



Environmental, Social and Governance Strategy

Positioning Two Bulls/DEPT as Australia's leading developer of impactful digital products.

Audience: Two Bulls Management



Two Bulls & DEPT

Two Bulls is an Australian digital consultancy specialising in web and app product development that was acquired by the global digital agency, DEPT, in 2022.

DEPT has an existing impact strategy and done work to define an ESG that aligns with its materiality as a digital services agency.

Two Bulls has a culture of doing impact work for government and non-profit clients, but it could improve the targeting, measuring and delivery of impact outcomes during the product development process.

Two Bulls currently has robust D&I and Governance initiatives, but is lacking a comprehensive approach to sustainability and an overall ESG strategy.



DEPT® aims to be the
best digital agency
in the world and
for the world.

“Our mission at DEPT®
is to have a positive
impact on not just our
people and our clients,
but on society as a
whole.”

Pooja Dindigal
Head of Global Impact



In 2023, DEPT intends to develop a more strategic and comprehensive approach to considering how to embed “impact” into the work it does daily with clients.

The opportunity exists for Two Bulls to expand on its existing capabilities in servicing impactful digital products and help pave the way for DEPT to embed ESG into its DNA.



Internal stakeholder material concerns

Mental health

Prevention of burn-outs, providing and encouraging mental health days when need. Focussing more on the time it takes and what it means to employees.

Diversity and inclusion

More women in leadership position, a more diverse workforce as a whole, and more advocacy for POC employees.

Employee education

Focus on sustainability in offices and what people can do to become sustainability champions within projects.

Transparency on sustainability

Be open with the process of defining impact, understand where things can be improved and be transparent about efforts being made.

Boost impact work

Influence clients to become more sustainable and build sustainable products that move the needle on ESG related issues.

External stakeholder material concerns

Web access & accessibility

Raise the standards of equality of access to technology around the world, and improve digital literacies in less privileged groups.

Responsible consumption

Focus on responsible consumption and production, embed sustainable procurement.

D&I in management

Aim for more diversity in board and management positions.

Climate Education

Client and employee engagement on climate issues, educate on what must be done and the role businesses and consumers can play to lead on climate action.

Climate action

Focus on becoming net-zero and advocating for climate action.

Materiality assessment

Critical

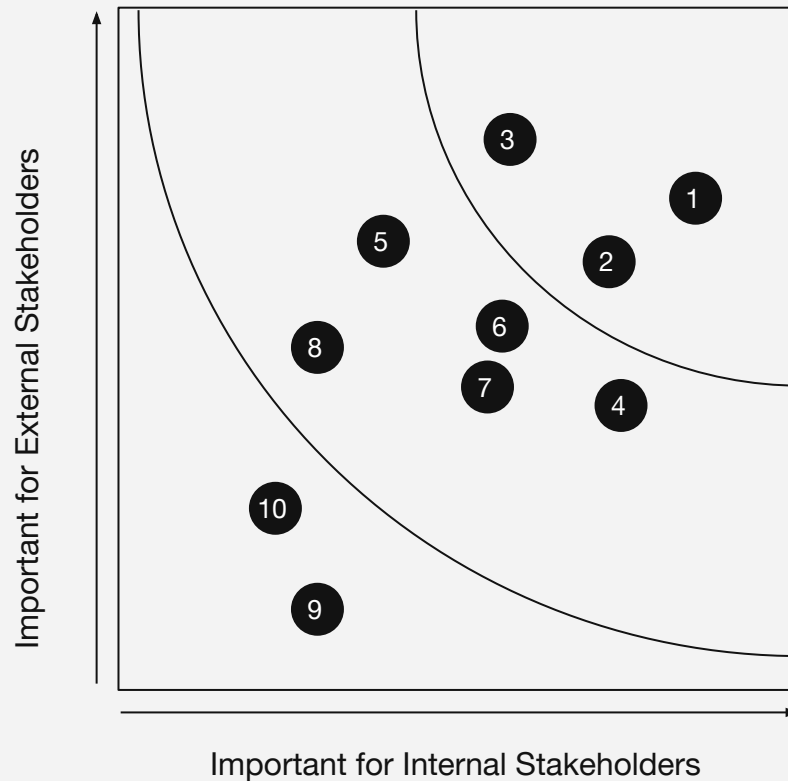
- 1. Employee Health & Wellbeing
- 2. Diversity, Equity & Inclusion
- 3. Climate Protection

Highly important

- 4. Career development
- 5. Responsible Marketing
- 6. Responsible Digital Production
- 7. Data Privacy & Protection
- 8. Responsible Procurement

Important

- 9. Community Involvement
- 10. Advocacy & Thought



DEPT already has an impact strategy, why would Two Bulls need their own?

