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RESPONSIBLE BUSINESS

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Responsible business is the golden thread through our operations, our ways of working and our services to the benefit of all our stakeholders.

OUR APPROACH

Responsible business is our commitment to business as a force for good, creating value for all our stakeholders. It supports and drives the growth of the business, attracting and retaining clients and talented partners. It's brought to life by employee ownership, our pledges and our commitment to continuous improvement, in line with B Corp's five impact areas: governance, employees, environment, community and clients.

PRIORITIES FOR FY22/23

- Better and more timely data to inform planning and decision-making.
- Responsible business practices further embedded into how we think and do.
- Partner engagement with our responsible business ambitions and actions.

IMPACT REPORTING

Although responsible business exists as a distinct pillar of our strategy, it is also interlinked – whether underpinning or overarching – throughout everything we do. Many aspects of our focused growth, operational excellence and talented people also talk to the tenets of a responsible and ethical business. On **pages 8–9** we have included an impact data overview signposting to different aspects within the review.

PLEDGES

Our pledges are a key element of our approach to responsible business. They are a set of 12 promises and commitments that focus on issues we're passionate about and are an integral part of our culture. The pledges are listed on **page 7** and have been spotlighted across this review.

OUR B CORP AMBITION

Our goal

To be a part of the B Corp community, support the movement and make a positive impact for people and planet.

Progress

Emperor's B Corp journey began in 2020. We became employee owned in the January and B Corp felt like the next step. We had a track record of responsible business and B Corp provided a framework to gauge our approach and progress so far, and then guide us going forward. We submitted our B Impact Assessment (BIA) in April 2021 with a score of 113.4 points and (due to high demand and a significant queue) we waited until July 2022 to be assigned a B Corp analyst and then received confirmation of certification in September. We're excited to see how going forward embracing a B Corp mindset will influence our ongoing commitment to creating value for all our stakeholders.

Next steps

- Get involved in and advocate for the B Corp movement.
- Continuous improvement plans including an ongoing focus on environment, EDI and supply chain.





ENVIRONMENT: OUR GREATEST AMBITION YET

Our goal

To make reduced carbon emissions a shared objective through our operations, our ways of working and our services.

Progress

As a result of 18 months of continued effort by our Environmental Operations Team to collect four years of emissions data we are now up-to-date and aligned with our financial reporting. We have also improved and extended the scope of data, all of which gives us a more accurate picture of the changing shape of our footprint and where to prioritise action.

During the year our science-based targets were verified by the Science-Based Targets initiative (SBTi), our London and Edinburgh offices received ISO14001 recertification, and we worked hard to engage partners with our strategic focus areas: Avoid, Reduce, Recycle, Restore, Offset.



Next steps

- A detailed materiality review of Scope 3 emissions to establish our net-zero pathway, as outlined by the SBTi.
- Planning to address our carbon hotspots.
- Use our data to innovate our ways of working and services.

OUR CARBON FOOTPRINT

During the year, we worked with B Corp Green Element to calculate our carbon footprint for 2020/21 and 2021/22 including increased scope based on learnings from previous exercises. We now have four years of emissions data, starting with a full working year pre-pandemic as our baseline and illustrating how our world of work has changed.

2021/22 scope included:

Five offices — four in the UK, one in the UAE

On-site activity — Electricity, Gas, Water, Waste, Refrigerant

Off-site activity – Business Travel, Hotels, Commuting, Homeworking

Purchased goods and services – Digital Emissions, Paper & Printing, IT Equipment, Food & Drink, Furniture & Renovations

The bar chart demonstrates the change in total GHG (greenhouse gas) emissions over four years which has included several lockdowns and a shift to hybrid working.

The data is split by activity and shows where emissions have increased and decreased as a result in changing working patterns and an ambition to stick with the good habits that have benefited the environment.

We offset our operational footprint with B Corp **Ecologi**, whose carbon avoidance programmes are Gold Standard, and in addition we planted 2,500 trees, supporting nature restoration projects. We are also a Climate Friendly Workforce, partially offsetting the personal footprint of our partners. Going forward we are in conversation with our partners Green Element to ensure the most impactful approach to investing in offsetting.

