



BROOKS MACDONALD

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BROOKS MACDONALD

Corporate responsibility report 2022

Brooks Macdonald Group plc Corporate responsibility report 2022

Corporate responsibility report

Brooks Macdonald's corporate responsibility strategy aims to ensure that social, environmental and ethical considerations are central to the way that we run our business. We are focused on protecting the environment, supporting communities, and ensuring the wellbeing of our employees. The Group continues to actively seek opportunities to play its part as a good employer and contribute to the communities in which our clients and employees live and work.

Our sustainability strategy

Pillars	Our objectives	Our progress in the year
Our people  <p>Our people are our greatest strength, we care about every employee and focus on their development and wellbeing.</p>	<ul style="list-style-type: none"> Embed our promise to support Brooks Macdonald being an inclusive, inspiring place to work Develop leaders who prioritise engagement, diversity and wellbeing Increase employee engagement Have fun and celebrate our achievements 	<ul style="list-style-type: none"> Rolled out a leadership development programme to all people leaders to foster a high performance culture, aligned to our Guiding Principles Maintained a strong employee engagement score Rolled out a new performance management framework that supports everyone to be at their best Continued to effectively support our people by enhancing employee policies and benefits, focusing on communication and wellbeing
Our community  <p>We support our communities through the BM Foundation and encourage staff volunteering and fundraising.</p>	<ul style="list-style-type: none"> Continue to develop the BM Foundation Support community causes and events Encourage staff to complete voluntary work 	<ul style="list-style-type: none"> The BM Foundation made over 22 donations, totalling over £46,000 during the year The Group matches all donations made by the BM Foundation All staff are able to use a paid volunteering day The Group has partnered with the Dame Kelly Holmes Trust and is participating in several events to raise over £30,000 for the charity
Our environment  <p>We are a responsible Group and seek to reduce our impact on the environment as far as possible.</p>	<ul style="list-style-type: none"> Continue to evolve our environmental procurement strategy Operational environmental tracker gathering data to confirm ways of reducing our Tier 1 and 2 impacts To identify what Tier 3 data we could target and outline where there are gaps 	<ul style="list-style-type: none"> Reused office refurbishments in Tunbridge Wells Green car scheme - a benefit that enables our staff to purchase green vehicles through salary sacrifice Operational data collated and fed into our Streamlined Energy and Carbon Reporting ("SECR"). Gap analysis captured and targets identified for 2023

June 2022 'Speak Up' employee engagement score

67

(FY21: 66 points)

June 2022 'Speak Up' employee response rate

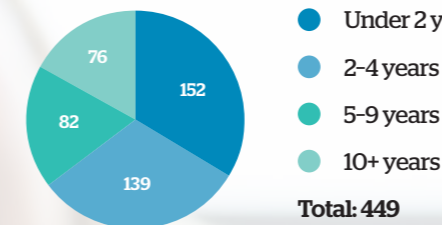
84%

(FY21: 77%)

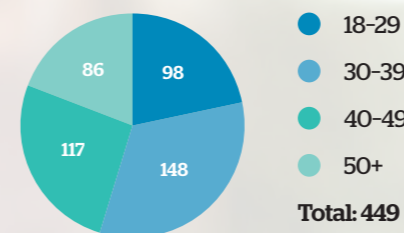
BM Foundation charitable donations of over

£46,000

Number of employees by length of service (30 June 2022):



Number of employees by age (years) (30 June 2022):



“BM has long prided itself on its strong culture and through the last 12 months have taken the opportunity to take further steps to strengthen what we offer to our people, which in turn helps us nurture a culture that enables our business to thrive.”

Tom Emery
Chief People Officer

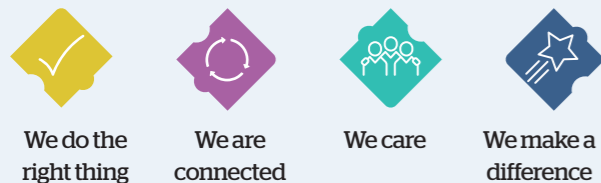
Our people

At Brooks Macdonald we have an inclusive culture that inspires people to do their best work, build strong and valuable relationships, and enjoy themselves. We know that having a motivated and engaged workforce will lead to better outcomes for our clients.