Two Bulls is a leader within DEPT when it comes to delivering impact projects, making up 30% of the total revenue from impact projects in 2023. Two Bulls has more expertise and awareness of this space than it might currently be leveraging.

There is an opportunity to grow Two Bulls into Australia's leading developer of impactful digital products, becoming a leader within DEPT but also in the industry nationally and globally.



Two Bulls clearly recognises the importance of work embodying the values of ESG.

But the organisation lacks a clear and comprehensive strategy that aligns with specific business objectives and operating context. Without a clear strategy and framework, Two Bulls risks not fully leveraging the position of industry leader in delivering impactful projects.

Two Bulls should develop its own ESG strategy, one that aligns with its unique business objectives and operating context as a leader in impact projects.

This strategy should outline specific ESG targets and metrics and establish a process for monitoring and reporting progress.

The strategy should also include a plan for engaging with stakeholders to gather input and feedback on ESG performance, in order to still contribute to DEPT's ESG goals.

Two Bulls can still rely on DEPT to provide the necessary resources and autonomy to develop and implement their ESG strategy effectively.

This will enable Two Bulls to fully leverage their leadership position and continue delivering impactful projects that align with the companies values.

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Embrace impact in Two Bull's identity

Make impact the 4th pillar of Two Bull's identity and enhance communication around it.

Engage the team in ESG literacy

Designers, developers and product managers should understand what SDGs, ESGs, D&I, and DEPTs impact targets mean for the products they are touching every day.

Mature sustainability practices in product development

Embed opportunities into the product development lifecycle to help clients define, target and deliver on their own impact goals.

Consolidate ESG activities the company is already performing

Bring diversity and inclusion, governance and compliance and the new sustainability initiatives together into one movement.

Breaking down the initiatives

Defining impact as the 4th pillar of Two Bull's identity.

- Develop understanding of ESG compliance requirements unique to the Two Bull's positioning as a digital product agency with Australian and international clients.
- Showcase the existing impact project track record, prove we are a knowledge leader in impact work when it comes to digital consultancies in Australia.

Increase employee literacy in SDGs, ESGs, D&I and DEPT's impact targets.

- Make these topics easier to understand on a practical level using context relevant training and examples.
- Empower employees to implement features that encourage progress on ESG values during the existing design and development process.

Develop maturity in sustainability in product development

- Assessing a client's product against the SDGS and relevant ESG frameworks during the pitching and discovery process.
- Proposing environmental friendly technologies such as green web hosting to use in their techstack.
- Calculating embedded or ongoing emissions from the product, and factoring and emissions costs or savings into project billings.

Consolidate ESG activities the company is already performing

- Bring diversity and inclusion, governance and compliance and the new sustainability initiatives together under one banner.
- Allow for reporting and targeting of gains made in these areas. Use that inform Two Bulls position can communications as a specialist in digital impact work.

Frameworks

Currently used by DEPT

B Corp

DEPT is B Corp certified, has a score of 89.2 and was awarded Best for the World 2022 in Governance.

The B Corp Impact Assessment framework is also used internally to define what constitutes impact work:

- Work done for non-profits, registered charities, NGOs, government institutions, B Corps, or social enterprise
- Work done for brands that provide inherent social or environmental benefits through their products, services, or business model
- Work that drives positive changes within organisations to improve their social or environmental impact, such as sustainability consulting, environmental data gathering and reporting, and sustainability strategy implementation.

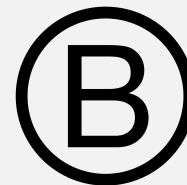
Climate Neutral

To be Climate Neutral certified, DEPT is required to measure greenhouse gas emissions year over year, purchase eligible verified carbon credits to offset that footprint, implement plans to reduce emissions and report on their progress each year.

Global Reporting Initiative Standards.

