

# ESG Report 2023

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# Our Commitment to Sustainability

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Embedding sustainability and social value into our business practices is not just a matter of responsibility. It's fundamental to delivering long-term value to our customers and stakeholders.

At the core of our success lies a commitment to innovation, transparency, and accountability. These guiding principles now underpin our approach to ESG, as we further explore how to develop our ambitions and enhance our impact.

This report shares our progress so far, our significant commitments to date, and the strategies we're shaping for the future.

# Contents

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CEO Message	4
Our Vision and Values	5
2023 Sustainability Highlights	7
Our ESG Approach	8
Environmental	11
Social	20
Governance	28
Our ESG Team	32

# CEO's Message

Since our beginnings in 2007, Calastone's international expansion has been underpinned by a simple yet powerful belief: real progress only comes when you challenge the status quo. This principle has shaped every aspect of our journey, from driving innovation to delivering value for our clients. Today, it also defines our commitment to embedding Environmental, Social, and Governance (ESG) practices across our business.



Julien Hammerson  
CEO, Calastone

As a global organisation with employees and clients in diverse communities, we recognise our responsibility to address the pressing challenges of our time: the climate emergency, the importance of social responsibility, and the need for strong, ethical governance. These considerations are now firmly at the heart of our strategic agenda, not only to meet growing regulatory expectations but also to ensure we continue delivering meaningful impact for our stakeholders.

In recognition of the critical importance of ESG, I have appointed our CFO and Deputy CEO, Ahsan Raza, as Calastone's ESG lead. Ahsan, supported by a dedicated team of representatives from across the company, brings a strategic focus to this essential work. Together, they are driving our priorities: improving energy management, reducing greenhouse gas emissions, fostering employee welfare and diversity, enhancing supply chain sustainability, and safeguarding data security and systemic risk management.

This inaugural ESG report marks an important milestone in our journey. It reflects our progress so far, outlines the steps we're taking to integrate ESG principles into every corner of our business, and highlights the strategies we're putting in place to ensure long-term value creation for our clients, our people, and the planet.



# Our Vision


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Calastone was founded with a central mission to cut the cost and complexity of the processes underpinning the global investment funds sector, through secure and efficient digitalisation.

Our vision is to enable an investment ecosystem that delivers the best outcomes for investors, and we now serve more than 4,000 clients, connecting clients in 56 countries and territories. This has created the world's largest funds network.



# Our Values

 Connected

 Supportive

 Creative

 Driven

Our values have aligned our business activities across the company to support our culture and vision for our clients.

We're incredibly proud that our work has contributed to the sector's reduced reliance on paper and the transport or faxing of documents, delivering environmental benefits. However, we are not complacent about wider ESG issues.

We employ people who push themselves to constantly improve the way things are done. The nature of our staff teams, combined with our Calastone values, has provided a firm foundation for addressing existing and new ESG challenges.

Minimising environmental and social impact is a key priority in our business practices, guided by sustainability-focused policies. For example, data hosting providers have been chosen based on criteria including their commitment to renewable energy, one operates entirely on 100% renewable energy, while the other aims to achieve this by 2025. This approach reflects how environmental responsibility is integrated into operational decisions.

Our talent management approach promotes and recognises the importance of equality of opportunity and employee welfare.

We view strong governance as essential for our business success and for embedding our ethics and values.

We have always recognised the importance of contributions from all areas and levels of our business, so that ESG policies can be implemented in a way that makes a difference on the ground. As in our commercial work, we regularly review our targets and create plans for how we deliver on our promises.

# 2023 Sustainability Highlights

## Scope 1

Includes all emissions generated directly by Calastone, for example by company-owned equipment or vehicle fleets

Zero

tCO<sub>2</sub>

## Scope 2

Emissions generated by purchased energy, for example electricity and district heating

21.78

tCO<sub>2</sub>

## Scope 3

Includes all other emissions that are not under direct corporate control, such as employee travel or product disposal

1,381.96

tCO<sub>2</sub>

## Total Emissions

Equivalent to the carbon footprint of 162 Europeans

1,403.74

tCO<sub>2</sub>

## Renewable Energy

London Headquarters operates solely on renewable energy.

## Energy Reduction

Infrastructure energy consumption has significantly decreased since 2020

Approx 30,000 kg of CO<sub>2</sub> saved annually.

## Employee Engagement Score

78%

## Volunteering Impact

70 Volunteer Days

## Charitable Donations

Donating to partner global food charities

£31,000

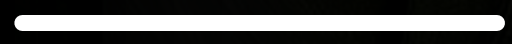
## Cybersecurity Certifications

ISO27001:2022 Information Security

ISO22301 Business Continuity



# Our ESG Approach





# Our Principles

Our ESG approach naturally aligns with our core purpose and is integral to our business, following science-based and moral principles:

1

## Commitment to Sustainability

Embedding ESG principles across all areas of our organisation, with nominated accountable individuals for policy implementation and a sustainable procurement strategy.

2

## Environmental Responsibility

Reducing environmental impact, promoting energy efficiency and minimising waste.

3

## Social Focus

Fostering a diverse and inclusive workplace, supporting employee well-being, and, as a corporate citizen invested in local communities, facilitating charitable fundraising and volunteering.

4

## Strong Governance

Ensuring transparency and ethical business practices are at the heart of decision-making.

5

## Positive Contribution

Helping our clients meet their ESG needs and delivering added value to the communities in which we operate.