The aim of our people agenda is simple; to enable our strategy by attracting, engaging and retaining the best talent in the industry. We welcome talented people from all backgrounds who live and breathe our Guiding Principles and are focused on making a difference for clients and advisers. At Brooks Macdonald, Our Promise is to offer an inclusive culture, fulfilling careers, and great recognition.



Our Guiding Principles



We do the right thing We are connected We care We make a difference

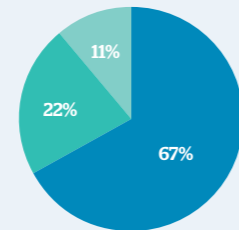
Our Guiding Principles are at the core of our culture and set the standards for the decisions we make and the way we treat our clients, partners, and each other.

In November each year we celebrate our annual 'above and beyond' awards, nominated and voted for by our people. We present awards for each of our Guiding Principles, with our diamond award presented to the person who has shown outstanding and unwavering commitment to all four throughout the year. In addition, every month, members of our Executive Committee recognise individuals who have been nominated by their peers and leadership group who have gone above and beyond by role modelling our Guiding Principles.

Engagement with our people

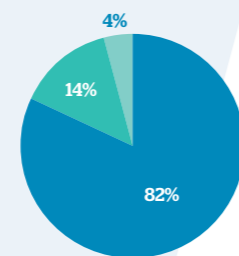
June 2022 Speak Up score - 67 (+1 from May 2021)

1. Overall engagement



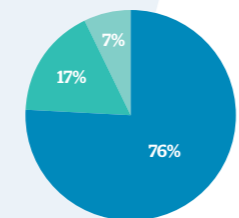
Overall score based on answers to all questions

2. Advocacy



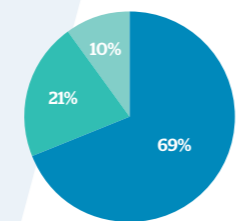
I am happy to recommend Brooks Macdonald to others as a great place to work

3. Diversity and inclusion



Brooks Macdonald enables me to be myself at work

4. Wellbeing



The Group has taken positive steps to support my wellbeing

● Positive ● Neutral ● Negative

Speak Up highlights

A record 84% of our people completed our most recent Speak Up survey in May 2022, up from 74% in November 2021. This high level of engagement with the survey shows it is a trusted feedback channel that our people are keen to use.

Our survey asks questions across a broad range of areas important to our people, including strategy, diversity, equity and inclusion ("DEI"), leadership, wellbeing (including flexible working), autonomy and communication. It gives us insights into the overall engagement levels of our workforce, and the opportunity to obtain both quantitative and qualitative data.

The results show continued strong engagement across the Group. Particularly pleasing is the level of advocacy across the Group, with a large proportion of our people reporting that they say great things about working at Brooks Macdonald to their friends and family. There are some variances between individual business and functional scores but no pronounced differences when analysed by gender, age or employment status. Overwhelmingly, the things that our people love most about working at Brooks Macdonald are the people and the culture.

Each Executive Committee member receives an individual report showing their anonymised detailed scores. This helps them to have a conversation with their teams about the scores, gain further insight, and put in place robust action plans at a team level to improve engagement in their areas.

Transforming our culture

The Group has had a stated people strategy for the past few years, focused around the three areas of Our Promise. Our Promise lays out the actions that will ensure we attract, engage, develop and retain the best talent in the marketplace, which in turn will ensure we achieve our strategic objectives.

As the world emerges from the pandemic, different challenges to those we faced before are developing and the competition for talent is increasingly intense. We know culture is a primary driver for attracting talent.

Brooks Macdonald has long prided itself on its strong culture, and through the last 12 months has taken the opportunity to take further steps to strengthen what we offer to our people, which in turn helps us to nurture a culture that enables our business to thrive.

Leadership development

We know that our people leaders set the tone and drive the culture. We focus leadership skills on three core areas; leading the business, leading others, and leading self.

During 2022 we rolled out 'Your Team At Its Best' to all people leaders. 'Your Team At Its Best' is a leadership development programme that aims to support all people leaders. The programme focuses on:

- **What it means to be a leader at Brooks Macdonald** - alignment to our vision, Guiding Principles and leadership development framework, plus the latest theory and insights.
- **How to ensure your team is at its best everyday** - conscious role modelling, inspiring trust, ownership and responsibility, resilience, and personal/team development.
- **Process and procedures** - everything leaders need to know and where to find it, the culture of performance management, alignment to Our Promise and signposting of further support.
- **Live examples and practice sessions** - bringing to life key learning, using 'live' examples in 'break-out' groups.

