

March 2022

# 2021 Environmental, Social and Governance Report

Procurement Protecting People, Planet & Profit



# The World Is Changing – And So Too Is Procurement

Welcome to our first Environmental, Social and Governance Report. Its purpose is to inform customers, employees, partners, suppliers and other stakeholders on the progress we have made on our sustainability journey to date, and to outline our aims for the coming years.



# The World Is Changing – And So Too Is Procurement

## A personal message from Jim Bureau, CEO

At JAGGAER, the idea of customer success has always been central to our mission. But the way the world defines success has changed rapidly over recent years. An organization's ability to bring benefits to the world is, as ever, dependent on its financial stability. And procurement's contribution to an organization's financial stability, by enabling it to source goods at lower cost and buy them more efficiently, is clear.

However, that is only part of the story.

Success is increasingly measured in terms of our impact on the environment, on society, and on the ways in which we take care of everyone and everything we touch – our customers, employees, partners, investors and the wider community.

Here too, procurement has a very special contribution to make, because what happens in an organization's supply chain is every bit as important as what happens in the organization itself.

JAGGAER not only welcomes this change, this movement, this embrace of the environment, society and corporate governance. We are also committed to playing a leading role in the movement as both an exemplar and as an enabler.

As an exemplar, we practice what we preach and strive for high environmental, social and governance standards. In this, we are in alignment with our owner Cinven,

which is committed to investing in companies that take a responsible approach towards environmental, social and corporate governance risk.

I am especially proud of the progress we have made on diversity, equity and inclusion since we launched the Passion Project early in 2020. This starts with the language we use in day-to-day business. At the end of 2020 we put in place an organization-wide effort to identify and eliminate words and phrases that are, or could be viewed as, discriminatory or insensitive, for example because they are rooted in historical injustice.

# The World Is Changing – And So Too Is Procurement

## A personal message from Jim Bureau, CEO

We examined marketing, technical and legal templates throughout JAGGAER to identify such terms, and scanned millions of lines of software code. For example, we eliminated terms such as “master data” where we found them and issued guidelines for future best practice.

We also initiated a mentoring program with measurable outcomes to advance diversity and inclusion within JAGGAER.

However, this is just the start of the journey. We will monitor and report on our progress in the years to come.

As an enabler, we support our customers in pursuing their own ESG principles: for example, by enabling them to source environmentally sustainable materials, diversify their supplier network, and achieve the visibility and transparency they need to comply with applicable laws and their own high standards of ethical business practices.

This is not only helping our customers to achieve high ESG standards, but also their suppliers and their suppliers’ suppliers.

I am passionately committed to the idea that organizations of all shapes and sizes can have a positive impact on the environment, society and ethical business practices throughout the supply chain, all the way from finished consumer products to the raw materials and agricultural products that sustain our life on Earth.



**Jim Bureau, CEO**

# JAGGAER and Cinven's ESG Commitment

Our inaugural Environmental, Social and Governance (ESG) Report outlines our commitment to protecting people, the planet and ethical standards in business.

It sets out some action items for the next 12 months. In 2022 we will align these to the appropriate reporting frameworks to set in motion a program of continuous improvement.



# JAGGAER and Cinven's ESG Commitment

Our shareholder, Cinven, has a longstanding commitment to sustainability and is a signatory to a number of standards including the United Nations' Principles for Responsible Investment.

Cinven places high expectations on its portfolio companies with respect to ESG, while supporting each company's strategy for managing ESG development in the long term.

Cinven's role is to actively ensure that each portfolio company's Board takes responsibility and is accountable for ESG. Cinven believes that it can play a key role in reinforcing the right behaviors at the Board level and through engaging with management on ESG.



## Cinven takes responsibility for ensuring that:

- Each portfolio company Board member is fully aware of Cinven's ESG approach
- Boards adopt suitable ESG policies
- Each portfolio company regularly reports to its Board on how ESG policies are being implemented and on progress towards any initiatives and targets
- There are clear responsibilities allocated to Board members for compliance with Cinven's ESG guidelines
- Boards promote compliance with applicable laws, including those on anti-bribery and corruption, anti-money laundering, competition law, sanctions and data protection
- A Board representative from the portfolio company is assigned overall responsibility for ESG, and ESG is regularly tabled and reviewed at Board meetings



# JAGGAER and Cinven's ESG Commitment

Cinven provides training for Board members to ensure they are fully aware of their fiduciary duties, and their role in providing oversight to the Board on topics including those related to ESG. Each first-time Cinven Board member must undertake mandatory directors' training.

This report outlines JAGGAER's strategic intent to be a good corporate citizen, enabling us to build a performance baseline and track and disclose our progress on our ESG performance over coming years. In pursuing our ESG strategy we enjoy the full support and encouragement of Cinven.



# Contents

## Introduction

The World Is Changing – And So Too Is Procurement	2
JAGGAER and Cinven's ESG Commitment	5

## 1 Introducing JAGGAER: Efficient, Effective & Sustainable Procurement

JAGGAER Facts and Figures	11
Global Presence with Reduced Footprint	12
JAGGAER Values	13
Enabling Our Customers to Meet Their ESG Goals	14
Corporate Governance	16
Establishing Priorities: Our Materiality Assessment	18
Stakeholder Engagement	19

## 3 JAGGAER as an ESG Enabler

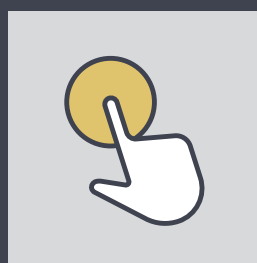
Helping Cancer Research UK through the Pandemic	54
Enabling Better Social Welfare and Health Care Systems	55
Sorgenia Bioenergie Builds a Unique Procurement Function	56
ESG in the Supply Chain: Current Priorities	57
The Demand for Due Diligence	58
Partnerships Supporting ESG in the Supply Chain	61
S&D Chain Executive 2021 Green Supply Chain Award	63

## 2 JAGGAER as an ESG Exemplar

ESG Principles at a Glance	22
Environmental: Environmental Action	24
Social: Diversity, Equity and Inclusion	28
Governance: Corporate Governance	40

## 4 Action Plan 2022

Action Plan	65
-------------	----



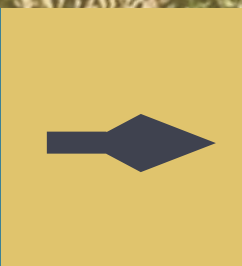
Please do not print this document! It is an interactive PDF. You can use the menu button on each page to return to the contents page at any point, and click on the titles to go to a specific page. Some pages also refresh with new content.





# Part 1

## Introducing JAGGAER: Efficient, Effective & Sustainable Procurement





# Introducing JAGGAER: Efficient, Effective & Sustainable Procurement

**JAGGAER’s Mission is to “drive customer value for buyers and sellers through our global connected network”.**

We create efficient, effective and sustainable procurement all the way from the sourcing of goods and services through to payment. In so doing, we help business and society at large to make better use of the world’s limited resources.

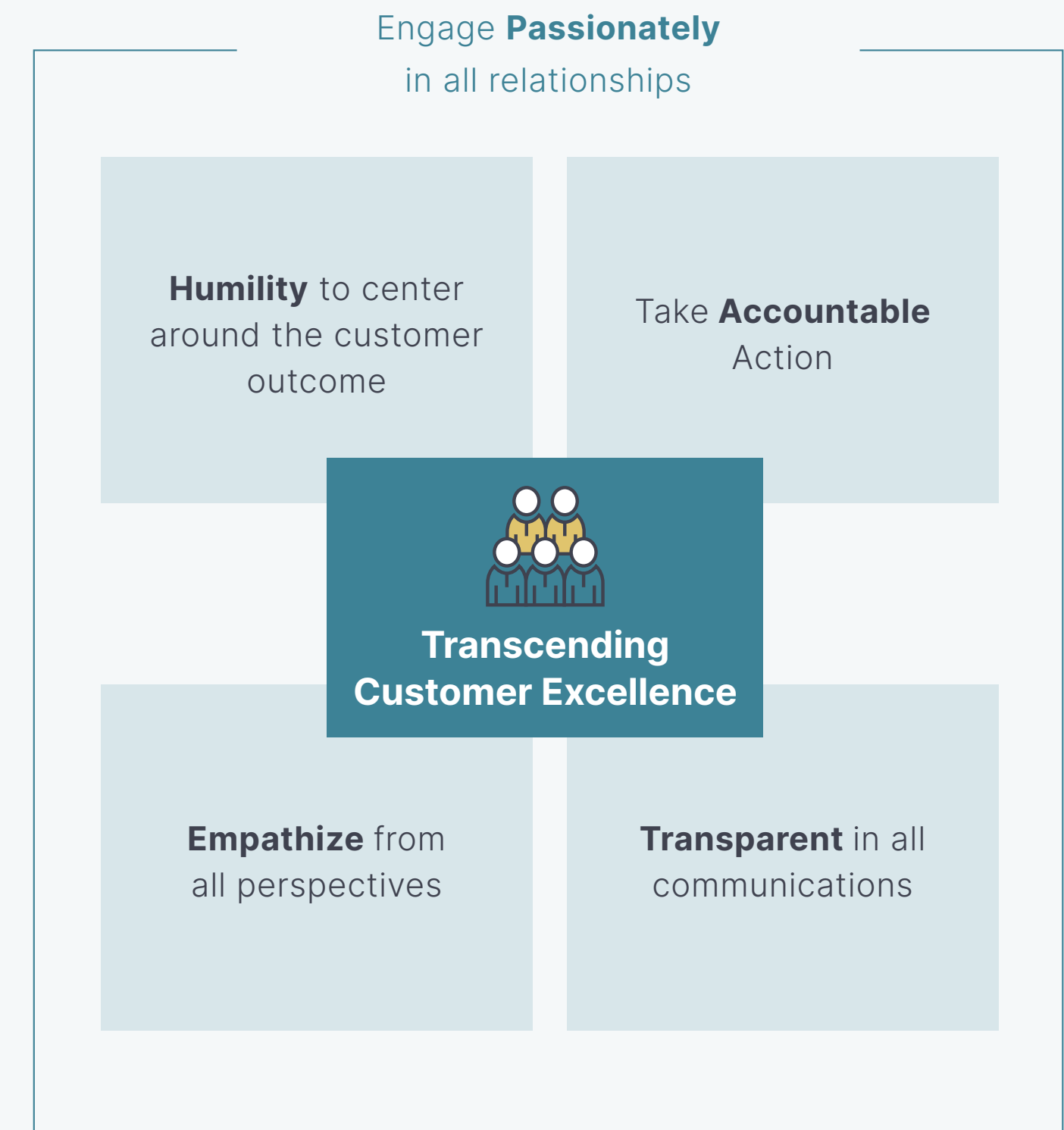
When JAGGAER joined the Cinven portfolio of companies and appointed new executive leadership, we took the opportunity to consider how we should define our aims and values in a way that every single employee could relate to and embrace.

We reached out to people inside the organization, to our customers and to external analysts.

In the end, we concluded with what most of us were thinking at the start – that JAGGAER’s core focus is the success of our customers and stakeholders.

Of course, how these customers and stakeholders define “success” is constantly changing. They are increasingly prioritizing ESG objectives, and procurement has a significant role to play in this regard. By simplifying and streamlining procurement, JAGGAER is enabling and supporting them in the pursuit of such objectives.

## Your Success Is Our Core Focus





# Introducing JAGGAER: Efficient, Effective & Sustainable Procurement

## JAGGAER's Mission is to "drive customer value for buyers and sellers through our global connected network".

We create efficient, effective and sustainable procurement all the way from the sourcing of goods and services through to payment. In so doing, we help business and society at large to make better use of the world's limited resources.

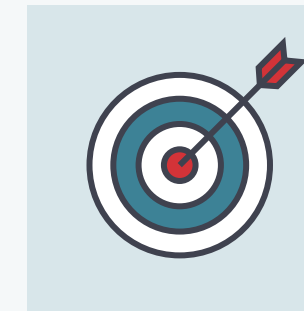
When JAGGAER joined the Cinven portfolio of companies and appointed new executive leadership, we took the opportunity to consider how we should define our aims and values in a way that every single employee could relate to and embrace.

We reached out to people inside the organization, to our customers and to external analysts.

In the end, we concluded with what most of us were thinking at the start – that JAGGAER's core focus is the success of our customers and stakeholders.

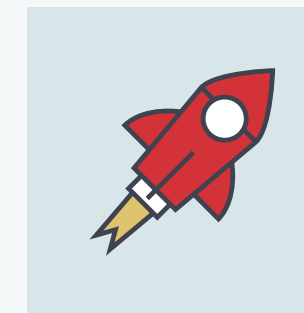
Of course, how these customers and stakeholders define "success" is constantly changing. They are increasingly prioritizing ESG objectives, and procurement has a significant role to play in this regard. By simplifying and streamlining procurement, JAGGAER is enabling and supporting them in the pursuit of such objectives.