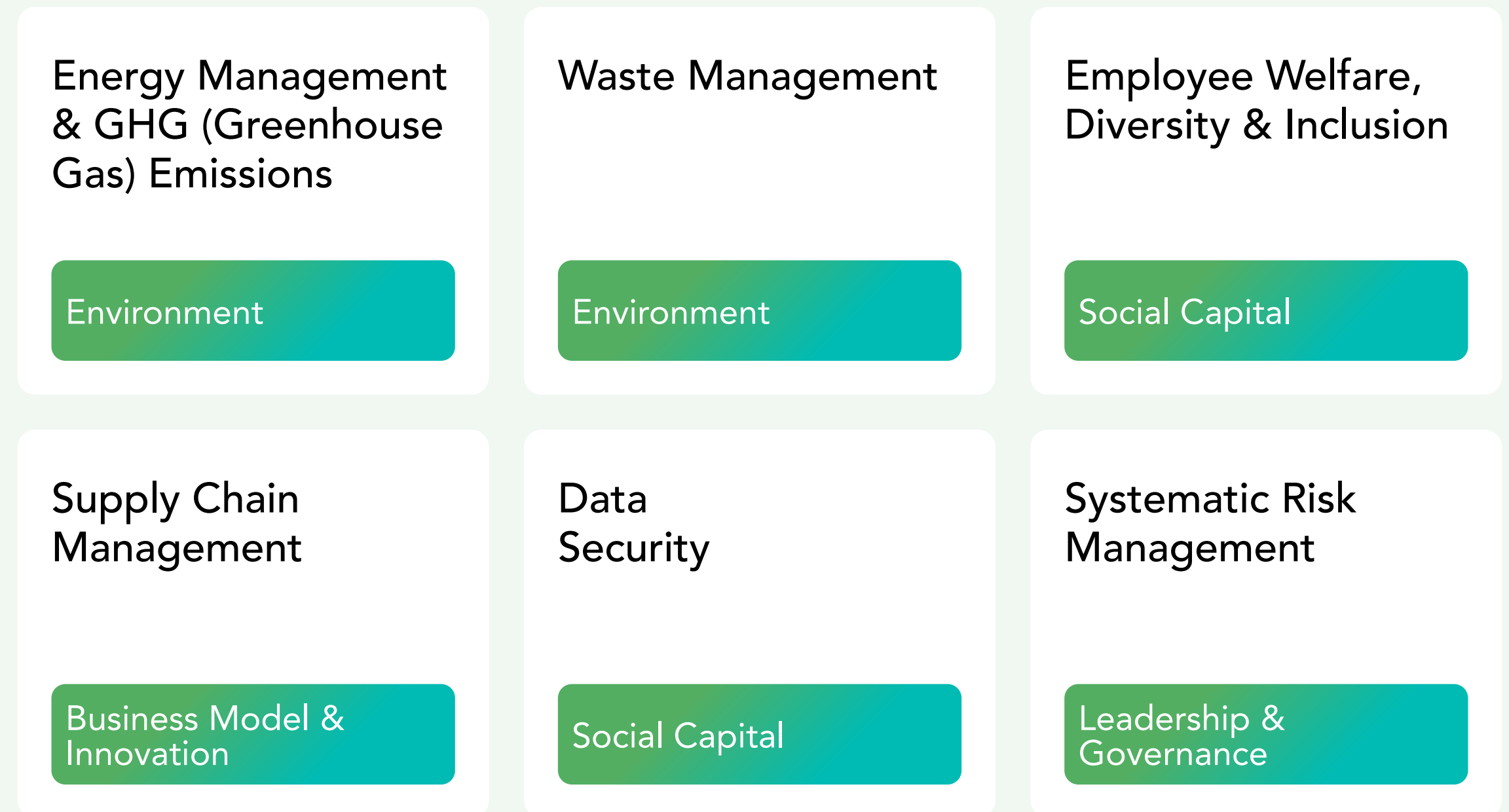


# Our Practical Priorities

To further advance our approach and inform our decisions on the ambitions and targets we set for ourselves, we brought in an ESG specialist to lead a comprehensive materiality assessment. By conducting interviews with our staff and key stakeholders, they helped identify the areas where we can have the most significant positive impact on the issues that matter to our business and align with our core values.

We used a model in line with the Sustainability Accounting Standards Board's materiality map, which categorises topics under five dimensions: Environment, Social Capital, Human Capital, Business Model & Innovation, and Leadership & Governance.

