

The logo for DU CO, consisting of the letters 'DU' stacked above 'CO' in a white, sans-serif font.

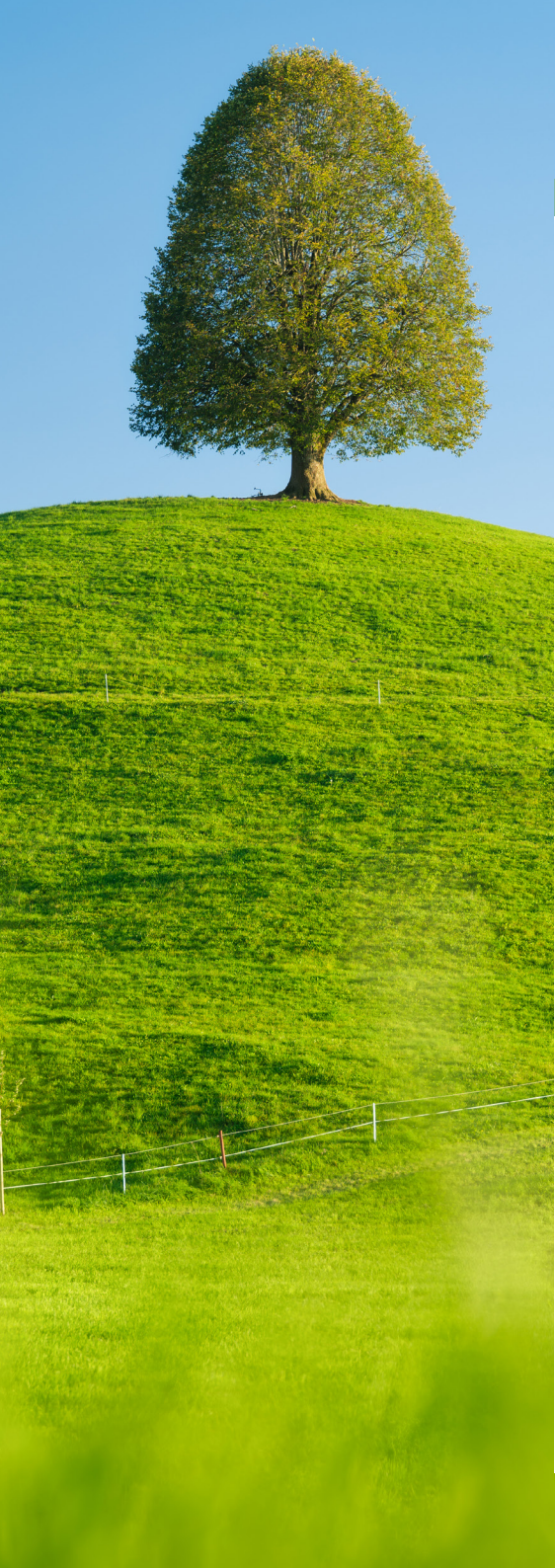
DU  
CO

A background image featuring a large white wind turbine on the right side, set against a blue sky with wispy clouds. The foreground is a vast field of sunflowers stretching to the horizon.

ENVIRONMENTAL,  
SOCIAL AND  
GOVERNANCE REPORT

A thin vertical white line on the left side of the page, extending from the top of the 'FINANCIAL YEAR 2024' text to the top of the page.

FINANCIAL YEAR 2024



# CONTENTS

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**03** Letter from our CFO

---

**04** FY24 Highlights

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**05** Our ESG ambition

---

**06** Our strategy and actions this year

---

**07** Environmental | Achievements and plans

---

**09** Social | Achievements and plan

---

**10** Governance | Achievements and plans

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## LETTER FROM OUR CFO



**Danielle Price**  
CFO

*“Our people care about creating **a fair, sustainable, and equitable world**. We plan to leave our planet and society **in a better place than we found it** – we see Duco as a conduit for positive change”*

We are on an ambitious journey to achieve net zero. That’s a big challenge for a company of our size given our dependency on some of the world’s largest vendors, but one we’re passionate about achieving.

Having completed our multi-million dollar public cloud migration strategy, this year we began the significant work of re-architecting our platform to achieve further efficiencies, reducing our consumption whilst continuing to deliver the high-performance our customers have come to expect. We implemented scaling-to-zero, meaning use of zero resources by default, only scaling up when they’re needed. We also migrated our database servers, allowing them to run more efficiently and crucially allowing us to decommission hardware that was previously needed.