## Your Success Is Our Core Focus



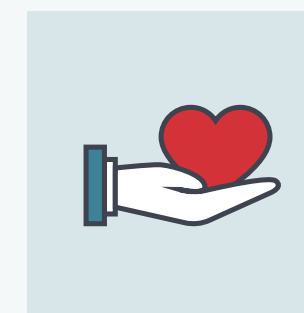
### Mission

JAGGAER drives customer value for buyers and sellers through our global connected network.



### Vision

Our portfolio of solutions will provide our customers and partners the most intelligent, transparent, frictionless commerce in the markets we serve.



### Values

Passion, Humility, Empathy, Accountability and Transparency.



# JAGGAER Facts and Figures

## Headquarters

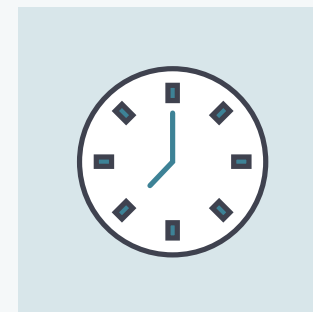
Carrington Mill Blvd, Suite 100,  
Morrisville, NC 27560 USA

## Ownership

Cinven, one of the world's leading  
private equity firms

## CEO

Jim Bureau



### 1995

Year founded



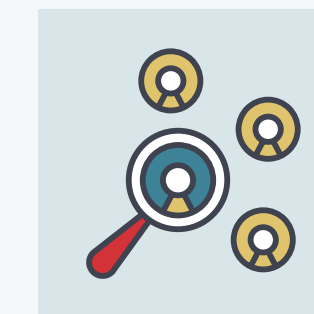
### 1,150

Employees



### 1,600+

Customers



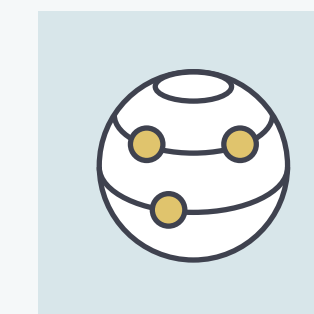
### 3 million+

Users of the JAGGAER platform



### 5 million

Suppliers enabled across  
all JAGGAER solutions



### 20

Locations worldwide (covering  
the Americas, APAC & EMEA)



# Global Presence with Reduced Footprint

JAGGAER is a truly global enterprise. Its owner, Cinven, is based in the United Kingdom. The JAGGAER corporate headquarters are in Research Triangle, North Carolina.

To reduce our global footprint while providing employees with a comfortable working environment we select the appropriate model on a case-by-case basis:

### Full office model

With dedicated desks (available with flexible home and office-based working):  
Abu Dhabi, Belgrade, Dubai, Madrid, Novi Sad, Singapore, Tarragona, Vienna

### Smart working model

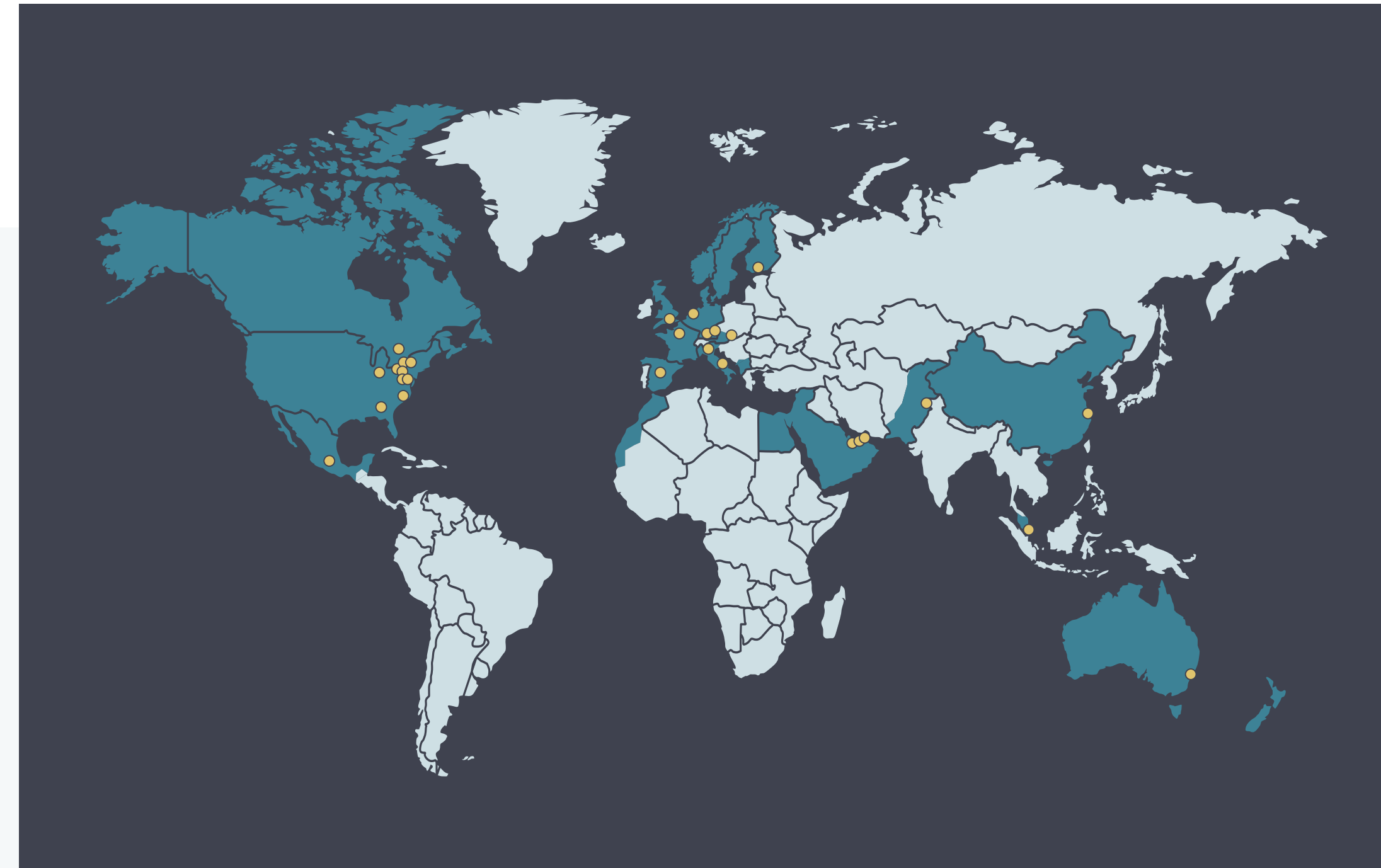
With reduced office space, shared desks and meeting rooms available through online reservation: London, Milan, Morrisville, Paris, Vestal NY

### Co-work model

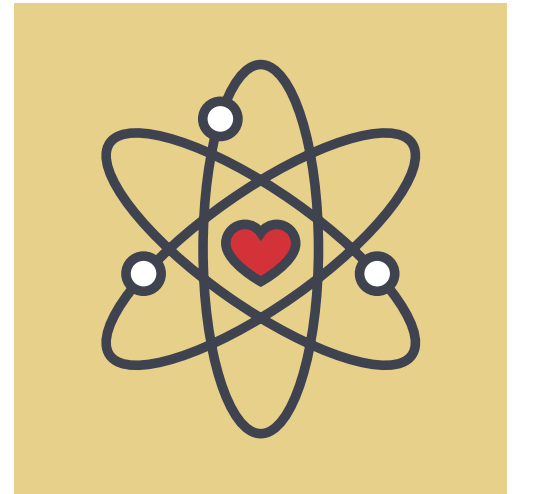
Third-party owned and managed shared offices with smart working spaces, on demand, for locally based designated employees only:  
Amsterdam, Mexico City, Munich, Newtown Square PA, Pittsburgh PA, Rome, Shanghai

### Global customer care

Our Global Customer Care Center provides support in eight languages: Arabic, Chinese, English, French, German, Italian, Portuguese and Spanish



# JAGGAER Values



## Passion

### We engage passionately in all relationships

Passion surrounds everything we do, and it is vital to make an ESG strategy work. What we mean by passion is 100% commitment to whatever we are doing – always with the organization's mission and vision in sight. Ours is a company of specialists and we apply our specialist skills to deliver on ESG in the ways we can do best – and with passion!

## Humility

### To center around the customer outcome

ESG is a journey, and many small steps can move you forward a great distance.

Our personal interests are always subordinate to the company's purpose to simplify procurement and make it more efficient. We all respect and learn from the contribution of others in pursuit of that mission.

## Empathy

### We empathize from all perspectives

Empathy is vital if you want to rise to the many contemporary social challenges. We strive to understand the perspectives and the interests of all our stakeholders: customers, partners, employees, investors, and the communities where we do business.

Every single one has a right to be heard and understood. If we are to communicate with our stakeholders and serve them effectively, we need to know what it feels like to walk in their shoes.

## Transparency

### We are transparent in all communications

JAGGAER is an open book. There is no hidden agenda. We are very clear about our objectives because we want every relationship to be win-win. Transparency is essential if all stakeholders are to feel that their needs have been considered. It is also a vital component of ESG reporting.

## Accountability

### We take accountable action

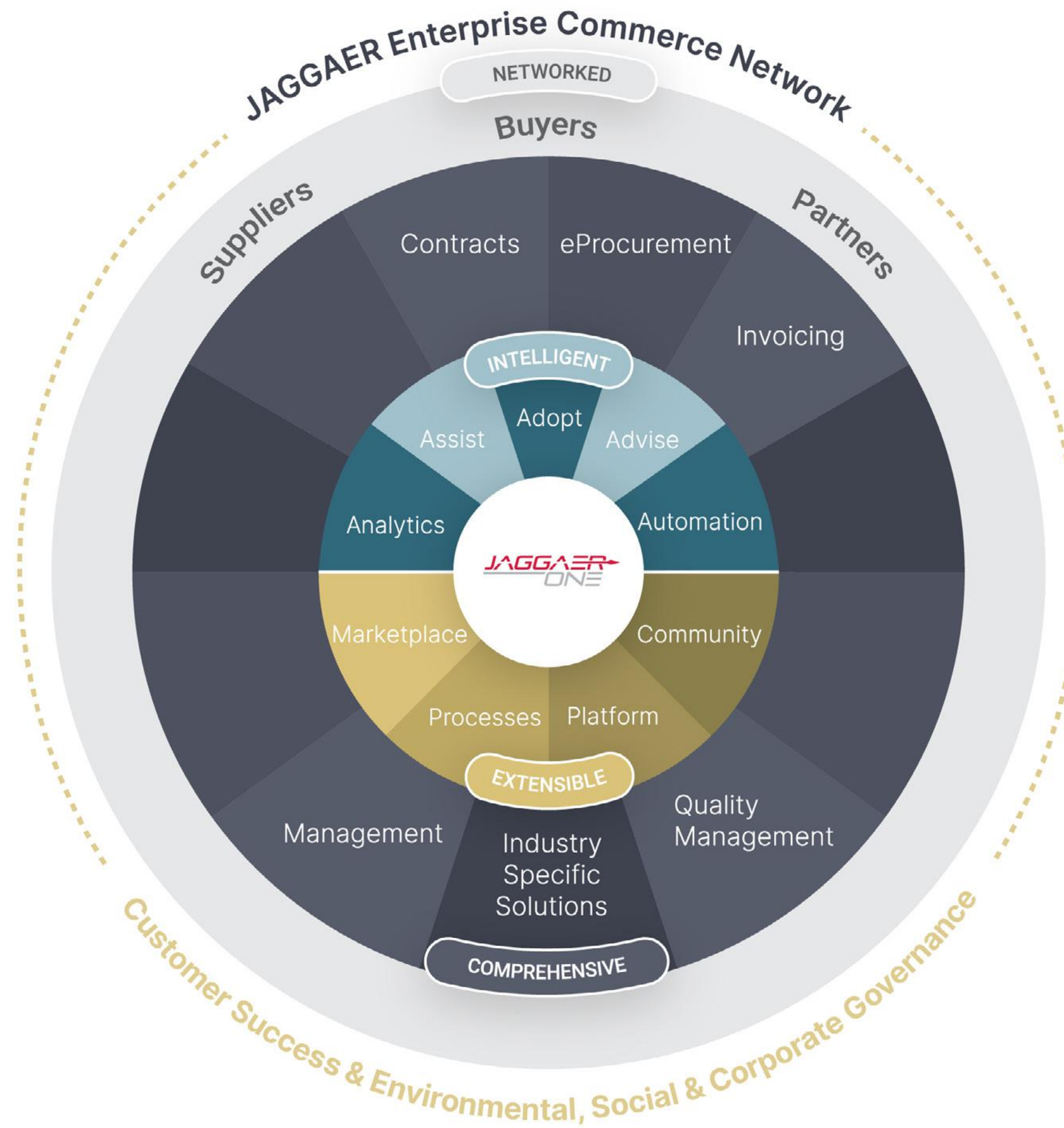
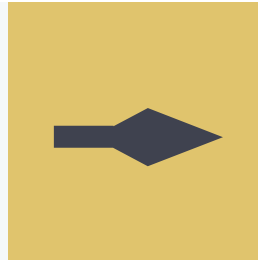
Accountability is about good corporate governance. It also extends to broader social issues, such as being a good neighbor, doing business responsibly, offering equality of opportunity, as well as practicing good stewardship of the company's tangible and intangible assets, and caring for the assets of our customers and partners. It also includes being accountable for our impact on society and the environment.



