



**Telecity Group plc**  
Corporate and social responsibility report 2008

# CORPORATE AND SOCIAL RESPONSIBILITY

## TelecityGroup's Corporate and Social Responsibility ('CSR') priorities are:

- Workplace – wellbeing and development of TelecityGroup's employees
- Marketplace – respect and fairness with customers and suppliers and engagement with the key stakeholders in the digital economy
- The environment – driving energy efficiency and championing innovation to manage and reduce the environmental impact of the digital economy
- Community – focus on children and youth care, education and opportunity

**TelecityGroup recognises that being a major international business presents opportunities for it to have a positive impact on wider society. The Group is committed to doing business responsibly and to managing its relationships with stakeholders with integrity and transparency. The Group's aim is to maximise the positive impact it can have while taking steps to minimise any adverse impacts its business may cause.**

In line with TelecityGroup's corporate values of Efficiency, Entrepreneurship, Integrity, Innovation and Stakeholder return, CSR priorities have been identified as: workplace – wellbeing and development of employees, marketplace – respect and fairness with customers, suppliers and engagement with the key stakeholders in the digital economy, the environment – driving energy efficiency and championing innovation to manage and reduce the environmental impact of the digital economy, community – focus on children and youth care, education and opportunity.

### Our approach

The Board places great emphasis on the Group's CSR activities, which is why as well as receiving a bi-monthly report at Board meetings, a comprehensive review of CSR activity has been undertaken across all areas of operation.

The review has deepened TelecityGroup's understanding of its key issues, highlighted many areas of good practice as well as areas where it seeks to improve performance in the coming year.

### Environment

Environmental responsibility is an increasingly important concern for all stakeholders. TelecityGroup is committed to achieving good environmental practice and strives to minimise adverse environmental impacts.

The key environmental impact is the power consumed in running its data centres – the energy required to host its customers' equipment and cool its facilities. The Group recognises that whilst the services it provides are at the heart of the growth in the digital economy, it must ensure that it is being as efficient as possible in its use of energy. TelecityGroup is leading the industry by being the first network independent

**ENVIRONMENTAL RESPONSIBILITY IS AN INCREASINGLY IMPORTANT CONCERN FOR ALL STAKEHOLDERS. TELECITYGROUP IS COMMITTED TO ACHIEVING GOOD ENVIRONMENTAL PRACTICE AND STRIVES TO MINIMISE ADVERSE ENVIRONMENTAL IMPACTS.**

data centre to sign up to the new European Code of Conduct for Data Centres, a voluntary code which promotes the adoption of energy efficient best practices amongst data centre owners and operators. The Group has already applied the Code to its data centres in Amsterdam and is driving through a programme to implement the initiative across the rest of its geographies. TelecityGroup is a member of The Green Grid, a global consortium dedicated to advancing energy efficiency in data centres and business computing ecosystems.

TelecityGroup has a strong focus on investment and innovation both in the technology it uses and the design of its buildings. As a consequence, in addition to seeking out operational best practice the Group is able to offer customers a highly-efficient environment to host their equipment. This approach means that both TelecityGroup and its customers can benefit from the cost savings generated through energy efficiency whilst also helping to reduce carbon emissions.

**Environmental management**  
TelecityGroup complies with environmental laws, regulations and codes of

practice in each country where it operates and sees such standards as the very minimum level to which its management of environmental performance should adhere. The Group is also guided by its environmental policy which sets out its commitment to the efficient use of materials and energy, recycling and promoting the use of recycled materials wherever possible, minimising waste and addressing environmental issues in staff training programmes. The Group ensures that all generation, storage, handling and disposal of hazardous substances and wastes is in line with regulation.

As part of its programme of continuous improvement, the Group monitors its impact on carbon emissions through measuring energy consumption in each of its data centres. This data is reported to the Board regularly and used to drive energy and cost efficiencies.

Energy efficiency has been at the forefront of the design and build of TelecityGroup's data centres. Many of its data centres benefit from free cooling systems which enable significant savings when the external ambient temperatures fall below a certain level. The new sites in London and



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Amsterdam and forthcoming facilities in Stockholm, Milan and Paris use innovative design and state-of-the-art technology to maximise energy efficiencies in power and cooling. The Amsterdam site has invested in technology to measure air and heat streams and uses this data to advise customers on the most energy-efficient configuration of their equipment. A number of the Group's data centres use renewable energy sources. One example is TelecityGroup France which was the first data centre operator to subscribe to an initiative which certifies that over 21% of its electricity consumption is generated from renewable sources. The Group consistently seeks to improve its environmental performance and therefore it is currently considering the implementation of external standards in this area.