The programme is in the form of a self-directed learning guide as well as facilitated face-to-face training.

In addition, we launched a 'Your Team At Its Best' community of support; this utilises Microsoft Teams to house insights, discussion, and best practice for alumni of the programme. We hold regular practical skills-building sessions using the tools within the 'Your Team At Its Best' skills guide including developing high performing teams, whilst maintaining a psychologically safe and inclusive team environment. We focus on effective coaching for leaders, which research suggests is a key element of effective leadership.

We believe the learning and tools from the 'Your Team At Its Best' programme will help and support our leaders to continue to develop a high performing culture.

Corporate responsibility report continued

Talent and development

Nurturing our employees to reach their full potential is central to our success as a business and a clear focus in Our Promise to employees.

On an annual basis we assess the potential of our senior employees and ensure development plans are in place for all. We invest in our talent in several ways, including apprenticeships, flagship development programmes, external professional programmes, coaching and various industry events. We foster a culture of on-the-job learning and empower people managers to support their team's personal development.

During 2022, we are partnering with Future Talent Learning to invest in a female only cohort of talented individuals from Brooks Macdonald. This continues to show our commitment to fostering a learning culture but also allows us the opportunity to shine a light on under-represented groups, particularly within wealth management.

We recognise the value in taking talented people on at the beginning of their careers and our emerging talent programmes are central to Our Promise of supporting people to have fulfilling careers. Graduate and trainee programmes have long been recognised as a great way of bringing in diverse, high-potential talent that can contribute to the commercial performance of a firm and both will support the development of our emerging talent pipeline.

A day in the life of . . .

Chris Cowling (Investment20/20 finance trainee)

I joined Brooks Macdonald in October 2021 as part of the Investment20/20 programme, and in the short time I've currently been with the Company, I have gained a lot of experience thanks to the support from my colleagues across the Group. The biggest thing that I have taken away so far is that it's okay to make mistakes, at the end of the day we're only human. But it's important we learn from them! I couldn't really ask for better colleagues who are available to provide support and advice on tasks big or small as well as the fact they won't look at you any differently for making mistakes or asking questions.

I have also developed and gained new skills both role specific as well as company/industry based, mainly being able to step back and look at the bigger picture and see how the work I do affects the wider group both in finance and Brooks Macdonald.

Prior to joining Brooks Macdonald, I had a very limited understanding of the wealth management industry, I knew of its existence and roughly what it was, I never really had a view on the industry prior to joining but I can now say it is a very interesting area of the financial world - one with a lot of depth and plenty of learning experiences.

Some advice I'd give to anyone thinking about joining Brooks Macdonald is to go for it, with a wide range of job roles it opens the door(s) for some great opportunities. I'm happy with where my time in Brooks Macdonald has taken me and I'm excited for my next steps!

If I were to describe Brooks Macdonald in three words it would be: supportive, rewarding, inspiring.



INCLUSIVE FUTURES

Inclusive futures

Investment20/20

One of the ways we develop our emerging talent is through our successful partnership with Investment20/20 where, to date, we have successfully recruited over 36 trainees since 2019. A number of these trainees have since taken up full time positions in a variety of roles across BM including technology, risk and compliance, finance and investment management. A further four more trainees will join Brooks Macdonald in October 2022.

Trainees join Brooks Macdonald on an initial 12-month fixed-term contract. During this time, they are assigned to a specific business area and gain the key skills required to carry out their role. They also attend several events hosted by Investment20/20 designed to help build and develop wider industry knowledge.

The premise of the scheme is to encourage people from wider socio-economic backgrounds to consider a career in Investment Management. For school leavers, a traineeship presents an opportunity to learn about an industry that might not be widely promoted in their school or homelife, as well as the opportunity to explore an alternative route to university. For Brooks Macdonald, the benefits of taking trainees allow for greater diversity at entry level roles, as well as the opportunity to develop young people with no prior experience, and making a positive contribution to the wider community.

A Day in the life of . . .