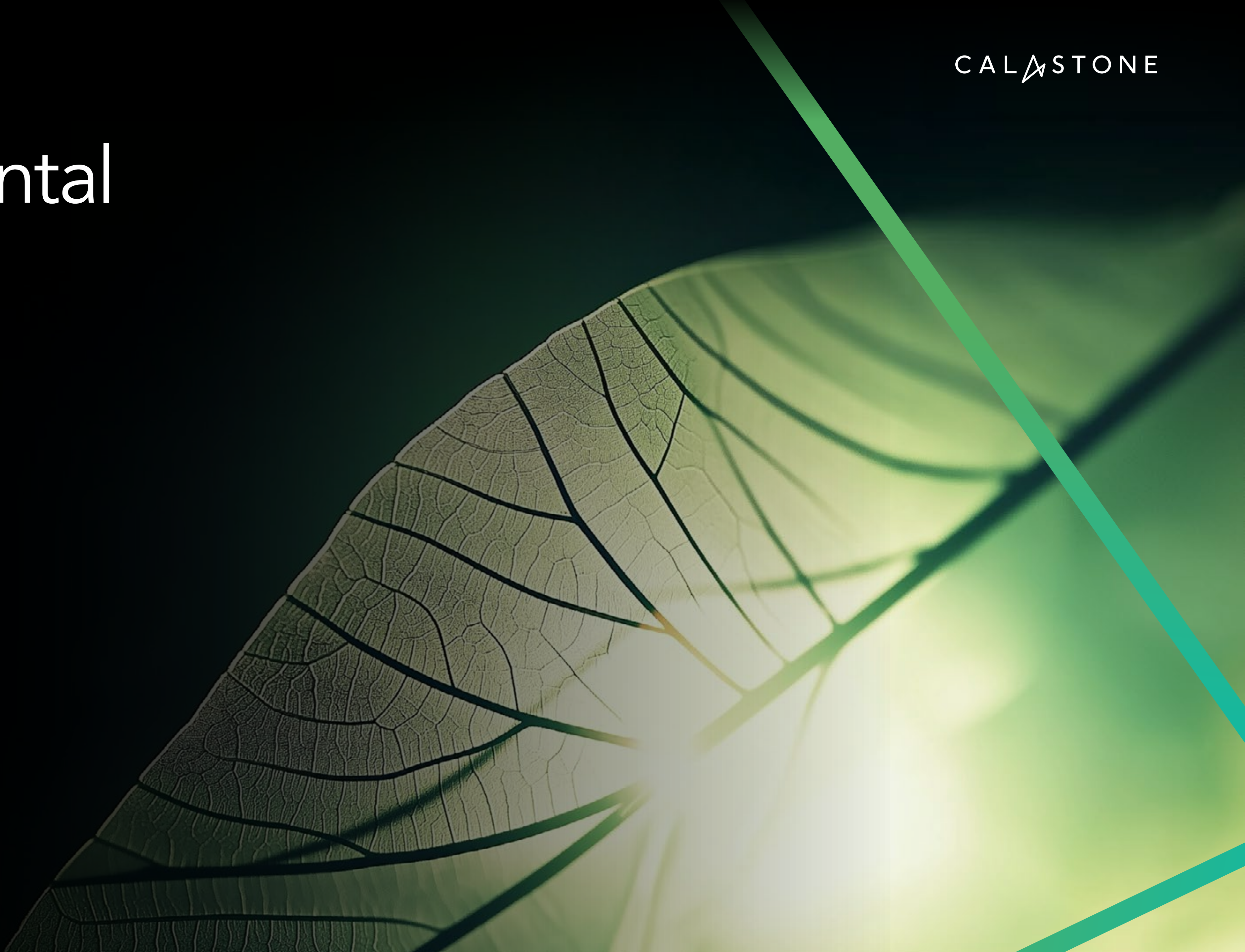
This exercise prioritised different issues based on their relevance to our business and our ability to influence each one directly. The materiality assessment highlighted six priority areas:





# Environmental

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# Environmental

As part of our company effort to contribute to the global transition to net zero, we've focused on reducing our environmental impact.

Since 2020 we've significantly reduced our infrastructure energy consumption through intelligent usage and procurement. We're also committed to procuring electricity and data services from companies using renewable energy sources.



Alex Muir  
Head of Global Infrastructure



# Our Services

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Our network facilitates secure digital transactions across many areas of the investments marketplace – including order routing, settlements, transfers, share class conversions, dividends and reporting. Today, our network processes over £250bn of investment value every month.

Our technology reduces the need to fax or physically transport documents, lowering emissions and waste from paper and ink.

The [Forrester Total Economic Impact™ Report](#) for Calastone in 2018 demonstrates how our technology has driven increased automation and digitalisation across the investment sector.