Used to help assess materiality and initiatives for ESG targets.

Certified



Corporation



Frameworks

With potential for future application in Two Bulls

UN SDGs

Provides a clear and meaningful set of tangible goals and outcome.

Universally applied and relevant across many industries, materialities and clients.

Can be integrated into the project discovery process to help clients define how they can work towards SDG outcomes.

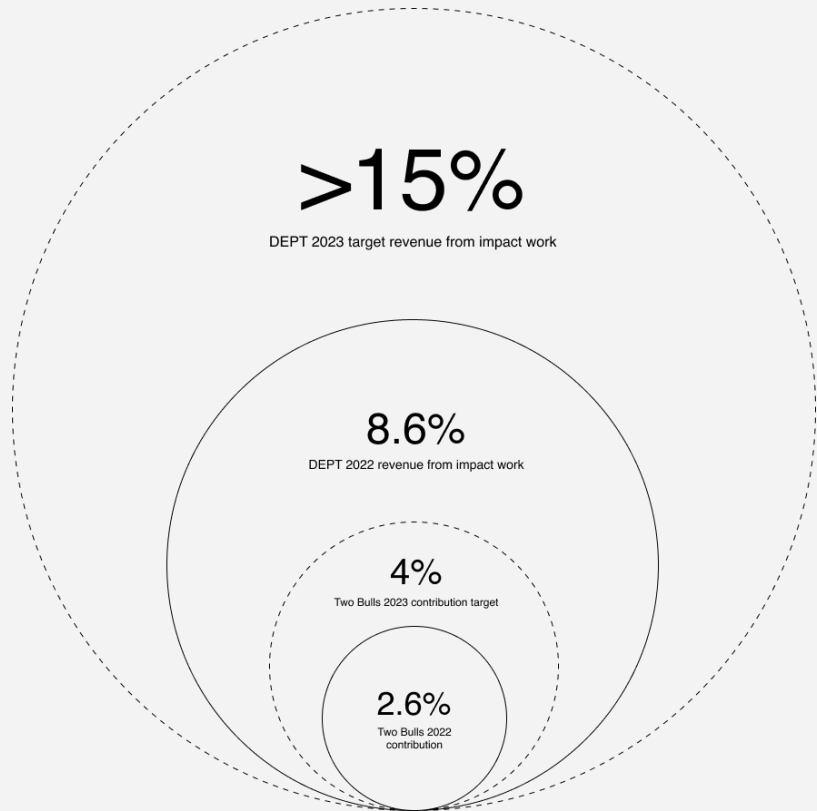
ISO 14001

Demonstrates a commitment to environmental responsibility and sustainability.

Enhances credibility on environmental management, impacting reputation, stakeholder trust, and market advantage.

Lowers business costs through reducing resource consumption and waste production.





Targets and Metrics

DEPT has a target for impact projects globally contributing to 15% of total company revenue by 2023. Currently this is sitting at 8.6%.

Two Bulls is already contributing significantly to this amount at 2.6%, but more can be achieved.

By building on existing assets and expertise available to Two Bulls, the recommendation is to attempt to increase this contribution to 4% (1.5x the existing amount) by the end of the 2023/24 financial year.