Trianna Inniss (Investment Management graduate trainee)

As a graduate Investment Manager on the 'Inclusive futures programme' at Brooks Macdonald, the clear focus on diversity and inclusion was one of the reasons I was inspired to apply. My time at Brooks Macdonald has empowered me to be my best through the appreciation of my uniqueness, which has given me the freedom to grow and develop at my own pace.

I have also been afforded the opportunity to attend events for initiatives focused on fostering diversity and inclusion, such as Female Folio. This has enabled the development of connectivity and community with stakeholders across the business.

Investment Management graduate trainee programme

In January 2022, we had 10 Investment Management graduate trainees start with BM. As part of our recruitment strategy, we partnered with Investment20/20 to ensure we continue to recruit from diverse, socio-economic backgrounds. As a firm we want to improve both demographic and cognitive diversity of future recruits and seek to break down barriers of the wealth management industry. We had an overwhelming response to the programme with over 600 applicants.

The 10 graduates all secured roles primarily in our client and advisers-facing teams and were supported as they completed a professional qualification via the apprenticeship route - level 4 Investment Advice Diploma.

We developed the assessment in conjunction with Zircon BeTalent to ensure we were able to remove as much bias from the selection process as possible and fully align it to our Guiding Principles and Group capability framework. This ensured we were recruiting candidates based on their skills and values, rather than their backgrounds.



Corporate responsibility report continued

Summer interns

We continue to partner with GAIN (Girls are Investors) and 10,000 Black Interns to bring in summer interns. This year we had three summer interns, who started in June 2022. The internship lasts for eight weeks and is designed to provide young people from diverse backgrounds the opportunity to learn more about a career within Investment Management in areas where their demographic is typically under-represented.

Gender pay gap

In April 2022, we were pleased to report that we built on the progress we reported in 2021. The results we published in 2022 reflect earnings paid to employees in the UK (but not the Channel Islands) in the 12-month period up to April 2021.

We've continued to narrow our mean hourly pay gap and also achieved further decreases in our mean and median bonus pay gaps. From the work we've done, we know that our gender pay gap is not caused by paying men and women differently for like roles but from having fewer women in our client-facing and senior management positions.

Despite encouraging progress resulting from our gender-neutral remuneration policy, we acknowledge that our gender pay gap continues to remain too wide. The improvement in our results reflects the progress we've made in increasing female representation in senior management roles, and demonstrates the investment we're making in our diversity, equity and inclusion initiatives.

“The DEI group is involved in much more than performative dates on the diversity calendar. The group is one of action, focusing on educating and supporting fellow BM colleagues.”

Latoya Anderson
Member of the DEI group

Diversity, equity and inclusion (“DEI”)

At Brooks Macdonald, Our Promise is to nurture an inclusive culture that values and supports our people and their views, regardless of their background. Diverse perspectives, experiences and backgrounds make us more creative and dynamic in helping BM to grow.

Our Executive Committee has four women out of twelve, and two out of eight on our Group Board.

Last year we commissioned an external consultancy to conduct an audit across the Group around how successful we are in building an inclusive culture and where we can do more. We are pleased to report that we have delivered all the key recommendations, including a full overview of policies and procedures to ensure the language is inclusive. In addition, we have developed and launched a suite of new policies to support nurturing an inclusive culture, including:

- Domestic abuse
- Menopause at work
- Neurodiversity at work
- Mental health at work
- Dignity at work
- Gender transitioning guidance
- Family leave to include, miscarriage, still birth, abortion and babies born too early or sick

To support our continued commitment to gender diversity and reducing our gender pay gap, we have made further enhancements to our primary parental leave (usually maternity) benefit. We now support with six months' full pay. The enhancement to maternity pay further embeds Our Promise to nurture an inclusive culture that supports all working parents. We have already extended our paternity leave to six weeks' full pay.

We recently began an increased focus on equity to include removing barriers for those that might face them, creating equal access to opportunities for all. We have rolled out several initiatives this year to drive our DEI agenda including the launch of 'Inclusive Culture' training across the Group. These sessions enabled all staff to take time away from their work and consider what DEI means to them, our business and how we can all play our part in nurturing a diverse culture.

We continue to meet with our DEI group to gain different views, insights and feedback and have celebrated several DEI events across the financial year. We still have lots more to do as a business and within the industry, but we aim to shape all that we do around improving diversity, equity and inclusion across the business.