# Enabling Our Customers to Meet Their ESG Goals

In 2019, JAGGAER became the first software vendor to put an entire source-to-pay suite together on a single platform, JAGGAER ONE.

It is moving our customers towards Autonomous Commerce. Networked, Intelligent, Comprehensive and Extensible.



## Enabling Our Customers to Meet Their ESG Goals

Supported by embedded intelligence, Autonomous Commerce is making the entire business of procurement more efficient, which has clear business benefits, and is enabling environmental, social and governance benefits too.

### Environmental

The digital transformation and integration across all procurement functions cuts out paperwork and wasted effort, enabling companies to buy the goods and services they need more efficiently. Our partnership with EcoVadis helps customers to pursue sustainability goals and monitor progress. EcoVadis is the world's largest provider of business sustainability ratings, with a global network of more than 75,000 rated companies.

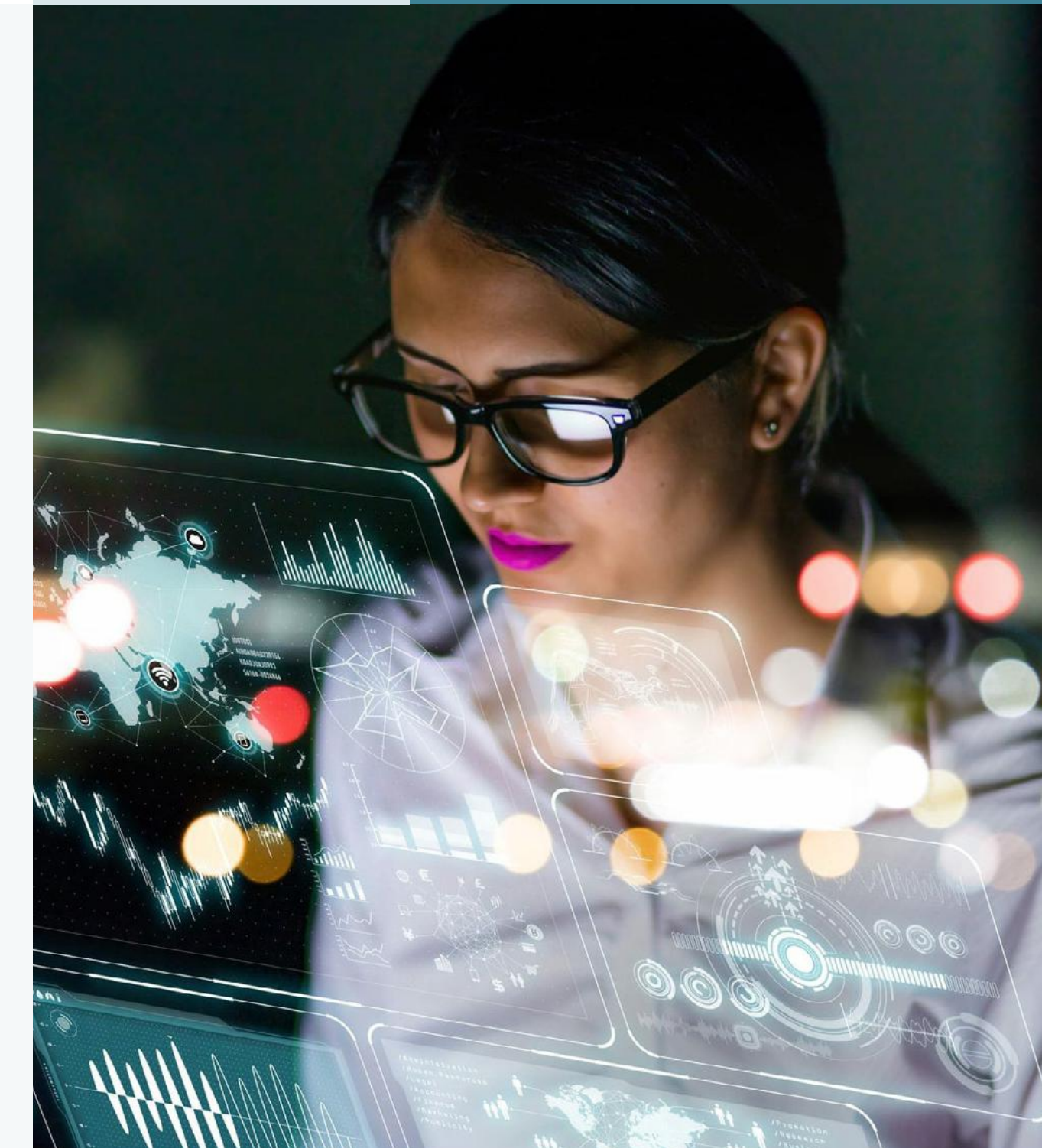
### Social

JAGGAER actively supports greater collaboration and networking between buyers and sellers to ensure optimum use of scarce resources. We believe that better engagement between buyers and suppliers is a key enabler for

improved social outcomes. Improved communication of buyer expectations, and improved communication of the barriers that suppliers face, will help to find solutions to the kind of disruptions that recently arose, whether COVID-19 related or caused by other factors such as the Suez Canal blockage.

### Governance

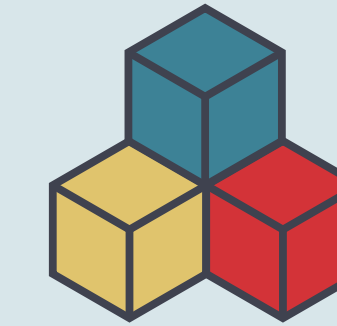
By integrating operational and analytical data from procurement processes, organizations gain better visibility into spending and therefore enhanced transparency for their financial controllers and internal and external auditors.







# Corporate Governance



JAGGAER has internal policies and processes in place to ensure high standards of corporate governance. These are specifically tailored to JAGGAER's business and include IT security, data privacy, business conduct and ethics, and anti-corruption measures.

## Oversight and audit

Corporate governance is first and foremost about ensuring that we do business with honesty and integrity. At JAGGAER we take pride in our ethical approach to business.

Our compliance program is overseen by a Compliance Committee comprised of members of the executive leadership team and managed by the General Counsel. The Committee guides and promotes governance and compliance consistent with our Code of Conduct as well other JAGGAER policies, standards, processes and guidelines. The Committee meets at least four times a year.

Additional leadership and governance oversight for compliance and ESG matters is provided by a governing board for the JAGGAER corporate group. To assist JAGGAER with this oversight and governance, in November 2020 Cinven appointed John F. Burton as Chairman of the Board, an experienced executive with a diverse career in the technology and software industry and in capital investment, mergers and acquisitions. Compliance and ESG are topics at recurring meetings of JAGGAER's governing board, consistent with Cinven's guidelines for its portfolio companies.

## The ESG Task Force

In 2021 JAGGAER formally established an ESG Task Force comprised of senior managers from HR, Finance, Facilities, Security, Legal, Procurement and Marketing. Its role is one of governance and oversight for ESG matters across JAGGAER. In January 2022 JAGGAER also hired a Global ESG Manager who will shape the direction of our ESG strategy and roadmap, improve relevant processes and standardize our ESG reporting.

## Corporate Governance

### Transparency through external validation

There is no point in an organization “marking its own homework”. We therefore sought an analysis of our ESG performance by engaging a trusted external agency, EcoVadis, which has rated 75,000 companies worldwide.

We received our first company-wide EcoVadis rating in August 2021. It showed us that, compared to other organizations in our sector, we scored highly on business ethics, but have room for improvement on social and environmental issues.

We thank EcoVadis for this assessment and it serves as a key input for setting priorities in the coming years.

We are addressing opportunities identified by EcoVadis where we can take positive action in alignment with our own materiality assessment.

For example, as of January 2022, all new supplier RFPs issued by JAGGAER include questions on sustainability and diversity.

### EcoVadis Environmental, Social & Governance scores

In 2021, JAGGAER started the process of evaluating ESG performance in its offices through external agencies. So far, JAGGAER offices in France (Gold) and Benelux (Bronze) have been awarded EcoVadis medals.

We will be working hard to improve these ratings in 2022 based on the EcoVadis Gap Analysis completed in October 2021 with the assistance of third-party sustainability consultants. The Gap Analysis highlighted areas for improvement, such as the establishment of metrics to monitor our health, safety and environmental (HSE) performance, as well as areas where we already outperform sector averages.



JAGGAER offices in France and Benelux have been awarded Gold and Bronze EcoVadis medals



# Establishing Priorities: Our Materiality Assessment

In 2021 we conducted an ESG materiality assessment. We asked where we could have the most impact and where we should focus our attention and resources. This varies enormously from one organization to the next. We therefore plotted materiality across the two dimensions of External Impact and Importance to Business Success.

Note that this was only an initial assessment undertaken with EcoVadis, and we will build on this further in 2022, with input from from a wider group of stakeholders.

Following the materiality assessment, we identified that the ESG areas that would have the most impact across both dimensions were data privacy and security, ethical conduct, risk management, diversity and inclusion, equity, corporate culture and talent development.



# Stakeholder Engagement

## Customers

Customers are at the center of all that we do; we are focused on customer success. We seek their feedback through our regional user groups (RUGs) and JAGGAER's annual user conference, REV. In 2020 we introduced an invitation-only Customer Advisory Board (CAB) to commence a deeper dialogue with longstanding customers at two annual events in order to determine priorities for our product development efforts. In 2021 we added sustainability as a fixed agenda item for all of these meetings.

## Suppliers & partners

We ask our own suppliers and partners to adhere to our **Third-Party Code of Conduct** and we will include ESG criteria in internal RFPs from 2022 onwards. We actively engage with customers who wish to support minority-owned and other diverse suppliers in competing for contracts – for example by providing the data to identify qualified diverse suppliers and by building diversity criteria into RFPs.



# Stakeholder Engagement

## Employees

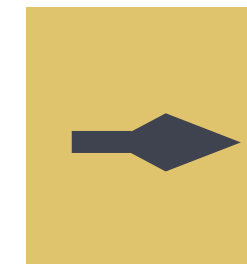
We engage with employees on a frequent basis, through live Town Hall meetings, our weekly magazine, *The Hunter*, the company intranet, JAGNet, employee surveys and social media, as well as national and regional events around the world. From January 2022 this includes dedicated communication on ESG issues.

We encourage our employees to devote two salaried days a year to engage in voluntary work in their communities. We also help some of the world's leading charities to achieve their goals. A Philanthropy and Volunteer Committee is led by employee volunteers from different business teams within JAGGAER. This committee helps identify and provide employees with opportunities

to serve communities in which they work and live. The committee also manages the Charitable Giving Fund, which was created in 2011 to support causes important to JAGGAER and its employees. Since its creation, approximately \$330,000 has been contributed to national and local non-profit organizations in the USA through donations and grants. For example, in 2021 JAGGAER raised money for The Global FoodBanking Network.

## Professional affiliations

We are members and active participants in many of the procurement community's professional and trade associations around the world, sharing our knowledge on a pro bono basis and contributing to the life of the community. For example, in the USA we are a corporate enterprise member of the **Council of Supply Chain Management Professionals** (CSCMP). In the UK, we work closely with the **Chartered Institute of Procurement & Supply** (CIPS) and in Germany with the **Bundesverband Materialwirtschaft, Einkauf und Logistik** (BME).





# Part 2

## JAGGAER as an ESG Exemplar





# ESG Principles at a Glance

As an exemplar of ESG best practices we follow these ESG principles.

Where relevant, we have identified the **UN Sustainable Development Goals** that will form part of our ESG Strategy.

### Principle 1

We take action to eliminate any form of discrimination on the basis of gender, nationality, race, disability, age, religion, political affiliation or sexual orientation.



