

Corporate Citizenship Annual Report

December 2018

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Message from our CEO



As CEO of Avanade for the past 10 years, one of the things that I am personally passionate about is the ability to combine good business with what is good for society. Our Avanade employees have also told us that they want to be inspired by the work that they do and the opportunities that we offer them to give back; to their communities, to their regions and globally.

That's why, when we revamped our approach to corporate citizenship twelve months ago, we gave careful thought to where we believed we could make a genuine human impact. Today our mission is to: "Enable young people and their communities to do more through the power of our people and digital innovation" and we have three main areas of focus:

- 1. **Transform the social sector** and bring digital innovation to enable non-profits and charities to leverage digital technology.
- 2. **Enable young people**, and especially young women, to realize their potential through the power of digital innovation.
- Give our employees opportunities to engage, contribute and grow through our corporate citizenship initiatives.

I am pleased to share that we have made significant progress in each of these areas over the course of 2018.

Through our ongoing work with Junior Achievement and the Avanade STEM Scholars, we are equipping the workforce of the future, especially young women, with essential STEM and entrepreneurial skills. We're teaching practical skills and nurturing the growth mindsets needed to help imagine the "art of the possible" for our clients. As part of our contribution to the United Nations' Sustainable Development Goals – particularly around quality education and gender equality – we are also committed to helping to shape and build the workforce of the future, making sure that today's young people have access to learning the technology and leadership skills that they need to succeed.

In 2018, we also committed to the 10 principles of the UN Global Compact which demonstrates the importance we place on responsible business practices, particularly in helping to define the founding principles of digital ethics, and ensuring such tenets are built in to all digital innovation. Plus, we are creating solutions to deliver social good and recently announced our partnership with Microsoft Philanthropies on a program called "Tech for Social Good" which will bring transformative digital innovation to the social sector and help propel them forward.

I am proud of the progress that we have made this year in advancing our corporate citizenship mission and would like to extend my personal thanks to our Avanade team globally for their inspiring contributions and engagement this year. Together we are focused on making a human impact on our clients, their customers, their employees and the communities in which we work and I'm already looking forward to seeing the impact that we can have in the future!



FY18 Achievements



\$99K raised for charities across the globe in FY18 through our Avanade Gives program



800+ hours volunteered by Avanade employees for Junior Achievement activities



1,259 students supported in skill development by Avanade employees through Junior Achievement 2017-2018



Adam Warby named as Chair of the JA Europe Board and Avanade named as JA Worldwide Global Technology Partner



58 women supported in higher education through Avanade's STEM Scholarship (at time of printing)



168 girls introduced to STEM careers through job shadowing in Brazil, Spain and Italy



490 girls attended leadership programs with Avanade volunteers in Norway



1,021 laptops donated to give young people access to technology



130 students received resume assistance by Avanade volunteers in the Netherlands



Signed the UN Global Compact committing to 10 principles



Received Silver Rating by the EcoVadis Sustainability Ratings Agency Message from our CEO



Message from the Chair of the Corporate Citizenship Council



David Oksandy, Executive, General Counsel & Secretary and Chair, Corporate Citizenship Council

I'm so proud of what we achieved under our FY15-FY17 mission, "To help close the gender, technology and income gaps for women, to better enable them to realize their full potential."

Looking back over the last three years, highlights include supporting 1.2 million women through our mentoring program, enabling 58 female STEM students realize their academic ambitions, and partnering with Junior Achievement and local charities to help hundreds of women enter the workforce.

I hope that the evolution of our mission and the innovative new program we have put in place inspire you as much as they do me. I believe they truly reflect Avanade's values, and I urge every employee to seek opportunities to get involved in FY19.



Our new Corporate Citizenship Mission

The May 2017 ALLI survey of employees found that 63% believe Avanade's commitment to social responsibility is genuine. Analysis of the results suggested that to build on this success, we should enhance internal visibility of projects, increase investment in local initiatives, and align more clearly to Avanade's strategic focus. The Corporate Citizenship Council embraced these recommendations as it developed Avanade's new corporate citizenship mission statement and focus.