↑ https://ecologi.com/bima/emperor

TOTAL GHG EMISSIONS (TCO $_2$ E)



CARBON HOTSPOTS

2018/19 and 2019/20 data revealed four hotspots that required action:

01 Business travel

In August we launched a responsible business travel policy, alongside a decision-making toolkit for partners and air travel targets for 2022/23. This commits us to avoiding a return to pre-pandemic levels of air travel and reduce the number of flights by 30% on our baseline year. We are putting systems in place to monitor progress against our targets quarterly which will be key as the latest data shows business travel increasing significantly following the end of restrictions and a desire from colleagues and clients to connect in real life.



02 Electricity

Moving offices in London and Manchester meant we were able to make the switch to 100% renewable energy tariffs and significantly reduce Scope 2 emissions. We will continue to work with our landlords on environmental efficiencies and 100% green tariffs.

03 Commute

Data shows a 38% increase in emissions on last year relating to our commute as we spent more time working in the office. We launched a pilot electric vehicle leasing scheme that so far, has enabled six partners to switch to electric. Our 'We care for the environment' and 'We look after the whole you' pledge teams are working together to launch a new Cycle Club.

04 Print and paper procurement

Although print volume decreased by 18% on the previous year, together printing and paper combine to make up 31% of our footprint. Alongside continuing to advise our clients on best practice environmental printing and reduced print runs, we have improved the scope of our data in this area to separate out emissions related to print suppliers and paper brands. This is helping us to identify opportunities for reduction going forward. For example, we are avoiding carbon intensive papers and working with printers operating on a 100% renewable energy tariff.

Actual values Target values

2020/21 and 2021/22 data showed three emerging hotspots for prioritisation:

01 Working from home (WFH)

Although emissions relating to partners working from home decreased by 23% on last year, they have grown significantly on our baseline year as a result of the shift to hybrid working, first as a result of the pandemic and now as valued flexibility enjoyed by our partners. During the year we launched a new Virtual Green Office Policy with the five actions of our environmental strategy front of mind at home as well as in the office. Going forward, we will use the data collected from our WFH and commute questionnaire to find ways to support partners and reduce emissions.



02 IT equipment

This significant increase from making up 3% of our carbon emissions last year to 14% this year, is largely down to a change in methodology by Green Element, using more specific carbon factors published by relevant suppliers. DEFRA have also published updated GHG emissions factors for IT equipment. 76% of related GHG emissions came from monitors which are particularly carbon intensive due to the raw materials and manufacturing energy consumption. We will therefore examine our current approach in light of the data provided and develop a plan to address this new hotspot.

03 Digital emissions

Digital is a central and growing part of our business, and an area where we have significantly improved data collection. A much improved sample size from five in 2020/21 to 97 out of 150 websites in 2021/22 means we have established a more accurate understanding of related emissions. We have a specific workstream looking at sustainable web design, how we can develop our ways of working and innovate new services for our clients.



NEAR-TERM SCIENCE-BASED-TARGET TRACKING: SCOPE 1

↑ Our Scope 1 trajectory is tracking well below the target largely due to moving out of offices with gas supplies.

NEAR-TERM SCIENCE-BASED-TARGET TRACKING: SCOPE 2



↑ Our Scope 2 trajectory is tracking below target due to transitions to 100% renewable tariffs

NEAR-TERM SCIENCE-BASED-TARGET TRACKING: SCOPE 3



↑ Whilst we are tracking below the 7% year-on-year reduction, with an overall reduction of 30% since the baseline, emissions are increasing again due to the return of business travel and commuting plus the impact of changes to way that IT equipment is measured.

STICK TO IT

Make a pledge and share your story

We designed the 'Stick To It' campaign back in autumn 2021 to launch our new environmental strategy. The campaign recognised that some of the behaviours we developed during the pandemic have been good for the environment, including our transition to a paperless office and travelling less for work. Returning to the office and adjusting to the new world of hybrid working gave us the opportunity to be mindful of those habits that have an impact on the environment and avoid returning to them.

