

Environmental, Social and Governance report

Gamma takes its responsibilities towards the environment seriously and it is systematically assessing its environmental impacts and developing programmes to minimise them. The Company is committed to social responsibility and embeds this into its policies and practices. Gamma believes that sound corporate governance is essential and that everyone within the business has a duty to behave responsibly and ethically.

The ESG Committee oversees the development and activity of Gamma's ESG agenda, further details of which can be found on page 68.

The Gamma Board adopted the UN Sustainable Development Goals in January 2020 and since that time Gamma has assessed each goal in-depth to understand how the business is best placed to make a meaningful contribution. Four goals were selected by Gamma and these goals form the foundation on which to develop its environmental, social, and ethical policies and will influence how it does business in the future.

During 2021, supported by a specialist third party, Gamma undertook a materiality exercise of environmental, social and governance issues, with the aim of understanding the most impactful sustainability objectives, target areas and high-level actions that the Company should consider as part of its overall strategic plan.

The priorities identified as most material have been used to inform Gamma's ESG plans and strategic decision-making moving forwards.

Over the past 12 months, Gamma has made significant progress on ESG-related matters. Highlights have included the launch of a new ESG Hub on the main website, outlining its approach to ESG initiatives. The Hub contains published documents such as ESG policies, its Carbon Net Zero and carbon reduction plans, and the Sustainability report will be published there in due course.

The goals are:



Goal 5: Achieve gender equality and empower all women and girls



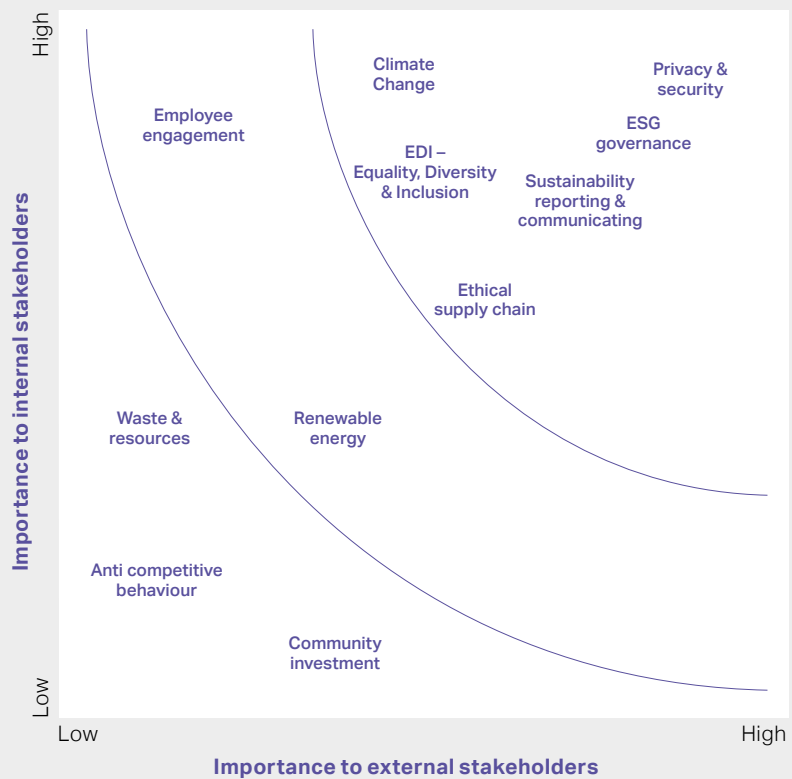
Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Goal 10: Reduce inequality within and among countries



Goal 13: Take urgent action to combat climate change and its impacts



Environmental

Gamma takes its responsibilities towards the environment seriously and it is systematically assessing its environmental impacts and developing programmes to minimise them.

Understanding environmental impact

Gamma recognises the increasing risk climate change poses to our planet. Although it believes that many of its services have positive impacts; for example, reducing the need for consumables and travel, Gamma also understands that all companies have a responsibility to act.

Over the last 12 months Gamma has further increased its reporting scope to include Missions Labs (acquired in March 2021), adding to the Continental European inclusions made in 2021. It has also continued to improve the methodologies used to collate direct emissions data, as well as increasing the number of indirect emissions sources that have been estimated.

Gamma is pleased to announce it is a signatory to the Science Based Targets initiative (SBTi), and it will seek SBTi validation of the Group's net-zero target of 2042 for all emissions sources within its value chain. This adds to the historic commitment made to Carbon Neutrality which contributes towards both the Paris Treaty's aims to limit the temperature increase to 1.5°C globally and the UN Sustainable Development Goal 13: Climate Action.



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Responsibilities

The Board has responsibility for oversight of environmental issues and risks related to climate change which are discussed below. The CEO is responsible for executing strategies that have been agreed with the Board and which maintain the values to which Gamma has subscribed since its foundation. Through the ESG Committee, the Board also ensures that environmental policies and suitable governance structures are established to align with Gamma's committed environmental targets.