Our Mission:

To enable young people and their communities to achieve more through the power of our people and digital innovation

We will fulfill this mission by focusing on three main pillars of effort:

- 1. Transforming the Social Sector
- 2. Preparing Youth for the Digital Era
- 3. Engaging our Employees

In addition, we will ensure we run Avanade as a responsible business and contribute leadership on policy issues important to that commitment.

Message from the Chair of the Corporate Citizenship Council





Transforming the Social Sector: Technology for Social Good



Pamela Maynard, President, Product and Innovation, Avanade

Combining our citizenship mindset and delivery excellence

As we developed our new mission statement for Avanade Corporate Citizenship, we also set out a "purpose statement" about our intention to better support the social sector

Avanade cares about the people and communities where we work. We want to bring the power of cloud and digital technology to non-profit organizations to digitally transform their workplace and accelerate social impact.

And so Technology for Social Good was born. It's goal: to become a trusted partner to non-profit organizations and the wider social sector to bring about systemic change through the strategic delivery of Microsoft technologies on a global scale.

Technology for Social Good was launched at the start of FY19 at the NetHope Summit in Dublin with a commitment to provide relevant, affordable and transferable solutions to non-profit organizations. We additionally made a commitment to work with Microsoft Philanthropies to develop a suite of solutions built on Dynamics 365 and Microsoft's Common Data Model. Specific to the non-profit sector, it targets capabilities in six main areas: constituent management, fundraising, donation management, program delivery, volunteer management and grant and awards.

"Many non-profit organizations face systemic challenges in leveraging technology, whether it's a shortfall in technology talent or scalable industry solutions. As a strategic partner with Microsoft Philanthropies and its Technology for Social Impact business, we will work together to bring forward cutting-edge solutions that solve complex business problems. At the same time, we will enable our employees to work with non-profit organizations making a difference in our world today."

- Pamela Maynard, President, Product and Innovation, Avanade



It all started with a "What if"... What if
Avanade can support humanitarian causes
by offering its expertise? Let's take the case
of a young girl, we'll call her Salma, living in
a besieged city in Syria. Salma suffered from
a heart condition that left her struggling and
blue-faced whenever she tried to play with
friends.

Using OneDrive for Business, powered by the Microsoft Cloud, staff on the ground in Syria from SOS Children's Villages shared photos of Salma along with her story with potential donors across the world. Using crowdsourcing, sufficient funds were raised to pay for Salma's surgery in just two days! As a result, Salma received life-saving surgery, all thanks to the Microsoft Cloud and the generous support of donors.



Find out more about Technology for Social Good <u>here</u>.

Transforming the Social Sector: Technology for Social Good



Preparing Youth for the Digital Era

Our Partnership with Junior Achievement Prepares Youth for the Digital Era

Working closely with Junior Achievement as its Global Technology Partner gives us the opportunity to help millions of young people around the world develop skills and job readiness, creating the workforce of the future.

Junior Achievement prepares young people for employment and entrepreneurship through handson, experiential learning. Its network of more than 465,000 volunteers serves more than 10 million students in more than 100 countries to create pathways for employability and job creation.

Beginning in 2016, Avanade and Junior Achievement have collaborated to teach young people about the world of technology, leadership and entrepreneurship. We strengthened our partnership in September of this year by stepping up as Junior Achievement's Global Technology Partner, working together to drive a global digital transformation of the organization.

In addition, Avanade CEO Adam Warby assumed the role of Chairman of the Board for Junior Achievement Europe and became a member of the JA Worldwide advisory board.

Avanade executive Adam Drutz joined the JA South East Board in Houston, Texas, North America.

In FY19, we plan to widen our global reach, deepen our mentoring relationships further and strengthen our organizational ties. We will expand the program to Australia, Ireland and Japan, as well as Houston and Seattle in the United States. We will work with Junior Achievement students on a more individual basis, offering job shadowing and mentorships. Mentors will be selected from Avanade employees and our Avanade STEM Scholars (see page 8).

172 Avanade employees donated a total of 543 working hours to JA in FY18. By 2020, we plan to reach 10% employee engagement in the program (approximately 1,100 people).