Partners were encouraged to make a pledge which aligned with the five actions of our strategy: Avoid, Reduce, Recycle, Restore and Offset. The campaign allowed us to highlight our carbon hotspots and promote habits which would actively work on reducing our emissions in the office and at home. The following spring we encouraged partners to make videos of their progress, which featured in our internal communications channels, alongside tips for sticking to good habits.



Over the course of the campaign, we received more than 70 pledges. Our responsible business executive, Yumna Hussain, caught up with some of our partners to find out how they got on:

Claire Hastie



"The Stick To It campaign boosted my motivation to continue with a New Year's resolution I made a few years ago to avoid buying new clothes and instead to buy from charity or vintage shops. I'd encourage everyone to give it a try, as there's a real sense of satisfaction from finding great items without them costing the earth in more ways than one!" Rajan Dole

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"This campaign made me push myself to think about how I can actively support positive change to our environment and put into practice good habits day to day."

Rachel Bostock

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"My pledge was to

continue not to print (post lockdown homeworking where I didn't have the option!). What I found surprising was how easy it was to slip back into old habits. The Stick To It campaign helped remind me not to slip back into old ways. My next step is paperless notes!"

GREATEST AMBITION YET®



Stop your impact from the very start.

educe)

Think and act creatively to reduce unavoidable impacts.

- Rearde.

Build recycling into working practices, and inspire others to do the same.



Use your time and skills to help restore damaged ecosystems.





renks pledges to se the number of times ublic transport and cycle ver possible



SUPPLIERS: POSITIVE PURCHASING Our goal

Our purchases, partners, suppliers, and customers are all part of a chain that links us to the world. This reflects who we are and what matters to us. Our vision is to be part of a supply chain that's as ambitiously positive, resilient, collaborative, and responsible as we aspire to be. That's why with every decision we take and every connection we make, sustainability should always be at the forefront of our thinking.

Progress

Building on last year's first steps, we've continued to develop our Supply Chain Management Programme with a significant outcome being a new review and scoring process. Going forward this equips us with:

- A clear gauge of preferred suppliers
- A mechanism with which to select and onboard new suppliers
- An assessment of valued relationships and where we need to help improve their score
- A clearer picture of risks in our supply chain which need to be addressed

Next steps

- Embedding our new approach into the selection and onboarding of new suppliers
- Developing targets and KPIs

For more detailed information please see our **Modern Slavery Statement**.

CLIENTS: SHAPING OUR SUSTAINABLE FUTURE

Our goal

We believe in B Corp's mantra of business as a force for good and want to build relationships with like-minded companies committed to an ambition to be better and balancing people, planet and profit.

Progress

Building on the momentum of open and transparent discussions about who we work with and why, we formalised a new Resilient Client Selection and Review Policy and formed a Resilient Clients Committee. We produced our first Creative Client Disclosure Report which you can read about on **pages 22-23** in Focused Growth. We shared the data with partners as part of three 30-minute Shaping our sustainable future sessions. These sessions were focused on raising awareness of the new policy, examples of decisions it had informed so far, and the launch of a questionnaire asking partners to tell us who they'd love to work with, what makes a great brief and what issues they are keen to see being addressed by the companies we work with.

Next steps:

- Develop a business development plan from the results of the, Shaping our sustainable future, partner questionnaire.
- Record and review data being captured by our teams implementing the new policy and cases being raised to the Resilient Clients Committee.
- Continue to engage partners through the 'Shaping our sustainable futures' initiative.



RESPONSIBLE BUSINESS CHAMPIONS Our goal

Establish a network of responsible business champions to keep spreading the word far and wide.

Progress

In last year's report we said we would establish a network of responsible business champions across Emperor. When setting out to define what we wanted to achieve and how this could work, we identified an already active ecosystem of partners immersed in different aspects. So for our company-wide summer update, we created a video to bring to life the different ways in which people across Emperor are involved in responsible business every day.