## Engaging with the industry and employees

The environmental issues that the Group is addressing face all companies within the data centre industry. TelecityGroup believes that there is real benefit in working with others to bring about improvements. As the first independent network provider to have signed up to the EU Code

of Conduct for Data Centres and as members of The Green Grid, the Group is proud to be taking a leading role in shaping the industry's management of these important issues.

Promoting an environmentally aware culture amongst our employees is a key part of TelecityGroup's environmental programme. Employees are encouraged to recycle where possible and use video or teleconferencing as an alternative to business travel where appropriate.

## Workplace

TelecityGroup believes the skills, dedication and wellbeing of its 400-plus employees are crucial to ensure the continual success of the business. TelecityGroup is committed to fostering a working environment where all individuals are able to maximise their talent and skills and are supported in reaching their full potential, both personally and professionally. The Group firmly believes in equal opportunities and treats all potential recruits and employees fairly, regardless of disability, race, gender, age, gender orientation or religious and political beliefs.

## TELECITYGROUP IS COMMITTED TO FOSTERING A WORKING ENVIRONMENT WHERE ALL INDIVIDUALS ARE ABLE TO MAXIMISE THEIR TALENT AND SKILLS AND ARE SUPPORTED IN REACHING THEIR FULL POTENTIAL BOTH PERSONALLY AND PROFESSIONALLY.

### Training and development

Innovation and understanding the changing needs of customers are fundamental to TelecitvGroup's business. The Group invests in training and developing its staff so that they are equipped with the right skills to be able to achieve this. All new employees go through an induction process and are encouraged to be proactive in their continuous professional development. One of the ways in which the Group supports employee development is through its Corporate Sponsorship Scheme, where employees are given financial assistance and time off from work to study for a professional qualification in line with business needs. Every employee also has an annual appraisal to discuss performance management and identify training needs.

### Reward and benefits

TelecitvGroup wants its employees to share the benefits of its success. The award-winning TelecitvGroup Sharesave Scheme gives employees the opportunity to own shares in the Company. In addition to offering a competitive remuneration package, schemes are

operated to provide staff with a range of benefits including free mortgage advice, season ticket loans for travel to work and discounted prices for home computer software packages. During the year, an online childcare voucher scheme was implemented that allows employees to dedicate a portion of their salary to be taken in the form of tax-free childcare vouchers. The Group also introduced a monthly award scheme to recognise and reward employees who have demonstrated outstanding levels of service, innovation, or teamwork.

### Health and safety

TelecitvGroup is committed to providing a safe and healthy environment for all its staff, contractors, visitors and anyone affected by the Company's operations. TelecitvGroup also takes seriously its responsibility to establish and maintain safe working practices. Through its health and safety management system, and training and supervision, TelecitvGroup aims to achieve the highest possible standards. The health and safety management framework is based on established international standards and the Group is currently considering the

implementation of external standards in this area. The framework ensures that TelecitvGroup meets or exceeds legal and regulatory health and safety requirements in all countries in which it operates. Internal audits are performed on each site annually to monitor standards.

The Chief Executive Officer and Directors of the Company have ultimate responsibility for all aspects of health and safety. TelecitvGroup also has a Health and Safety Manager who is responsible for Group-wide health and safety while Operations or Facilities Managers have day to day accountability for health and safety within their respective sites. Health and safety risks are identified as part of the Group's formal risk process and key performance indicators are reported to the Board regularly. Health and safety issues are reviewed at least quarterly as part of management meetings.

Audits are undertaken on each site to monitor compliance with the Company safety management system and by local external professionals to maintain compliance with legal standards and good practice. Employee awareness

of health and safety issues is integral to embedding good practice within the organisation and employees are ensured access to the Group's health and safety policy. Each operating site also has its own Site Safety Manual which is made available to all staff.

### Employee communications

Open and honest communication throughout the Company is encouraged. A whistle-blowing policy is also in place for employees who wish to confidentially report any concerns relating to unethical behaviour.

### Marketplace

TelecitvGroup is an active participant in its marketplace, building strong and mutually beneficial relationships with customers, suppliers and the wider industry.

### Customers

TelecitvGroup is committed to achieving the highest levels of customer service and satisfaction in line with its mission to focus rigorously on delivering high-quality, reliable services and adhering to best-practice standards across all TelecitvGroup data centres. In order to monitor progress, regular customer satisfaction surveys are

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**Below:** Krishna has been supported by the Loomba Trust since 2005. He is currently studying in the 10th class at the Government Co-Ed Senior Secondary School, Lodhi Road, New Delhi. The Loomba Trust is one of several charities that TelecityGroup assisted during 2008.



undertaken at the corporate level and across operating sites. The intelligence from the most recent customer survey in 2008 has been used to drive further improvements to retain and win more customers.

