

# IFS 2023 ESG



Summary of our Environmental, Social and Governance (ESG) performance in 2023.  
To learn more, see our full Sustainability Report.

## About IFS



IFS employees  
**5,500+**



Countries  
**80+**  
where IFS supports customers



IFS customers  
**6,500+**



Female employees  
**36%**  
5% above the industry average in tech\*

## Sustainability strategy

### Vision

To create long-term sustainable value and through technology, transform and improve industries and lives

### Excellence in Our Business

Committed to lead by example as we strive to improve our operational sustainability performance

Environmental impact



Diversity and inclusion



Wellbeing



Data privacy and cyber security



Ethical supply chain



Risk management and reporting



Topics

Female managers 30.5% by 2027  
Less than 2 major reportable data breaches per year  
Science-based emissions reduction target by 2030

Targets

### Supporting Our Customers

Committed to support customers with ESG data and asset lifecycle management, shifting towards more sustainable approach

Business innovation



Customer emissions and energy use



Market opportunity



Sustainability embedded across IFS Cloud  
Organisational Carbon Footprint Management  
Sustainability Management solution released in 2024

### Making a Broader Impact

Committed to make a positive contribution across industries and society

Digital exclusion and STEM talent



Volunteering and Community



Ambassadorship



IFS Education Program to reach 150 institutions by 2025  
CSR Day 15% use in 2023

# 2023 Highlights



## Excellence in Our Business



Female managers reached

**31.91%**

(2022 YE: 28.26%)



Reportable data breaches for last 5 years

**0**



Near-term 2030 Science Based Target to reduce emissions



**100%**

renewable electricity across our sites in 2023



Launched our internal network of Sustainability Business Partners



EcoVadis Silver Medal for sustainability performance



## Supporting Our Customers



Released IFS Cloud Emissions Tracker

Available for Scope 1 and 2



Released ESG Lobby

First version released on November 2023



Progressed with standardized approach for supporting Corporate Sustainability Reporting Directive (CSRD)



Established partnership agreements for supporting customers with CSRD



## Making a Broader Impact



Collaborated with 123 educational institutions through the IFS Education Program

**123**

(2022 YE:99)



CSR Volunteering Days taken by 17.20% employees (1010 employees)

**17.2%**



IFS Foundation activities expanded to second site in Sri Lanka

### Awards



**Business Intelligence Award**

Category: Sustainability  
Status: Won



**ERP Today**

Category: Sustainability Hero  
Status: Shortlisted

## Our business

Addressing climate change is fundamental to our future. At IFS, we are committed to playing our part in cutting greenhouse gas emissions and moving towards a greener, more sustainable economy.

### The Task Force on Climate-Related Financial Disclosures (TCFD)

In 2023, IFS made further progress in aligning to the TCFD's recommended disclosures.

We refreshed our 2022 exposure analysis, working with a range of internal stakeholders from across our Sustainability Business Partner network to determine a list of material, IFS-specific, climate-related risks and opportunities.

We worked with PwC to conduct qualitative climate scenario analysis and model the expected impacts of key risks and opportunities across a range of climate scenarios. The results helped us to assess and enhance the resilience of our business strategy against climate-related risks and opportunities.



### Science Based Targets initiative (SBTi)

This year, the SBTi approved our near-term emissions reduction target following our submission earlier in the year.

We have committed to:

- reduce absolute Scope 1 and 2 GHG emissions 42% by 2030 from a 2022 base year
- reduce absolute Scope 3 GHG emissions from purchased goods and services, business travel, and employee commuting 25% within the same timeframe

*This Fact Sheet should be read in conjunction with our Sustainability Report. For KPI definitions, please see 'KPI Definitions' in the Annex of our 2023 Sustainability Report.*

Emissions Category	2022* (tCO <sub>2</sub> e)	2023 (tCO <sub>2</sub> e)
Scope 1	279	354
Scope 2 (Market-based)	1,681	93
Scope 2 (Location-based)	2,355	2,334
Scope 3	22,630	27,072
<b>Total Scope 1-3 (Scope 2 Market-based)**</b>	<b>24,591</b>	<b>27,518</b>
<b>Total Scope 1-3 (Scope 2 Location-based)**</b>	<b>25,265</b>	<b>29,759</b>

\* These numbers differ from those presented in the IFS 2022 Sustainability Report and have been adjusted to account for emissions from recent acquisitions and joint ventures in alignment with the SBTi's requirements. The adjusted numbers represent an 11.5% increase compared to the original 2022 numbers when considering Scope 1-3 emissions for both market-based and location-based reporting. The increase in emissions due to acquisitions and joint venture was estimated from increase in headcount.

