

BUILDING A SUSTAINABLE BUSINESS

Howden Group Sustainability Report 2021

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THE POWER OF INSURANCE

Foreword from our
Group CEO, David Howden



In 2019, we committed to making insurance part of the solution to the major risks the world is facing, and to putting sustainability at the heart of our strategy.

That year, we established our Group Sustainability Committee with three key pillars of focus:

- Changing the insurance narrative: developing the solutions that help to build resilience against, and mitigate the results of, climate change and other related risks;
- Being a responsible business: having a positive impact on the environment, creating an inclusive workplace where everyone feels proud to work, and having the right governance in place to make the right decisions about how we operate; and
- Giving back: helping others by giving our time, through volunteering and raising awareness, and money, through our Foundation and employee fundraising.

We also made the Howden Group Foundation a shareholder of the Group so that as we grow so too does its impact.

The following year, the Covid-19 pandemic turned the world upside down, but it did not dim the spirit of the people in the Group. I am extremely proud of the continued efforts of our employees to get out volunteering and fundraising in spite of the challenges and restrictions. They, together with the Howden Group Foundation, donated over £1m to charities around the world in 2021.

2021 felt like a turning point in the urgency to address climate change. It was the year the world woke up. The IPCC report in August, and COP26 in November, acted as important focal points, bringing the climate change conversation to the forefront of public consciousness. And images of record-breaking wildfires, floods and other severe weather events made for undeniable evidence that human activity is destroying our planet at an astonishing pace.

My hope is that this sense of urgency drives not only innovation at a product or company level, but rather a complete rewiring of entire industries.

In 2021, we set up a dedicated team to focus on Climate Risk and Resilience, we helped to launch the world's first volcano catastrophe bond for the Danish Red Cross, we joined the Sustainable Markets Initiative, and we seed-funded Parhelion to help bring much needed sustainable capacity to the market.

Our 'Climate in Peril' report, published in October, explored the science of climate change in the context of what this means to the insurance industry. The takeaways were clear: climate change is driving the frequency and intensity of certain perils beyond historic norms, and insurance can, and must, do more to support those who are doing the least to cause climate change but are suffering the most from its effects.

In November, I spoke during COP26 at the World Climate Summit about the role insurance can play in unlocking private capital to respond to the increasingly prevalent disasters devastating lives and livelihoods.

We are working with humanitarian organisations, foundations and investors on projects to protect vulnerable people, communities and ecosystems across the globe by significantly scaling up the involvement of private capital in funding disaster relief efforts.

I've always believed that insurance has an incredible power to enable change, but never has it felt quite as important as now. We will continue to push the boundaries to use insurance as a force for good.

A huge focus for us over the next few years will be on putting risk transfer at the heart of enabling and accelerating the move towards a low carbon future.

It is our job to understand our clients really well. An increasingly important aspect of this is understanding their ESG risk profile. We are investing in tools and frameworks to help us present a more complete picture of their risk exposure. We believe that by looking at each client individually and playing an active role in supporting their transition, we will help speed the change.

When we look at our own operations, we know we have work to do in all areas from procurement to our environmental footprint. Our focus this year will be on putting in place targets, commitments, and a robust plan to achieve them.

This focus and our commitments will be applied not least to diversity and inclusion. We have always been an international business built on talent and with employee ownership at the core. A critical part of creating a sustainable business for the long term that we can all be proud of is making sure that we are a home for everyone. We want to be the place where diverse talent wants to come and build careers, and where everyone can be themselves, bring their energy and ideas, and have fun while they do it.

As we move ahead in 2022, I look forward to seeing what we can achieve by focusing our efforts on being the place where the brightest diverse talent wants to come to thrive, and by putting the expertise and ingenuity of our entire organisation behind using the power of insurance to help our clients and the wider world.

With all of this in mind, I am pleased to share our second annual Communication on Progress, reaffirming our support of the UN Global Compact and our commitment to the initiative.



David Howden
CEO, Howden Group

OUR GR



Since it was founded in 1994, Howden Group has grown as a company with a difference. By putting employee ownership at our heart and keeping clients front of mind, we have become the largest independent insurance intermediary group outside the US handling over \$17bn of premium for clients globally.

The Group comprises DUAL, the largest international MGA, and Howden, the international challenger broker and one of the leading digital, data and analytics businesses in the insurance industry. We are a group of international experts with a local touch and a digital backbone.

This report covers the activities of the Group which is headquartered in London and will soon be 10,500 employees in 45 territories around the world. Through Howden One, the world's largest independent retail broker network, we expand our reach to clients in over 90 territories.

| 45+ Territories
| 10,500 Employees
| \$17bn+ Premium

GROUP

● Howden Broking Group ● Howden Specialty Hubs ● Howden One Partners ● DUAL



All figures on this page include Aston Lark, which remains subject to completion.

BUILDING

a business for the long term

The five guiding principles upon which Howden Group was founded in 1994 were focused on building a business for the long term that we can all be proud of.

Howden Group guiding principles:

- 1.** **Equity ownership** - the people in the business own the business
- 2.** **Minority external investment** - with a long-term outlook to support our growth
- 3.** **Expertise** - to serve our clients
- 4.** **Friendship and trust** - to build culture
- 5.** A commitment to building a business for the long-term with **independence** enshrined in its fabric

Whilst the principles remain the same 27 years later, the strategic priorities that sit behind them have evolved over time.

Sustainability is at the heart of our business.

We cannot deliver long-term value for our people and our clients without taking into account the wider picture of the global imperative to create a cleaner, fairer, safer, more resilient world.

Our clients span most industries and geographies and so too, therefore, does our ability to effect positive change for our clients, the communities in which we live and work, and society as a whole.

The insurance industry has the power to drive change. Just as it helped to drive industrialisation, it must now help to accelerate the move to a more equitable, lower-carbon future.

We are committed to putting sustainability at the heart of our strategy through the people we hire, the work we do, and our own impact as a company.

Our sustainability journey

2022

Looking forward

Continue to invest in developing the risk transfer products that will help accelerate and de-risk the move to a low carbon future, and mitigate the effects of climate change

Continue to give more of our time through volunteering and money through fundraising for causes we care about

Prioritise our commitments to build robust targets and plan to achieve them

Howden Group Foundation became a shareholder of the Group

David Howden delivered a keynote speech at the World Climate Summit during COP26

Launch of Global Group Giving Week

Million for a Million and Launch of Respect (Employee Resource Group)

StoneWall and everywoman partnerships

Formation of Sustainability Committee

Member of the Sustainable Markets Initiative Insurance Taskforce

EcoVadis membership, signatory to the Terra Carta

Volcano catastrophe bond bound for the Danish Red Cross

Launch of Climate Risk and Resilience division

Signatory to the UN Global Compact and ClimateWise membership

First carbon credit invalidation

Howden was founded with five guiding principles focused on building a sustainable business

First Group-wide CSR initiatives launched: 'Investing in the Community' award

Commitment to the Lloyd's Community Programme

Our Foundation was established

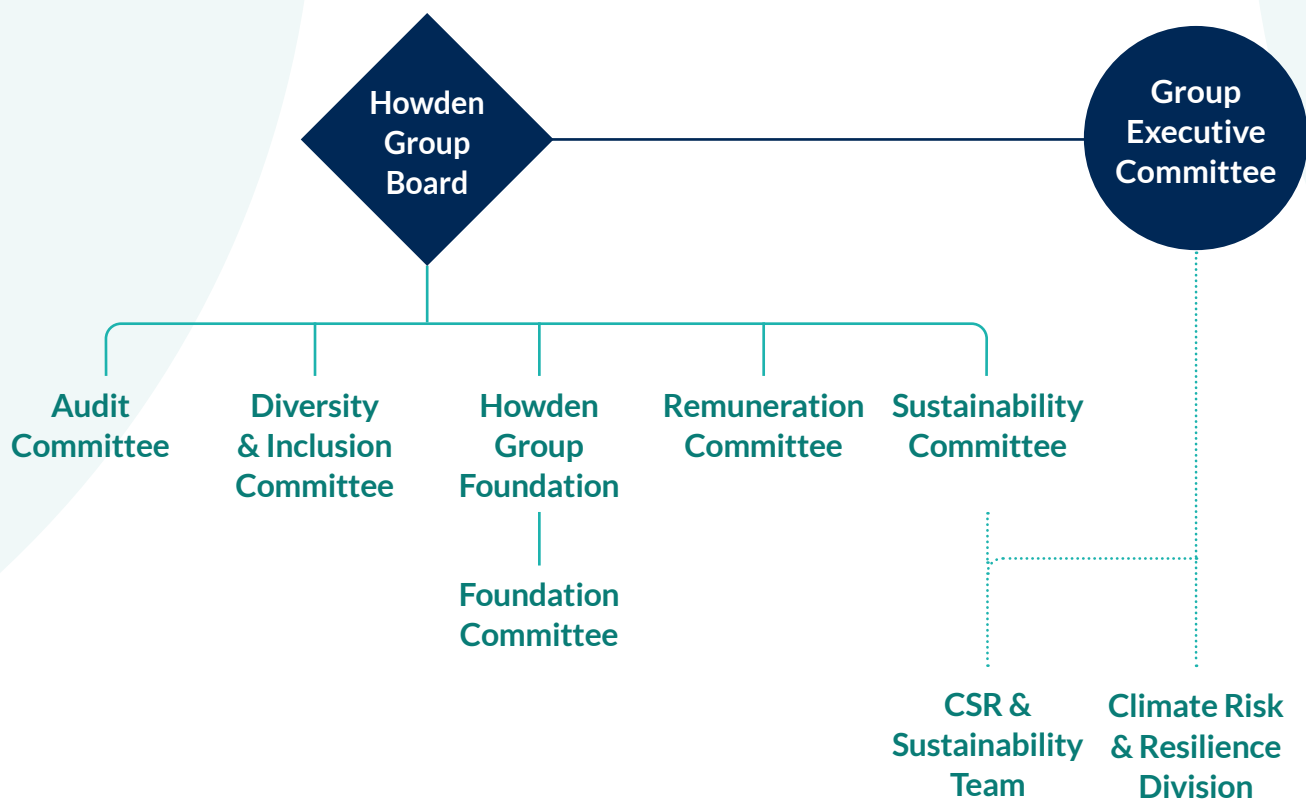
Formation of D&I Committee

1994

How sustainability is governed at Howden Group...