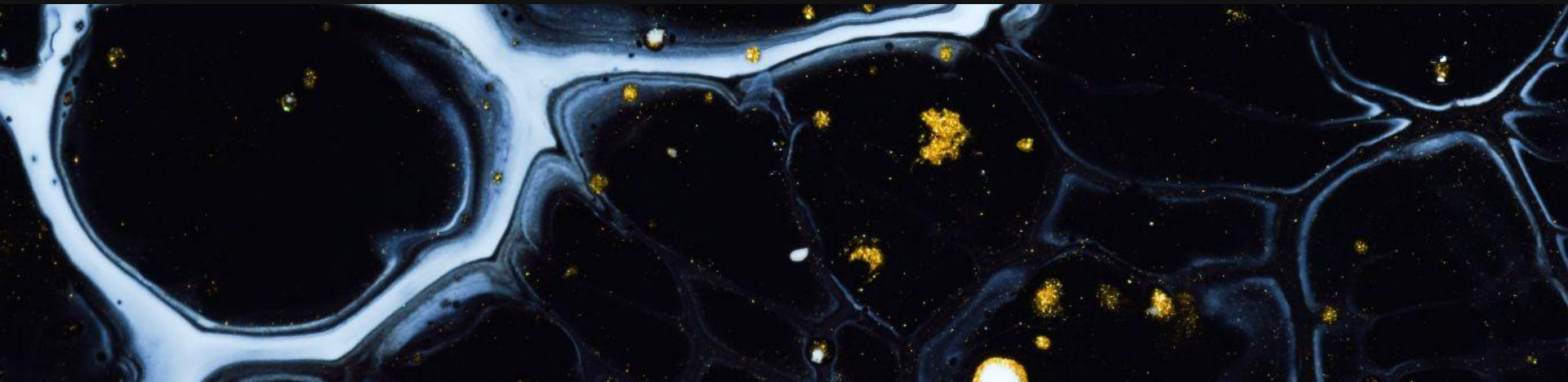
Clients

Engaging with clients on ESG is crucial to making this initiative worthwhile. Demonstrating the value of the Two Bull's expertise and how it aligns with their needs and expectations.

This could manifest in different engagement strategies depending on if the client has their own ESG aspirations.

Engagement strategies:

- For clients who come specifically for impact work, Two Bulls will show how their needs are well understood and can be delivered on in the products built for them.
- To clients who don't, Two Bulls can demonstrate how considering ESG values in their products can deliver value in ways they hadn't anticipated, such as cost savings, customer buy in and investment opportunities.

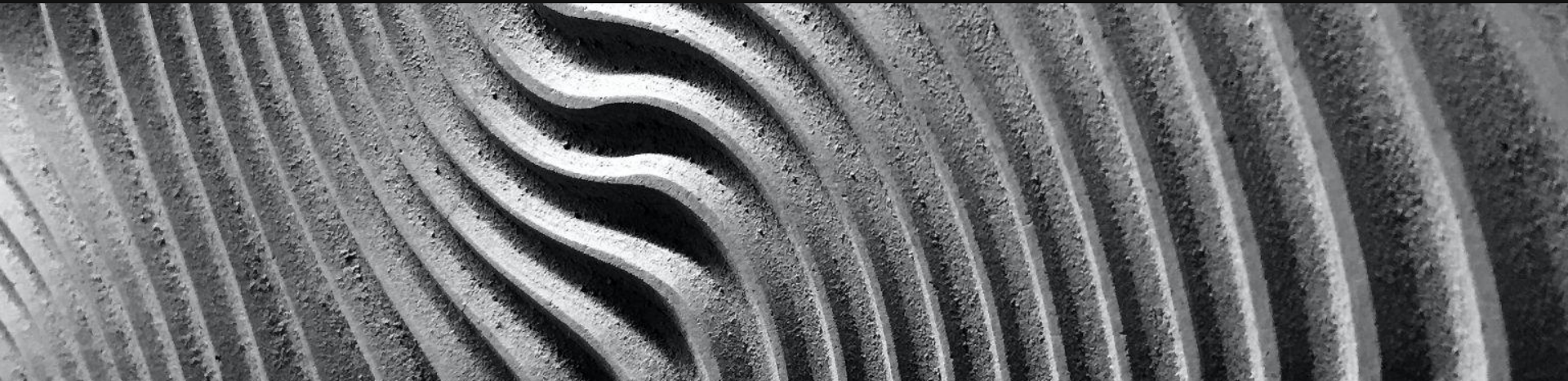


Directors

Directors need to be the biggest advocates in order to help position Two Bulls correctly and lead this new initiative. They also have a responsibility to manage ESG risks and opportunities, requiring an understanding of the topic.

Engagement strategies:

- Defining a robust communications strategy about the ESG initiative that directors can use to win work.
- Conduct ESG training sessions for directors to understand the topic thoroughly, particularly risks and opportunities for the business.



Employees

Engaging with the good people at Two Bulls is critical to getting to the heart of the matter, implementing ESG values directly in products during the design and development process.

Engagement strategies:

- Get people excited about being a part of impact projects.
- Develop internal ESG communications that outline the strategy, targets, and progress being made towards those targets.
- Conduct training sessions and workshops to build employees' understanding of ESG issues and their role in delivering the ESG strategy.
- Providing opportunities for feedback and ideas.



 two bulls / **DEPT**.[®]