As part of Gamma's executive management team, the Group Operations Director has responsibility for the Company's emissions reporting and carbon reduction planning. Gamma's Group Sustainability Director is responsible for the planning of all aspects of ESG, and in particular for Gamma's Group environmental policy and carbon net-zero commitment. Supporting the Group Sustainability Director is the Environmental Data Manager who is focused on the collation of Group-wide emissions data, as well as evaluating the impact of Gamma's supply chain on Scope 3 emissions. The EDM is also responsible for ensuring that the company retains its ISO14001 certification status through developing its environmental management system.

Gamma has published a Group Environmental Management Policy, available on the Gamma website, defining its commitment to reduce its impact on the environment and outlining the controls put in place to do so.

Measuring Gamma's impact on the environment

Gamma took the decision to re-baseline its energy and carbon emissions data in 2021, enabling the Company to better monitor the Group's environmental impact over time and remain accountable to all interested stakeholders in terms of progress towards targets. Gamma continues to commit to include all acquisitions in its Greenhouse Gas (GHG) assessment. In 2022, Mission Labs data was included for the first time. NeoTel was acquired in October 2022 and therefore is not included but will be in 2023.

The Group-wide emissions generated by Gamma are reported within three defined reporting scopes, as per the Greenhouse Gas Protocol. Gamma utilises a third-party to assess and validate its GHG data each year. Primarily used to identify sources of emissions and methodically address their reduction, this data is also used to manage Gamma's carbon offset. All carbon offset projects are validated and verified to the 'Carbon Neutral Protocol' global standard and carry guarantees of origin.

Gamma is ISO 14001 certified for Environmental Management in the UK.

Gamma is pleased to have developed its data gathering methodology for indirect emissions that had previously not been calculated. This work gives the Company more insight into its holistic environmental impact, in particular the supply chain, and the goods and services it procures. For the first time in 2022, the following Scope 3 emissions sources were estimated:

- Purchased goods and services (Category 1)
- Upstream transportation and distribution (Category 4)
- Downstream transportation and distribution (Category 9)

This enables Gamma to identify key opportunities for improvement with respect to Scope 3 sources, supporting its ambition and policy for continual improvement.

Having captured indirect emissions data in more detail and given the magnitude of emissions from "Purchased goods and services" in particular, Gamma has disaggregated Scopes 1 and 2 from Scope 3 in the following emissions disclosures.

GHG Emissions Results

GHG Emissions Intensity Ratio (Scope 1 and Scope 2)

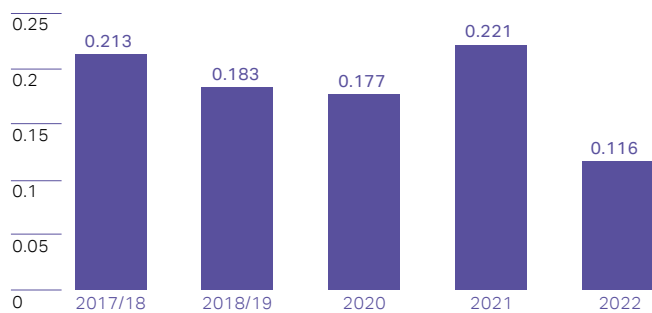
In 2022, Gamma's Scope 1 and 2 emissions totalled 1,843 tCO₂e, a reduction of 36.07% relative to the 2021 baseline.

This reduction has been consistent across both the UK (- 33.85%) and European businesses (- 41.66%), despite the addition of Mission Labs into the 2022 calculations. NeoTel was acquired in October 2022 and therefore is not included but will be in 2023.

	2020	2021	2022	Annual Change (%)
UK GHG Emissions (tCO ₂ e)	1,558	2,062	1,364	-33.85
Non-UK GHG Emissions (tCO ₂ e)	53	821	479	-41.66
Total GHG Emissions (tCO ₂ e)	1,627	2,883	1,843	-36.07
Total Floor area (m ²)	9,175	13,041	15,973	22.48
GHG Emissions per sqm floor space	0.177	0.221	0.116	-47.51
Total FTE	1,163	1,631	1,760	7.91
GHG Emissions per FTE	1.40	1.77	1.05	-40.68

Gamma's chosen emissions intensity metric is floorspace (m²). In the 2022 GHG Assessment total floorspace increased by 22% year on year, which results in an encouraging direct emission intensity trend. For every m² reported in 2022, Scope 1 and 2 tCO₂e reduced by 47%, with a similar trend being seen in reported emissions relative to headcount.

Gamma emissions intensity (tCO₂e/m²)



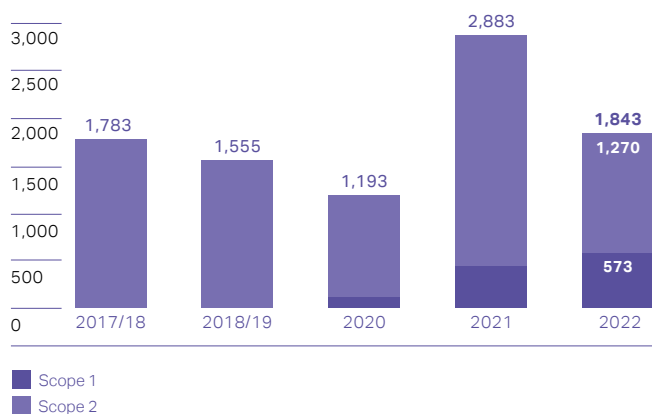
Gamma Scope 1 and Scope 2 emissions

The most significant contributor to Gamma's direct operational emissions is the consumption of electricity, accounted for under Scope 2 of the Greenhouse Gas Protocol.