Sustainability is firmly on the agenda at both Board and Group Executive Committee meetings. With Board members chairing the Sustainability Committee, the Diversity and Inclusion Committee, and the Howden Group Foundation, there is direct communication between the decision makers and the committees.

As well as being chaired by a Non-Executive Director of the Board, the Sustainability Committee also comprises the Group CEO, Group CRO, Group CIO and Group HR Director, as well as other members of senior management. The committee has the right expertise and influence to drive decisive, impactful change and ensure climate risk and sustainability are central topics in the Group's businesses' strategy and day-to-day decision making.



Our sustainability approach



Changing the insurance narrative

Using the power of insurance to help to solve the major challenges the world faces:



Enabling the energy transition



De-risking the carbon market



Disaster relief financing



Being a responsible business

Focusing on our own operations:



Governance & business integrity



Environmental management



Diversity & inclusion



Wellbeing



Legal, compliance & risk



Data & cyber security



Supply chain & ethics



Giving back

Supporting the communities in which we live and work:



Howden Group Foundation



Volunteering



Fundraising



Raising awareness

In Summary

1 Changing the insurance narrative

Using insurance as a solution to the major challenges the world is facing. Helping to build resilience against climate change and other related risks.

Climate Risk and Resilience team: Launched a dedicated team to develop risk transfer products that help to accelerate and de-risk the move towards a low carbon economy, and to mitigate the results of climate change [\(p.15\)](#).

Disaster relief financing: Worked with the Danish Red Cross, and others, to launch the world's first volcano catastrophe bond. This was the proof of concept for an approach that has the potential to transform the way disaster relief is funded by using insurance to unlock

2 Being a responsible business

Having a positive impact on the environment, creating an inclusive workplace where everyone feels proud to work, and having the governance in place to make the right decisions about how we operate.

Environment

Our journey to carbon neutrality: Supported The Nature Conservancy's Africa Carbon Catalyst Fund and the Zafue-Zambezi REDD+ project in Zambia which will result in the development of high quality carbon offsets [\(p.24\)](#).

Plastic neutrality: Began our journey to plastic neutrality. In 2021, we offset over 66,000kg of plastic and began working with Seven Clean Seas to reduce our future consumption and offset the residual [\(p.27\)](#).

IT: In the UK we have a partnership with Restore to reuse or recycle IT equipment. Our new broking platform will lower our carbon emissions by reducing our UK data centre power consumption by around 24% [\(p.29\)](#).

Sustainable office moves: Globally when our businesses move they are actively searching for environmentally friendly offices and donate unwanted furniture and other items to those in our local communities [\(p.28\)](#).

3 Giving back

Helping others by giving our time, through volunteering and raising awareness, and giving money, through our Foundation and employee fundraising.

Howden Group Foundation: The Foundation is one of our proudest achievements. To date, it has supported 641 charities, through 254 fundraising events and donations of over £3m. Because it is a shareholder in our Group, as we grow, it grows too [\(p.44\)](#).

Volunteering and fundraising: Partnered with Benevity Inc. to create a global fundraising and volunteering platform, 'Group Giving' [\(p.47\)](#).

Group Giving Week: Our annual Global Group Giving Week raised £66,000 for 32 charities across 26 countries [\(p.47\)](#).

private investment capital and stretch disaster relief donations around 20 times further [\(p.16\)](#).

COP26: David Howden used the platform of the World Climate Summit at COP26 to call on senior leaders in the global investment, humanitarian and philanthropic communities to help us to create a market that reduces the over \$20bn disaster relief funding shortfall [\(p.21\)](#).

Securitising the carbon market: Helped to develop the first carbon offset invalidation product. To date we have

wrapped 24 million carbon offsets under the California Carbon Cap and Trade Scheme with insurance [\(p.18\)](#).

Parhelion: Howden seed-funded Parhelion whose new and diversified ESG products will meet the risk financing needs of a greener economy [\(p.20\)](#).

Sustainable Markets Initiative: Joined HRH Prince of Wales' Sustainable Markets Initiative's Insurance Taskforce [\(p.21\)](#).

Social

People First: During the pandemic, our People First culture didn't diminish. It became stronger than ever [\(p.30\)](#).

Respect: A 108-volunteer-strong, UK-wide initiative covering everything from gender balance, to our behaviours, disabilities and many other topics that matter to our employees. Looking forward we will see how these initiatives can be rolled out globally across the Group [\(p.31\)](#).

Gender pay gap: Our gender pay gap is around 40%. We are taking meaningful actions to positively impact inclusivity in the long term [\(p.33\)](#).

Governance

Human rights: As an employer we respect international human rights standards. At present all Group entities are located in jurisdictions which are signatory to the Universal Declaration of Human Rights or equivalent [\(p.39\)](#).

Reporting: We are members of ClimateWise and the UN Global Compact and submitted our first reports to each body this year. We also completed our first EcoVadis assessment in 2021 with a 'Silver' rating [\(p.39\)](#).

Managing risk: ESG risk is recognised in our Group Risk Framework and is a central topic for discussion in the Sustainability and D&I Committees, both of which report directly to the Board [\(p.42\)](#).

Wellbeing: We provide a range of benefits to employees including a Digital GP service, mental health support apps, and Employee Assistance Programmes.

In the UK, employees have trained as mental health first aiders to become our Wellbeing Champions available to support colleagues [\(p.51\)](#).

CHANGING the insurance narrative

Using insurance as a solution to the major challenges the world is facing. This is where we can have the biggest impact. Insurance has always been an enabler for change and now, as the world faces the biggest existential threat of our lifetime, we are finding ways to use insurance to help society build resilience against climate change and other related risks.



Climate Risk & Resilience

In 2021, we launched our Climate Risk and Resilience division; dedicated to finding innovative ways of using risk transfer to help drive society's response to one of the biggest challenges the world is facing.

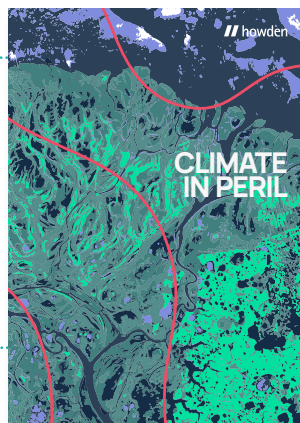
The team focuses on creating solutions that help to accelerate and de-risk the move towards a low-carbon future, and to mitigate the impact of climate change.

Experts in disaster relief, energy transformation and risk transfer bring together ideas and insight from across the Group and incubate them to create solutions that address the problems of tomorrow, at scale.

Key focus areas:

- **Disaster relief financing:** scalable, sustainable solutions for financing disaster relief by unlocking private capital for social good (see example in case study).
- **De-risking the carbon market:** using insurance to add a layer of security and increase confidence in the carbon offset market as it grows to circa \$50bn in size.
- **Enabling the energy transition:** risk transfer solutions that help to accelerate and de-risk the development of the technology and other innovations needed to help reduce and reverse the effects of climate change.

Our report 'Climate in Peril' analyses increased loss frequency and severity, the power of insurance to incentivise 'better' behaviours through ESG, and opportunities to close the humanitarian funding gap.



Disaster relief financing:

Insurance has a vital role to play in building resilience and supporting the transition. However, for vulnerable people living in areas hit hardest by the effects of climate change the impact is already very real.

It's only going to get worse unless we find better, more sustainable ways to fund disaster relief.

The disaster relief funding shortfall has increased from \$1bn twenty years ago, to \$4bn ten years ago, to \$20bn in 2021. As climate-related disasters continue to become more frequent and severe, this shortfall will only continue to increase, resulting in more lives and livelihoods being lost.

Public and philanthropic funds are being stretched to their limits. Private capital could help to close this gap but, to attract it, there needs to be a market.