Preparing Youth for the Digital Era

It is important for Avanade to be involved in JA "to get more young people, especially young women, interested in technology, and to show them that the IT industry is a very diverse industry, where there's a need for very different skills. Over the years, the jobs available will change, and giving young people the skillset to start their own businesses can be very important for their future careers."

- Kaisa Lervik, Talent Community Lead Analytics, Avanade Norway, and JA volunteer



Preparing Youth for the Digital Era

JA Europe Enterprise Challenge 2018 #JAEEC18

Avanade sponsored the Digital Innovation Signature Award of the JA Europe Enterprise Challenge 2018 to recognize young entrepreneurs using digital technology.

Our panel of experts judged the digital business plans of 16 student teams from 15 European countries. The winning team, "Cook Me Up" from France, created a new dining experience offering healthy and creative options for French diners, supported by a *Click and Sit* app.

Our sponsorship continues in FY19.



"This is more than just an award, this is a recognition of our digital innovation. It is a big opportunity for us to be mentored by senior executives at Avanade. It will be great, and we are sure we will learn a lot. As for the [cash] prize, we will use it to further innovate our idea."

- Martin Courtois, CEO at Cook Me Up



Find out more about our relationship with JA <u>here</u>. Watch our Avanade executive team coach students in Dublin, Ireland <u>here</u>. To learn more about our relationship with JA, contact <u>Heba Ramzy</u>.

Preparing Youth for the Digital Era



Preparing Youth for the Digital Era

Avanade STEM Scholarships

Avanade's STEM Scholarships give young women the opportunity to succeed in the digital era by making it possible for them to fulfill their ambition to study STEM disciplines.

Coupled with internships and mentoring, we have been able to grant scholarships to 58 young female STEM students to date, helping to close the gender gap in the technology workplace and create women technology leaders of the future. We plan to support nine more young women scholars in FY19.

In 2018, we celebrated the first graduations, from our class of 2015, forming the beginning of our Avanade STEM alumnae network. We have welcomed three graduates from Cal Poly Pomona into permanent roles at Avanade and another student from the New Jersey Institute of Technology will join us this year. We will add three new university partners in FY19.

Feedback from our STEM Scholars have helped us improve the program, including a mentorship program launched last year. Now every STEM Scholar receives a mentor from Avanade, providing the opportunity to engage and participate in activities in their community. Spreading our reach beyond the scholars themselves, more students will be offered mentorships in FY19 and will have the opportunity to discuss and engage in digital innovation workshops.

Ahead in FY19: we plan to introduce the Avanade STEM Scholarship program to additional countries including Canada and Brazil.

As a business major at the New Jersey Institute of Technology's Martin Tuchman School of Management (MTSM) in the US, Dikasse Zalla never imagined that she would qualify for one of our Avanade STEM Scholarships – or land her dream job at Avanade.

"This opportunity has had a very positive influence on my education at NJIT," she says. "Having the scholarship gave me a real sense of security and the ability to focus on my studies".

After being awarded the scholarship,
Dikasse was teamed up with Valentin Guerin,
Director, People Ecosystem, New York.
"The experience with Avanade has honestly
been amazing. It's made a huge difference.
Just having that mentorship relationship was
invaluable."

Dikasse, soon to graduate from the New Jersey Institute of Technology, will join Avanade in May 2019 Preparing Youth for the Digital Era



"Being part of the scholarship program has helped me to help more people. How Avanade not only treats its clients but also how it treats their employees makes me want to work for that type of company."

- Nandita, a graduate of Cal Poly Pomona and a Avanade STEM scholarship recipient, now works for Avanade.



Find out about Nandita Chauhan's journey <u>here</u>. Hear stories from scholars around the world <u>here</u>. To learn more, contact <u>Heba Ramzy</u>.



Avanade Gives and Volunteers

The Avanade Gives program harnesses Avanade employees' natural generosity and desire to make a human impact. It matches donations to charities and causes up to US\$250 per employee per year. Avanade Gives also gives employees time they can use to volunteer for a charity or cause they select.

Through the generosity of our employees, company donations and company match funding, we have raised more than US\$224k through Avanade Gives in two years (US\$101k in FY17, US\$123k in FY18). Much more than simply a giving platform for donations, Avanade Gives allows us to set up fundraising campaigns, mobilize volunteers and coordinate our giving activities across the Avanade community. Campaigns vary widely, from sponsoring one of our colleague's charity triathlons to responding to huge humanitarian disasters such as the California wildfires. Avanade Gives helps us unite in support of communities in need and allows us to make a genuine human impact.