Owned or controlled vehicles, fuels, heating gas and refrigerant gas (Scope 1) have contributed between 15% and 31% to emissions over the past two reporting years.

Gamma emissions by scope (tCO₂e)

Location-based



*Increased Scope 1 and Scope 2 emissions between 2020 and 2021 was driven by the inclusion of Gamma's European acquisitions to GHG reporting.

Gamma is pleased to report that Scope 2 emissions have fallen over 1,000 tCO₂e in 2022 (- 47.97%), while a small increase of 133 tCO₂e from Scope 1 sources has been recorded (+30.27%). Overall, Scope 1 and 2 emissions have fallen 1,040 tCO₂e (-36.07%).

The following table illustrates Scope 1 and Scope 2 emissions, as well as detailing the contribution of Scope 3 emissions to Gamma's total business carbon footprint.

Scope	Emissions Source Category	tCO ₂ e
Scope 1	Direct emissions from owned, leased or directly controlled stationary sources that use fossil fuels or emit fugitive gases	317
	Direct emissions from owned, leased or directly controlled mobile sources	256
Scope 2	Location-based emissions from the generation of purchased electricity	1,270
Scope 3	Purchased Goods & Services	33,448
	Capital Goods	167
	Fuel and energy related activities	537
	Upstream transportation and distribution	26
	Waste generated in operations	3
	Business Travel	402
	Employee Commuting (inc. homeworking)	859
Downstream transportation and distribution		11
Total (using Scope 2 location figure)		37,296

Gamma emissions by Scope



The work undertaken to assess Gamma’s supply chain/purchased goods and services shows that procurement activities account for upwards of 89% of total emissions.

Energy performance

In 2022, Gamma used 6,050,126 kWh of electricity and 552,353 kWh of gas. More than 87% of Gamma’s electricity usage in 2022 was within the UK, with less than 13% used in non-UK locations. In 2022, 33% of gas was used within the UK and 66% of gas used in non-UK locations.

Electricity

	2020	2021	2022	Annual change
UK (kWh)	8,011,782	7,339,515	5,303,827	-27.74
UK (kWh/m ²)	916.62	839.71	506.04	-39.74
Non-UK (kWh)	36,953	2,008,130	746,299	-62.84
Non-UK (kWh/m ²)	84.98	466.79	135.88	-70.89
Total (kWh)	8,048,735	9,347,645	6,050,126	-35.28
Total (kWh/m ²)	877.21	716.70	378.77	-47.15

Gas

	2020	2021	2022	Annual change
UK (kWh)	86,881	198,411	181,287	-8.63
UK (kWh/m ²)	9.94	22.70	17.30	-23.79
Non-UK (kWh)	26,591	175,738	371,066	111.15
Non-UK (kWh/m ²)	61.16	40.85	67.56	65.39
Total (kWh)	113,472	374,149	552,353	47.63
Total (kWh/m ²)	12.37	28.69	34.58	20.53

Water management

From an emissions perspective, water consumption and wastewater are both low impact sources.

In 2022, Gamma consumed 1.21 megalitres of water, all supplied via landlord in offices/controlled datacentres, therefore incurring no direct withdrawal.

Gamma does not regard water as a material environmental aspect for its business operations, but it understands the need to consider ‘water stress’, which helps to describe how sufficient water resources are in a given region or country. Based on the floorspace of Gamma offices and controlled datacentres in 2022, 6.56% of the operation takes place in regions with high or extremely high baseline water stress.

Waste management

As well as producing CO₂, like any business, Gamma produces other waste. The larger waste items are network assets which need to be retired. These are disposed of in compliance with the Waste Electric and Electronic Equipment Directive (WEEE Directive). Such assets are sent to a WEEE certified operator which is engaged to dispose of the items appropriately in compliance with the certificates they provide to the Company.

In order to effectively implement the waste hierarchy once waste has been produced, general "office waste" is separated into recyclable and non-recyclable materials, with recycling rates monitored internally.

	Tonnage	tCO ₂ e diverted	tCO ₂ e landfill
UK	19.46	0.29	1.09
Non-UK	14.51	0.21	0.81
Total	33.97	0.5	1.9

Total mass estimated diverted from landfill = 83.9%, equal to 0.03 tonnes per FTE.

Gamma will aim to work collaboratively with suppliers and customers towards a common goal of promoting a more circular economy, using fewer resources and consumables in the process.

Key Biodiversity Areas

Gamma's operational impact on ecology and biodiversity is very low. At Group level there are three premises, all offices, within 1km of Key Biodiversity Areas (KBAs). Gamma will continue to assess proximity to KBAs in respect of staff premises and other facilities.