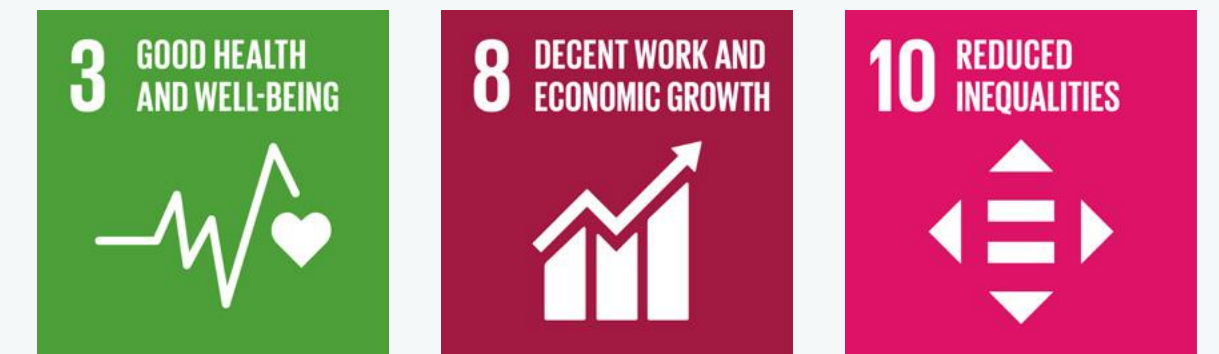
### Principle 2

Furthermore, we take positive steps necessary to ensure that our company is highly inclusive, open and welcoming to all people.



### Principle 3

We respect the human rights of our employees and those people working for our partners and suppliers, including the right to a private and family life.





# ESG Principles at a Glance

### Principle 4

We act responsibly with respect to the environment and our impact on the climate, following the reduce, reuse and recycle waste hierarchy to avoid unnecessary waste.



### Principle 5

We always comply with both the letter and the spirit of the law, wherever it applies.

### Principle 6

We actively train our employees to be aware of governance issues such as bribery to ensure that all of our business dealings reach the highest ethical standards.

### Principle 7

Recognizing that ESG is a journey and not a destination, we actively monitor industry guidelines and best practices in the spirit of continuous improvement.



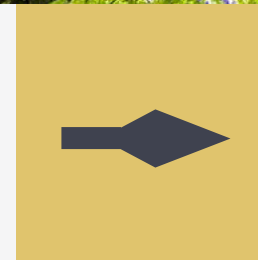
# ESG is a journey and not a destination





# Environmental

Digital transformation is enabling JAGGAER to take action on climate change and responsible consumption of resources.



## Environmental: Cloud

JAGGAER operates a “cloud first” initiative for enterprise systems consolidating use of cloud platforms dispersed over many locations into common cloud software-as-a-service (SaaS) offerings. We use a selected number of vendors and locations for our customer applications, which allows us to reduce dependency on less scalable data centers and on-premise hardware systems.

The combination of public cloud hosting and virtualization of our co-located environments for our customer-facing application infrastructure allows efficient hardware utilization for primary and standby instances.

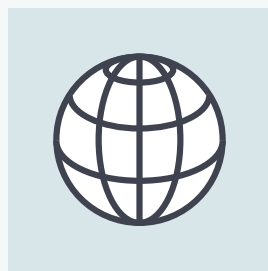
Virtualization allows us to consolidate and manage system utilization in a granular manner, which leads to material and power savings. The elastic nature of public cloud hosting environments allows us to expand only as necessary, which reduces overall material and power consumption requirements.



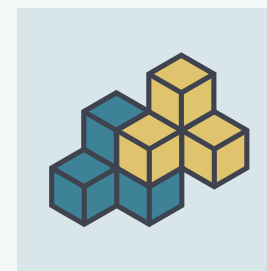
“...Virtualization allows efficient hardware utilization and leads to material and power savings.”



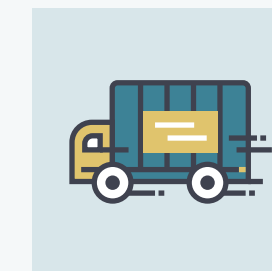
# Environmental: Environmental Initiatives



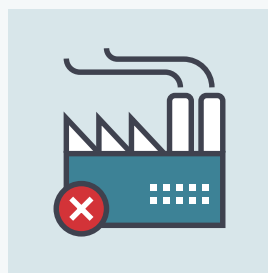
We are calculating our Scope 1, 2 & 3 greenhouse gas emissions in order to set targets aligned with the IPCC's aim of keeping the global temperature increase below 1.5°C.



We have enacted several measures to support a constructive remote or hybrid working environment, and greatly reduced the number of employees needing to travel.



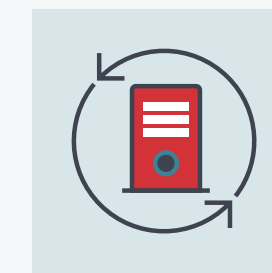
Our reliance on planes and automobiles reduced significantly with the pandemic, and while this will inevitably pick up somewhat in future, there will be no return to the old ways of doing things.



Our decision to migrate more JAGGAER applications and data to Amazon Web Services (AWS) will make a huge contribution to reducing our indirect carbon emissions as AWS is committed to powering its operations with 100% renewable energy by 2025.



A new global travel policy to encourage less business travel includes setting limitations on group air travel without additional approvals and requiring employees to choose public transportation rather than vehicle rental.



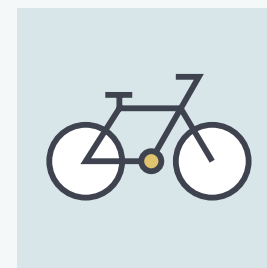
In cases where vehicle rental is unavoidable, employees are required to select a low-emissions vehicle and use ride-share modes as opposed to individual travel where practical.



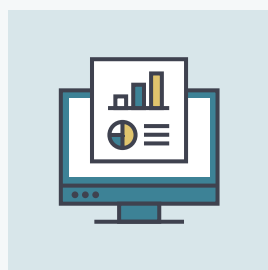
# Environmental: Environmental Initiatives



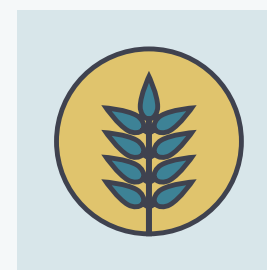
We recycle paper, ink cartridges and IT equipment at many of our office locations.



Our London office has implemented cycle-to-work schemes to support healthy lifestyles and help improve local air quality.



All of our corporate and marketing communications material and product documentation are provided digitally.



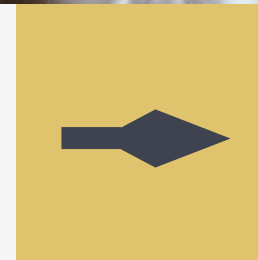
Since 2019 our French office has been working with [reforestaction.com](https://www.reforestaction.com) to plant and manage trees. To date, 7,700 have been planted, with thousands more planned for 2022.





# Social

Diverse and inclusive teams have a positive impact on JAGGAER's products and services. They help us to serve customers and partners better. We know that diverse perspectives help generate ideas to solve the complex problems of a changing world.





# Social: Diversity, Equity & Inclusion

JAGGAER offers equal employment opportunities without regard to race, religion or belief, sex (including pregnancy), sexual orientation, gender, age, disability, and other protected class characteristics.

Under the leadership of our Chief HR Officer Michele Hamill, JAGGAER is taking several actions to diversify our talent pool. In 2021 we engaged a third party to analyze and assess our diversity and establish placement goals designed to take us to the next level.

Each month, a team of JAGGAER employees reviews data, discusses recruitment goals, and identifies opportunities to advance diversity in our hiring practices by using all available sources to tap into diverse candidate pools, both directly and through agencies.


From an employee's first day on the job, we underline the importance of diversity and inclusion in JAGGAER's culture, embedding

diversity training in our onboarding process. Diversity training, including unconscious bias training, is mandatory for all employees.

In October 2020 we launched an employee mentor/mentee program with measurable outcomes. These included boosting minority and female representation in management. JAGGAER has close relationships with many higher education institutions and in 2021 we launched an inaugural intern program with historically black colleges and universities (HBCUs).

We still have some way to go, so we have included goals on diversity in our action plan for 2022, which is set out at the end of this report.



 **Michele Hamill**  
Chief Human Resources Officer

## Social: Diversity, Equity & Inclusion

### Gender equality

According to the [World Bank](#), less than half (46.9%) of all women participated in the labor force in 2020, a decrease from 51.0% in 1990. In terms of unpaid work, COVID-19 has widened the gender gap even further; “statistics on hours spent by men and women on unpaid work (mainly domestic and volunteer work) continue to show that women spend at least twice as much time as men on these tasks” according to a [report by the World Economic Forum](#).

Yet it is common knowledge that gender-diverse companies perform better, hire better talent, have more engaged employees and retain workers better than companies that do not focus on diversity and inclusion.

JAGGAER strives to maximize diversity at all levels of the organization and is committed to gender pay equality. We also promote female role models and actively encourage supportive behavior by male allies. We were therefore delighted when several of our nominations were accepted by the prestigious [Women in IT Awards](#), 2021.

As of December 2020, 38% of JAGGAER's total workforce were women and two women recently joined the executive leadership team.



## Social:

# Diversity, Equity & Inclusion

### Diversification of our own supply chain

When we talk about our people, we refer not only to direct full-time employees but a wider community.

In pursuit of our diversification goals as an exemplar, we are therefore also making progress in expanding and supporting Minority and Women-Owned Business Enterprises (MWBEs) in our own supplier base.

As an example, in 2022, we will work exclusively with local diverse vendors to provide catering and other services at our North American user conference, REV.

### The JAGGAER Human Equity Project

In light of the growth of the Black Lives Matter movement, JAGGAER did a lot of soul-searching and concluded that it was not enough simply to declare our opposition to racial inequality. We had to take positive action, and not just because diversity, equality and inclusion are good for our business, but because it is the right thing to do.

We continue to work to increase access to opportunities and to provide a welcoming environment for people of diverse ethnicities and backgrounds. In this way we also expand the talent pool and benefit from a wider range of experiences and social networks.

We launched the JAGGAER Human Equity Project at the end of 2020 with a view to making our workplaces and external relations more inclusive and respectful. In January 2021 we rolled out the first project under the renamed JAGGAER Passion Project, to eliminate language that is, or could be viewed as insensitive, from internal communications, corporate and marketing communications, and even from software code.

In this first project we identified words and terms that refer to or echo historical racial injustices and prejudices resulting from slavery and racial segregation in North America.

### As our CEO Jim Bureau put it:

“We are doing this first and foremost because it is the right thing to do. We want to create an environment that is comfortable for everyone. The words we use matter. Whether or not we notice it, language shapes the way we view the world. Adapting our language can be a catalyst for positive change. And let’s face it, some of the terms used in procurement and tech have their origins in systematic oppression and servitude. That is wrong and needs to change.”

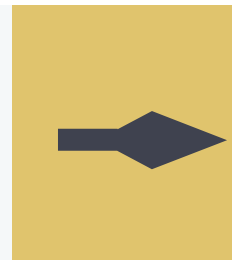
We approached this in a practical way, classifying words and terms using a traffic light system: unacceptable in all circumstances (red); avoid if possible (yellow); and acceptable (green).



## Social: Diversity, Equity & Inclusion

In cases where the words and terms were deemed unacceptable or to be avoided, we offered advice on remediation, including specific alternatives. For example, the terms “blacklist” and “whitelist” were replaced with “blocked list” and “safe list.” The term “master-slave system” was replaced with alternatives such as “controller-agent” system. JAGGAER is also addressing language that is insensitive based on gender or sexual orientation or rooted in prejudices.

We acknowledge that there is still work to do. Importantly, we challenged our peers around the world, especially those in the procurement technology space, to join us and apply the same thinking and offered to share our experiences.



**“I was excited for the opportunity to be involved for a couple of reasons. On a professional level it’s very different from the kinds of technology or process-focused projects I tend to work on, and on a personal level the topic of human equity has a lot of meaning for me. While I identify as white, my husband is of South Asian descent and our son will be biracial. I get a lot of satisfaction from working on a project that will help to make the world of work more inclusive for the next generation.”**

Robyn Baker  
Project Lead, Human Equity Project  
on Inclusive Language



# Social: Employee Benefits



JAGGAER is an international company. We aim to provide all of our employees with a working environment, work/life balance and benefits package that is among the best in our sector in all of the markets where we do business. In the United States, for example, this can include employee and family health, dental and vision coverage; reimbursement accounts for eligible medical expenses; company-paid life insurance and accident insurance; short-term and long-term disability benefits; a retirement plan with company match; and plentiful paid time off benefits.

In addition, we provide education, coaching and support for personal development, both through the JAGGAER University and the reimbursement of eligible external education fees. Ours is an open-minded, international and dynamic corporate culture.



## Social: Passion Project Governance



Employee engagement through the Passion Project committees is driving our progress on diversity, equity and inclusion, as well as philanthropic activity.