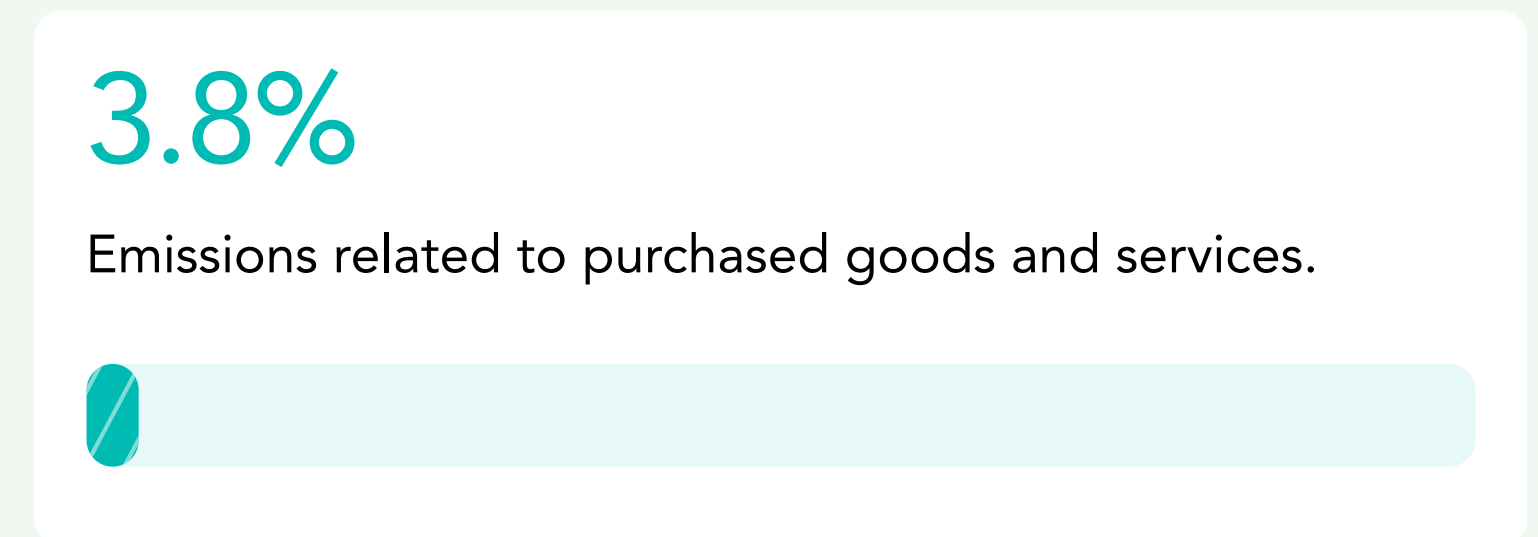
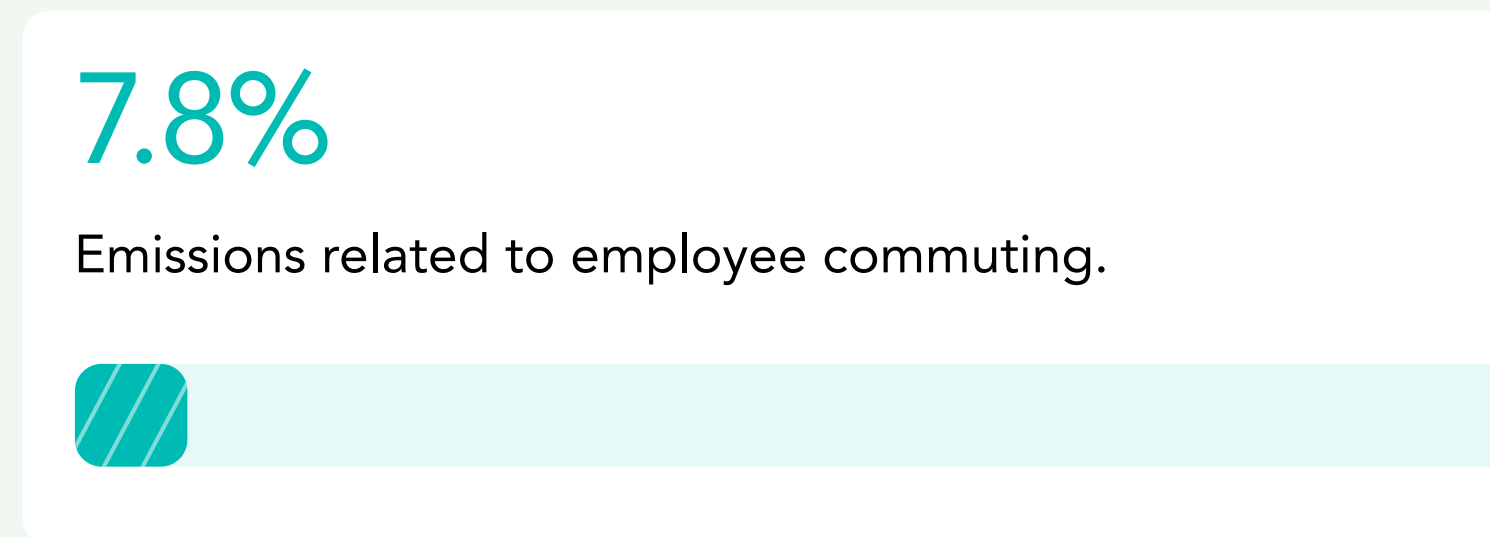
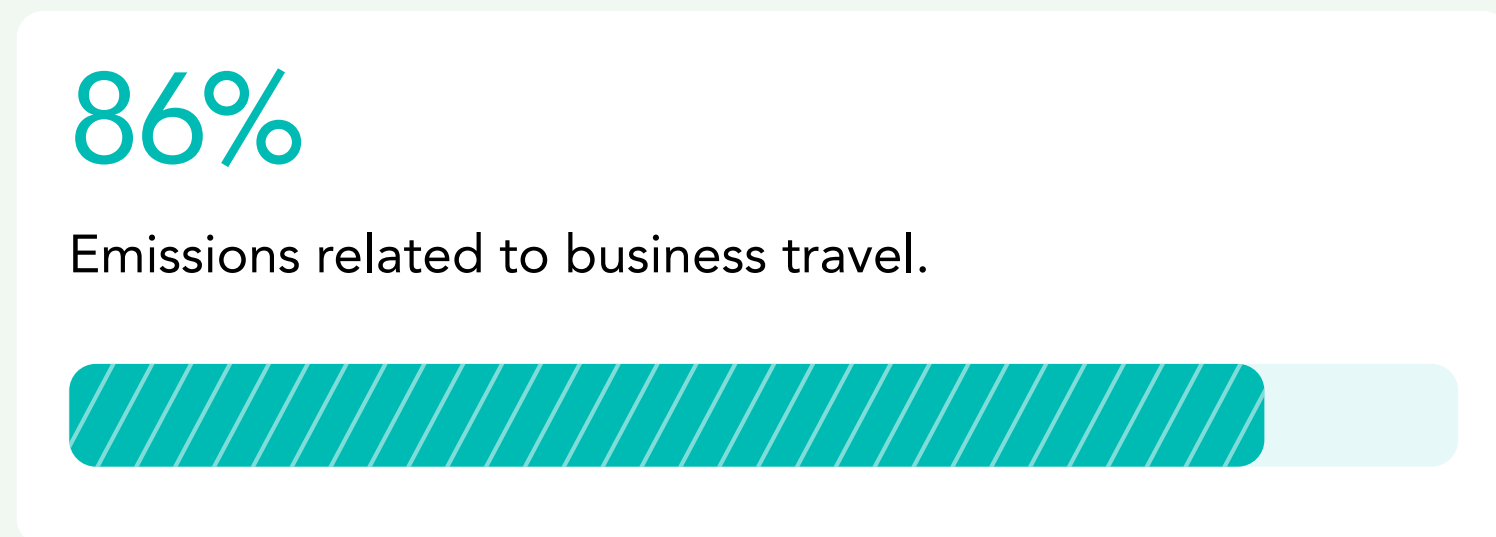
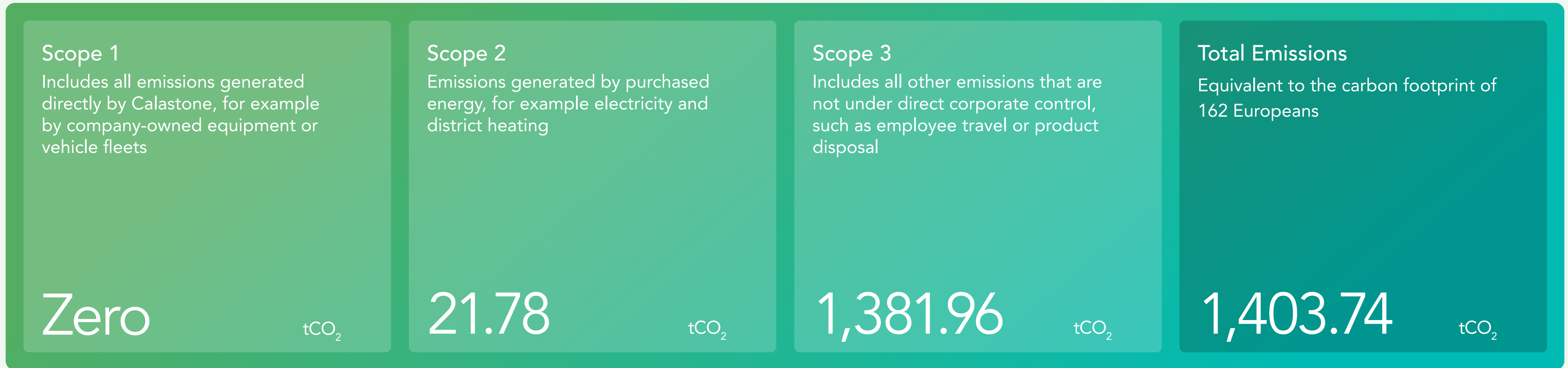
While there is no specific research directly linking technology in the investment sector to changes in global carbon emissions, broader studies support a clear trend: [digitalisation and reducing paper usage](#) contribute to lowering an organisation's overall environmental footprint. This is true even when considering the electricity required for data storage and processing.