Taking climate action

Carbon Neutrality

Gamma has held "Certified Carbon Neutral Company" status (conferred by Climate Impact Partners) since 2006. Over the years Gamma has invested in a variety of "offset projects" which have been a combination of environmentally friendly power generation projects in the developing world and forest conservation. Gamma has invested in an expanded range of projects during 2022, all of which are aligned with its four chosen UN Sustainable Development Goals, and independently audited to internationally agreed standards. The offsetting projects for 2023 include:

- Acre Amazonian Rainforest Conservation Project (Brazil) – protection from deforestation.
- Meru and Nanyuki Community Reforestation Programme (Kenya) - individual tree planting activities.
- Improved Water Infrastructure Project (Uganda) – clean drinking water.
- Bondhu Chula Stoves (Bangladesh) – clean cooking.
- Kulera REDD+ and Cookstoves (Malawi) – forest conservation.
- Water Filtration and Improved Cookstoves (Guatemala) – clean drinking water.

Gamma's carbon net-zero ambition

Gamma acutely understands the need to contribute to the climate challenge with ever more ambitious plans and targets. Following the baselining of GHG emissions in 2021, Gamma set a long-term target of 2042 for achieving net-zero emissions (including Scope 3), and in doing so with the aim to at least half its reported emissions by the end of this decade.

In pursuing its net-zero ambition, Gamma is pleased to announce it is a signatory to the Science Based Target initiative (SBTi) and intends to have its net-zero targets validated within the 24-month SBTi timeframe. It is the intention of the company to reduce all emissions sources, including Scope 3, by at least 90% over the next twenty years. Upon SBTi validation Gamma will publish a revised net-zero emissions trajectory incorporating total Scope 3 emissions based on its now more robust data collection methodology.

Gamma understands that businesses must lead to ensure carbon reduction levels are consistent with the required trajectory outlined by the IPCC (Intergovernmental Panel on Climate Change) and others.

Gamma has spent much of 2022 refining its emissions data and planning for SBTi validation. As part of this work, carbon emission reduction proposals including all electric fleet transition and estate efficiency have been considered, as well as measures which support its staff in reducing their own personal emissions. A considerable amount of employee engagement and communication has also been carried out supporting Earth Day, Carbon Net-Zero Day, and surveying the impact of local government proposals on commuting.

Climate-related business risks and opportunities

As well as working to reduce Gamma's effect on the environment, the Board has also considered the business risks which are associated with climate change.

Working within the Company's risk management framework and using scenario-based risk and opportunity assessment criteria, Gamma has identified potential climate change risks, none of which are considered of material impact at present.

Transition risks are risks related to the transition to a lower-carbon economy. These might include risks relating to policy and legal changes, technology, market and finally reputation.

Physical risks are related to the physical impacts of climate change in the short term (acute) or longer term (chronic). These risks may have financial implications for Gamma, such as direct damage to network assets, or indirect impacts from its supply chain.

Opportunities are seen across its business operations, product set, and supporting key customer sectors with transparent and voluntary environmental disclosures. These are feeding into the wider programme of work being undertaken to achieve the Company's carbon net-zero date of 2042.

The reputational risk concerning lack of action around climate-related matters is mitigated through Gamma identifying robust and transparent environmental management as a significant opportunity, particularly for its enterprise and public sector customer bases.

Potential impact

The impact of both transition and physical risks to Gamma is assessed to be minimal at present.

Gamma recognises that current and emerging regulations in both the UK and Europe are likely to lead to enhanced disclosure requirements, with additional metrics and monitoring. Gamma's expansion strategy, the demand for carbon credits, as well as potential increases in carbon taxes, could have a negative impact on its financial performance. Additionally, the Company's existing commitment to remain carbon neutral could become prohibitively costly should carbon offset credits increase significantly in price.

Although Gamma's energy costs are a relatively small proportion of its costs, the increasing demand for low carbon energy is likely to drive up electricity prices, which will impact its operational costs. Given the material importance of climate change to Gamma's internal and external stakeholders, as demonstrated by the results of a materiality exercise conducted in 2021, Gamma considers that there is a risk of reputational damage if it does not continue to respond appropriately to reducing its contribution to global climate change.

Gamma has assessed the physical risks of climate change both in the short term and longer term to be minimal. There is potential for disruption to the power supply to Gamma's data centres during a prolonged, extreme heatwave, leading to higher consumption of diesel and costs for cooling. Additionally, an acute flooding event would increase the likelihood of damaged infrastructure both in buildings (data centres/offices) and below ground level (network equipment).

Longer term, temperature increases in its key locations has been identified as potentially impacting the cost of cooling offices and data centres, as well as increasing Gamma's impact on the environment through carbon emissions. Wildfires are considered low risk overall but using climate factors and scenario forecasting, Gamma appreciates that this risk is heightened in Spain and Morocco.

Gamma believes that there is opportunity presented to it by changing customers behaviour; the customer and end user preferences to utilise unified communication services in the markets in which Gamma operates drives a strategic business

opportunity and these products sets enable end users to work remotely and reduce their own carbon footprint from business travel. Furthermore, the work being completed at present to address the climate-change challenge and understand its environmental impact strengthens Gamma's position in the UK public sector, with the ability to respond positively to customer queries and requirements.