Latoya Anderson – member of the DEI group and Co-chair of the BAME employee resource group

I joined the DEI (Diversity, Equity and Inclusion) group in 2020, one year after joining Brooks Macdonald (BM). As the mother of two young black men, the murder of George Floyd resonated with me strongly, and I wanted to help BM play its part in supporting its diverse workforce and being truly inclusive.

The DEI group is involved in much more than performative events to mark dates on the diversity calendar, which while valuable, can feel like a tick box exercise. The group is one of action, focusing on educating and supporting fellow BM colleagues.

Like most firms, Brooks Macdonald still has some way to go on its DEI journey but having passionate colleagues who involve themselves in encouraging an inclusive culture that welcomes diversity in all its forms is an important part of taking the agenda forward. The group is focused on helping people feel comfortable in being themselves at work, comfortable to speak up and be heard without prejudice. In partnership with business leaders, we are breaking down barriers in recruitment and helping retain diverse talent by looking at existing frameworks, policies, and processes to ensure they are as inclusive as they can be.

Being part of this group has been an interesting, eye-opening experience that adds another valuable dimension to my working day at BM. I am looking forward to continuing connecting with my fellow colleagues across the business - whether we agree or not - so that we can continue to learn from each other.

We have continued our partnerships with LGBT Great, #1000blackinterns, Investment20/20 and City Hive. Through our partnership with LGBT Great we are proud to have our Chief People Officer named in their Global Top 100 Gamechangers; recognising inspiring people who are helping to change the game for LGBT+ diversity, equity and inclusion across the industry. Through our partnership with City Hive we are advertising all roles through their platform to target a more diverse pool of candidates, as well as working closely with them to understand what more we can do to drive female representation. Through our partnership with #1000blackinterns we have welcomed three summer interns this year and through Investment20/20 we have recruited four trainees starting later this year.

Flexible working and wellbeing

We made changes to our flexible working principles in September 2021. These were designed to evolve our ways of working to ensure that both our business and our people succeed in the post-pandemic world. We are focused on ensuring that our leaders and employees are empowered to work in the way that suits them and their teams best, taking into account the demands of their roles and their personal preferences and ensuring that there is enough opportunity for learning, collaboration and creativity.

Our thinking continues to evolve reflecting the market, the feedback from our employees, and the recruitment market where flexible working is increasingly seen as a non-negotiable in attracting talent. We are focused on empowering our people and leaders to be able to determine a work pattern that suits their role, working style and personal preferences, and are keen to ensure that all our people are successfully able to balance their work with their personal priorities and preferences. We also see this as a key enabler to improving our DEI.



Corporate responsibility report continued

Recognising and rewarding our people

To support our people to give their best and recognise their changing social responsibility, wellbeing and flexible working needs, over the past 12 months, we have continued to grow our total rewards offering. We have added a UK Government-approved electric car scheme, deepened our family leave benefits to both support pregnancy loss and reduce the pension gap experienced by parents who choose to take longer leave periods, and have continued to invest in our personal development budget to support all our people explore their personal growth and skills improvement. What we offer is already under review again and we are excited to be planning the changes we hope to announce shortly.

Currently, our flexible benefits package offers a wide range of benefits including:

- Pension
- Minimum 27 days' holiday, with the option to purchase additional days
- Enhanced family leave benefits (maternity, paternity, shared parental, adoption)
- Private medical cover
- Income protection insurance
- Critical illness cover
- Life assurance
- Electric car scheme
- Discounts on products and services
- Personal development budget to learn a new skill not related to work
- Cycle to work scheme
- Sharesave scheme

“Support for our communities is central to our Guiding Principles, and by supporting not-for-profit organisations, the donations we make support the vital work of charities in the UK and abroad.”

Tom Emery
Chief People Officer

We also make sure the pay we offer to all our people is fair and competitive by conducting rigorous annual benchmarking and having a clear understanding of the contribution each of our people makes. During early 2022, we recognised the impact the changing cost of living was having, particularly on our lower paid people, and we made some widespread changes outside of our normal salary review cycle to support them. As well as fair and competitive salaries, our discretionary bonus scheme plays a key role in the Group being able to attract, engage and retain our people. Its design considers both regulatory best practices for firms in our sector and in each year the performance of the Group and the long-term outcomes of our clients.