Customers are increasingly looking for ways to reduce the impact their activities have on the environment. For TelecityGroup, these concerns translate into the need to increase power efficiency while maintaining or improving the physical environment within its data centres. This will be achieved by continuing to ensure the Group meets and exceeds industry best practice for operational excellence which will be backed up with service-level commitments.

The Company has achieved the quality management standard ISO 9001:2000 at eight of its data centres. TelecityGroup has also achieved the Information Security Management System standard ISO 27001:2005 at ten of its data centres across five of its major markets (UK, Germany, The Netherlands, Sweden and France). In addition, two data centres in London have achieved Payment Card Industry Data Security Standard accreditation.

TelecityGroup is a Microsoft Gold Partner and the Company has been recognised for Advanced Infrastructure Solutions and Networking Infrastructure Solutions. TelecityGroup was short-listed in October 2008 at the prestigious Computing Awards in the 'Networking Communications Supplier' category. This is awarded to hardware or services vendors considered to provide the best quality, value for money and innovative networking or communications products, providing customers with the best service possible.

#### **Our suppliers**

As a responsible organisation TelecityGroup believes it is important to work with its suppliers to develop strong relationships. The Group seeks to ensure that its suppliers adhere to the same high standards as it does. To formalise this process the Group is actively exploring the development of formal guidelines to cover supplier relations and the procurement process. These will build on current Group-wide Ethical Guidelines that provide guidance on dealings with suppliers. The Group strives to ensure that suppliers are treated fairly and paid promptly in accordance with standard terms and conditions.

## TELECITYGROUP BELIEVES IT IS IMPORTANT TO ENGAGE WITH THE COMMUNITIES IN WHICH IT OPERATES. THE GROUP'S CONTRIBUTIONS VARY FROM ACTIVELY RECRUITING EMPLOYEES FROM LOCAL AREAS NEAR ITS DATA CENTRES TO OFFERING IN-KIND AND FINANCIAL SUPPORT TO CHARITIES AND COMMUNITY ORGANISATIONS.

### Engaging with the industry

As well as the sector initiatives highlighted in the Environment section, TelecityGroup is a leading member of the industry's most important associations.

TelecityGroup recently became a patron of the European Internet Exchange Association (Euro-IX). Euro-IX is an association of European Internet Exchanges, representing over 40 affiliated Internet Exchange Points (IXPs) who together account for over 90% of all European IXP traffic. The aim of Euro-IX is to exchange ideas and discuss the latest technical, commercial and regulatory issues affecting internet traffic. TelecityGroup also recently joined the Internet Watch Foundation (IWF). Founded in 1996, the IWF exists to facilitate the removal of potentially illegal online content from the Internet.

Following customer wins in the film and entertainment sector, this year the Group became a member of the Federation Against Copyright and Theft ('FACT'), the leading representative trade body that is committed to protecting the interests of the audio-visual industry in the fight against pirate film and DVDs and the increasing threat from online piracy.

The admission to the FTSE techMARK Index Series, a specialist segment of the London Stock Exchange main market that focuses on innovative technology companies, demonstrated how far the Company has developed in recent years to become an innovative business operating in the technology sector.

### Community

TelecityGroup believes it is important to engage with the communities in which it operates. The Group's contributions vary from actively recruiting employees from local areas near its data centres to offering in-kind and financial support to charities and community organisations. Employees also get involved in fund-raising and volunteering activities. The Group has a particular focus on improving the welfare, education and creation of opportunities for disadvantaged children both locally and internationally. The London office works with Trident, an organisation which helps young people develop their employability skills to prepare them for the world of work. This year six work placements were offered to young people from local schools, giving them an opportunity to develop their

personal and professional skills. In TelecityGroup France, a number of managers participate in education and sports programmes that help young people from disadvantaged areas.

Throughout the year, a number of the Group's staff have taken part in office fundraising activities for events such as Red Nose Day and Jeans for Genes. In October 2008, staff from TelecityGroup's London office took part in Byte Night, an annual event where individuals and teams from the IT industry spend a night sleeping on the streets, to raise money and awareness for Action for Children.

During the year, TelecityGroup donated over £76,000 to charities and community organisations, this included £24,000 of benefits in kind. The organisations include: The Loomba Trust, NSPCC, Alzheimer's Society, The Children's Society, Water Aid, Cancer Charity Trust, Worshipful Company of IT, Action for Children, Intellect and touraid.



The Federation Against Copyright Theft



EU Code of Conduct for Data Centres



the green grid™  
get connected to efficient IT





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