

Greenhouse Gas ("GHG") Emissions

The following section includes our mandatory reporting of GHG emissions pursuant to The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Endava's most significant emissions arise from the use of electricity. We have limited use of gas for heating as our lease portfolio relates to property leases of offices and delivery centres.

GHG Emissions (tonnes of CO₂ equivalent)

Emissions from:	FY2021		FY2020	
	UK	RoW	UK	RoW
Scope 2 - Electricity, heat, steam and cooling purchased for own use (location based)	11	1,059	63	3,059
Total	11	1,059	63	3,059
Intensity ratio (tonnes CO₂e per £m sales)	0.06	4.09	0.40	15.69
Energy consumption/ mWh*	46	3,500	256	7,353

* 1 mWh is 1,000 kWh.

Our methodology for reporting GHG emissions follows the 2013 UK Government environmental reporting guidance (Chapter 2) and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition). Endava is reporting on only its location-based Scope 2 footprint, and emissions are calculated using either The Department for Business Environment Innovation and Skills (BEIS), International Energy Association (IEA) or Carbon Footprint Limited emission factors. Endava reports its emissions data using an operational control approach to define the organisational boundary which meets the requirements of the regulations in respect of those emissions for which it is responsible. This includes all subsidiaries 100% owned by Endava. Endava has reported on all emission sources for which we deem ourselves responsible. Properties under operational control have been included.

Energy data was obtained for 13 of our office locations (FY2020: 11 office locations), giving a 69% coverage of Endava's floorspace (FY2020: 82% coverage). This data was then extrapolated across the remaining office locations based on floorspace. Where energy data was not available for all months of the year, the available data was extrapolated up to cover a period of 12 months/data from the previous financial year was used to approximate the missing data for the current year. Emissions from diesel backup generators or fugitive emissions from air conditioning systems have been excluded based on them being immaterial.

We care about our impact on the world, and we are committed to lowering the environmental footprint of our operations. We identify aspects of our business that impact the environment and comply with all relevant legislation and regulatory controls in each of our locations. We consume material goods in moderation, extend the lifecycle of our IT equipment and thoughtfully manage and reduce waste. We also promote low-carbon activities among our employees and support green champions throughout our workforce.

Endava is moving toward a hybrid way of working. Staff are expected to work in an office less often, so those office spaces will be reconfigured, enabling us to support more staff in the same space. The new model will be piloted in our new office in Bucharest, opened in September 2021. The building chosen meets the highest criteria, including Leadership in Energy and Environmental Design (LEED) certification v4, WELL certification v2 and as indicated by the WELL Health-Safety seal. We plan to roll out this hybrid approach globally to reduce our carbon footprint by achieving maximum workplace efficiency and decreasing our resource consumption.

We take our environmental responsibilities seriously, and are continually looking for ways to further reduce our energy footprint. In the 2021 financial year, with our people working predominantly from home, carbon emissions caused by our operations fell.

During 2021 we began introducing the ISO 14001 International Standard for Environmental Management Systems (EMS) at all our locations. This framework will help us reduce our environmental impact by reducing waste and waste management costs and improving resource efficiency.

We aim to move faster toward carbon-neutral operations. We are auditing our footprint to set clear environmental goals and targets by February 2022. Whenever possible, we will avoid producing GHGs through business practices such as using telecommunication technologies rather than travelling. Where emissions cannot be avoided, we will focus on using buildings with green credentials, energy-efficient lighting, hybrid working models, and alternative mobility solutions. We will offset unavoidable emissions by supporting climate projects and working with partners to achieve our targets.

Climate neutrality forms part of our IT partner criteria. In line with national and international agreements to reach climate neutrality, we expect that our partners commit to environmental impact schemes such as the Climate Neutral Data Centre Pact, using renewable energy to power data centres, and recycling redundant equipment responsibly.