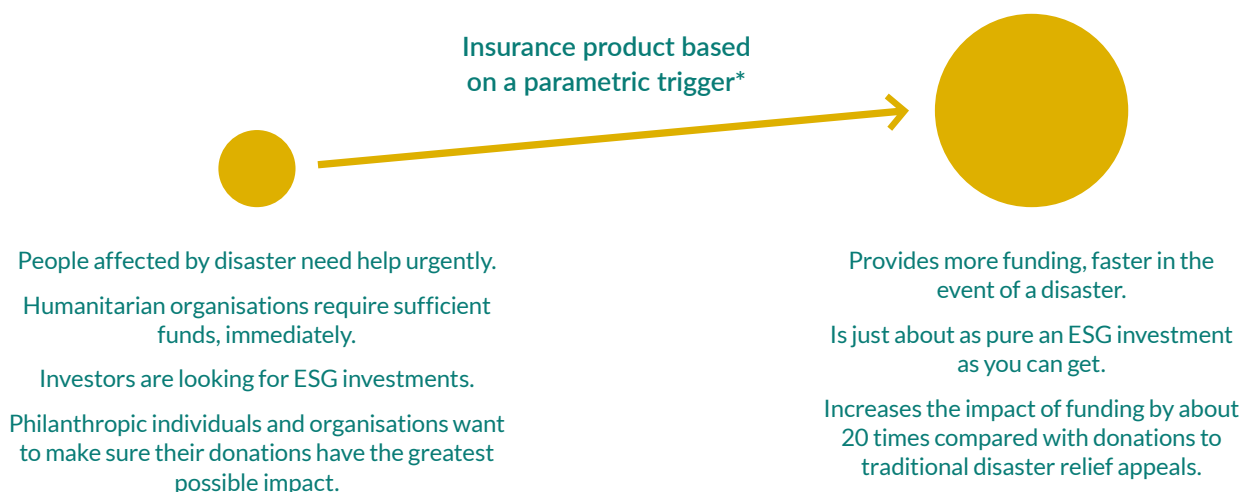
We are working with humanitarian, investment and philanthropic communities to develop solutions that use insurance to unlock private investment capital and stretch donations around 20 times further.

Watch David Howden speaking at COP26: Keynote Address at the World Climate Summit.



There is far more private capital available than public – and there is huge appetite from this capital to invest in ESG, but it needs a market.

How it works:



*e.g. wind speed, barometric pressure, Richter scale



Case study: Volcano Cat Bond

In 2021, Howden worked with the Danish Red Cross to launch the world's first ever volcano catastrophe bond.

This was the first time that the Danish Red cross, a humanitarian organisation, with global reach used insurance to supplement their disaster response capacity, and a proof of concept for a model that has the potential to transform the way disaster relief is funded.

In the instance of a volcanic eruption, the funds will stretch up to 20 times further than traditional fundraising and will reach those who need them faster.

The 10 volcanoes named under the policy span three continents and were chosen due to the threat that they pose to vulnerable populations. In the event of a significant eruption in the next three years, up to \$3 million will be paid out enabling the Red Cross to respond immediately with lifesaving humanitarian assistance.

The Danish Red Cross sponsored the catastrophe bond with support from the Howden Group Foundation, and was voted Broker Innovation of the Year at the European Risk Management Awards 2021.

[Watch this video](#) to find out more.

Up to **\$3m**
enabling immediate
provision of
emergency aid.

Securitising the carbon market:

We believe that the insurance industry has an important role to play in accelerating the growth of carbon markets.

Carbon markets are critical in our ambition to prevent global temperatures rising to above 1.5°C by 2050.

There are two types of carbon market: Compliance Carbon Markets (CCMs) – where carbon allowances are regulated under regional, national, or international regimes – and Voluntary Carbon Markets (VCMs) – where companies' and individuals' carbon credits are traded voluntarily.

CCMs are relatively well developed, with a value of more than \$100 billion, whilst VCMs had a value of just \$300 million in 2020.¹

The Taskforce on Scaling Voluntary Carbon Markets has estimated that the global voluntary market needs to grow 15-fold between 2019 and 2030 to remain on track for 1.5°C.²

VCMs had a value of

\$300m

in 2020¹, which is forecast to grow to 50bn by 2030

Protecting the regulated market

We helped to pioneer the world's first carbon credit invalidation insurance product for the California Carbon Cap and Trade Scheme. The product provides coverage against the risk of carbon credits being invalidated by regulators.

To date, we have wrapped 24 million carbon credits. The insurance policy not only covers the credits against invalidation (thereby securing their value), it also increases the liquidity of the Californian market.

Increasing confidence in the voluntary market

We are now pursuing ideas about how we can use what we have learned in the California Carbon Cap and Trade Scheme to create a market in the voluntary carbon offset market. By adding a layer of security to the unregulated market, we believe that insurance can help to increase the confidence and professionalism needed to stimulate growth.

This **report**, which we produced in partnership with carbon experts, Be Zero, outlines the significant opportunity for insurance to securitise the markets for carbon and other Nature-based Solutions, and help to unlock the capital needed to scale them.



¹ www.mckinsey.com/business-functions/sustainability/our-insights/putting-carbon-markets-to-work-on-the-path-to-net-zero

² www.sustainablefinance.hsbc.com/mobilising-finance/voluntary-carbon-markets-a-blueprint#:~:text=The%20Taskforce%20develop%20a%20blueprint,the%201.5%C%20ambition



Enabling the energy transition

Insurance has helped to enable and accelerate much of the technological and economic progress over the past few centuries.

Just as it played an important role in the industrial revolution, so too must it help to accelerate the transition of companies, countries and society to a low carbon future.

Just about every client, in every country, will need to start thinking about how climate change impacts them, what their role is in the transition, and how ESG factors will become an increasingly important part of their overall risk management strategy. Our Climate Risk and Resilience team is working with teams across specialities and geographies to develop the solutions clients need to respond to climate risk. This helps differentiate our clients from their competitors, and helps them achieve the best possible coverage at every stage of their transition.

Investing in the expertise and resources to support the transition

Within our Natural Resources division, we have formed a dedicated Sustainable Energy team. We have invested in market-leading expertise bringing in specialists with in-depth experience in renewable and sustainable energy solutions. This team is supported by our in-house analytics teams and the Climate Risk and Resilience team.

In 2021, we appointed our Head of Energy Transformation, Stanley Cochrane. A member of both Howden's Natural Resources and Climate Risk and Resilience divisions, he is working with these teams, and others across the business, to help advise our clients on how best they can present their energy transition journey to the market and help them use insurance to de-risk the move towards a low carbon economy.



Case study:

Parhelion

In June 2021, Howden seed-funded the launch of Parhelion to introduce much needed capacity for new and diversified ESG products to meet the risk financing needs of a greener economy.

Whilst **our research** has shown the link between strong ESG risk management and lower claims, this is not yet a factor that is considered in existing insurers' underwriting process.

Parhelion will look at risk through a new lens, to support a unique underwriting approach based on data, technology and proprietary ESG criteria, resulting in cover at advantageous terms for companies that demonstrate better ESG risk management.

Engaging in the ESG discussion:

Our Climate Risk and Resilience team works closely with our internal research teams, as well as external organisations to ensure that we're focusing on the right areas to deliver impactful, scalable solutions.

Howden is a member of:

- **ClimateWise:** Head of the Climate Risk and Resilience team, Charlie Langdale, is on the ClimateWise management committee contributing to their white papers, on topics such as product innovation.
- **HRH's Prince of Wales' Sustainable Markets Initiative's Insurance Taskforce:** Group CEO, David Howden, is a member of the Taskforce and we are involved in three of the Taskforce's six workstreams. The Taskforce was established in 2021 to provide innovative new insurance products and services, and critical financial and risk management support, across a number of industries and geographies to drive positive change.
- **Insurance Development Forum:** Howden is a member of the IDF's Sovereign and Humanitarian Solutions working group which brings together partners to help deliver insurance-based solutions to the communities most vulnerable to disasters around the world.

Panels, thought leadership and public engagement

As well as our engagement with organisations like ClimateWise, the IDF and the SMI, we have had a presence on several ESG related panels and thought leadership events, where we have championed the role of insurance in encouraging the transition to a cleaner, more equitable world.

This year, our attendance at COP26, including a keynote speech from David Howden at the World Climate Summit, was an important platform for promoting the role of the insurance industry in helping society to respond to the climate crisis.

We have also engaged with public officials to explore how insurance can be used to further the UK's climate agenda and other national and international priorities. We have seconded Howden Group employees to the Department for International Trade (DIT), and are exploring opportunities to work with public agencies on disaster relief financing projects.

Internal engagement and education

In recent years, we have significantly stepped up the level of employee engagement surrounding the topic of sustainability and how it relates to us in the insurance market.

Sustainability, and, in particular, how we use our insurance expertise to help address climate risk, has been a key topic at our all-employee virtual conferences over the past two years.

In 2021, we delivered a series of sustainability-focused virtual events to engage and educate our employees worldwide.

The event series comprised:

- 1. Panel:** The future of insurance and how will we get ahead of emerging risks.
- 2. Fireside chat** with David Howden (Group CEO) & Dr Nina Seega (University of Cambridge) on the importance of sustainable finance: giving back whilst creating value and profitability.
- 3. Panel:** Product innovation – Changing the Insurance Narrative.