This shift contributes to building a more sustainable financial ecosystem while also reducing costs and errors. At Calastone, we are committed to advancing the benefits of digitalisation, not only for our clients but also for the environment, by continuously innovating with new products and services.



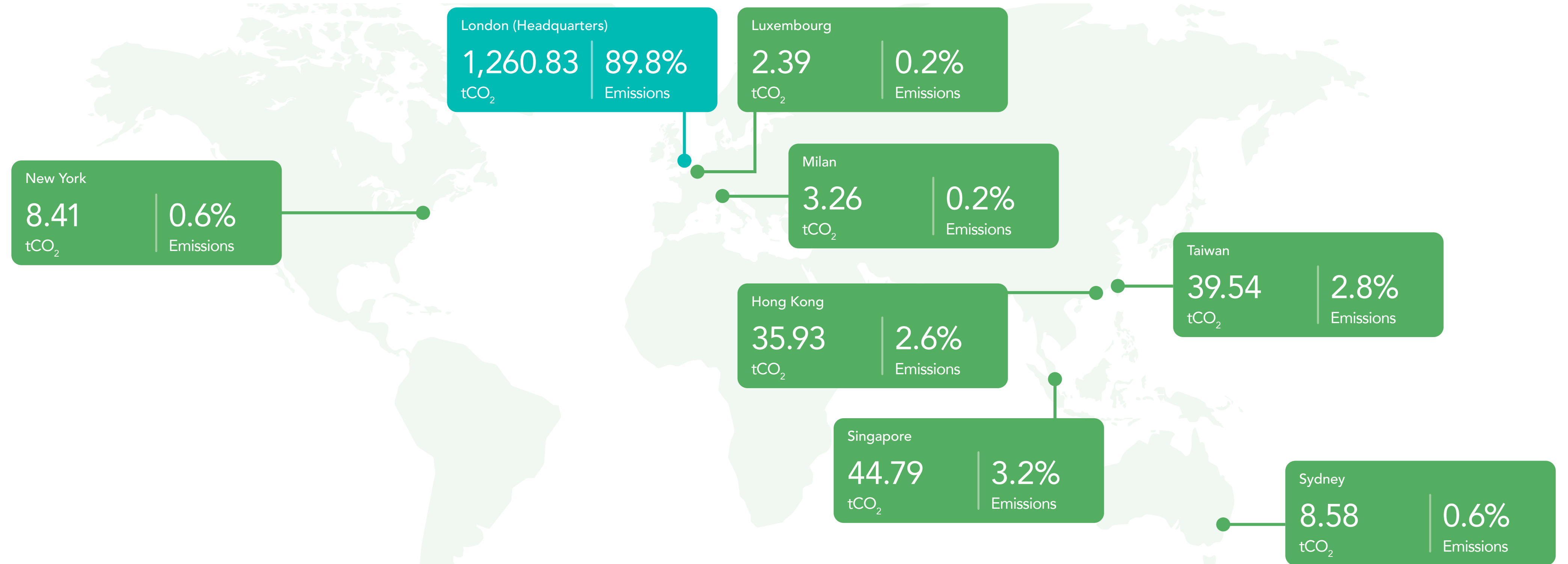


# Our Global Emissions





# Our Emissions by Office Location



Note: CO<sub>2</sub> emissions were calculated using the company's consumption data and emission factors researched by ClimatePartner. The corporate carbon footprint calculates all emissions as CO<sub>2</sub> equivalents (CO<sub>2</sub>e), which this report also refers to as "CO<sub>2</sub>", so other greenhouse gases were taken into account in calculations.  
 Source: Climate Partner Corporate Carbon report for Calastone



# Our Technology and Operations

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As a technology company, we recognise the importance of transitioning to 100% renewable energy and reducing our consumption of resources.

Leveraging the technical expertise of our talented team, we are well positioned to explore and implement innovative solutions that minimise our energy footprint, contributing to a more sustainable future.

As a result, we've significantly reduced our infrastructure energy consumption since 2020 through intelligent systems, procurement and increased staff awareness. This has led to a substantial reduction in our carbon emissions, saving around 30,000 KG of CO2 annually.



# Our Offices and Infrastructure

## Data providers

To ensure systemic resilience, we strategically use a blend of cloud services and physical data centres. Recognising the energy-intensive nature of these services, we collaborate with providers who share our commitment to decarbonisation. Some are already operating entirely on renewable electricity, with others committed to achieving this goal by 2025. Our Corporate Carbon Footprint 2023 report measured the Scope 3 carbon emissions attributed to the services we purchase from an external data centre as 6.97 tCO<sub>2</sub> – 0.5% of our overall total.

## Offices and travel

Wherever we are able we will always opt for clean energy sources in our premises, in line with our ESG policy on global office selection. This policy also stipulates that any new office should be located close to public transport links and provide changing and storage facilities for cyclists, to enable car-free commuting.

Our London headquarters operates solely on renewable energy and is fully accessible by public transport. We offer our employees “hybrid working” working arrangements which reduces the need for commuting. Staff are asked to travel for business only if it is essential.



# Ensuring Accuracy of Emissions Reporting

## Reporting

In the spirit of continual improvement and to ensure accurate emissions reporting for all our business activities, we've recently upgraded our tools to provide more robust calculations.

We're also developing targets for further reductions in emissions and considering commitments in line with Science-Based Targets.



# Responsible Approach to Waste and Recycling

As a technology business, with only digital products and services, our waste and pollution footprint and our impact on biodiversity and water usage is limited compared with other sectors. However, there is still more we can and want to do to minimise waste across our global network of offices.

With this in mind, we have a Waste and Recycling Policy. Part of this involves running staff campaigns, highlighting online resources and providing environmental awareness training to ensure we reduce waste as much as possible. In terms of employee-generated waste, we work towards improving office recycling and reducing any potential landfill, for example encouraging paperless working and avoiding cardboard cups. We recycle all electronic waste such as old computers, hardware and printing equipment.

Carbon emissions as a result of waste generated in our operations:

4.22

tCO<sub>2</sub>

0.3% of our total carbon emissions

0.3%



# Social

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# Social

“Diversity and inclusion, and corporate social responsibility efforts, are fundamental to the long-term sustainability of our business. We need the best talent available from all backgrounds, and we need to stay grounded in the world around us to be able to understand it.”



Hannah Coulson  
Chief People Officer

## Our People:

<p>Global Staff Numbers:</p> <p><b>229</b></p>	<p>Average Training Days Per Person:</p> <p><b>3.5 Days</b></p>	<p>2023 Employee Engagement Score:</p> <p><b>78%</b></p>	<p>Trained Mental Health First Aiders:</p> <p><b>5</b></p>	<p>2023 Net Promoter Score:</p> <p><b>44</b> 'I would recommend Calastone as a great place to work'</p>
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# Diversity and Inclusion

At Calastone, we view diversity and inclusion as both morally important and essential to talent attraction and management. All businesses benefit from diversity of thought, and we agree this is best achieved with a workforce made up of people with different backgrounds and experience.

To support the development of a more diverse workforce, we aim to foster an inclusive environment where differences are valued, and all staff members feel physically and psychologically safe so they can perform to the best of their ability.

