (use of sold products)  12 (end-of-life treatment of sold products)  Other parts of the business outside the UK report categories 10-12, not currently relevant to UK services business  13 (downstream leased assets) - Not relevant  14 (franchises) - Not relevant  15 (investments) - Not relevant  19,162	
Total Emissions	33,895	

# **Our Sustainability Vision**

## Fujitsu Technology and Service Vision (FT&SV)

- FT&SV is an evolving story that describes the future we want to create with our customers and
  partners, how technology empowers people to realize our vision and the actions we need to take
  now.
- With the evolution of AI and sustainability now becoming critical management priorities, what actions
  do organizations need to take to ensure a sustainable future?



**Digital Transformation** 

The FT&SV is an evolving story that describes the future we want to create with our customers and partners, how technology empowers people to realise our vision and the actions we need to take now. In 2022, we set 'driving sustainability transformation through digital innovation' as our key theme for the next 10 years, and described how organisations need to transform to integrate sustainability into their core business operations.

With the evolution of AI and sustainability now becoming critical management priorities, what actions do organisations need to take to ensure a sustainable future?

To achieve this vision, we believe the key focus should be on regeneration. We need to regenerate the global environment and ensure that everyone can enjoy a healthy and fulfilling life. To drive regeneration, stakeholders need to cooperate to ensure that economic activities generate net positive value both for the environment and well-being, while achieving sustainable growth together.

We refer to organisations that use technology to create net positive value for the environment, economy and well-being as regenerative enterprises. In the FT&SV 2024, we outline our vision for regenerative enterprise. We explore the role of technology in realising this vision and describe how we can partner with you to help your organisation become a regenerative enterprise.

## Regenerative enterprise

# Using AI-based technologies to regenerate the environment, economy and well-being

 We describe an organisation that uses technology to create net positive regenerative value to the environment, economy and well-being as a regenerative enterprise.

Examples of the regenerative value created by a regenerative enterprise include:

#### Environment

Reducing greenhouse gases in the atmosphere by developing materials that absorb  $CO_2$ 

#### Economy

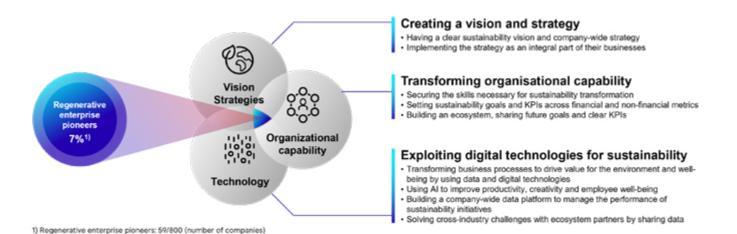
Creating new economic models that encourage organisations to change their behavior toward sustainability.

#### Well-being

Extending healthy life expectancy by delivering healthcare that supports the prevention, prognosis and treatment of health problems.



Only 59, or 7%, of the 800 organisations we surveyed are already pioneering regenerative enterprises. The transformation into a regenerative enterprise requires medium to long-term commitment. Organisations need to develop a clear vision and strategy for sustainability, enhance their organisational capabilities and promote the use of technology.



If you are interested to know more about the FT&SV24, reach out to **Neil Pass (neil.pass@fujitsu.com).** 

# Major external recognitions and awards 2022-23













































Dow Jones Sustainability Indices



























## Gold Standard





















































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