Alongside our pay and benefits offering, we also foster an environment where both individual and team successes are celebrated, and achievements are recognised.

On a monthly basis, the Executive Committee recognise individuals who have gone above and beyond to bring our Guiding Principles to life. This helps to support and encourage a 'thank you' culture.

Our community

The Group places a high importance on supporting the communities that our clients and people live and work in. Support for our communities is central to our Guiding Principles to care, do the right thing, and make a difference, and by supporting not-for-profit organisations, the donations we make support the vital work of charities in the UK and abroad.

We do this primarily through the BM Foundation. This was established in 2010 with the aim of supporting charities that our staff members feel passionate and enthusiastic about, and since then, has made 268 donations totalling £329,900. It is funded by an annual donation from the Group and regular contributions from staff members via the payroll. This year, we have seen an increase in the number of staff members making regular contributions.

The BM Foundation makes it possible for our people to request donations for charities that they are involved in or feel are particularly relevant or deserving, with requests approved by a committee made up of staff members. The BM Foundation has also taken the opportunity to use its funds to recognise charities that are connected to specific events or celebrations, such as a donations made to the Stephen Lawrence Foundation and the LGBT+ anti-abuse charity, Galop.

As well as making an annual contribution to the BM Foundation, the Group also matches the awards that it makes on a pound-for-pound basis.

The last 12 months has seen requests for donations to a variety of charities important to our people. These have included Red Cross Ukraine and Safer, a charity based in Guernsey that supports individuals in abusive relationships. In total we made over 22 donations from the Foundation during the year, totalling over £46,000.



All our employees can access a paid day off to volunteer in the community. Our people have used this day to support several charities and initiatives close to their hearts.

During FY22, in celebration of its 30th birthday, the Group partnered with the Dame Kelly Holmes Trust and has been participating in several events to raise £30,000 for the charity. The initiatives include a Group-wide sports day, quiz night, the Standard Chartered Great City 5km Race as well as a brave group of employees who are heading to a castaway island.



You make a difference

Our environment

We continue to widen our knowledge and expertise on how we can improve the way we operate to improve our environmental and social impact. Our next steps include setting out our short-term and long-term greenhouse gas (“GHG”) emission reduction targets by year end 2023, providing the pathway to achieving net zero in our operations by 2030. We know that setting goals will provide the benchmark needed to accurately calculate our emissions.

Scope 1, 2 and 3 emissions

Scope 1, 2 and 3 is a way of categorising the different kinds of carbon emissions a company creates in its own operations, and in its wider value chain. The term first appeared in the Greenhouse Gas Protocol of 2001 and today, scopes are the basis for mandatory GHG reporting in the UK.

- Scope 1 emissions – the greenhouse gas emissions that we make directly – for example while running boilers and vehicles.
- Scope 2 emissions – the emissions we make indirectly such as electricity or energy.
- Scope 3 emissions – all the emissions that we are indirectly responsible for, up and down our value chain, for example, buying products from suppliers.

We see offsetting as an action to carry forward once we have exhausted all that we can in controlling what we do and putting into place all the steps needed to reduce our emissions.

Offsetting is a short-term solution that must be carefully managed and, to achieve our long-term goal of net zero operations, we must encourage emissions reduction and behaviour changes. Progress toward our GHG reduction targets will be tracked and communicated through annual public reporting, aligned with Article 4.9 of the Paris Agreement.

Our target is to be operational net zero by 2030 and Gross Internal Area (“GIA”) net zero by 2050.

Sustainable procurement

Our focus in this area has not waned as we constantly look to do more. For the last few years, we have ramped up our efforts to ensure we can meet our target of renewable energy. We are now realising Scope 1 and Scope 2 improvements. Scope 3 is far reaching and relies on ensuring we have the right business partners to enable us to achieve our target of operational net zero by 2030. Our procurement strategy has matured, and we have introduced a matrix that all departments must follow as part of their onboarding of new suppliers, or as contracts end, applying our enhanced standards to ensure we are on target to achieving Scope 3. We do have a choice about the businesses we partner with and see alignment as a key indicator. We will only work with suppliers who have ethical business practices that align with our own, like paying the living wage (including London living wage where appropriate) to their colleagues, alongside sustainability and/or Corporate Social Responsibility policies.