Our overall efforts to improve diversity across all characteristics have included:

Using anonymised CVs in recruitment.

Partnering with agencies targeting underrepresented groups.

Providing mandatory interview training for staff.

Tracking recruitment progress to ensure retention and promotion.

Implementing best-practice work-life balance policies.



# Addressing Gender Diversity

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Both the technology and the asset servicing sectors face a particular challenge in recruiting, retaining and progressing female staff. At Calastone we acknowledge this “gender gap” and recognise the need to shift the balance and increase the number of women in our teams and leadership positions. The issue is kept on the agenda with regular discussions among senior leaders.

As part of these efforts, Calastone backed a female employee in the establishment of the Women in Asset Servicing Network in 2018, to promote opportunities and mutual support for women in this field.

We also introduced the Calastone Women in Technology Programme, providing women with the opportunity to gain experience in this sphere. We have recruited women at different life stages through this programme, including graduates, career changers who have never worked in technology-focused roles and “returners” who want to come back to the workforce after time away for family or health reasons.

While we are confident that we perform comparatively well on diversity metrics, we recognise the need to go further and are developing our plans to report diversity and inclusion statistics in future reports.



# Employee Welfare

We believe that maintaining a healthy work-life balance is essential for a sustainable and productive career, and we are committed to embedding this value into our company culture for the benefit of our employees. While implementation may vary across different regions, we offer family-friendly policies, including enhanced maternity and paternity leave, hybrid working arrangements, and flexible options to support all staff, whether they have caregiving responsibilities or wish to pursue personal interests.

In all our locations, we incentivise staff to undertake a “volunteer day” with a local charity every year by matching it with an extra day of annual leave.

The leadership team view these policies and the flexibility we offer as fundamental to supporting the mental health of our staff, preventing burnout and enabling them to have a life outside work. Additionally, all staff have access to an Employee Assistance Programme (EAP) and the Perkbox benefits and reward platform, and are provided with the Headspace app. As a further step, we introduced a programme to train volunteer mental health “first aiders”.





# Professional Development

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Developing our staff is an important investment for our company and employee wellbeing. Our people are ambitious for their future, so we offer a range of options, including training programmes, certification, coaching sessions, leadership development courses, and mentorship. This helps them maximise their career opportunities and boosts job satisfaction, as well as collectively driving our business forward.



# Corporate Social Responsibility

## Our community

Corporate social responsibility is not an “added extra” – it’s integrated into our company culture, which emphasises social impact and environmental sustainability.

## Volunteering and employee events

We encourage employees to undertake a day of volunteering in a local charity every year - this has included mentoring young people from city schools. Staff are also involved in organising, and are invited to, charitable fundraisers and events to promote cultural and societal awareness.

## Awareness Campaigns

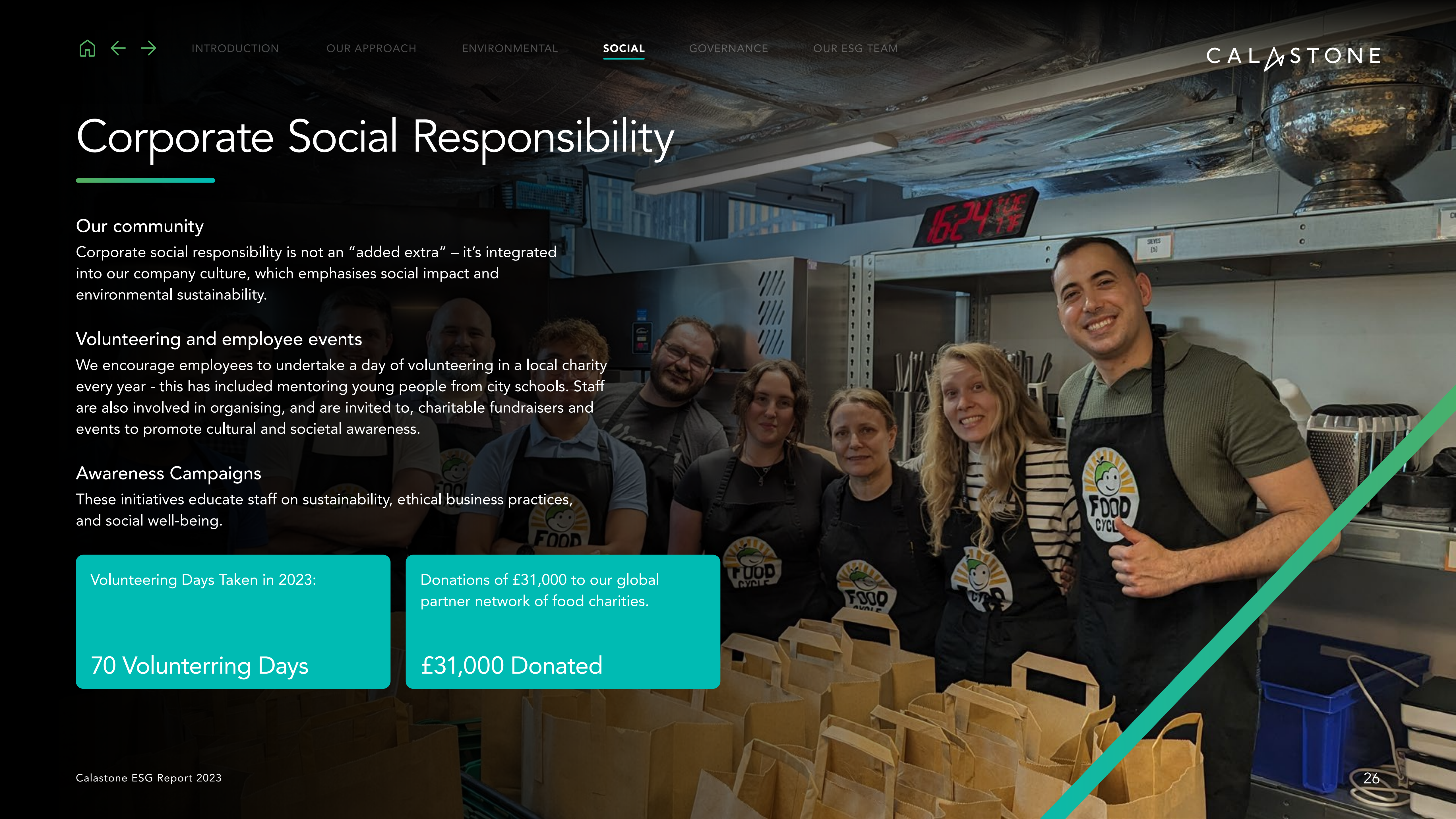
These initiatives educate staff on sustainability, ethical business practices, and social well-being.