### Steering Committee

This group of leaders and representatives of all Passion Project sub-groups has created the project charter, synchronized the efforts of the sub-committees, and begun the execution of deliverables necessary to positively impact the culture at JAGGAER.

### Recruiting, Hiring & Promotion Committee

Having examined current JAGGAER recruiting and sourcing practices, as well as identifying opportunities to diversify our workforce, this group works closely with JAGGAER Human Resources to ensure equity at all stages of the employee lifecycle.

### Human Equity Discussion Group

Takes place weekly, open to all. It's a time for colleagues to learn from one another about the different experiences we all have at work and in life. Nobody need ever feel alone!

### Human Equity Committee

Weekly discussions in the discussion group help this committee to address opportunities for improvement in our employee experience. Current action items for this group include training opportunities for all employees, opportunities to spread awareness of inequity at work, and using statistical data to measure change as we progress through stages of awareness.

### Philanthropy Committee

Working to highlight philanthropic opportunities around the world for JAGGAER employees, this committee deployed a company-wide survey to inform about individual contribution opportunities and company-wide philanthropic efforts.



# Social: Employee Engagement

In the course of 2021 JAGGAER launched several Employee Resource Groups and projects to increase engagement and inclusiveness across the organization.

### JAGGAER LGBTQ+ Alliance

The LGBTQ+ Alliance champions inclusiveness, equality and fairness for people of all sexual orientations. The Alliance was formally launched in 2021 and embraces the United Nations Human Rights Office's five Standards of Conduct to support the business community in tackling discrimination against lesbian, gay, bi, trans and intersex (LGBTI) people.

## Supporting the LGBTI community

 <p><b>Respect Human Rights</b> of LGBTI workers, customers and community members</p>	 <p><b>Tackling Discrimination</b> against LGBTI People: Five Standards</p>	 <p><b>Support LGBTI Staff</b> at work</p>	 <p><b>Not Discriminate</b> against LGBTI customers, suppliers and distributors-and insist that business partners do the same</p>	 <p><b>Stand up for Human Rights</b> of LGBTI people in the communities where they do business</p>
--	--	---	--	---





➔ **Source:** <https://www.unfe.org/standards/>



# Social: Employee Engagement

## Racial Equity Discussion Group

In 2021 we established a Racial Equality Discussion Group. This was challenging in a year of remote working, but we found creative ways to engage. In its ongoing conversations, employees shared various documentaries they considered good viewing to highlight a number of topics and dimensions to the issue. The idea is to help people understand more about what drives our pursuit of racial equity.

## What's Your Passion?

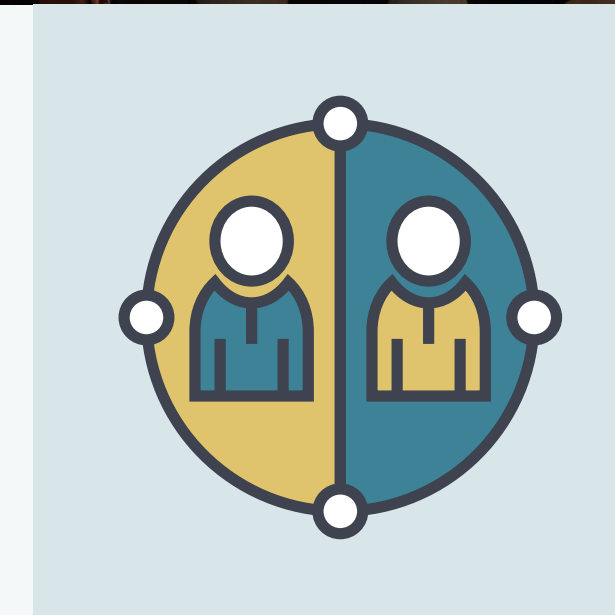
As part of the Human Equity Project, in 2021 we reached out to employees and asked them what they care about in JAGGAER and the wider community.

Did they see a need for philanthropic initiatives? And, are you looking to start a discussion group or affinity club? Is there a need in our internal JAGGAER community that you haven't seen us address?

## Employee Spotlight

Each week JAGGAER puts the spotlight on an employee, offering them an opportunity to introduce themselves and say something about their professional skills and extra-curricular interests, thereby helping to build and strengthen our global community.

This was especially valuable for new joiners working remotely through the COVID-19 pandemic.



## Social: Employee Engagement

### One Country Each Month

JAGGAER is a global community with offices and representatives in many countries around the world. Once a month colleagues in one of our countries have an opportunity to tell us about JAGGAER activity in their country, but also about their language, culture, art and architecture, cuisine and more.

Over the past year we were treated to fascinating insights into the United Arab Emirates, Austria, Serbia and Brazil, among others.

### Rockstar Teammate

Colleagues are regularly invited to nominate a “Rockstar Teammate” who has the attitude of a winner and goes above and beyond to make JAGGAER’s customers, products, and workplace a success. Rockstar awards go to teammates who increase employee engagement, find ways to motivate and inspire others, identify a process improvement, exhibit exceptional customer service or otherwise contribute outstanding effort.



Rockstar awards go to teammates who motivate and inspire others, exhibit exceptional customer service or otherwise contribute outstanding effort.

## Social: Our COVID-19 Response

The health, safety and wellbeing of everyone our company touches must be our top priority.

This became very literally true when the world was hit by the COVID-19 pandemic. On March 8, 2020 we were among the first companies to close our corporate headquarters and regional offices with a Global Emergency Response plan and proceeded to go fully remote within 48 hours, closing all offices around the world. We paused all travel and moved all user group events and conferences to remote.

From the start, we understood that prolonged periods of lockdown and isolation had the potential for causing physical, mental and emotional stress for many of our employees.

We set up a study group and conducted regular COVID-19 surveys to understand the impacts at a deeper level, and the very different impacts on individuals based on their age, accommodations, family and other relationships.

In response, we set up resource groups to build support communities and improve access to assistance. These included, for example, a parents' roundtable, a resource group for parents with special support needs, online yoga and fitness groups and monthly learning sessions to build insights and empathy. To support new joiners, we redesigned our onboarding processes, enabling them to connect with each other and learn about our corporate culture and products through virtual networking groups.



We also thought ahead, planning the return to work and making a major financial investment to adapt our headquarters for distancing. We did this with the help of Condeco workspace planning software, adequate ventilation and air circulation, and easily accessible hygiene stations in all areas.

## Social: A New World of Work

Based on what we learned during the pandemic, we are taking a new approach to work-life balance.

The course of the pandemic taught us that we needed to change our attitude to work-life balance.

The routine of turning up in the office every day, eight hours a day or more, is now a thing of the past. Surveys indicated that our employees want a new hybrid model where time is divided between remote working, mostly from home, and physical presence in our corporate and regional offices. They missed social engagement through COVID-19, which for many was a source of emotional strain, but on the other hand the release from a daily commute and an opportunity to spend more time with loved ones was a plus for many others.

This also presents an opportunity to reduce our impact on the environment. In 2020-21, although we significantly increased total headcount, taking on 250 new hires, we encouraged remote working, or a hybrid mix of remote and onsite working.

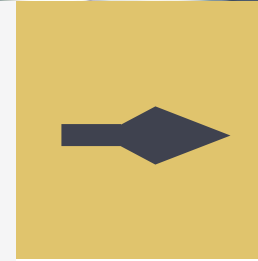
This has also enabled us to shrink our office portfolio and reduce the size of others; we anticipate that this will reduce greenhouse gas emissions and we will comment further on this in our next report.





# Corporate Governance

We put a strong emphasis on being clear and open about how we do business, our ethical practices and policies and how we manage data.



## Governance: Business Ethics

### The JAGGAER Code of Conduct

Our **Code of Conduct** provides employees globally with the framework to operate ethically and within the law in their respective countries.

It also applies to all of our business dealings with other organizations, including channel partners, resellers, system integrators, agents, suppliers and consultants (collectively “Third Parties”). JAGGAER expects that all Third Parties it engages adhere to applicable legal and regulatory requirements in their business

relationships as set out in our Third-Party **Code of Conduct** in connection with their activities for JAGGAER.

Third Parties are responsible for ensuring that they and their employees, workers, representatives, suppliers and subcontractors comply with the standards of conduct set out in the Third-Party Code of Conduct and in other contractual obligations to JAGGAER.

#### **Anti-corruption and anti-bribery**

We are committed to doing business fairly and equitably. We work with public and private organizations around the world and adhere to the strictest standards for anti-bribery and anti-corruption.

Every JAGGAER employee receives regular, mandatory anti-corruption training and is encouraged to speak up about potential conflicts of interest.

We adhere to the Foreign Corrupt Practices Act (FCPA), U.K. Anti-Bribery Act and more. We select all partners, vendors, suppliers and more based solely on their merits.

#### **Against all forms of modern slavery**

JAGGAER is committed to complying with all relevant laws relating to modern slavery, including the California Transparency in Supply Chains Act of 2010 and United Kingdom Modern Slavery Act of 2015.

Our commitment to human rights is outlined in our Third-Party Code of Conduct.

We published our first Modern Slavery Statement on January 1, 2020, outlining the steps we are taking and will be taking to ensure that servitude or forced or compulsory labor is not practiced within the business.



# Governance: Business Ethics



## Promoting awareness of business ethics

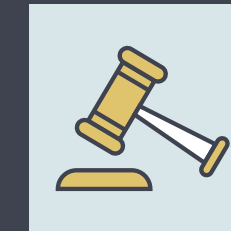
Our values of transparency and accountability mean we are committed to a work environment where open and authentic communications are central to our way of doing business.

The JAGGAER University provides onboarding training in ethical conduct for corporate teams and ongoing skills training for all current users.

We train, educate and engage with all of our employees to ensure they know what's expected of them in their daily work and that JAGGAER has an ethical foundation for how we deal with each other, our partners and our customers.

JAGGAER upholds strong standards of business ethics in all we do.

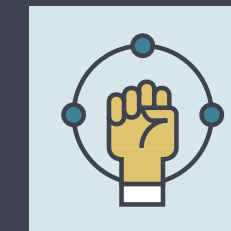
## In 2021 all employees:



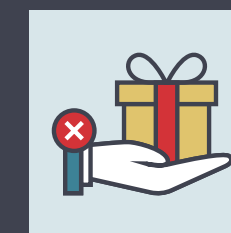
Received awareness training with the JAGGAER University to prevent discrimination and/or harassment.



Received two courses to spread awareness of unconscious bias: "How Do I Identify my Biases?" and "What is Unconscious Bias?"



Received training on preventing discrimination and human rights violations.



Received awareness training to prevent corruption and bribery.



# Governance: Business Ethics



## Promoting awareness of business ethics

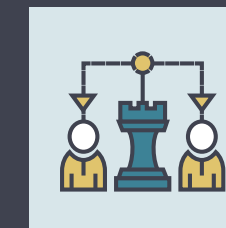
Our values of transparency and accountability mean we are committed to a work environment where open and authentic communications are central to our way of doing business.

The JAGGAER University provides onboarding training in ethical conduct for corporate teams and ongoing skills training for all current users.

We train, educate and engage with all of our employees to ensure they know what's expected of them in their daily work and that JAGGAER has an ethical foundation for how we deal with each other, our partners and our customers.

JAGGAER upholds strong standards of business ethics in all we do.

## In 2021 all employees:



Received awareness training to prevent anti-competitive practices.



Received awareness training to prevent information security breaches.



Received data security and privacy awareness training.

All new hires will receive the above training units as soon as they gain access to the JAGGAER University.



# Governance: Reporting Facility

## Integrity reporting policy

We make it easy for employees to report any knowledge or suspicion of unethical behavior or incidents of misconduct via [integrity@jaggaer.com](mailto:integrity@jaggaer.com).

A 24-hour hotline is available to report concerns with an option to remain anonymous. And we are committed to protecting the identity of all persons who use our secure reporting system.

To this end we work with Lighthouse Services, an independent company, to enable multiple means of reporting any improper activity. The hotline can be contacted via a dedicated **Lighthouse Services website page** or toll-free telephone numbers.

This policy and the reporting facility is available in all regions where we do business, in multiple languages.



“We encourage JAGGAER team members to report all integrity concerns, beginning with their onboarding training, and through other communications channels.”

**Kevin Smith**  
General Counsel

## Governance: Data Privacy and Information Security



The protection of personal data is enshrined in law, for example in the European Union's General Data Protection Regulation (GDPR). JAGGAER takes this very seriously, regularly evaluating the changing landscape of laws and regulations and making the appropriate changes to our systems.

We take great care to collect the minimum amount of personal data and have combined accountability for privacy and security to ensure a comprehensive approach. In doing this we consistently define our global controls and keep track of our data protection obligations. New product developments undergo a privacy impact assessment early in the design stage to further support our privacy-by-default posture.

We protect the privacy and data security of our customers, suppliers, partners and other stakeholders with code analysis, vulnerability and penetration testing. We take full accountability for the operational governance of our software by continually monitoring, hardening and performing reviews and assessments.