Through our internal communications platform, Workplace, we share explainer videos, articles, reports and other educational materials to help provide all employees across the Group with the level of understanding they need to start the conversation around ESG risks with their clients.

BEING

a responsible business

This is about focusing on our own operations - from creating an inclusive working environment where people of all backgrounds and experiences can thrive, through to our environmental footprint, our policies and procedures, and everything else that comes with being a responsible business.



Sustainability is integral to the way that we operate. Having senior leadership buy-in is key to environmental, social and governance being at the forefront of our agenda. Embedding sustainability throughout our business relies on the support of colleagues in all geographies, at all levels, co-ordinated by our Group CSR team and our global sustainability champions.

Environment

Environmental sustainability is central both to the Group's sustainability strategy and the Howden Group Foundation's key objectives.

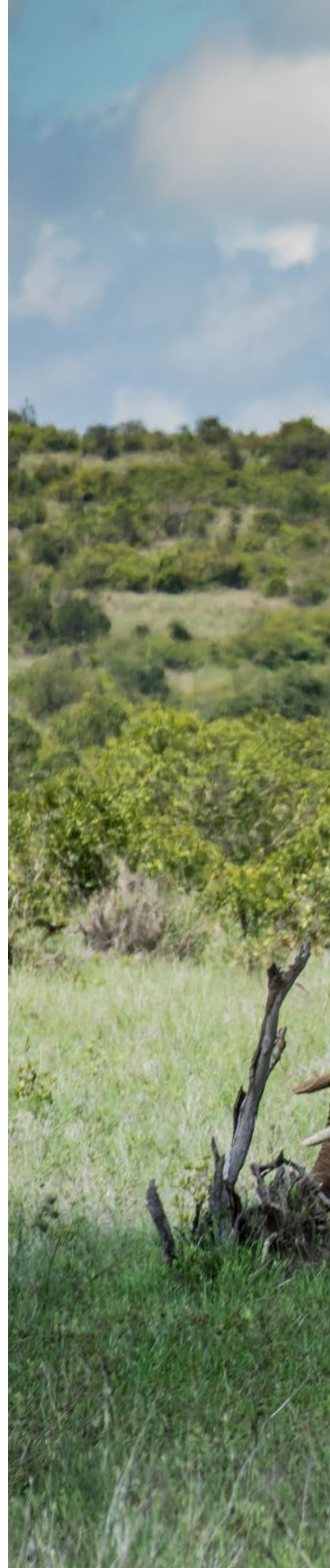
As such, we have taken a number of actions to measure and reduce the negative impact our businesses have on the environment and to support organisations that can help to offset this through projects that help to protect our planet.

In 2020, we started our journey towards carbon neutrality by making a commitment to decarbonise our operations and to neutralise any remaining emissions through verified offsets that support conservation projects where it matters most. It is with this aim that the Howden Group Foundation embarked on a partnership with The Nature Conservancy (TNC) in September 2020. Through this partnership, TNC has helped retire 25,000 tonnes of CO₂ through certified carbon offsets from projects in Africa that benefit communities and conservation.

Find out more by [watching this video](#)

Retiring CO₂ whilst supporting conservation projects in Africa

As we work to reduce our emissions, we are furthering this commitment in 2021-22 by supporting TNC's Africa Carbon Catalyst Fund (ACCF) and the ZafueZambezi REDD+ project in Zambia, one of TNC's priority landscapes and a haven for elephants, wild dogs, and other wildlife. This project not only prevents deforestation and preserves natural habitat, but also benefits people by creating new and sustainable livelihoods. To support the development of high-quality carbon offsets, we have funded TNC together with Biocarbon Partners to lead this effort, which includes a baseline survey, ground truthing, and stakeholder engagement work, as well as a business case for the project. Howden Group Foundation's AFCC support includes an allocation to the established Northern Kenya Grasslands project, where soil carbon sequestration is helping communities improve pasture management in an area that is also home to Kenya's second-largest elephant population.





© Ami Vitale

Measuring our emissions

In the UK, Howden Group Holdings falls under the Energy Savings Opportunity Scheme (“ESOS”). We have completed both Stage 1 and Stage 2 well within the deadlines set. In addition, we understand our responsibility under the Streamlined Energy & Carbon Reporting (“SECR”) which is a UK Government reporting programme that came into force on 1 April 2019. Please see our Howden Group Holdings FY20 & 21 SECR report in appendix.

The table below outlines our 2019-21 scopes 1-3 emissions (excluding A-Plan who joined midway through FY21).

| UK Emissions | 2021 | 2020 | 2019 |
|--|----------------|-----------------|-----------------|
| Scope 1 – CO2 emissions (tonnes CO2 equivalents) | 31.5 | 38.50 | 100.97 |
| Scope 2 – CO2 emissions (tonnes CO2 equivalents) | 671.9 | 880.5 | 956.79 |
| Total scopes 1 & 2 ³ | 703.4 | 919.00 | 1057.76 |
| Tonnes CO2e per FTE (S1 & 2) | 0.32 | 0.45 | 0.64 |
| Scope 3 - CO2 emissions (tonnes CO2 equivalents) ⁴ | 1184.57 | 3,335.18 | 6,131.41 |
| All scopes (S1-3) | 1187.97 | 4,254.18 | 7,189.17 |
| Tonnes CO2e per FTE (S1-3) | 0.87 | 2.07 | 4.36 |
| Do your footprint calculations follow the GHG-protocol standard? | Yes | Yes | Yes |

We are in the process of collecting and verifying our full FY21 emissions data globally and we will update our progress in our FY22 report. With this global data we will look for opportunities to reduce our own emissions and establish robust data collection protocols on unavoidable emissions. We plan to take a hybrid approach of charitable donations to support the seed funding of carbon offsetting projects in addition to purchasing formal carbon offsets and removals where emissions cannot be reduced. As such we aim to become carbon neutral in respect of our own operations in 2022 as part of our pathway to net zero.

Waste audit

In the UK, we are undertaking our first internal waste audit starting with our London headquarters. This will not only give us an understanding of our plastic consumption but highlight the composition of our waste. This will help to inform the education and raising awareness amongst employees that is required to improve our waste management and reduction to landfill. An update will be shared in our 2022 report.

66,000kg

of plastic was offset by the Group in 2021

³ Scope 1 and 2 has been reviewed by a third party as part of our ESOS and SECR reporting requirements.

⁴ Scope 3 data has not been externally verified yet, FY21 data will be externally verified in 2022.



Case study: Plastic neutral workforce

In July 2021, we announced our ambition to become plastic neutral. We have pledged to reduce and remove single use plastic from our offices, and offset the residual in order to achieve this goal. We will do this with the support of Seven Clean Seas (SCS), who are a long-term partner of our Foundation and have been engaged by the Group to provide plastic offsetting services.

Through SCS, we have already offset over 66,000kg of plastic - the estimated amount used by our workforce, globally, during 2020.

The Howden Group Foundation is helping to fund Seven Clean Seas' innovative River Plastic Recovery System (RPRS). The RPRS will clean up some of the dirtiest rivers in Asia. Whilst other similar devices exist; the RPRS has been specifically designed to be manufactured locally, using low-cost materials that can be easily sourced and maintained by the communities in which the device is deployed. Each unit is designed to remove 1.46 million kilogrammes of waste from rivers per year, the equivalent of 4,000 kg per day. [Watch this video](#) to find out more.

Moving offices

When we move offices, we endeavour to move into environmentally friendly offices and donate unwanted furniture and other items to those in our local communities.

For example our global headquarters in London were BREEAM-rated excellent at time of build and are EPC-rated B. Colleagues in our Howden Asia headquarters in Singapore donated some of their old furniture to charity and raised further donations by enabling employees to purchase items for their home office using money they had been gifted as part of a COVID-19 support package. Furthermore during DUAL Australia's recent office move, sustainability was at the heart of all decisions being made - check out the case study on page 38 for more detail.

In the UK, we have a partnership with Restore to reuse or recycle all our old IT equipment. Through this we have saved over 2,000,000 KWh, the equivalent of the average energy supply for 372 homes. More detail is outlined in the table below.

| Source | Quantity | Weight (kg) |
|-----------------------|----------|-------------|
| Recycling | 7 | 6 |
| Remarketing | 662 | 4,145 |
| Redeployment/Donation | 0 | 0 |

| | | | | | |
|--------|------------|---------|--------|----------|------------|
| Steel* | Aluminium* | Copper* | Brass* | Br w/Au* | Stainless* |
| 1.39 | 3.59 | 0.04 | 0.00 | 0.00 | 0.14 |
| PCB* | Plastic* | CRT* | Glass* | Bulb* | Battery* |
| 0.78 | 0.06 | 0.00 | 0.00 | 0.00 | 0.00 |

| Resource Demand | From Reuse | From Recycling | Total |
|---|------------|----------------|-----------|
| Energy (kWh) | 2,043,378 | 63 | 2,043,441 |
| Crude Reduction (55gal. Barrels) | 5,729 | 0 | 5,729 |
| Landfill Space Reduction (Cubic meters) | 14 | 0 | 14 |

| Equivalencies | Total |
|----------------------------|-------|
| Homes annual energy supply | 372 |
| Car annual emissions | 49 |

*kg

Transforming the way we work with a new Broking Platform

Howden Group is continuously looking at how we can reduce the environmental impacts of our internal operations. According to a recent study by The Royal Society, digital technologies contribute between 1.4% to 5.9% of global greenhouse gas emissions.