We benchmark all new and existing suppliers, and this is a key differentiator in our quest to be operational net zero.

Our workplaces

We have grown to 14 offices across the UK. Our office spaces are designed to provide colleagues with a diversity of space types that match their work style and set the stage for higher productivity and morale. We consider the wellbeing of everyone who enters our workplaces, which is why each office includes a choice of working styles for quiet focused work, collaboration spaces, biophilia, a space away from the desk to eat, and places to relax. We have also consciously sought out office spaces that successfully safeguard the health, safety, and welfare of colleagues, whilst considering the bigger picture and the future in terms of environmental credentials.

Despite the challenges brought on by the pandemic, we have made positive changes across our property portfolio, expanding our serviced office strategy in line with our ambitions to be flexible, sustainable and right in the heart of the community, making it easy for colleagues to shop locally and build relationships with local businesses and the wider community, without relying on a car for commuting. We have also revised our workplace strategy to embed this vision.

We continue to embed our strategy of partnering with charities and companies who take used and unwanted office furniture destined for landfill and divert this resource to community interest companies, social enterprises, and other interested parties. Occupying serviced offices ensures we are not repeating past practices of moving and clearing every five years as we grow or reduce requirements. The flexibility also enables our colleagues to have more choices within the working environment with the shared resources available.

Property strategy

The way we work is changing and our workspaces are upgrading and improving. Gone are the days of traditional office spaces and rigid working days. The percentage of people who work remotely in the UK has skyrocketed, as conventional office spaces become obsolete.

Our property strategy is reviewed annually and is continually updated to safeguard the health, safety and welfare of colleagues, as well as considering the bigger picture and the future view in terms of environmental credentials. We focus on providing offices that boost engagement, trust, energy, commitment, and productivity by selecting properties that offer a flexible, hybrid approach.

Why serviced offices?

Environmentally serviced offices with shared spaces reduce the impact on the environment. Simply, individual businesses bringing in individual suppliers and services creates more time, travel and cost and has a direct impact on the total amount of energy used.

Our colleagues no longer need to navigate areas like maintenance, reconciling multiple bills, completing assessments, ordering supplies, cleaning etc.

Social interaction is a key component as landlords organise and celebrate special days such as Valentines to encourage wider collaboration.

Additional services and facilities that are offered by some of our serviced offices include, but not limited to:

- Shower facilities for cycling to work
- Gyms
- Golf simulators
- Terraces to relax and provide outside space
- Yoga classes
- Wellbeing talks around topics like nutrition designed to boost employee mental health and wellbeing





Our office movers and shakers in the last year include:

- Fareham to Southampton
- Leamington Spa to Birmingham
- Reviewed and renewed at Tunbridge Wells
- New serviced office opened in Isle of Man



So how are we doing?

Environment enhancements 2021 - 2022

Workspace	Engagement	Wellness	Resources
 <ul style="list-style-type: none"> • Holistic enhanced workspaces that are suitable and fit for purpose to support different workstyles • Minimised our office fitout environmental impact; solvent free paints, cradle to grave furniture, reusing and repurposing most of our furniture and what was left was donated to charities 	 <ul style="list-style-type: none"> • Cycle to work scheme • Sustainable working group • Electric car scheme • Fairtrade and locally sourced produce • Sustainable working group 	 <ul style="list-style-type: none"> • Biophilia to improve the air and reduce stress in the workplace • Contemplation rooms for relaxation, destressing, prayer and to breathe • Inclusive office signage including braille, pictures and colours to assist those with sight and neurodiversity challenges 	 <ul style="list-style-type: none"> • Enhanced, measurable procurement strategy • Supplier and contract management • ESG governance defined • Printers default double-sided and black and white • Recycling and recycled products • Removing single use plastic

Reduce, reuse, recycle

“Integrating reuse and recycling into our office refurbishments provides a great opportunity to combine our commercial and environmental objectives.”

Eniitan Page
Director of Workplace and Sustainability

Traditionally, an office refurbishment has meant out with the old and in with the new, and office furniture has often been treated as a short term disposable item. However, we are now integrating reuse and recycling into all office refurbishments to deliver improved working environments, alongside costs savings. Any budget made or saved is then diverted to creating better meeting, break out or relaxation areas.