Mitigating actions

Gamma has strengthened the governance around potential climate change impacts, ensuring that the Company submits to the Carbon Disclosure Project (CDP) annually. Gamma's CDP score in 2022 was B which was an improvement on its 2021 score of B-

Activity required to support CDP disclosures include identification and management of transition risks relating to regulation changes, disclosure requirements and carbon offset costs. Gamma's environmental programme of work ensures that its understanding of the market and emerging regulation is understood and assessed. Any strategic acquisition will include climate-scenario planning and emissions assessments to understand the potential impact on the Company's net-zero ambition and the risks outlined here. Any new premises will also be assessed thoroughly in terms of environmental credentials, and impact assessments will also inform any office move proposals in future.

Gamma is committed to reducing its emissions and energy usage, and the Company will continue to remain Carbon Neutral by investing in carbon offset initiatives that are validated and verified to recognised global standards (Verified Carbon Standard (VCS), the Gold Standard, and Climate, Community and Biodiversity Standards (CCB)). In order to mitigate against the likely increase of carbon offset project costs over the next few years, Gamma chose to purchase enough offset credits to support the ambition to remain Carbon Neutral for the next eight years.

Gamma announced its ambition to become carbon net-zero by 2042. To support this, the Company has committed to set near and long-term Company-wide emissions reductions in line with SBTi, the Business Ambition for 1.5°C and the UNFCCC Race to Zero campaign. Aligned to SBTi key principles, Gamma's net-zero commitment consists of five key emissions reduction periods, facilitating the setting of interim targets to track progress. Gamma has committed to cutting emissions in line with halving emissions by 2030 and is aiming to have its target officially validated by the SBTi within SBTi guidelines of 24 months.

Gamma's business continuity planning is certified to the ISO22301 standard and the business can rapidly respond to climate-related incidents. In the event of extreme weather Gamma has well-rehearsed procedures to protect all critical business operations. Additionally, Gamma has also undertaken a business continuity review of its energy supplies across Europe given the current global geopolitical situation.

There are "hot standby" operational sites, and the business can operate almost entirely remotely with secure, multi-factor authentication access to the network. Gamma has also installed back-up generators at key network and customer support sites to mitigate the risk of power cuts.

Gamma is also proud that one of its biggest contributions to mitigating climate change is through the products that its employees and customers utilise. Unified Communication products enable users to reduce their travel and thus, reduce their own carbon footprint.

Social

Gamma has established processes to consider the interests of all of its stakeholders systematically which are set out in detail below.

Customers

Gamma produces products which allow end users to communicate easily and reliably.

Gamma's ethos is to provide a robust product at a fair price. Where Gamma sells via channel partners the Company wants the partner to make a fair margin for the value that they are adding to the end user.

The Company has a strong reputation for service and support, and it invests time engaging with customers across a range of topics to ensure the Company continues to be responsive to customers and partners, and easy to do business with. Satisfaction surveys are run across the UK businesses in order to understand overall customer satisfaction levels and the "Likert Scale" continues to be used as the method to measure customer satisfaction. Gamma is pleased to report a 69% CSAT rating in 2022 with improved engagement from its partners. Gamma tracks an annual Net Promoter Score (NPS) and recorded a positive score of 47 for 2022, which remains well above the industry sector average. Gamma continues to work with its European businesses to align how customer satisfaction can be consistently measured and tracked in future.

Gamma continues to provide an online digital learning management system called the "Gamma Academy" to support channel partners with their product knowledge. A series of independent knowledge bases are available to end users with the aim of enabling them to improve their understanding of, and to get the best from their Gamma services, as well as reduce their reliance on the channel partner.

Suppliers

Gamma works with carefully chosen suppliers. The main suppliers are those who provide equipment both for the Gamma network and for onward sale to customers and other telecoms businesses. Suppliers are a key part of Gamma business operations and are treated ethically and with respect. Gamma works hard to promote the concept of a supplier ecosystem and seeks relationships that benefit both the supplier and Gamma.

The process of improving and standardising the management of suppliers is key to Gamma and is constant as the Company strives for continuous business improvement. Preferred and strategic suppliers have their performance managed, monitored and reviewed to ensure the supply relationship always represents best value to Gamma and to underpin constructive discussion and resolution of any issues that might arise.

Employees are asked to ensure that any issues relating to the supplier's service provision, quality of goods or any other indicator of performance (positive or negative) are reported to the procurement team, so accurate performance records can be maintained and supplier performance managed.

Regular performance reviews take place with key suppliers and there is also a fortnightly 'Supplier Management Meeting' chaired by Gamma's Director of Procurement, with inputs from key internal representatives on behalf of its Commercial, Customer, Network, Product and Regulatory functional areas. This forum is used to discuss supplier performance and risks.

To ensure that Gamma's business is conducted ethically, sustainably and within the local law, Gamma has implemented an Ethical Procurement Policy and expects its suppliers to meet the principles outlined in the Policy.

This policy is designed to support the procurement of goods and services from all its suppliers that minimise negative and enhance positive impacts on the environment and society whilst meeting business needs and maintaining alignment with its values. Gamma encourages suppliers to require the same of their supply chains.

Gamma requires suppliers to complete an Ethical Procurement Policy Questionnaire and assesses supplier responses as the mechanism to assess these risks. The Company audits its supply chain continuously to identify compliance risks. Failure to complete the questionnaire or unsatisfactory responses may result in suppliers being excluded from the Gamma supply chain. Where appropriate, Gamma works closely with suppliers where issues are identified, and collaborates with them to help them improve their responses and help their business.