As part of the Group's digital transformation journey, we are in the process of building a new broking platform which will reduce carbon dioxide emissions; our UK datacentre currently emits c57 tonnes of CO₂ per month; the delivery of the new broking platform and phase out of legacy platforms will contribute towards achieving the Group's cloud strategy and reduce our UK datacentre power consumption by c24%.

On top of reducing greenhouse gas emissions, the delivery of the new broking platform will also reduce waste, improve energy efficiency and will enable customer stewardship, employee satisfaction and product responsibility. Furthermore, the new platform will enable improved data security management, better risk management, and will allow us to access better quality of data, and increase compliance.

How the Broking Platform will help reduce our CO₂ emissions

Our data centres currently emit **c.57 tonnes** of CO₂ per month, annually this equates to:



267 economy seats
London to Sydney



Amount of carbon that
30,705 trees absorb
in a year



Boiling water for over
90 million cups of tea

“ The delivery of the **Broking Platform** and phase out of legacy platforms will contribute to achieving the Group's cloud strategy and reduce the datacentre power consumption by **c.24%**

Social

People First

Our success and difference is built on the foundation of a strong People First culture of empowerment, trust and collaboration.

The past two years of the Covid-19 pandemic have been the ultimate test of our commitment to putting our people first. As our employees grappled with working from home, often with less-than-ideal home office set-ups, some caring for dependants and managing the additional strain on their mental wellbeing, they have had the full and ongoing support of our Group.

Just as in all other times in the history of our Group, by putting our people first, they put our clients first and this resulted in better outcomes for everyone.



Many of you are being expected to teach your children at home, look after elderly relatives and nobody expects that anyone can do that plus a full time job.

David Howden,
Group CEO



Respect

Respect is an employee initiative comprising over 100 active volunteers across nine Employee Resource Groups (ERGs). Respect's mission: for every employee to feel valued and respected.

Respect's objectives:



Help create a positive experience for every employee



Educate employees at all levels



Support the attraction and retention of talent



Help tackle the key issues facing our workforce



Influence and collaborate with HR



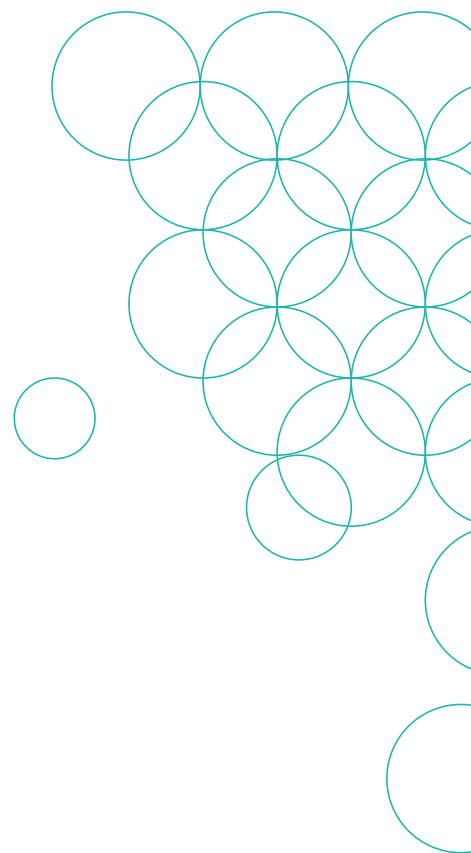
Become industry leaders in culture and inclusion

Respect's ERGs tackle the issues that matter to employees and that help to create an inclusive, positive workplace for everyone. They are:

- Gender balance
- Multiculturalism
- Mental health
- Our behaviours
- LGBTQ+
- Disability
- Women's health
- Parents at work
- Generations (inclusivity across all ages)

Respect hosts a broad range of events across its focus areas. These events help to raise awareness of, and engagement in, key issues affecting our employees, such as the importance of Allyship, and understanding the menopause. Whilst in-person events remained a challenge in 2021, engagement for virtual and hybrid events remained strong.

Our aim during 2022 is to see how Respect initiatives can be rolled out globally across the Group.





DUAL Employee Network (DEN)

DUAL's Employee Resource Group, DEN (DUAL Employee Network), is an employee-led network that aims to help DUAL be the best workplace for everyone.

DEN has members from across DUAL UK, bringing a rich variety of backgrounds and ideas. It was created to provide a forum for new ideas and initiatives. DEN delivered 8 DUAL connect events in 2021 and 4 employee social events. Over 650 employees engaged with these events.

DEN's core areas of focus include:

- Promoting the voice of employees
- Enhancing communication across teams
- Improving employee engagement
- Encouraging grass roots initiatives
- Helping drive DUAL's Diversity & Inclusion strategy
- Reviewing and supporting any employee ideas put forward

Gender pay gap

As required by UK legislation, we have reported on our gender pay gap, please see latest [report](#).

Our gender pay gap is around 40%. We are actively seeking to improve upon this by focusing on meaningful progress over the long-term.

The data reported shows a slight increase in our gender pay gap as at April 2021 compared to April 2020. There continues to be a significant difference in both the mean and median pay of men and women across our UK business units. This is predominantly driven by under-representation of women in senior roles, which in turn results in a lower proportion of women in our upper pay quartiles. This is something we are focussed on improving.

We are taking a number of actions that will have a positive impact on inclusivity over the long-term, as well as those that should have a positive impact specifically on the gender pay gap. These are as follows:

- We've launched an inclusive hiring toolkit designed to drive greater gender balance in shortlists for roles across all seniority levels, aiming to support more gender balanced hiring, particularly in our upper pay quartiles.
- We are using language tool, Textio, to produce more inclusive and gender-neutral job descriptions to attract the most diverse range of applicants.
- Inclusive Interview Training is being implemented for all managers in order to better equip them to make objective hiring decisions and manage unconscious bias in the recruitment process. By making fairer hiring decisions we aspire to increase female representation across the Group.
- We've implemented a new process for identifying potential female talent ready for promotion as part of the year-end compensation review process.
- We continue our partnership with [everywoman](#) to develop senior female leaders, raise the profile of senior female role models and deliver the [everywoman in insurance forum](#).
- We are also continually evolving our approach to performance assessment, promotion decisions and annual compensation review outcomes to help our businesses make appropriate decisions based on objective criteria and data.
- We have established a Group D&I committee, co-chaired by one of our Non-Executive Directors and the Group HR Director along with Board level leaders to bring about sustainable, long term impact to our practices. This committee will hold us to account on our actions and whether they are achieving the outcomes intended.
- Piloting Early Careers programmes in Howden Broking and Group IT (with a view to launching a global programme across the Group). See case study on page 22.



Case study: Inclusivity partnership

In 2021, we partnered with Inclusivity and the Insurance Families Network to deliver a recruitment campaign targeted at people looking to return to the insurance market after an extended break.

Candidates were shortlisted on two criteria - blind CVs and rationale for application - to ensure objective shortlisting and to mitigate the risk of bias. In what was a cross-industry programme, Howden Group recruited one third of the successful 'returners', hiring four return-to-work parents. The successful candidates were all female and the group was ethnically diverse. Over the course of the programme, we will track performance, engagement and retention to measure long-term impact.

This programme has demonstrated that there is a huge pool of diverse, high-calibre talent that we aren't reaching by repeating the same old recruitment habits. By working with the right partners and looking beyond the usual industry talent pools, we have found strong candidates who bring a fresh perspective and help to create a more diverse and inclusive workplace.



Case study: Down syndrome partnerships

DUAL Italia has worked in partnership with dedicated experts and tutors from the AGPD (Association of Parents and People with Down syndrome) and CoorDown (National Coordination of Associations of People with Down Syndrome) to ensure that two colleagues with Down syndrome could thrive in their roles and help meet business goals.

DUAL Italia hopes to help encourage other companies to do the same by raising awareness through several initiatives throughout 2021:

- Joined “The Hiring Chain” campaign to call on employers and workplaces to be more inclusive. Watch [this video](#) to find out more
- Participated in a roundtable, led by CoorDown, focused on creating inclusive workplaces and providing a platform for people with Down syndrome to promote the message: “The more you hire us, the more they [other companies] will hire us”. DUAL Italia shared their experience alongside other Italian companies.
- Supported an initiative with the Tennis Club Lombardo and AGDP, hosting an afternoon of tennis for young people with Down syndrome aged nine to 20.
- Contributed to the Catholic University Master in “Organisations, work and disability” by speaking to students about what it means for a company to include people with disabilities in the workplace.



Case study: Tackling the digital divide

The IT leadership team launched its first IT apprenticeship programme in 2021, attracting young people from a wide range of backgrounds to get into tech.

Colleagues with IT skills and expertise have also volunteered to mentor and support young people from The Prince's Trust including a specialist workshop on cyber security for entrepreneurs from The Prince's Trust.