Next steps

Going forward it is key that our partners understand our approach to responsible business and make connections with their own role and responsibilities. This will help us to further activate our plans and achieve our goals. A particular focus for the coming year is to increase the number of partners with specific performance objectives as part of our annual review process encouraged by the rollout of specific training and ongoing communications.



↑ At the summer update we showcased our responsible business champions video

OUR PLEDGES

We care for the environment



PLANT. GROW. EAT.

Thanks to the imagination of 'We care for the environment' pledge team leaders Christina Brusendorff and Louisa Holgate this year saw our first Big Spring Plant in support of our environmental strategy. The initiative encouraged everyone to help restore our environment while also bringing a little joy to our partners. Throughout the spring and summer, we watched our tomato seeds turn into plants and eventually some delicious tomato-based recipes with the guidance of our very own Head of Digital Strategy, Simon Bennison.

OUR PLEDGES

We give back

EMPEROR FOUNDATION

Emperor set up the Emperor Foundation in 2018 to maximise the impact of our charity fundraising initiatives and to clearly separate our corporate and charitable activity. Our partners took part in several inspiring fundraising initiatives this year, which meant the Foundation could donate £65,000 to a number of great causes.

This year we went further with our pledge to give back, as Emperor committed to donating 1%* of its EBITDA to charity. This meant a further £27,000 was distributed through the Foundation this year, which is nearly three times our previous commitment of £10,000.

* This is calculated on earnings before interest, taxes, depreciation, and amortisation (EBITDA)

FUNDRAISING INITIATIVES

We continued our support for our chosen charitable partner Maggie's, a charity providing free cancer support and information across the UK. Our fundraising activities were broad, ranging from bake offs, a ping pong tournament and beauty banks to 'wear a hat to work' day, and our Christmas 'Penguin Pairs' game.

After being postponed several times during the pandemic, we completed our long-awaited London to Amsterdam charity cycle. 53 of our partners cycled 120 miles for a great cause – following this initiative, we were able to donate £60,000 to Maggie's – this includes £25,557 raised from a silent auction.



We also supported the British Red Cross Ukraine war appeal, raising over £3,000. We raised further funds for charities Mermaids, Frontline Aids, Cancer Research UK, Trailwalker UK, Save the Children, Charlie Waller and Long Covid Support.





partners cycled 120 miles for Maggie's cancer care charity







VOLUNTEERING

Volunteering, mentoring and coaching is another important way we can give back to the community. During the year, our partners worked with the following organisations:

- Spitalfields City Farm
- Aleto Foundation
- Help to Ukraine
- Onhand
- Long Covid Support
- Olive Academies Trust
- Edinburgh College
- Barnado's
- Kerning the Gap
- Two + Two

Whilst we have been steadily increasing the number of hours volunteered over the past two years, we still have a way to go to broaden participation. Team based initiatives and mentoring partnerships remain our focus.

Total volunteering hours: 585



↑ Wild Work Day with the Warwickshire Wildlife Trust



↑ **Tending to the sunflowers** at Spitalfields City Farm

volunteering hours



PRO BONO WORK

Giving back isn't just about fundraising and volunteering. We've shared our creative communications skills with organisations that are doing great work for people and the planet. This year, we've worked with the following organisations on a pro bono basis:

- Ocean Generation
- The Rivers Trust
- Grove Cottage
- Maggie's
- Forth Children's Theatre
- World Endometriosis Society
- Cornish Metals
- Make 2nds Count
- Lend an Ear
- Mubadala International Day of Charity 2022
- Schools Out
- The Harlequins Foundation & The Photography Movement
- Wargrave House School & College

Total pro bono hours: 2,177

Smashing our target of 1,000 hours.





↑ Partnering with Schools Out to create a powerful brand identity. Click to learn more.



↑ Teaming up with The Harlequins Foundation and The Photography Movement to launch Lend an Ear