Gamma people Employee engagement

Employee engagement is fundamental to Gamma's success and attracting and retaining highly motivated employees contributes to the achievement of its strategic objectives.

By engaging with employees, the Company gives them a voice to create a culture in which everyone can thrive. Gamma wants its people to bring their best selves to the working environment which should be a place where they feel safe, they belong, and they matter. In 2022, Gamma commenced the process to review its existing culture and values by thorough stakeholder interviews and interactive workshops across Gamma group. Gamma will launch its new culture and values to the Group in 2023.

Gamma's engagement tool, The Gamma Pulse, is a resource tool for managers and employees that ensures Gamma not only engages with its people biannually, but quickly gives insights to enable actions to be implemented and to communicate results efficiently.

During 2022 the Company conducted two group surveys. In the most recent survey 1,735 people were surveyed in November, with an 81% participation rate and Gamma received 10,176 comments. Survey results are communicated directly to the CEO, Executive Committee, and the Gamma People Business Partners, and via a webcast and email communication to all employees. In addition, the results are shared with the Board. After each survey, the leadership reviews comments and scores and works with teams to take action. Many managers put their own local action plans in place, and we believe this is having a positive effect on our engagement. In addition, an email was sent out to all employees explaining the results and action we are taking, this included feedback from comments.

Social value

In 2022, Gamma linked employee engagement and employee experience with social value. Gamma believes that work should be a force for good; whether for its employees, customers or for society, the drive towards responsible and sustainable business starts with people. Employers play a significant role in society and Gamma's goal is to make a positive impact to the communities in which it operates. Gamma is committed to building a fair, compassionate and inclusive workplace, and to contributing to society.

For Gamma, social value is the positive impact created for society as a result of its contributions, and at its heart the Company aims to help society progress, benefit and thrive. This includes creating value for its employees, customers and stakeholders. Gamma's plan in 2023 is to focus on four key aims, linked to Gamma's chosen UN SDG's:

1. Create communities and a sense of belonging for our employees.
2. Bridge the digital divide (unequal access to technology) and create opportunities to improve the lives of others globally.
3. Give back to communities through charity work, raising funds and supporting certain demographics, for example – inspiring young people into a career in technology.
4. Raise awareness of important topics such as mental health, as well as improving employees' wellbeing.

Employee experience

Gamma is committed to creating an inclusive and collaborative environment that focuses on belonging for all. The aim is to ensure all employees are connected to Gamma and inspired to do their best work.

In 2022, Gamma focused on developing its Equality, Diversity, and Inclusion strategy.

The Company is committed to building a diverse and inclusive workplace to enable everyone to feel they belong and can deliver their best work. The Company's equality, diversity and inclusion priorities are to:

- Build a diverse and inclusive workplace where everyone is valued.
- Understand its current demographics and use this data to inform strategy
- Attract underrepresented groups to Gamma so the workplace is reflective of the communities the company operates in.
- Develop, engage, and provide opportunities for all employees to grow and deliver their best work.

The Company has partnered with the Employers Network for Equality and Inclusion (ENEI) and completed a benchmarking exercise to understand the gaps and strengths in its current approach. The exercise focused on key areas such as Gamma's workforce, strategy, leadership and accountability, recruitment and attraction, training and development and other employment practices. Gamma also collected demographics data to better understand its workforce and align its future plans to support and strengthen its approach to attracting, developing and retaining underrepresented groups.

Gamma is also targeting talent communities internally and externally. Internally, the Company will be creating employee communities, to strengthen inclusion and belonging.

Externally, its recruitment team has started to build networks to broaden the Company's connections with specific groups, focusing on Women in Technology, apprenticeships, and other underrepresented groups. This will include participation in hosted events and the creation of targeted recruitment campaigns to attract a more diverse talent pool. Gamma's Executive Committee has committed that all senior roles at Gamma must have a diverse shortlist and Gamma will ensure its partners in executive search are working to deliver this.

The experience Gamma employees have within the Company remains a key focus of Gamma's People Function agenda and across the business in general.

Gamma has a Wellbeing Team, consisting of 12 qualified Mental Health First Aiders working on a rota system across all UK office locations, sign posting to external organisations where applicable. In May 2022, Gamma raised the importance of Wellness during Mental Health Week to all employees. The aims for the week were to demonstrate its commitment to Wellbeing, promote a healthy mind and body, create an open and supportive culture, raise awareness of important topics such as Mental Health and connect with employees. Gamma held a week of activities focused on five key themes: Healthy Minds, Physical Health, Mental Health, Financial Wellbeing and Feeling Good. Activities included daily webinars, challenges and signposting to the support Gamma provides to demonstrate the importance of good mental health, how to support colleagues, identifying poor mental health and self-care strategies. During Wellness Week Gamma actively encouraged feedback and ideas from employees and employees scored Gamma 9 out of 10 for raising important topics related to wellbeing. Gamma continually monitors the effectiveness of its support to employees and in 2022 launched mental health training for all managers.