I am enormously grateful to our engineers who have committed huge personal time to these projects, culminating in a 16% reduction in our Hosting emissions despite our customer base growing by 46% in the same period. Our data centre energy use is now also 100% matched with renewable sources.

For the first time in Duco’s history, fully supported by our Board of Directors, we offset 100% of our emissions from the prior reporting year. Our balanced portfolio prioritised nascent technology in order to create a market and scale, thereby reducing the cost of permanent removal and having a greater impact on broader society.

But the road to net zero is not easy. In spite of the progress we’re making, we face significant challenges that we’re actively working through. In FY24, our total GHG emissions increased 23% against the previous reporting period. Some of this increase is the result of Duco’s growth, the reason we set targets on a ‘like for like’ basis, some relate to the one-off services we engaged in order to acquire Metamaze in the year, with the remaining driver being the impact of COVID in our prior reporting period. More details are captured in the Appendices.

Beyond our emissions initiatives, Duconians have continued to volunteer globally across our communities. We remain passionate about creating a society in which people from all socioeconomic backgrounds can flourish. To that end, I’m delighted that a number of our People team have joined the working group to drive the DEI programme in FY25.

Over the next few pages we outline how we’re performing against the bold targets we set ourselves, the key initiatives we’ve achieved this year, as well as some of the challenges we’re facing.

And finally, I want to thank the entire Duco family, not least the ESG working group, for their ongoing commitment to a positive impact on our environment and communities. These achievements and the necessary relentless efforts would not be possible without each and every one of you. You truly live our value ‘we care’.



# HIGHLIGHTS



Our NY team volunteering at God's Love. Delivering healthy meals to people with specific medical needs who can't shop for themselves.



### London Office

Run/walk to office initiatives and Yoga classes




### Health Week 2024

Smoothie bikes competition



### 2024 Duco Book Drive

98 Children's Books  
22 Adult Books  
9 Board Games  
2 Video Games  
1 DVD

CARBON EMISSION  
TO BE OFFSET/  
RECAPTURED   
**100%**

**11**   
VOLUNTEERING  
EVENTS

**100%**  
  
Employee Trained on Key Policies

# OUR AMBITION

## ENVIRONMENTAL

- + We have become carbon neutral in FY24, prioritising carbon reduction, recapturing where possible and offsetting the remainder.
- + To invest in a balanced portfolio that includes nascent technology in order to create a market and scale, thereby reducing the cost of permanent removal and having a greater impact on broader society.



## SOCIAL

- + To build trust and transparency with our stakeholders (internal and external) that Duco is a fair, equitable, inclusive and engaging place to work.
- + To utilise Duco as a vessel for good across society through various means including volunteering and social mobility initiatives.



## GOVERNANCE

- + To initially monitor and subsequently to address sustainability risks for all critical vendors in our supply chain by 2025 while maintaining existing high standards on internal governance policies.
- + To ensure Duco remains a ESG champion within the Nordic Capital portfolio and within the wider FinTech industry.



# OUR STRATEGY AND ACTIONS THIS YEAR

## 1. ENVIRONMENTAL

We have achieved noticeable reductions of CO<sub>2</sub> footprint in Hosting thanks to the work undertaken thanks to the multimillion dollar cloud strategy, being implemented since 2021. We have started setting the groundwork to tackle other emissions categories that are harder to reduce.

Our focus in 2024 was to identify areas that can be addressed and actions we can take to continue making reductions or reducing waste:

- + Business Travel
- + Food and Drinks
- + General purchases and sundries

## 2. SOCIAL

At Duco, we prioritise initiatives that improve the day-to-day experiences of our people, building confidence that the company can support career growth and provide a great place to work, and that our decision making frameworks are fair, inclusive and free from bias.