We have donated equipment to local charities and schools who have reduced access to digital devices. During the pandemic we donated laptops to local schools so they could distribute to families who needed them in order for their children to continue learning when schools were closed.

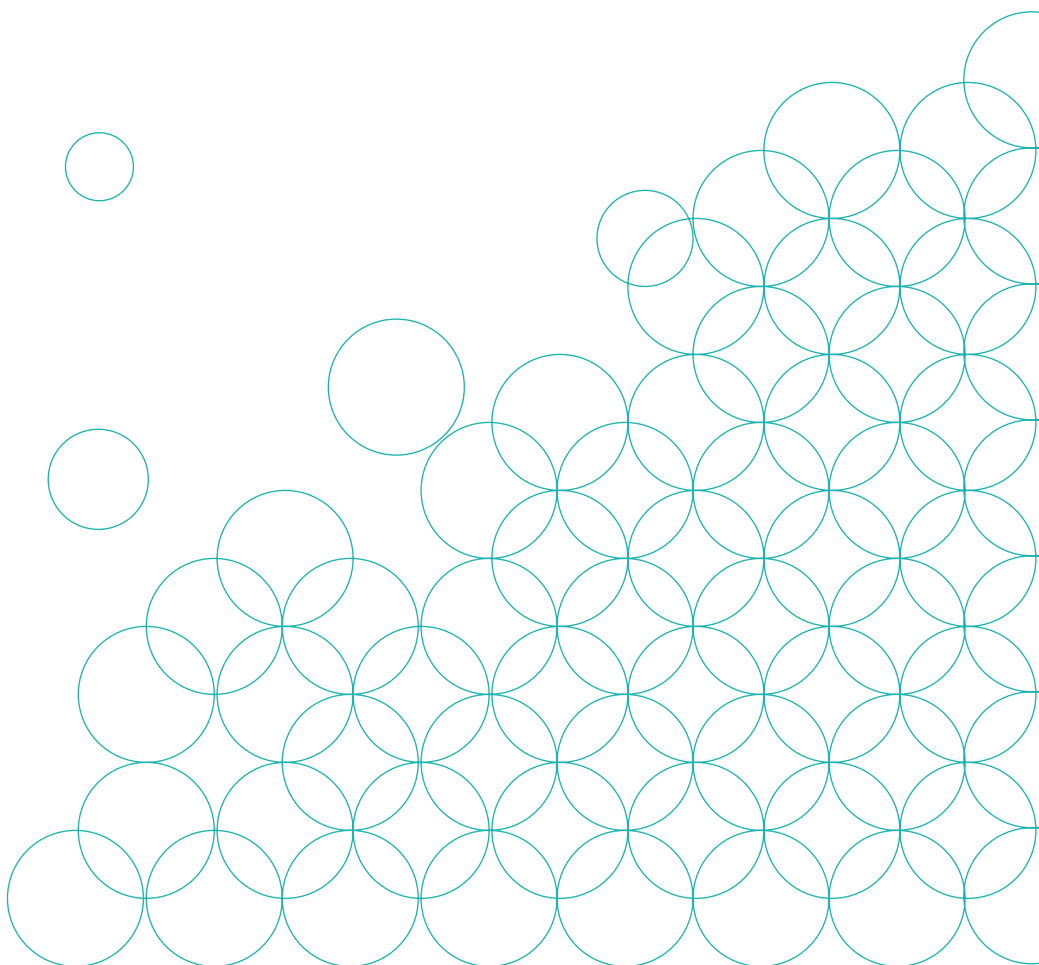
Procurement

In the UK we are working with contractors and suppliers to ensure they share our zero approach to modern slavery, environmental accountability and compliance with all the relevant standards, laws and regulations continues to be a work in progress.

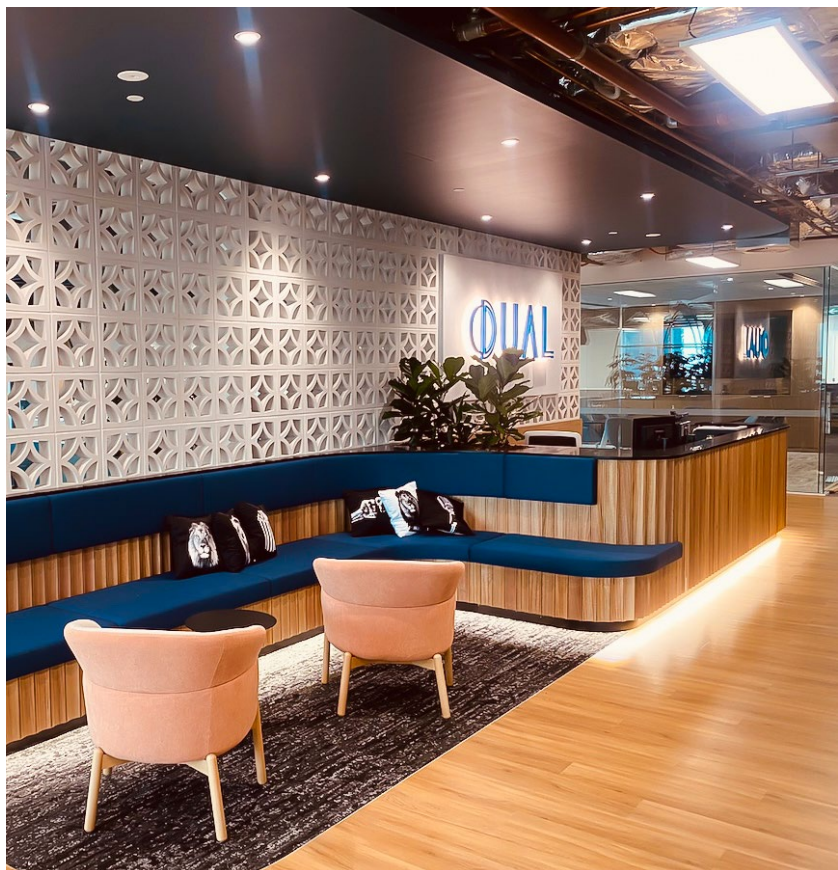
We are strengthening our controls as new contracts are agreed. This includes modern slavery questions within our due diligence questionnaire and training/raising awareness communications amongst employees. We are embedding a due diligence process for supply spend in excess of £100,000. For example, serious violations by suppliers may lead to the termination of the business relationship. To date this has never occurred.

We are in the process of drafting a UK supplier code of conduct and intend to have it in place once the relevant internal parties have approved it by the next financial year.

[View](#) our latest modern slavery statement.



Case study: sustainable procurement in DUAL Australia



Sustainability was at the heart of DUAL Australia's approach to procurement in their recent move to new headquarters in Sydney.

They took the opportunity to switch to green energy suppliers, and made sustainability a main factor in their choice of all other goods and services providers.

Other green initiatives taken during the move were:

- Selecting a building:
 - with a 5.5 NABERS Energy rating and 4.5 Water rating (out of 6),
 - which has newly installed efficient gas hot water system, and
 - which promotes a centralised waste bin system to help improve recycling
- Auditing the building for accessibility to see what improvements could be made.
- Donating furniture from the old office to the new tenants and employees.
- Donating unused merchandise to the The Salvation Army, and towels to the Sydney Cats and Dogs Home.
- Returning moving boxes to removalists to re-use.

Governance

Human rights

The Group is committed to being a responsible global business, recognising the importance and advancement of Human Rights as an issue that is integral to our core business, our operations, and us as employers across all our entities worldwide.

We operate a suite of policies adopted within Group companies, and at Group level, which reflect and embed our commitment to human rights.

We respect human rights standards for the workforce of our suppliers and promote sustainability standards in our supply chain. We share best practice widely across the Group and, globally, we ensure clients of the Group are treated fairly and data privacy is protected at all times.

As an employer we respect international human rights standards. The Group promotes fair reward and recognition, diversity, inclusion and equal opportunities in all employee dealings including decisions on hiring, remuneration, training and promotion. To date no infringements on human rights have been reported, but should a human rights risk be identified, we would involve the Group Sustainability Committee and Group services including risk, operations and communications to address and mitigate future human rights risk.

Reporting

We are members of both ClimateWise and the UN Global Compact and submitted our first reports to each body during 2021. Please find our UN Global Compact report [here](#) and the ClimateWise independent review within which Howden is featured [here](#).

Further to our UN global compact commitment, in 2022 we will align our approach to sustainability against the Sustainable Development Goals (SDGs). The SDGs will provide us with a framework so we can demonstrate how we, together with our partners, are making an impact on our community and society. In our 2022 report we will identify and prioritise the goals most material to our Group and set targets to achieve these goals.

We completed our first EcoVadis assessment in 2021 with a 'Silver' rating, something we look to improve on each year.

We have worked with WorldFavor to bring on a platform to help understand, measure and improve ESG performance across the Group globally.



Data and Cyber Security

Data Security and the security of all of our assets is one of our highest priorities. Security is embedded in the architecture and design of our systems and processes and we operate a resilient governance structure with a dedicated security team reporting to the Group CISO.