- We continuously look for vulnerabilities and anomalies with attack surface monitoring, allowing JAGGAER to instantly assess our security posture against emerging threats
- We proactively mitigate cybersecurity risk, creating a secure operating environment
- We create a secure and trusted environment for customer and supplier data – working collaboratively to identify and manage risks
- We maintain business continuity and service availability by developing and implementing organization-wide plans and processes. This includes ensuring that our data centers reside in resilient environments with failover

and redundancy capabilities that can withstand adverse conditions, unexpected events, and physical and environmental.

- We have obtained the relevant data security and cyber security certifications and conduct regular internal and external audits to eliminate compliance threats



# Governance: Data Privacy and Information Security

## JAGGAER Security Certifications

- 1 SOC 1 Report**  
Addresses the quality and operating effectiveness of controls relevant to an audit of our customers' financial statements.
- 2 SOC 2 Report**  
Addresses the controls that relate to availability, security and confidentiality.
- 3 ISO 27001**  
An information security management system (ISMS) for the adoption of best practices in managing information security, with certification by an accredited external body.
- 4 ISO 27018**  
A standard that demonstrates Personal Identification Information (PII) protection in public clouds acting as PII processors.
- 5 ISO 22301**  
To help organizations protect against, reduce the likelihood of occurrence, prepare for, respond to, and recover from disruptive incidents when they arise.
- 6 ISO 9001**  
For organizations to demonstrate the ability to consistently provide products and services that meet customer and regulatory requirements.



# Governance: Data Privacy and Information Security



## The JAGGAER Trust Center

JAGGAER understands the importance of our customers' business data. That's why we provide high level data protection and compliance across our entire platform. We keep customers and partners updated on issues around reliability, data security and privacy via our online JAGGAER Trust Center, in plain language.

### JAGGAER's Secure Software Development Lifecycle

JAGGAER's Secure Software Development Lifecycle (SSDL) integrates trust, security and privacy awareness throughout the entire software development process.

Our mantra is security and privacy by default and design as a core philosophy throughout the product lifecycle from creation through to end of life. The security and privacy threat landscape constantly changes, and we evolve our approach reviewing the latest attacks and vulnerabilities, ensuring we can always defend ourselves.

### Threat modeling security

Threat modeling allows us to review, understand and prioritize potential security risks at the component, application or system level, and expose potential design vulnerabilities.

Our structured approach to threat scenarios identifies risks where the data or system could be compromised. This allows us to develop mitigation strategies to minimize risk. We take a hybrid STRIDE and LINDDUN approach to threat modeling to ensure a comprehensive approach across security and privacy.





## Governance:

# Data Privacy and Information Security

### Cloud security

We develop our solutions to support our industry certifications such as SOC 2 Type II, ISO 27001, and ISO27018. Not only does this support our overall cloud security posture, but it also integrates global security and privacy compliance activities into the engineering workflow.

### Code analysis

Peer review and Static Analysis Software Testing (SAST) are the first two activities we perform in delivering a secure customer experience. Tools such as SonarQube and Sonatype Nexus play a pivotal role in our code and open-source analysis to identify defects, buffer overflows, cross-site scripting and other security issues identified by OWASP and similar organizations. As the security threat landscape is ever changing, prior to each release, our Product Security team runs a final scan to address high priority issues.

### Vulnerability & penetration testing

Our vulnerability management approach of constant identification of defects and vulnerabilities consists of complementary programs designed to improve our ability to defend against cyberattacks and understand the attack surface. We've adopted best-in-class dynamic application software testing capability supported by UpGuard always-on attack surface management as well as JAGGAER-led architecture reviews and Red Team attack simulations. We utilize third-party authenticated and unauthenticated penetration testing to augment automated tools testing to further emulate a real-life attack.



## Governance:

# Data Privacy and Information Security

### Product launch

Post-product launch JAGGAER's security team takes accountability for operational governance by continually monitoring, hardening, performing reviews and assessments, penetration testing, and ensuring security is built into the DR/BC program. Our privacy team ensures cross-border transfers, data-sharing and retention periods are monitored, and that data is only processed for the purpose for which the data was collected.

### Privacy

JAGGAER collects the minimum personal data on stakeholders and takes data protection very seriously, continuously evaluating the changing landscape of laws and regulations and making the appropriate changes to our systems. In doing this we consistently define our global controls and keep track of our data protection obligations. New product developments undergo a privacy impact assessment early in the design stage to further support our privacy-by-default posture.

### GDPR

JAGGAER has taken all necessary steps to ensure compliance with the European Union's General Data Protection Regulation (GDPR). From the publication of GDPR, JAGGAER has been proactive in assisting customers to understand their responsibilities as data controllers while assuring them that JAGGAER, as a data processor, has put all the technical and organizational measures in place to provide the level of security appropriate to the risk.



## Governance:

# Data Privacy and Information Security

### Reporting a vulnerability

The JAGGAER Product Security Incident Response Team's (PSIRT) goal is to minimize risk associated with security vulnerabilities in our products.

Users are asked to report any potential vulnerabilities to [globalsecurity@jaggaer.com](mailto:globalsecurity@jaggaer.com)

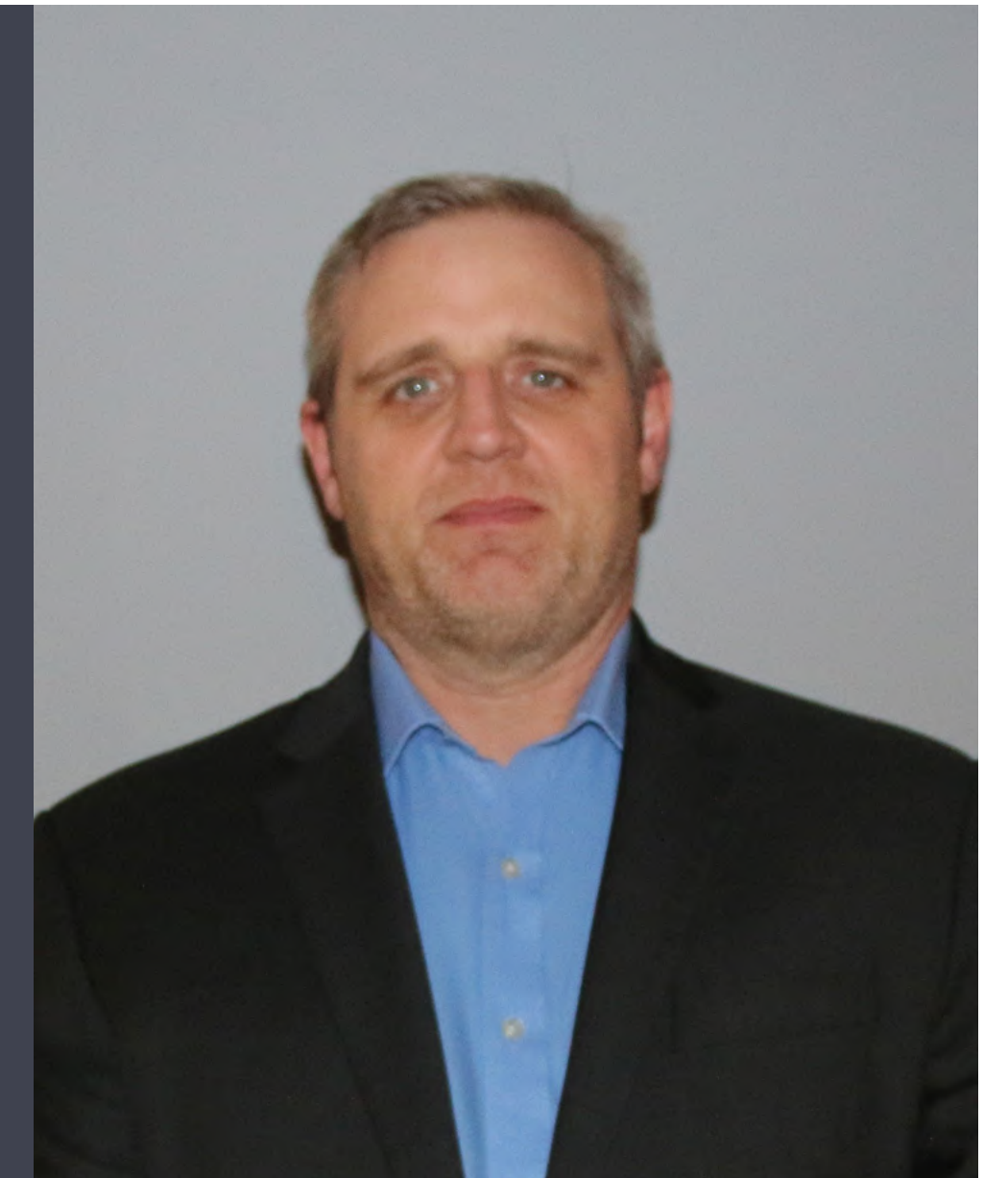


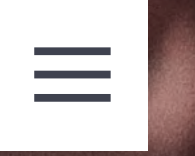
**“Data privacy and security is truly a team activity at JAGGAER. It is not solely the responsibility of a specialist function.”**

**“We require everyone across JAGGAER to be committed and engaged – everyone has a part to play in protecting our customers’ data assets.”**

### Steve Dukas

Information Security Officer,  
JAGGAER





# Part 3

## JAGGAER as an ESG Enabler



## JAGGAER as an ESG Enabler

As an enabler of ESG best practices we support our customers in the following ways:

- We enable customers to set up their RFP (Request for Proposal) evaluation process to include sustainability factors and provide incentives for vendors to offer more sustainable products and services.
- We enable customers to use environmental and social factors to weigh any bid assessments in favor of suppliers that meet their sustainability goals.
- JAGGAER's integrated data platform allows customers to monitor suppliers' actual performance on ESG issues, building trust between buyers and suppliers through transparency on buyer expectations and the disclosures required by partners.
- We partner with organizations that specialize in aspects of ESG as they relate to supplier management, such as EcoVadis.
- We work with public sector organizations to promote their publicly mandated responsibility to pursue social value in commissioning and procurement.
- We actively promote acceptance and implementation of ESG principles and best practices in the software industry and the procurement profession.
- We enable elimination of wasteful paper-based procurement practices.

**“Our procurement portal is fondly known as the OK Corral, in line with the university’s Cowboy identity. It certainly had an impact. We were soon able to dispose of 18 filing cabinets that were stuffed full of records of past events, including printouts of emails from suppliers, and we would easily have added another dozen without JAGGAER,”**

[Matt Wessel](#),  
Office of Procurement,  
Oklahoma State University.

## JAGGAER as an ESG Enabler

### Supplier onboarding & due diligence

JAGGAER provides access to a global network of some five million suppliers. Before onboarding suppliers, JAGGAER identifies whether there are any ESG-related key risks or opportunities. JAGGAER may also use specialist external consultants (such as riskmethods) to help assess specific risks.

### Sourcing

In setting up the RFP (Request for Proposal) evaluation process our JAGGAER ONE customers can include environmental factors and provide incentives for vendors to offer more sustainable products and services. Potential suppliers are asked to fill in a questionnaire that covers sustainability issues of interest to the buyer.

These vary enormously depending on the customer's own sustainability goals, which in turn depend on a variety of factors such as location. Examples of how this is done in practice therefore depend on the customer organization but typically follow the "triple bottom line" approach of people, planet and profit in the case of commercial organizations.



"The JAGGAER platform is helping us to respond to the current situation by consolidating and streamlining, condensing everything into a single tender, built up in less than a month."

Vitor Mariano,  
Cancer Research UK

## JAGGAER as an ESG Enabler

### eProcurement

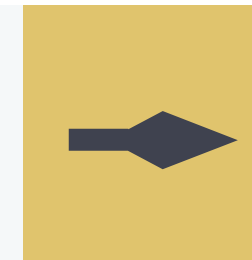
At the eProcurement stage sustainability factors can be applied to weight the bid assessment in favor of suppliers that meet the buyer's sustainability goals, while ruling out others. In practice, this could mean that when buying paper and other stationery, the buyer might have the objective of only using paper that comes from accredited sustainable sources or uses a minimum percentage of recycled paper.

### Supplier management

At the heart of the effort to build sustainability into supply chain management is building trust with suppliers and being transparent about buyer expectations and the disclosures required by partners. Easy-to-use, quantitative

indicators such as sustainability ratings, which are integrated into procurement software, will accelerate and scale up sustainable procurement programs so they can drive real impact. These indicators also go beyond simply assessing an issue to give procurement teams a real plan of action for how to address that critical risk.

This is the foundation for a supplier performance monitoring program that aligns with the company sustainability strategy, and it helps businesses identify risks and opportunities using reliable indicators.