This year we:

- + Embedded our mental health first aider support programme
- + Ran community-forward coaching and educational sessions through our Duco STAR volunteering programme
- + Completed comprehensive the behind-the-scenes heavy lifting to set up comprehensive career ladders for the entire organisation (to be rolled out next year)

## 3. GOVERNANCE

We believe that in order to drive value for our stakeholders and our community, we require cohesive strategy overseen and driven at multiple layers of the organisation. This must be supported by transparency, inside and out:

- + We delivered our first published ESG report in 2024 (for calendar year 2023). This was shared both to the Board of Directors and to the wider community.
- + Embedded a continuous reporting framework to board of directors.
- + Participated in industry-leading training, accessing both the knowledge, resources, and best practices available through Nordic Capital's ESG dedicated experts.

## KPIs

TOTAL CARBON EMISSIONS:

**3.3kTCO<sub>2</sub>e<sup>1</sup>**

OFFSETTING EXPECTATIONS FOR FY24:

**100% (3.3kTCO<sub>2</sub>e<sup>1</sup>)**

EMPLOYEE ENGAGEMENT:

**62%**

ANNUAL RETENTION RATE:

**97%**

CRITICAL VENDORS REVIEWED LAST 12 MONTHS:

**100%**

EMPLOYEES TRAINED ON KEY POLICIES:

**100%**

# 1. ENVIRONMENTAL

## UNDERSTANDING OUR IMPACT

### Management and administration

2024 has been a year of streamlining and ensuring alignment across our territories.

- + We've aligned the emissions measurement time frame with our Financial Year (April - March) for better accuracy and clarity of reporting, and for readiness for CSRD reporting.
- + We have created a cross-departmental working group to tackle environmental initiatives.

### Greenhouse gas emissions (CO<sub>2</sub>)

In 2024 we have continued to re-engineer the Duco Platform to both move to greener technologies and increase the efficiency of the platform. This has resulted in hosting-related reductions of 48% YoY on a like-for-like basis.

We've been working on a plan to reduce emissions from Business Travel and Purchases.

### Evolution of our platform

This year we re-architected and migrated our database servers to run more efficiently, allowing us to decommission hardware that was previously needed without impacting performance.

We focused on ensuring our jobs and services

only request the resources they need, reducing inefficiency through unused-but-allocated resources, meaning we can run the same workloads with fewer servers.

We removed database replicas for environments that didn't need them, allowing us to further reduce steady-state resource consumption without impacting SLAs.

We implemented scaling-to-zero for more services, meaning more sections of the application use zero resources by default, only scaling up when they're needed to run customer jobs.

We've worked on moving workloads from the databases into memory, meaning less database disk usage, faster calculations, and performance improvements for customers.

We have been rolling out archiving to move data from our database into more cost-effective, more sustainable storage.

### Waste management

Introduced advanced recycling in London.

Regular training has been introduced to educate employees on the impact of their daily activities on the company as well as their personal footprint.

*Duco has become **carbon neutral in FY24**. We aim to increase our CO<sub>2</sub> recapturing through permanent solutions.*



Best practices around CO<sub>2</sub> and waste management are being taught, role modelled and promoted.

### Greener commuting

This year, in cities where commuting by public transport is not feasible, we have started replacing petrol and diesel cars with plug-in hybrids. This work will be completed next year.

### Restoration and conservation

This year we ran initiatives in each of our global locations dedicated to the Earth Day celebration. This includes planting trees in multiple locations and cleaning up beaches and river banks.

# 100%

## OF GHG EMISSIONS TO BE OFFSET

WE HAVE ESTABLISHED COMPANY KPIS AROUND REDUCING EMISSIONS INTENSITY<sup>1</sup> WHICH WILL BE ROLLED OUT FROM THE NEXT FINANCIAL YEAR

*“ We achieved a **16% reduction** in our Hosting emission despite our customer base growing by **46% in the same period**”*

**\*Note:**

1. All emissions exclude Metamaze, who will be reported from FY25 given (i) materiality of 2mths of their emissions, and (ii) complexity of emissions calcs for the period they were not integrated onto ours (1 April 24)

### Emissions by Category (tCO2e)

Duco's emissions increased in FY24 compared to CY22, this is largely due to the ongoing impact of COVID in CY22 with FY24 better representing "normal". As such we see FY24 as the comparative year to achieve our "like for like" emission reduction targets for the below:

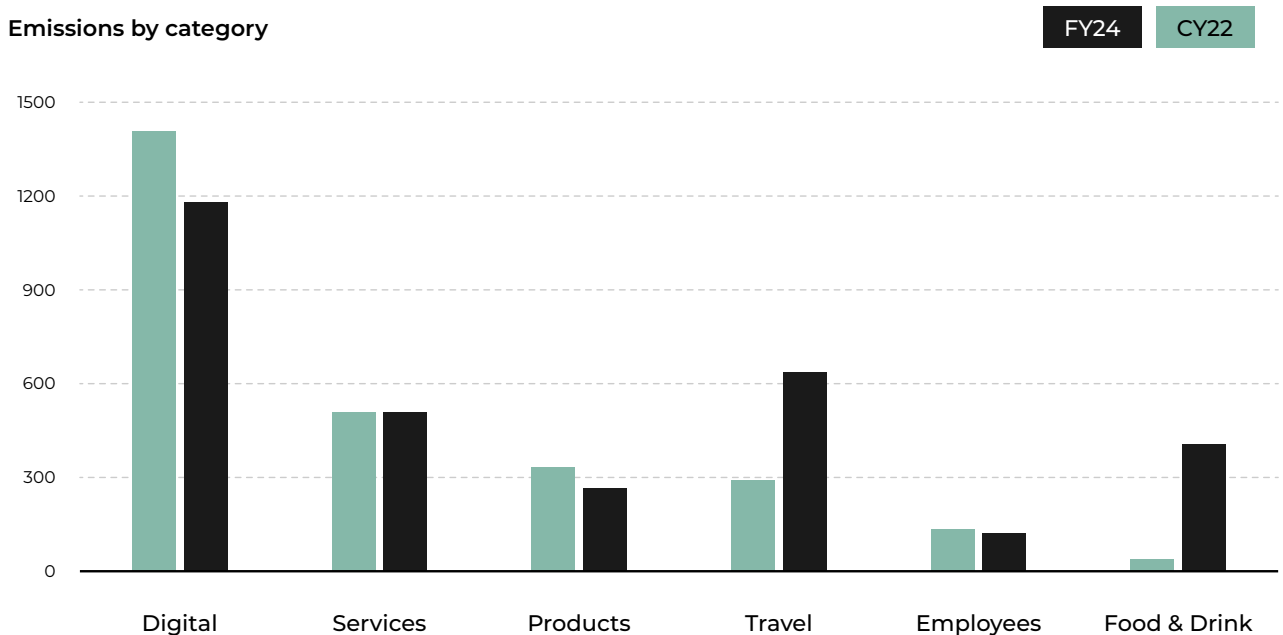
- + **Travel:** In-person meetings with customers are crucial to winning deals, we were unable to do this enough in CY22.
- + **Food & Drinks:** Engaging with our customers through entertainment is a crucial and yet still underutilised part of our business. So too is bringing our people together to connect.

Despite this, we made significant improvements in other areas where we reduced emissions:

- + **Digital:** Largely covering Hosting reduced by 16% YoY despite our customer book growing by 46% in the same period.

*“ Our data centre energy use is **100% matched with renewable sources**”*

Emissions by category





## 2. SOCIAL

### DIVERSITY, INCLUSION AND BELONGING (DIB)

#### Fair and transparent processes

A process for analysing equity between individuals of different genders and races across the same roles, while accounting fairly for differences in experience and performance, has been defined and will be rolled out.

Additionally, Duco will be sharing its compensation philosophy and program, injecting trust and fairness into our methodology and process.

#### Education and awareness

We inform and educate on topics that will make Duco a more inclusive place, and help create and environment in which everyone feels they belong. We host thematic get-togethers and sessions to foster community and knowledge-sharing.

#### Community work (Duco STAR)\*

Duco has a dedicated social & environmental responsibility working group, with Executive sponsorship, that engages in regular volunteer work globally. Every Duco employee is encouraged to use their allocated 3 days a year to volunteer.

From LTSB interview training, environmental clean-ups, planting trees, volunteering at soup kitchens, our team is passionate about working to help better their communities.

### EMPLOYEE DEVELOPMENT



#### Apprenticeships

Duco partners with the charity LTSB to recruit young people from under-represented backgrounds for apprenticeships, to give opportunities to those who would not usually consider a career in tech. Duco believes in empowering and upskilling these young adults to impact positively impact society. The program has been running for several years with qualified apprentices staying on to further their career with Duco.