We have established a global security standards framework based on ISO27001 and we are using this to ensure that our businesses have a mature cyber posture protecting data from unauthorised access. We have invested in a portfolio of solutions to monitor and maintain strong perimeter security, including a 24x7 Security Operations Centre, next generation firewalls and end point security. We also run real time dark web threat scanning to identify any external digital emerging risks. Our firewalls have Intrusion Detection and Intrusion Protection enabled and are also proactively monitored by a 24x7 managed service with a real time threat feed. We have a robust vulnerability management policy ensuring that our systems have the latest security updates applied. We enforce multi-factor authentication (MFA) on all external facing systems as well as access to Office 365 and our remote access solutions. As part of our Information Security policy, we operate quarterly staff training and phishing testing to raise cyber awareness and maintain safe behaviour. We quickly communicate any security threats to our global organisation so that proactive mitigating actions can be taken. We are continually working to improve our cyber resilience and stay ahead of the threats, and have an active information security investment portfolio which is focused on mitigating these threats and improving our cyber resilience and maturity.

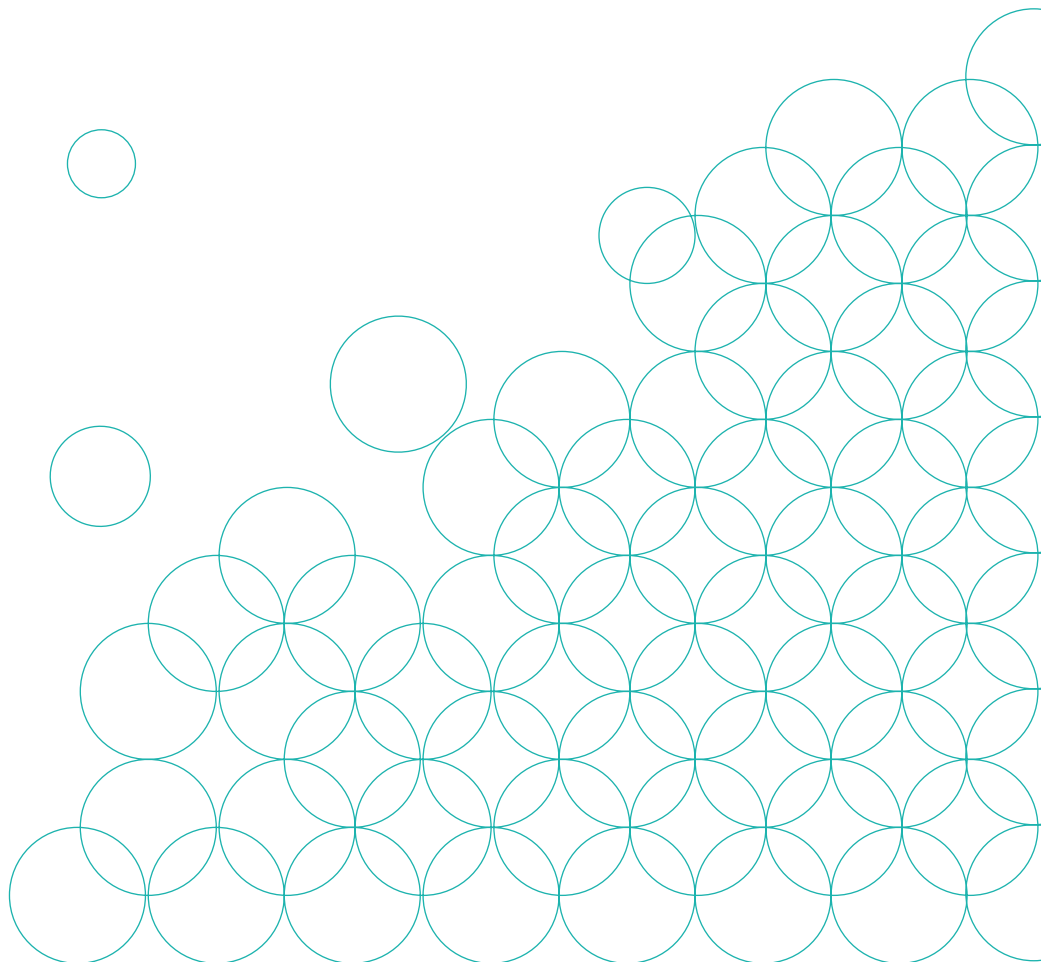
Howden Group Infrastructure Services, which covers 50% of the total revenue of the company, maintains a number of security certifications including:



Data Protection and Privacy

As a Group, we take our responsibilities under Data Protection Law extremely seriously, and look to ensure all of our companies across the Group operate in accordance with applicable laws and regulations.

We have a dedicated and professionally qualified Group Data Protection Officer who coordinates compliance activities across the globe with the support of the local business compliance experts. Compliance posture is reported internally, to ensure appropriate visibility at the top level, and to ensure focus and resource can then be provided where appropriate. Privacy culture and awareness across the organisation is high, and this is supported through a combination of training, policies and processes, compliance monitoring, working groups & various internal communication and media channels. Whilst focus is applied to ensuring that data is kept secure, we have various tools & processes in place to help ensure we comply with the core data protection principles relating to minimisation, fair processing, overseas transfers, subject rights, breach management, retention & accountability.



Managing risk

ESG risks are recognised in our Group Risk Framework which is currently being implemented. ESG risks are discussed at Group Executive Committee and Howden Group Holdings Board meetings.

It is also a central topic for discussion in the Sustainability Committee and the Diversity & Inclusion Committees, which both report directly into the main Board.

It is within the Group's businesses, however, that the day to day identification and management of ESG risks takes place. Within our core large business units, our Chief Risk Officers have implemented risk management frameworks that either identify specific ESG risks or highlight each business risk that has an ESG impact or driver. These risks are represented in the relevant divisional business risk registers and are reported quarterly to the divisional boards via Risk Committees.

In order for ESG risk to be successfully mitigated, functions of the business need to manage it themselves with senior management oversight. Therefore, key functions of the business feed into Group Executive management, for example procurement feeds into the Group Chief Operating Officer. These functions have a role in assessing day to day ESG issues, helping to inform management's response to the risks.

Group-wide policies

One of our key differentiators as a Group is our locally empowered, decentralised structure whereby each business is managed in country and in accordance with local governance and regulation.

Risk management is therefore driven and directed from the heart of the business, rather than centrally imposed, but with guiding principles and support from Group Risk. Our Group-wide policies relevant to ESG include whistleblowing, financial crime, data and cyber security.

GIVING back

Helping others by giving our time, through volunteering and raising awareness and giving money, through our Foundation and employee fundraising. Because our Foundation is a shareholder in our Group, the amount we give back is directly linked to the success of our business; as we grow, so too does our impact.



The decision to make the Foundation a shareholder of the Group means: for the Foundation, greater giving potential and, for Howden Group employees, a tangible correlation between growing their business and increasing the impact on the social responsibility projects that our industry can support through our Foundation around the world.

Luis Muñoz-Rojas Entrecanales,
Chairman - Howden Group Foundation

About the Howden Group Foundation

The Howden Group Foundation (“the Foundation”) is an independent charity supported by Howden Group Holdings (“the Group”) and its employees. Established in 2014, the Foundation provides support to global initiatives that align with its objectives.

In 2020, the Foundation became a shareholder in Howden Group. The business continues to grow from strength to strength, and, as a shareholder, the Foundation directly benefits from the Group’s ongoing success. As the Group continues to grow, so will our charitable work.

Howden Group Foundation key objectives:

- 1. Relieve sickness**
- 2. Relieve poverty**
- 3. Relieve disasters**
- 4. Relieve unemployment**
- 5. Advance education**
- 6. Environmental sustainability**

The growth of the Foundation remains one of the Group's proudest achievements.

Since 2020, the Foundation has invested almost £8 million of funds, donated from the Group, in Group shares, an initiative that is expected to continue into the future. Complementing this, employees have also gifted percentages of their incentive share awards which, in time, aim to provide future funding for the Foundation. Through this collaborative funding model, the Foundation has been able to make longer term strategic partnership grants, linking closely with the Group's CSR strategy to support Education, Entrepreneurship and the Environment. They also align with Howden Group's Sustainability Charter, helping to create a cleaner, fairer, healthier and safer world through business and charitable work.

Each employee has a say in which causes the Foundation partners with. Employees support the Foundation through fundraising events, payroll giving and volunteering, both for Foundation partners and for charities of their choice, and are able to apply for up to £750 match funding per year. Donations from the Foundation also support our Investing in the Community Awards, which are one-off grants of £5,000 or equivalent for grassroots organisations nominated by our employees and that are making a big difference in our local communities.

£750

allowance for
each employee

£5k

one-off grants
for grassroots
organisations

Our partners



Prince's Trust



Foundation in numbers:

641 

Charities supported

Through match-funding,
volunteering, grants, and more.



320

Fundraising events

Organised by our employees
and CSR champions.

£3.04 

Million

Donated to charities
around the world.



£157k

Match-funded

Supporting our people's
personal challenges.

Volunteering & Fundraising

Everyone at Howden Group gets two days a year to give back through volunteering and fundraising. Our Group and The Howden Group Foundation partners offer a wide variety of volunteering opportunities, and local teams regularly plan fundraising events from quiz nights and bake sales to hikes and bike rides.