Volunteering Days Taken in 2023:

**70 Volunerring Days**

Donations of £31,000 to our global partner network of food charities.

**£31,000 Donated**





# Tackling Food Poverty

Fighting global food poverty is a focus of our internal community network, with fundraising efforts and staff volunteering to help provide meals to local people.

## UK

Partnership with FoodCycle: Aiming to tackle food poverty and loneliness by providing meals and conversation, using surplus food that would otherwise go to waste.



## Hong Kong

Partnership with Feeding Hong Kong: Reducing food waste and redistributing surplus food to those who need it.



## Europe

Partnership with European Food Banks Federation: Focusing on reducing hunger and malnutrition by fighting food waste and supporting the development of food banks in areas of the greatest need.



## Australia

Partnership with OzHarvest: Joining forces with this food rescue organisation which is committed to stopping food waste and delivering provisions to charities that feed people in need.





# Governance

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# Governance

“ESG is firmly on our board agenda. As the responsible director, I’m supported by our ESG team from across all areas of the business to ensure our strategy is enacted in every department.”

As a regulated and responsible business, we place great emphasis on strong governance, as reflected in the ESG materiality assessment, and we’re aware of the needs of our clients who are subject to ESG legal reporting rules.



Ahsan Raza  
Chief Financial Officer  
and Deputy CEO



# Our Responsible Approach

## Board oversight

Our Chief Financial Officer and Deputy CEO Ahsan Raza has taken on board level responsibility for ESG oversight, demonstrating the significance of these issues to Calastone. This has formalised the process of bringing ESG matters to the senior leadership team, through the inclusion of a regular item on the agenda of board meetings.

## Supply chain governance

We have in place a strict Supplier Code of Conduct (SCC) and Sustainable Procurement Policy. In 2024 we have invested in further improving these procurement and supplier audit processes in line with industry standards. This approach serves a purpose beyond compliance – it enables us to monitor, manage and influence our supply chain, amplifying the impact of our company's sustainability values.

## Data security

Cyber Security and data protection are essential to our business and we are regulated in these areas. Our commitment to this is demonstrated by key policies, which include our Cyber Security Management Framework Policy, Data Protection Policy, Cyber Incident Response Plan, and ISO27001, which is an international standard for the management of information security.

Calastone's robust Information and Cyber Security program is built on internationally recognised certifications, including ISO27001:2022 (Information Security) and ISO22301 (Business Continuity). This ensures we operate within a secure and reliable environment for our clients and stakeholders.



# Policy and Responsible Risk Management

## Governance of Cyber Security

Our cybersecurity program is supported by board-level oversight, external audits by qualified assessors, and continuous improvement through internal reviews. This governance framework demonstrates our commitment to maintaining the highest security standards

## Systemic risk management

Our systems and policies, including our Employee Code of Conduct and procurement rules, are regularly reviewed and cover:

- Anti-corruption and bribery policies
- Regulatory compliance
- Statement on modern slavery
- Whistleblower protection, including channels for reporting unethical behaviour and protection against retaliation
- Risk Management, covering risk identification and mitigation (including ESG risks)
- Pollution, waste and environmental policies

These policies are fundamental to the ethics of our business and a linchpin of our ESG policies.

## Our Policies:





# Our ESG Team

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# Our ESG Team

Our ESG lead Ahsan Raza is supported by a team consisting of members of staff from every area of the business, including infrastructure, people, finance, cyber security and administration.

They apply our ESG governance principles, formulated by stakeholders across the organisation.

This structured approach is enabling the team to develop our vision and targets for ESG and implement practical measures to deliver on those ambitions.

**Ahsan Raza**  
Chief Financial Officer  
and Deputy CEO

**Andrew Tomlinson**  
Chief Marketing Officer

**Alex Muir**  
Head of Global Infrastructure

**Seb Knight**  
Group Financial Controller

**Hannah Coulson**  
Chief People Officer

**Martin Freeman**  
Managing Director,  
Cybersecurity and Compliance

**Ourania Gketi**  
Office Manager

**Charlie Evans**  
Executive Assistant





CALASTONE

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