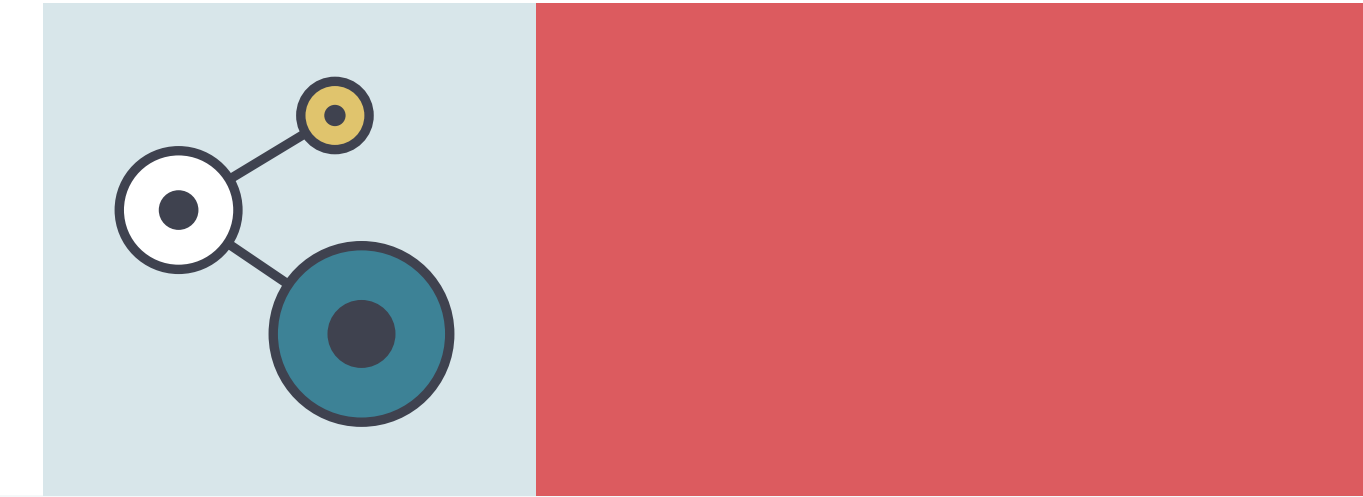


**“We implemented the DocuSign digital signature functionality into eTenderWales. We did this before COVID-19 which turned out to be a very opportune decision. Without it, I really don’t know how we could have coped through the pandemic ... The challenge now is to extend it to other departments and authorities that are using JAGGAER.”**

David Nicholson

Head of Commercial and Procurement for the Digital and ICT branch of the Welsh Government

## Helping Cancer Research UK through the Pandemic



Cancer Research UK, like most charities, was hit hard by the COVID-19 pandemic in 2020. The charity had to close its shops temporarily and cancel fundraising events including Race for Life. As a result of the pandemic, Cancer Research UK expected to see a decline in its income. Therefore, the need to source goods and services cost-effectively became more important than ever.

Effective and efficient sourcing, procurement and supplier management are vital to manage and reduce costs. Cancer Research UK needs a centralized view of contracts and suppliers to understand where costs are, and to reduce them where possible.

Cancer Research UK had first implemented JAGGAER in 2015 and since then has made a concerted effort to bring contract management under central control. “This is challenging, because a lot of the contracts are with regional suppliers responding to the needs of local people organizing events, and this made the assessment difficult,” Vitor Mariano, procurement category manager at Cancer Research UK, explained. It was therefore a big advantage to have a contract management database in place. “This will put us in a much better position when we are able to return to live events or for managing contracts for virtual events,” he added.

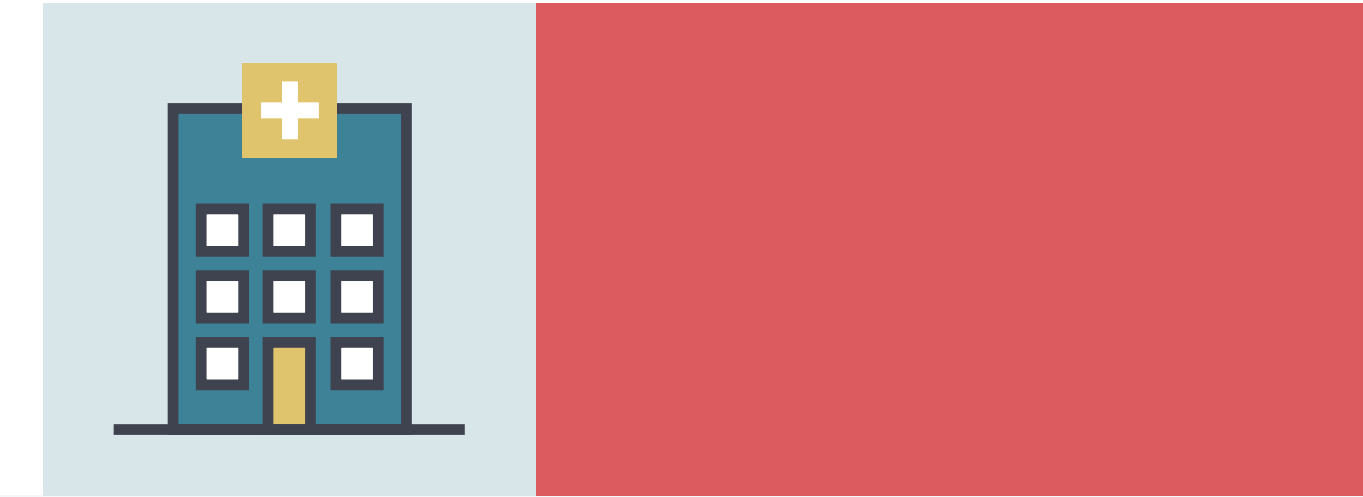
Sourcing in JAGGAER is also helping to get better deals. “JAGGAER gives us a clear and failsafe solution for RFI and RFP processes. We have tried to keep our implementation as simple and straightforward as possible, ‘out of the box’ with few steps,” Mariano said.

“We have compressed the time it takes to execute big tenders, including those involving fairly complex categories, from several months to a few weeks. A good example is fulfilment, a very complex category that encompasses elements such as consumables, warehousing, distribution and final fulfilment.

“In the past, we would have needed to create at least two or three separate tenders for this. But the JAGGAER platform is helping us to respond to the current situation by consolidating and streamlining, condensing everything into a single tender, built up in less than a month,” Mariano reported.



## Enabling Better Social Welfare and Health Care Systems



### The RELIEF project for pain management

JAGGAER supported the RELIEF project, part of the European Union's Horizon 2020 program, to find eHealth solutions for the self-management of chronic pain. JAGGAER led project utilization activities focused mainly on the identification of lessons learnt from the Pre-Commercial Procurement (PCP) process and the definition of measures for utilizing the solutions developed in the project. In addition, JAGGAER took charge of communication of the project, and the organization of the final event.

It has been estimated that chronic pain affects more than 20% of adults throughout the world, including 100 million Europeans.

The different phases of the process from inception onwards were managed through JAGGAER's eTendering platform with the assistance of our Madrid office, which was also delighted to host the final RELIEF project before the selected solutions moved to the commercialization phase.

### eCare health project to manage frailty in old age

Frailty and loneliness are two growing challenges for an ageing society. The European eCare project is seeking innovative digital solutions to prevent and manage frailty in the health of senior citizens. Endowed with a total of €3.9 million, in the summer of 2021 eCare launched Phase 1 for tenders.

JAGGAER was the initial coordinator of the project at its inception. It was subsequently managed by the Spanish consultancy firm, SILO, and providers presented their offers through the JAGGAER **eCare PCP platform**. eCare is a consortium of eight organizations, 90% funded by the European Commission under the Horizon 2020 program and coordinated by a consortium of eight public and private entities. Through the prevention and comprehensive management offered by the awarded projects, its aim is to promote the independence and wellbeing of the elderly, while reducing the financial burden on healthcare services.

The group of purchasers includes Consorci Sanitari Integral (Hospitalet, Barcelona) and the city of Santander in Spain, together with Azienda Sanitaria Locale de Benevento in Italy and Aachen University Hospital in Germany.

## Sorgenia Bioenergie Builds a Unique Procurement Function

Sorgenia Bioenergie, with its three renewable energy power plants, potential new future acquisitions and a plan to integrate and develop its bioenergy segment further, is the current Italian leader in the production of electricity through biomass. Now part of Sorgenia Group, it aims to achieve the most advanced innovation, reliability and sustainability in its market segment, to guarantee efficient and effective energy production.

Simona Izzo set up a single procurement function at the company after the F2i investment fund completed the acquisition of the three power plants from different owners. She first focused on introducing the processes necessary to provide a standardized way of working. She said, “The very first step is to start with the introduction of new tools to harmonize the process of assessing suppliers. In 2019, we selected the JAGGAER supplier management solution to facilitate more structured anagement of the approved suppliers list based on category groups.

“The second area is the performance assessment. We assess, via a virtual team, the performance of the suppliers once a contract

is awarded. Therefore, we encourage continuous improvement of our suppliers, identifying their strengths and their weaknesses to mitigate risks and possible non-compliances in the future. JAGGAER vendor management has thus proven to be extremely successful, enabling us to have an in-depth knowledge of our supplier lifecycle, which is constantly updated. When assessing and selecting suppliers, we do have in mind a few targets which are paramount: innovation, sustainability, flexibility, and speed.”

This is an abridged version of a feature in the November 2021 issue of [\*\*Digital Innovation magazine\*\*](#).



## ESG in the Supply Chain: Current Priorities

In pursuit of our ESG strategy, JAGGAER Product Development and Professional Services have been mandated to focus on the following capabilities:

- Provide enhanced visibility into ESG in the supply chain
- Assist customers with digital transformation to reduce the environmental impact of procurement
- Develop new ESG product innovations and features for sustainable sourcing
- Increase the number of customers with ESG configurations enabled in their source-to-pay platform
- Increase the volume of spend directed to diverse suppliers
- Support customers in measuring the carbon footprint related to spend



**“Because we have a versatile platform that simplifies making purchases through our preferred suppliers, we’ve been able to highlight local, small, minority-owned businesses.**

**“Many of them are providing resources such as personal protective equipment, building signage, or other important goods and services that are critical, and in extremely high demand during these extraordinary times.”**

Mark Mills  
Chief Procurement Officer,  
University of Pennsylvania

## The Demand for Due Diligence



Increasingly, businesses must not only adhere to their own ESG principles. They must also exercise due diligence over the companies in their supply chains. American and European lawmakers are now asking what use are these standards if respectable organizations – knowingly or unknowingly – are offloading their bad practices onto third parties? Legislation to enforce supply chain due diligence is coming into force in many countries worldwide.

As such, procurement needs to look at the information the organization already has about its suppliers to understand whether the information is complete in terms of their locations, the nature of their businesses, the nature of their workforce etc. This provides the basis for carrying out the

nine steps (shown below) which involve setting out a risk assessment based on where suppliers are located and the types of people they employ and policies and procedures to identify and mitigate risk.

JAGGAER already covers virtually all of the obligations that the new **German Supply Chain Law** imposes on our customers. What we cannot do as things currently stand is to offer multi-tier oversight of the entire supply chain, but nor can anyone else. However, we are working intensely with our data partners such as TealBook and riskmethods to close the remaining gaps.

We are also actively engaging with suppliers to get information about *their* suppliers, which is then kept in a separate secure data mart, inaccessible to anyone other than authorized users. We can then use that information to identify any possible supply chain issues, while guaranteeing data security and privacy. Should we identify an issue, we would then notify the relevant customer.

In fact, something rather similar is currently in operation in the internationally recognized OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and the associated US 3TG (tungsten, tantalum, tin and gold) conflict minerals due diligence standards.

Here too, getting full visibility is challenging, but companies from countries that have signed up to the OECD guidance and standards must be in a position to demonstrate that they have made their best efforts to comply.

At any rate, JAGGAER now has the technology to support responsible sourcing and supply chain due diligence and gaps in the data will be plugged over time.