In 2021, we partnered with Benevity Inc. to create a global fundraising and volunteering platform, which we've called Group Giving. This makes it easier for our people to sign-up to volunteering opportunities, and is a donation platform for our active fundraising campaigns.

Despite the challenges which COVID-19 brought in 2021, over **574 employees** volunteered for **3,807 hours** supporting over 192 causes worldwide. This included volunteering with local school children, young entrepreneurs, environmental volunteering and helping at local food banks. Each year we look to increase the total amount donated to community causes as well as increase volunteering hours.

Global Group Giving Week

Global Group Giving Week (GGGW) is an annual focus for employee engagement in giving back. Over the five-day event, our employees around the world work together to organise volunteering drives, fundraising events, donation stations, pro bono work and more for charity and local community groups. Despite much of the world facing restrictions again this GGGW, due to the pandemic, we saw a huge amount of employee engagement worldwide. [Watch this video](#) to find out more.

2021 Global Group Giving Week – Key facts:

£66,000 raised

26 countries

6,800+ kilometres travelled

32 charities supported

600+ hours volunteered

400 rubbish bags collected

Giving back in 2021

Here are just some of the ways our colleagues around the world gave back this year.

Static triathlon

In support of Insurance United Against Dementia and our UK charity partner, Alzheimer's Society, over 100 employees from our London, Baildon and Birmingham office took part in a competitive static triathlon raising just over £3,000!



DUAL goes litter picking

Our DUAL colleagues launched a #lovewhereyoulive campaign providing employees with their own litter pickers so they can make a difference in their local communities. During the Group's annual 'One Bag Challenge' DUAL collected 155 bags of litter in one week.

Taking a leap for mental health

Damien Coates, DUAL APAC CEO, joined the Black Dog Institute's CEO Skydive by taking a leap from 15,000ft. Damien raised over \$27,000 for mental health research.



Endsleigh runs the country

To celebrate Endsleigh's 56th birthday, the team travelled 5621 miles in just 8 weeks. The runners faced torrential rain and hot sun, logging miles from the crack of dawn to late in the evening, they achieved personal bests, saw an increase in health and fitness, improvements in wellbeing and outlook... and even reunited a lost dog with its owner! Together they raised an incredible £4,000 for their chosen charities: Cheltenham Animal Shelter, Community Connexions and Winston's Wish.



Mangrove tree planting

Our colleagues in the UAE planted 20 mangrove trees in Jubail Mangrove Park. Not only will the trees help to protect biodiversity in the area but they will also help to absorb carbon from the atmosphere. Each tree removes around 300kg of CO2 over its 25 year growth life.



Howden Mexico supports Fundación ProEmpleo

Grupordás Howden held virtual conferences to support the ProEmpleo Foundation. The volunteers trained 197 entrepreneurs on topics such as social responsibility, customer service, insurance, leadership and human resources. They also raised £476 which will help promote training for building a business. You can find out more [here](#).

Spring into Giving

In April 2021, leading into Global Group Giving Week, DUAL North America ran a six week challenge, "Spring Into Giving." Over the course of six weeks, participants were given weekly mind and body wellness challenges to complete while raising money for their employee-elected charity, Habitat for Humanity. DUAL North America donated \$10 to Habitat for Humanity for each person who participated. Participants were encouraged to donate as well. In total, 35 participants help to raise \$1,817. All employee donations were matched by our Foundation, taking the total to \$3,284.

IPG Hong Kong and Howden Hong Kong join forces

The two teams partnered with A Drop of Life and delivered goodie bags to over 50 elderly living in Tai Wai area in Hong Kong.





Case study: Raising awareness

This year, the Howden Group Foundation partnered with The Prince's Trust to develop and launch a new collection of learning resources for **The Trust's Achieve programme.**

These resources support young people across the country to build their awareness around sustainability, and specifically climate change. This project has equipped teachers and education advisors with the framework and content to engage students and develop their knowledge around an important topic as part of the Achieve programme curriculum. Resources include four video animations, which you can watch here:

- **Climate Change** - This video is about what climate change is, its cause, implications, the climate act and what you can do
- **Environmental Impacts** - This covers the impact of population growth on the environment, how our lifestyles affect the environment and what we can do to reduce our environmental impact.
- **Green Innovations** - The third video addresses what green innovations are, why we need green growth and the benefits and examples of them
- **Sustainable Development** - The final video teaches about what sustainable development is, what it means and what the 17 sustainable development goals are.

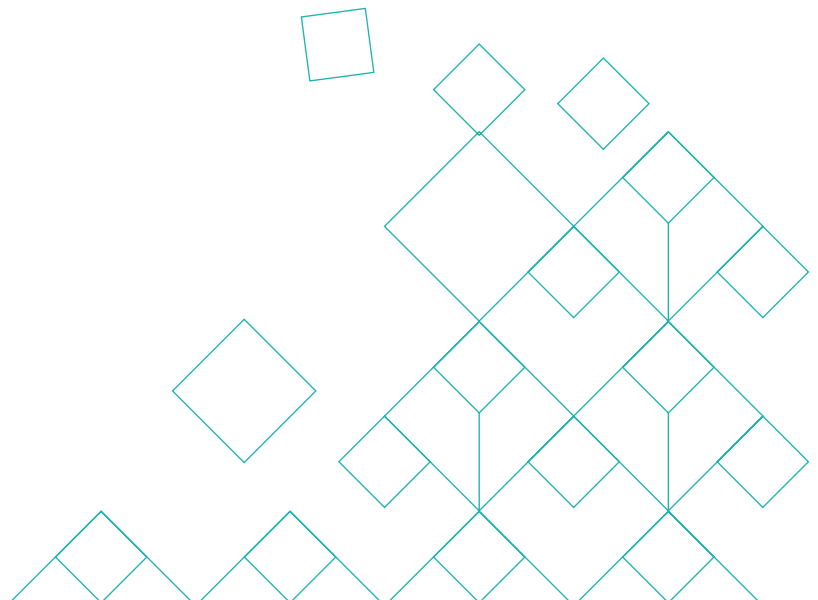
Cultural well-being

Naturally, as a company committed to putting its people first, our employees' wellbeing is extremely important to us. We provide a range of benefits for our employees to support their wellbeing, including Employee Assistance Programmes, private medical insurance, access to a Digital GP and access to mental health support Apps.

In the UK we also have a number of Wellbeing Champions who are trained as mental health first aiders to help direct employees to the appropriate support available to them. In addition to the physical and mental wellbeing related benefits, we also support employee financial wellbeing with various financial education related webinars and initiatives as well as external providers who support with pension and mortgage advice.

We regularly provide employees with reminders of the support available to them, through our intranet and frequent emails – covering both reminders of our supportive benefits as well as highlighting current initiatives such as webinars. Webinars have been held over the last year or so relating to the following:

- Healthy eating from a nutritionist to support improved mental and physical wellbeing (to promote healthy eating, we also provide fruit in the office).
- How to work effectively in a virtual world.
- Online exercise classes, including yoga.
- Building resilience workshops.
- Wellbeing sessions for parents - aimed specifically at ways to support children.
- Lockdown and the easing of restrictions and return to the office to help managers and employees cope with the various change.



Appendix

Howden Group Holdings – UK SECR Report 2021

| Energy use (kWh) | Scope | 2021 | 2020 |
|-------------------------------------|-------|------------------|------------------|
| Building gas, heating oil & biomass | 1 | 558,316 | 198,084 |
| Company car business miles | 1 | 352,271 | 13,422 |
| Building electricity & heat | 2 | 4,731,971 | 4,031,144 |
| Employee car business miles | 3 | 249,050 | 386,556 |
| Total | | 5,891,608 | 4,629,206 |

| Carbon dioxide equivalent emissions (tCO ₂ e) | Scope | 2021 | 2020 |
|--|-------|-----------------|-----------------|
| Building gas, heating oil & biomass | 1 | 110.20 | 35.20 |
| Company car business miles | 1 | 88.20 | 3.20 |
| Building electricity & heat | 2 | 980.00 | 880.50 |
| Employee car business miles | 3 | 59.90 | 91.20 |
| Total | | 1,238.30 | 1,010.10 |

| Intensity ratio | 2021 | 2020 |
|--|------|------|
| Tonnes CO ₂ e per employee (tCO ₂ e/emp) | 0.38 | 0.46 |
| Tonnes CO ₂ e per square metre (tCO ₂ e/m ²) | 0.03 | 0.05 |

| Other carbon dioxide equivalent emissions (tCO ₂ e) | Scope | 2021 | 2020 |
|--|-------|-----------------|-----------------|
| Employees work from home (WfH), tele-working, modelled electric | 3 | 571.8 | 217.20 |
| Electric grid losses, transmission & distribution, buildings electric & WfH tele-working | 3 | 123.3 | 76.00 |
| Sub-total scope 3 | | 755.00 | 384.40 |
| Total scopes 1, 2 & 3 | | 1,933.40 | 1,303.30 |

This data includes six months of A-Plan Group data from when they joined the Group.

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April 2022