\*\* Subtotals may not 100% match due to rounding.

## Diversity, Equity & Inclusion

Our Diversity, Equity and Inclusion (DEI) strategy has 5 core themes of Employee Representation, Employee Experience, Talent Lifecycle, Leadership Involvement and External Influence.



Female

**36.4%**  
female employees

**31.9%**  
female managers

**40%**  
female Board members\*

\*This refers only to IFS' Board of Directors, excluding shareholder representatives

## Sustainable procurement

In 2023, IFS made important strides in integrating sustainable sourcing practices into its operations, including new sustainable procurement policies, updated supplier assurance practices, and building ESG-related sourcing targets into team's departmental objectives.



## Code of conduct

This year, we updated our IFS Code of Conduct. This was a notable change as our newly published version demonstrates a much wider scope of principles with a detailed focus on each of the areas, such as Employment Practices, Health & Safety, Fair Business Practices and many others. The Code adheres to the universal best practice and human rights standards.

## Our customers

### Sustainability Embedded

With IFS Cloud, our distinct positioning enables us to effectively navigate the sustainability landscape. Our open architecture and comprehensive portfolio of solutions provide the foundation to assist customers in seamlessly incorporating sustainability into their business strategies.

Sustainability can never be standalone, it must be embedded in an organizational business strategy and day-to-day operations. This is why Sustainability Embedded is the core of our message.

### Benefits



**Sustainability Embedded:** By strategically placing environmental and social data at the source within customers' business processes

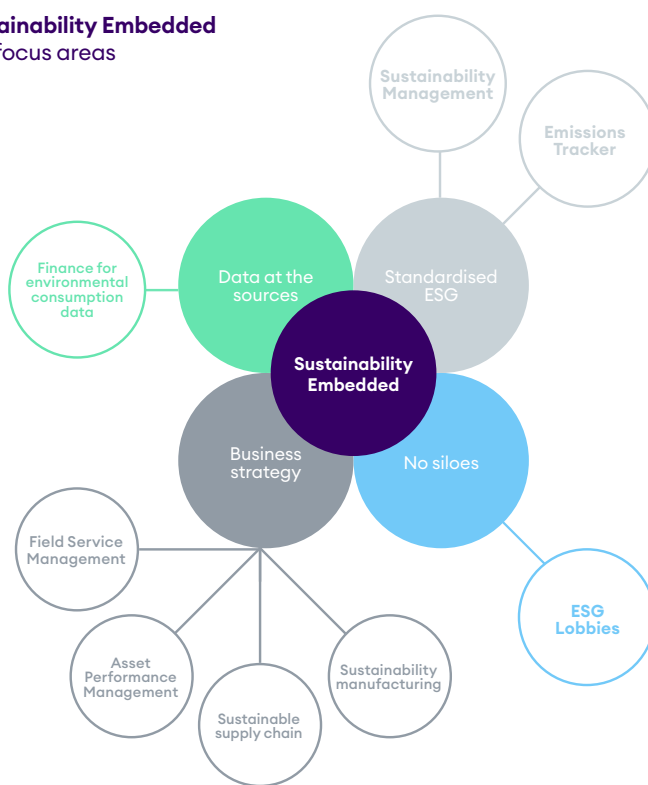


**Standardization:** Leveraging strong partnerships and collaboration with experts, we ensure that our ESG approach is consistent with global goals



**Data-Driven Decisions:** IFS Cloud breaks down data siloes for informed and holistic sustainability decision making

### Sustainability Embedded Key focus areas



## Our broader impact

### Volunteering

All IFS employees are given one day per year to use for volunteering, and in 2023, 1010 people (17.2%) used their volunteering day. Building on the success of 2023, we will raise our volunteering target to 20% for 2024.

### IFS Foundation

The IFS Foundation exists to help break the poverty cycle in remote communities in Sri Lanka. 2023 saw the Foundation complete their work in Welasumanapura, including reserve osmosis water plants, building of sanitation facilities and renovation of school buildings.



These efforts resulted in school attendance increasing from 450 pupils to over 700. In 2024, the Foundation will work with the village of Weralughamula.

### Find out more

Further information, contact your local IFS office or visit our website, [ifs.com](https://www.ifs.com)