Avanade also provides employees eight hours of paid volunteer time each year to spend as they wish in support of a charity, cause or non-profit.

Growing our volunteering opportunities for our employees is a major focus for FY19. Through our key partnerships with Junior Achievement, our STEM Scholars and university partners, our social sector clients and partners for Technology for Social Good, our goal is to significantly increase the number of people participating in our Avanade Gives volunteer program.

Our Volunteers



"It was an amazing experience. I'm glad I did it and I think it's so important to serve others. It's something everyone should experience."

- Antonella Castaldo, Security & Infrastructure Senior Analyst, Avanade New York.

Antonella supported Relief Bus in New York City.

1,430 employees used Avanade Gives in FY18. Together with the Avanade Match Fun, Avanade employees raised almost \$100,000 for charities



"I am a volunteer 911 emergency medical technician for my local EMS squad and have been volunteering since 2012. What I get from the experience is the ability to help people when they are most in need, and that makes me feel like I am making a difference."

- Prasant Sinha, Security Consultant, Avanade New York

Prasant is a regular 911 Emergency Medical Technician volunteer in New York City.



"I started out thinking I was just giving... that others would benefit from my volunteering, but I had no idea how much I would receive from it too! It is an experience like no other, it really is awesome."

- Flávia Souza, Sr Sales Operations Analyst, Avanade Sao Paulo.

Flávia volunteers to teach English with <u>Cidadão Pró</u> Mundo in Brazil.





Every Avanade employee is eligible for 8 hours of paid volunteer time per year. In addition, all employees are also eligible for the Avanade Match Fund of up to US\$250 per person per year. For more information on our policies, contact Heba Ramzy.



Corporate Citizenship Annual Report

and Volunteers

Responsible Business

Inclusion is Everyone's Responsibility

Inclusive and diverse teams are critical to innovation and growth, and are critical for any business that wants to remain competitive and relevant in a rapidly evolving, increasingly digital and connected global marketplace.

In FY18, we refreshed our approach, to cultivate an environment in which everyone can do their best work. We are embedding diversity and inclusion throughout Avanade, via our five "Bold Steps" with a focus on our three cornerstones – **Our People, Our Workplace, and Our Clients** – to ensure that we set an example across our industry and beyond.

Combined with our new vision and mission, our commitment is clear: we believe inclusion is everyone's responsibility. When we all press for progress, we ALL win!

Vision:

Inspire innovation, growth and engagement through inclusion

Mission:

Cultivate a culture of inclusion and diversity that is central to the way we do business, enabling us to delight our clients and our people.

Avanade's Five "Bold Steps"

Represent, demonstrate, lead the change

Make our Inclusion & Diversity vision come alive with visible actions

Leverage leadership influence to amplify the impact

2 Guide the change
Engage key influencers for transformative change

3 Leverage data and insights
Harness data/technology to inform our strategy and drive behavior change

Inspire with our story

Share our story so we can bring everyone with us – our employees, our clients... and our future employees/clients

Make Inclusion & Diversity business as usual Integrate into how everyone experiences Avanade

As a company, we have made great progress in the area of gender diversity, but we recognize there's much more to do. Examples of our investments thus far include:

- We are developing awareness and skills that allow us to mitigate bias in our processes and decision-making.
- We are putting Inclusion & Diversity action plans in place in every geography and Market Unit.
 We invest in global celebrations of International Women's Day and Pride each year.
- We are committed to pay equity and in the U.S., Avanade is proud to have joined 30+ other progressive companies committing to the White House Equal Pay Pledge.
- We signed the Adhesion Term for the Forum of LGBT Companies in Brazil, reaffirming our commitment to LGBTQ rights and inclusion.
- We sponsored and had key speaking roles at the 2018 UK Women's Silicon Roundabout Conference.
- We won the 2017 **TechDiversity award** and in 2018 achieved a Bronze level in the **Australian Workplace Equality Index** (AWEI).
- We launched a "Colour Up" Inclusion & Diversity Council in Austria, Switzerland and Germany to complement our existing councils in the United Kingdom, Brazil and Australia. We plan to further expand our number of councils in FY19.
- We sponsored the **2018 Gay Games**, held in France.
- We host **Girl Geek Days** and **Girls Who Code** events in locations around the globe.