Financial wellbeing is also important to Gamma's employees and the Company offers a salary sacrifice pension scheme, life assurance and income protection. Gamma offers a reward package which includes: the government cycle to work scheme, childcare vouchers, as well as access to a health cashback plan. The flexible holiday trading package offers employees the opportunity to purchase additional holidays or sell back holidays. Gamma has also partnered with Reward Gateway to offer staff a variety of discounts from retail outlets and access to health and fitness discounts including gym memberships, saving employees over £36k in 2022. Gamma offers enhanced adoption, maternity and paternity pay and shared parental leave.

Wellbeing will continue to be a key focus in 2023 to help support employees with advice, training and assistance where needed.

Sharing in the success of Gamma's business growth

Gamma is keen to ensure that all employees who would like to be shareholders can do so in a tax-efficient way. In the UK Gamma has an optional Save As You Earn ("SAYE") scheme which allows eligible employees to acquire shares and a Share Incentive Plan ("SIP") to allow employees to buy shares on a monthly basis. In 2022 29% (2021: 34%, 2020: 43%) of eligible employees chose to participate in the SAYE scheme, with options being granted over 257,201 (2021: 155,514, 2020: 345,953) shares. The Gamma share schemes have been extended to Mission Labs. Gamma also provides long-term incentive schemes which offer options to key employees.



WATCH VIDEO

About some key People initiatives with our Chief People Officer, Chris Bradford.

Health and safety

Gamma experiences few workplace injuries and during 2022, Gamma had no fatalities or major injuries related to work. All employees complete risk assessments for their working environment, including remote working risks.

A quarterly report is provided to the Board that includes accident statistics, updates regarding health and safety initiatives, and other relevant metrics such as contact made to the Mental Health First Aiders.

Gamma's health and safety policy has developed alongside the new hybrid working environment and the Company continues to work with third-party specialists to ensure its employees are supported and environments are safe.

Skills and talent

Gamma is focused on attracting, retaining and developing the critical skills required to support its strategic ambitions.

During 2022 Gamma continued to use the induction and onboarding platform that was introduced in 2021. The platform provides a structured five week induction programme for all new joiners to equip them with a foundational understanding of the Gamma Group, its products, markets and customers, as well as its way of working, culture and values. The platform supports the additional role-specific onboarding activity that already takes place across the business, including interactive technical product training. In addition, regular Welcome days (face to face and virtual) have been run to ensure that new joiners onboard effectively and hear key messages directly from the Gamma Executive.

Learning and Development is further supported by the Gamma Academy and LinkedIn Learning, which provides employees with access to over 16,000 expert-led courses, enabling continuous growth and development.

Apprenticeships and Technology Graduate Programme

The Gamma apprenticeship programme has continued during 2022 with 8 apprentices in various functions. Most of Gamma's apprentices are continuing studies from previous years, in some cases up to degree level, or existing employees continuing their professional development through the apprenticeship model.

Alongside a newly launched Technology Careers Site, Gamma successfully recruited and onboarded eight graduates into its Technology function in September 2022. The aim of the programme is to offer graduates experience of four different areas of technology across a two-year period. Gamma guarantees the graduate a permanent position at the end of successfully completing the programme. A second cohort of graduates will be recruited to start in September 2023.

Gender pay gap

In 2023 Gamma will continue to assess its gender pay gap and look at ways to continually support closing the gap between male and female employees and working to ensure that all employees are treated fairly.

The gender pay gap report for the snapshot date of 5 April 2022 shows 1,199 employees within the Gamma Telecoms Holdings Ltd UK workforce, excluding Mission Labs: 817 men and 382 women.

Gender	% of Workforce 2022 vs (2021)
Male	68.14 (69.72)
Female	31.86 (30.28)

Below is the data from the UK Gender Pay Gap analysis.

The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. The mean gender pay gap is the difference between the average hourly earnings of men and women.

Pay and Bonus Gap

	Mean % 2022 vs (2021)	Median % 2022 vs (2021)
Pay Gap	19.17 (19.60)	22.46 (19.80)
Bonus Gap	72.34 (59.41)	25.56 (20.07)

Proportion of Males and Females receiving bonus

Gender	% receiving a bonus 2022 vs (2021)
Male	87.86 (94.66)
Female	91.71 (94.00)

Pay Quartiles

Quartile	Male % 2022 vs (2021)	Female % 2022 vs (2021)
Upper	76.00 (77.94)	24.00 (22.06)
Upper middle	73.67 (75.00)	26.33 (25.00)
Lower middle	61.54 (62.99)	38.46 (37.01)
Lower	61.33 (62.99)	38.67 (37.01)

Gamma operates in a sector where there is a shortage of technically skilled females who choose to pursue a career in telecommunications and technology. As seen across the sector, male employees continue to make up much of the workforce, however, we are seeing improvements in the mean figures.

Group employee numbers at 31 December 2022

	Male	Female	Total
Directors of Gamma Communications plc	6 (67%)	3 (33%)	9
Senior Managers of the Company (including subsidiary Directors)	56 (79%)	15 (21%)	71
Employees	1,147 (68%)	533 (32%)	1,680

Senior managers are as defined in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. Gamma reassessed the categorisations for 2022.