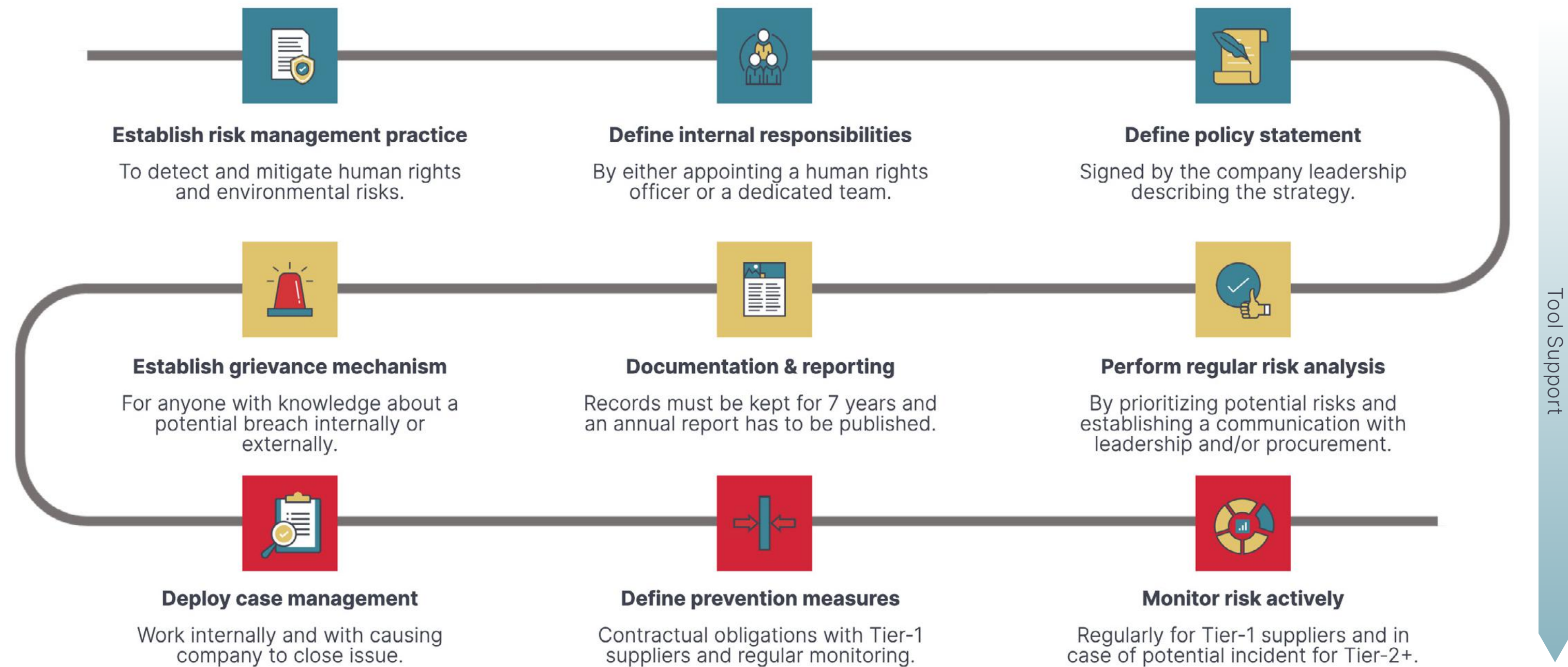


# The Demand for Due Diligence

JAGGAER has developed a nine-step model enabling customers to exercise due diligence in their supply chains, as is now required by law in many jurisdictions.

**“As a group, we pay attention to sustainability, but this is not enough. You need to ensure your partners are sustainable too. In that respect, when we work with a supplier, we want to know their sustainability strategy, incentivising all those which are sustainable.”**

Simona Izzo,  
CPO at Sorgenia Bioenergie



## Partnerships Supporting ESG in the Supply Chain

**JAGGAER is a global company and has a “think global, act local” approach. Our expertise lies in making the “impossible possible” with our software, but we recognize that we do not have inherent expertise in sustainability, supplier diversity and global risk, and neither do the vast majority of our customers.**

**Therefore, JAGGAER works in close partnership with various companies and organizations that do indeed have that expertise.**

### Supply chain sustainability: EcoVadis

We have worked with EcoVadis on sustainable supply chain strategies on projects around the world.

EcoVadis has grown to become one of the world’s largest and most trusted provider of business sustainability ratings, creating a global network of more than 75,000 rated companies. EcoVadis ratings provide JAGGAER customers with the data they need to assess whether suppliers come up to their own standards in sustainability and caring for the environment.

**ecovadis**

### Supply chain diversity: TealBook

In 2021 JAGGAER undertook a survey together with our partner TealBook to investigate the progress companies are making with supplier diversity, i.e. the extent to which they are giving contracts to Minority and Women-Owned Business Enterprises (MWBES). It revealed that while 70% of global organizations see supplier diversity as a priority, most haven’t started or are just beginning their journeys to inclusiveness. Moreover, one of the greatest obstacles was perceived as “difficulty identifying diverse suppliers that meet procurement criteria”.

**TealBook**



TealBook provides JAGGAER customers with the data that helps them to build resilient, agile and socially responsible supply chains. Among other things, this enables them to achieve greater supplier diversity.



## Partnerships Supporting ESG in the Supply Chain



### Supply chain risk management: riskmethods

Supply chain disruption is bad for business, but not just in financial terms. It is also bad for an organization's reputation. Consider, for example, the impact if it turns out that any supplier (in the entire supply chain) is employing child labor. But even events such as natural disasters may impact perceptions of your reliability if it disrupts your business. Bad things happen even to very good organizations – but with supply chain risk, it isn't always the bad things themselves that destroy reputations, but the knock-on effects. This is why JAGGAER partners with riskmethods, which constantly monitors supply chains to identify risks.

Supply chain risk management (SCRM) is the process of taking strategic steps to identify, assess and mitigate the risk in your end-to-end supply chain. The risks that organizations face are manifold:

**Reputational risk** is the possibility that a supplier will engage in activity (child labor, bribery, pollution etc.) that negatively affects your brand. This has an immediate impact on stakeholder and public perception of your true commitment (or lack of it) to ESG.

**Natural disaster risk** is the possibility that your supply chain is disrupted by a hurricane, earthquake or other natural hazard. In a world of globalization and climate change, this type of risk is only increasing.

Then there are **supply chain man-made risks** that your supply chain is disrupted by events caused by human action or negligence such as fires and explosions.

Supply chain **geopolitical risk** is the possibility that your supply chain is disrupted by global political events. Not just high-profile events such as wars and revolutions, but also international tensions leading, for example, to changes in the global trading environment.

**Financial risk** includes events such as supplier bankruptcy and volatility in currency exchanges and commodity markets.

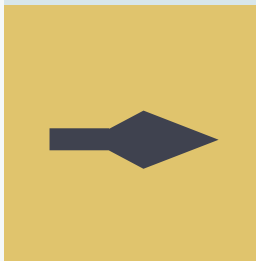
Finally, **cyber risk** is a growing menace. According to [The Global Risks Report 2020](#) by the World Economic Forum, cyber-related issues such as cyberattacks, data fraud or theft are among the top risks to corporations.



# Partnerships Supporting ESG in the Supply Chain

## Social value – Bloom

In the United Kingdom, JAGGAER works closely with another partner, Bloom, to enable public sector bodies to promote their publicly mandated responsibility to pursue “social value” in commissioning and procurement. The UK Public Services (Social Value) Act 2012 calls for all public sector commissioning to consider economic, social and environmental well-being.





## Supply & Demand Chain Executive 2021 Green Supply Chain Award

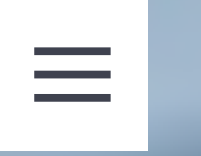
In 2021 *Supply & Demand Chain Executive* magazine recognized our efforts to help our customers to integrate ESG factors easily and effectively throughout the entire source-to-pay cycle.

In winning the award, we demonstrated how procurement and supply chain teams use JAGGAER ONE software to:

- Achieve their sustainability objectives through digitalizing the paper-based source-to-pay cycle, for example, through the generation of digital contracts with electronic signatures
- Demonstrate and quantify their sustainability successes and performance
- Ensure that suppliers meet their sustainability and wider environmental, social and governance (ESG) goals by building the relevant requirements into the RFP (Request for Proposal) process

- Monitor and quantify ESG gains through multi-tier visibility across the supply chain, such as transparency into the green practices of their suppliers and their suppliers' suppliers





# Action Plan 2022

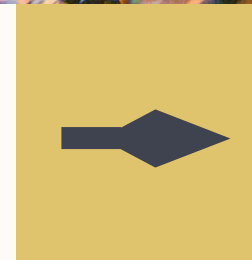
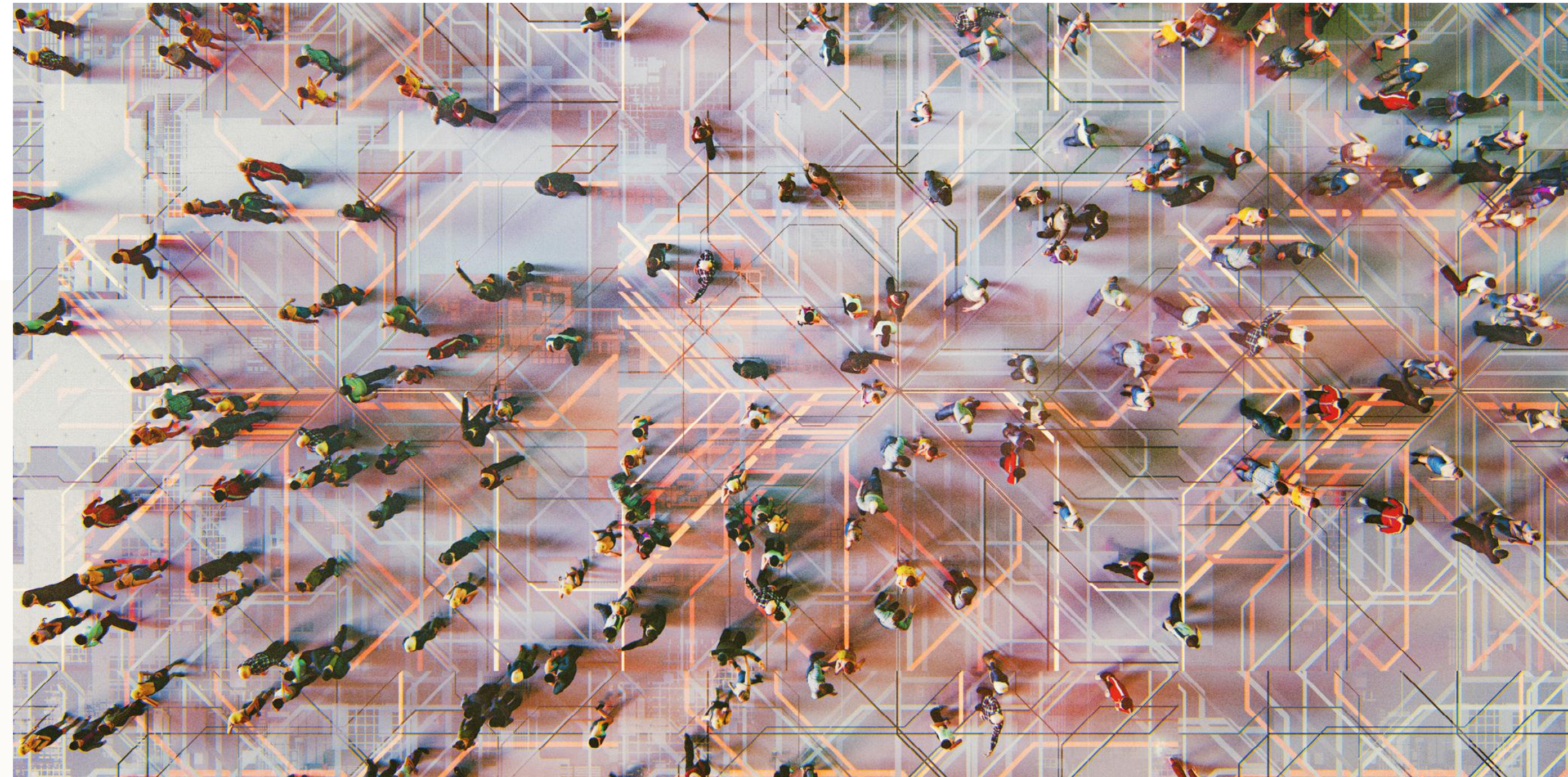


# Action Plan 2022

The following actions were identified in a Gap Analysis conducted in 2021, and will provide focus to our ESG activity in 2022 and beyond.

We have appointed Chief HR Officer Michele Hamill as the Senior Executive with overall responsibility for ESG.

We look forward to reporting on our progress in future JAGGAER ESG Reports.



# Action Plan 2022

**01**

We will conduct a more extensive Materiality Assessment with input from a broader range of stakeholders, which will inform the further development of our ESG strategy.

**02**

We will baseline our operational and indirect carbon footprint with a view to reducing this.

**03**

We will establish baseline metrics to monitor our health, safety and environmental (HSE) performance.

**04**

We will establish and define processes to increase the percentage of diverse new hire candidates.

**05**

We will continue to drive pay equity across the organization.

**06**

All hiring managers will be expected to participate in expanded unconscious bias training in the selection process.

**07**

We will introduce new courses on issues such as business ethics and anti-corruption.

**08**

We will include questions on sustainability and supplier diversity in all new RFPs.

**09**

ESG issues will be a fixed item on the agenda for all Customer Advisory Board meetings, enabling us to identify ways to enable customers to achieve their own ESG goals.