We are excited about our path forward. If you have ideas, would like to get involved or want to learn more, contact <u>Elizabeth Derby</u> or <u>Erica Fletcher</u> or <u>Manuela Sforza</u>.

Responsible Business



Responsible Business

Environment

At Avanade, our Work Green initiative directs our efforts to enhance Avanade's environmental impact. We are committed to minimizing the negative effects of our operations on the environment while promoting safe and sustainable practices through education and technology solutions

We work closely with both of our parent companies, Accenture, and Microsoft and in partnership with our business partners, our suppliers and our clients to identify risks and incorporate leading environmental practices throughout our business practices and operations. We also foster environmental and health and safety awareness and responsibility among our employees through training, campaigns and collaborative opportunities.

Our commitment to environmental awareness is represented by our commitment to the UN Global Compact, EcoVadis, and Ethisphere. We achieved a silver CSR supplier sustainability rating from EcoVadis for our Work Green policies in FY17, and we recently completed the process again for FY19. Each of these organizations evaluates our effectiveness and pushes us to do better with each milestone we reach. With our parent company, Accenture, we implement best practice initiatives to minimize the effects of our operations. We do so by addressing the following impact areas:

Environmental, Health and Safety Management Systems

Avanade, in conjunction with our parent company, Accenture, is committed to implementing effective environmental management systems and occupational health and safety measures across our global operations.

Travel and Transportation

When choosing our office locations, the accessibility of public transport options is an important consideration. We actively promote the use of technology to reduce the need to travel for business.

Refurbishment and Reuse

Avanade donates its used assets and equipment to InterConnection, a non-profit organization providing high-quality refurbished equipment to under-served communities around the world. FY18 saw a fourfold increase in the number of laptops donated by Avanade, jumping from 348 in FY17 to 1,021 in FY18. We have also donated cell phones and phone chargers for reuse to educate and connect women and children in developing countries.

In FY19, we will be looking at what sustainable procurement means for Avanade.



For more information on our environmental policies, contact Heba Ramzy.

Responsible Business



Responsible Business

Ethics in the digital age

Avanade has a leading role to play in tackling the ethical questions raised in response to accelerating digital innovation. Artificial Intelligence presents exciting opportunities, but it also raises questions about governance, free will, social interactions, employment and privacy.

Avanade's Digital Ethics Task Force, formed in 2015, draws on the expertise of our legal, security, marketing, tech innovation and advisory teams. The task force devised Avanade's Four Pillars of Digital Ethics to provide the litmus test of whether a new Al innovation can be considered to be ethical. These four pillars emphasize the importance of human dignity, transparency and compassion.

Avanade embeds the Four Pillars into our delivery methodology and internal practices. In addition, in our engagement with JA and other non-profits, we encouraged young entrepreneurs to build digital ethics into their business plans.

In accordance with UK law, each year we publish our Modern Slavery Act statement, setting out the steps Avanade UK is taking to ensure that slavery and human trafficking are not taking place in any of our supply chains or in any part of our own business.



If you have queries or concerns about digital ethics, contact us in confidence through the Avanade Business Ethics Line (0808 234 2204; charges can be reversed) or here.

Avanade's Four Pillars of Digital Ethics

A product or a service is digitally ethical if it satisfies all the following criteria:

Fairness and inclusiveness

Human accountability

Trustworthiness

Adaptability

Responsible Business





Thank you for reading our FY18 Corporate Citizenship report.

FY18 has been a most exciting year for Corporate Citizenship at Avanade, with inspiring genuine enthusiasm and support from our leadership and engagement from our people. As we take our new mission forward in FY19, we will continue the excellent employee volunteering and engagement that has been the hallmark of our corporate citizenship work up to now.

I, for one, am very excited to see what another year brings!

If you have questions, suggestions or would like more information, please contact me directly at <u>Heba Ramzy</u>.