Group employee numbers at 31 December 2021

	Male	Female	Total
Directors of Gamma Communications plc	7 (78%)	2 (22%)	9
Senior Managers of the Company (including subsidiary Directors)	26 (96%)	1 (4%)	27
Employees	1,192 (68%)	553 (32%)	1,745

Whistleblowing scheme

Gamma has a Whistleblowing Policy and reporting system via an independent third party available to all employees, workers, and other relevant third parties.

The approach provides employees with a confidential channel in which to raise any wrongdoing anonymously. The system is available 24/7 either online or via the telephone with multi-language functionality.

To ensure concerns are treated objectively, wrongdoing reports initially are sent directly from the third-party provider to Gamma's Whistleblowing Officers who are Independent Non-Executives on the Board. After an initial assessment, the report will either be delegated to a panel which is made up of representatives of Gamma's Executive Committee or the Whistleblowing Officers may choose to deal with it independently, including obtaining external advice. Gamma has trained appropriate level employees to manage the investigation process. Whistleblowing incidents are reported to the Board on a regular basis.

The Gamma onboarding programme explains the Whistleblowing approach to all new starters and Gamma remains committed to providing awareness and training to existing staff.

2023 Activity

In 2023 Gamma will:

- Launch the Company's new culture and values.
- Launch its new Diversity, Equality, Inclusion and Belonging programme named "You Belong".
- Create new employee communities giving a voice to employees across Gamma group.
- Focus on Wellbeing continuing to raise awareness of important topics such as mental health and financial wellbeing.
- Support young people in the community through its outreach programme with Speakers for Schools.
- Contribute to bridging the digital divide by partnering with organisations to reuse IT equipment in different communities.

Giving back

As part of its 2022 social plan, Gamma is committed to supporting the communities in which it is based and enhancing its charitable giving plan.

Supporting the UN Sustainable Development Goal 8: Decent work and economic growth, Gamma's technology teams have continued to provide remote Hi-Tech Horizons sessions through an initiative run by the Education Business Partnership. The initiative aims to engage and inspire the future workforce, raising awareness of the hi-tech sector and the opportunities available.

This year the sessions have continued to run virtually, with Gamma recently reaching over 300 pupils across years 7, 8 and 9. Pupils were encouraged to work on their creativity and collaboration skills to design an app that would improve the lives of others. Future plans will allow Gamma the flexibility to deliver in person sessions again.

As part of Gamma's goal to impact and inspire young people the Company has formally partnered with Speakers for Schools and is designing a nationwide programme to support young people with understanding the technology industry, raising their confidence levels, mentoring and providing opportunities for work experience. During 2022, a cross functional Gamma team delivered a STEM (Science, Technology, Engineering, and Maths) insights day to school students across the UK for their Predict Digital Campaign. The aim was to inspire young people to learn more about the communications industry, Gamma and the world of work, The Company also hosted a Workplace Safari where students from Manchester Communication Academy visited Gamma's local office to learn more about the Company. The event is part of local careers programme to encourage and create more interactions and work experience with local employers. Gamma has a broad range of colleagues that volunteer to support these events to help inspire students and provide them with a wider perspective on what their options are for their future careers and opportunities. Gamma believes everyone should have access to connectivity and be able to communicate and connect to anyone in the world. The Company will focus on the following priorities for digital equity:

- Redeploy unused equipment to communities that need it.
- Bridge the digital divide.
- Increase IT literacy within its communities.

In 2022, the Company partnered with The Unconnected and have donated over a hundred laptops and redeployed them to low-income communities. Gamma donated laptops to a school in Uganda where digital literacy and connectivity is low, where the gender divide is high and connectivity for women is lower than men. Gamma's aim is to address this inequality at the early stages of education, and we will continue to donate equipment to low-income communities who need them.

Working in the communities in which the Company operates, Gamma's "Direct" customer business unit has worked with local authorities in the Manchester and Portsmouth areas to support their efforts in tackling digital poverty, address emerging skills gaps and prepare young people for the world of work in addition to providing employment in the area.

Gamma is committed to maintaining these relationships as well as building new ones during 2023 and the Company will endeavour to contribute to the UN Sustainable Development Goal 10: Reduced Inequalities, through the extension of initiatives. This includes Gamma's commitment to supporting and reducing inequality in the community. Gamma has committed to creating new job opportunities, including hiring apprentices and creating new job opportunities in 2023.

Gamma has always encouraged charitable initiatives, and often a worthy cause will find people's time just as valuable as any financial donation. Employees can contribute one day a year to help support their chosen charity or community support project and Gamma has continued to provide match funding across a range of charitable events that its staff has completed during 2022. A Charity Forum exists to support its employees to raise funds as well as use their charity day. Most notably in 2022, the Charity Forum organised the Gamma Anniversary Adventures, celebrating the Company's 20th Anniversary, cycling between all the Gamma offices in the UK, and linking all its European offices with virtual mileage, raising funds for the employee-chosen charity, UNICEF.

Giving something back is important to Gamma and its employees and, driven by the Gamma Charity Forum, the Company will continue to build on its community and charity plan in 2023 to help make a difference to good causes and local communities.