#### Performance and Career Growth

Duco runs a biannual peer review, self reflection and manager feedback process, with the emphasis on this process being the collection of developmental feedback over the performance assessment of the individual. This 360 degree view mitigates bias and champions innate growth.

#### Career Pathing, Role Definition, and Professional Growth

Every employee has a personal learning development budget, and we run a number of coaching and training programs to develop leadership skills at all levels of the business.

This year, we worked behind the scenes to develop robust, clear matrices with clear definitions of roles and responsibilities at each level, providing objective

metrics to drive our performance review processes. The roll-out will occur in Q4 of 2024

### ENGAGEMENT

#### Employee Engagement Initiatives

This year we have rolled out a full calendar of events supporting a multitude of causes, from Pride, mental health awareness days, Neurodiversity Awareness, to name a few. These will be a mix of fundraising events, awareness days, and celebrations.

We have also trained and put in seat a number of mental health first aiders within the organisation, globally, to offer help and support to our colleagues.

#### Benefits

Duco prioritises employee physical & mental wellbeing, offering a number of benefits around fitness and wellbeing. So long as people deliver their work, we trust them to manage their time without clock-watching, so encourage flexibility and work/life balance through initiatives such as unlimited vacation, Pressure Off Fridays, and a hybrid work approach.

We champion well being, from the provision of a mental health first aider community, through to presentations from experts on a number of well being topics.

\* Duco STAR is the "Sustainable Thinking, Acting Responsibly" working group

## 3. GOVERNANCE

*Duco is committed to monitoring and addressing sustainability risks for all critical vendors in our supply chain by 2025*

**100%**

OF CRITICAL VENDORS  
REVIEW IN LAST 12  
MONTHS

### CORPORATE GOVERNANCE

Effective governance lays the foundation for ethical and effective management of Duco, maximising our long-term value creation and positive societal impact.

ESG matters are managed and reported at multiple levels in the organisation.

Duco's CFO is Executive sponsor for the ESG programme.

#### Board oversight

Duco follows a cyclical schedule for reporting all sustainability activities and targets to the Board of Directors.

ESG sustainability decisions are subject to BoD scrutiny at the start of each financial year, with progress being reported throughout the year.

This matters to all of us, right up to our Board.

#### ESG Working group

Duco has committed and accountable ESG working group, meeting at least once a month to discuss and progress all ESG topics.

The group is made up of dedicated members from four territories, all striving to drive change and progress both at Duco and in the wider community.

#### Reporting

Duco is committed to full transparency on environmental and social initiatives, including the public disclosure of our priorities and progress.

Our ESG reporting can be found on the du.co website and is updated annually.

#### Training and Learning

Representatives for the ESG working group regularly participate in intensive training provided by specialists.

Through our partners at Nordic Capital, we have access to a wealth of information, best practices, and guidance.

*Through our products, we help banks and other organisations collectively reduce carbon emissions by utilising greener technology.*

## ETHICS AND COMPLIANCE

Our ethics and compliance practices ensure we conduct business ethically, adhering to legal and moral standards, fostering a culture of integrity in every aspect of our business.

### Supplier management

Duco has a robust third-party code of conduct approved by our Executive Team and BoD. This document is included in reviews of any new suppliers and this year we also conducted reviews of our critical suppliers to ensure compliance.

Similarly we conduct annual risk reviews of our critical suppliers to ensure we maintain an acceptable risk profile.

We have implemented a vendor code of conduct to ensure our suppliers are operating according to our ethical and compliance expectations and standards.

### Company code of conduct

Duco ensures compliance with the Code of Conduct by requiring all employees to sign the document during onboarding and annually thereafter.

This ensures their understanding of and commitment to ethical standards, anti-bribery measures, anti-money laundering policies, directorship regulations, conflicts of interest management, and limitations of authority.

### Compliance and policies

Duco ensures the effective implementation of policies by providing employees with access to a dedicated page on our intranet. This page serves as a centralized hub for all company policies, with 39 policies and guidance documents currently published.

By making these resources readily accessible, we promote awareness among employees and their commitment to adhering to these policies.

Additionally, we have established robust routines for managing non-compliance instances, ensuring timely resolution and corrective actions when needed.

### Global commitment

After significant research and consideration, this year we have kicked off the process of signing up to the UN Global Compact. We aim to finalise the process in our next financial year.



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