Wherever possible, we will look to recycle and recirculate office furniture within our own network. When clearing redundant items from an office, we prioritise reuse, avoiding the need to strip out existing finishes and furniture as this is less wasteful and is a key factor for us in forging a more sustainable environment.

When moving offices, we review all items with a view as to how they can be reused or repurposed. An obvious option is to recycle existing elements, finishes and furniture wherever we can. In recent refits, we have donated furniture and equipment to schools, charities and social enterprises through our partnership with 'Clear Environment'. This not only benefits the recipients, but also contributes to our corporate social responsibility agenda.

For incoming tenants, we negotiate the sale of our existing furniture and fittings for a donation to our charity - the BM Foundation.

When we do buy new materials, we prioritise carbon neutrality and make sure we use the most sustainable products available, with long life cycles and made from reclaimed and reused materials.

We continue to look to affordable solutions that reduce waste without compromising on design or quality.

Corporate responsibility report continued

Energy

As a business, we continue to assess our impact on the environment with a view to mitigation or reduction where possible. Our main environmental impacts are energy-related emissions from our network of offices in the UK and Crown Dependencies, and from employee travel - as we have come out of the pandemic this has increased but not to the pre-pandemic numbers.

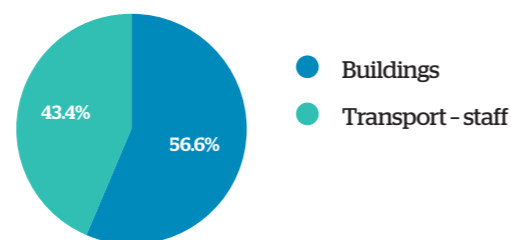
In line with the Streamlined Energy and Carbon Reporting ("SECR") legislation, Brooks Macdonald is required to report its energy consumption and greenhouse gas emissions arising in the UK. All Scope 1 and 2 sources of energy and emissions have been disclosed as well as mandatory Scope 3 sources.

Source of energy and emissions	Energy consumption (MWh)		GHG emissions (tCO ₂ e)	
	2022	2021	2022	2021
Combustion of natural gas	90.5	99.3	16.6	18.2
Scope 1 total	90.5	99.3	16.6	18.2
Generation of purchased electricity	556.0	526.4	118.1	122.4
Scope 2 total	556.0	526.4	118.1	122.4
Combustion of fuel in staff vehicles	239.2	52.2	58.8	13.1
Scope 3 total	239.2	52.2	58.8	13.1
Gross total	885.7	677.9	193.5	153.7
Carbon-neutral utility contracts	N/A	N/A	(119.3)	(114.8)
Net total	N/A	N/A	74.2	38.9
Intensity per 1000 m ² gross floor area	185.4	124.3	15.5	7.1
Intensity per £m turnover	7.3	5.7	0.6	0.3

Energy efficiency

Compared to last year, our total energy consumption has increased by 207.8 MWh and our net greenhouse gas emissions has slightly increased by 35.3 tonnes of CO₂e. This is primarily due to an increase in business travel as pandemic restrictions have lifted, however, we continue to utilise technology and remote working, which reflects in that we have still reduced our overall emissions by 165 tonnes of CO₂e when comparing to our pre-pandemic results. We also collect more detailed data than before, allowing us to accurately calculate our environmental impact and we are currently exploring our wider Scope 3 emissions to capture even more. A noticeable positive change is our use of serviced offices reducing our overall floor space for better utilisation of the space we occupy. We have also increased the percentage of our utilities from renewable sources to 88%, (last year this was 75%). Challenging landlords to change how they procure energy has been key to reducing our energy impact, but our biggest challenge is gas, that said much of this is offset within the contract.

Distribution of annual emissions by usage



Utility calculation

Where possible, energy consumption expressed in kilowatt-hours has been taken from suppliers' invoices, and in the absence of invoices, estimates have been made. Estimates used equate to approximately 189 MWh or 10% of the total consumption. The supplies that have been estimated are all from carbon neutral sources and so have no impact on the Company's carbon footprint. All other sites have a full year of invoiced electricity and natural gas consumption data. The energy consumption from electricity and natural gas consumption has been multiplied by the kgCO₂e/kWh conversion factors for the average UK grid supply to calculate the gross location-based greenhouse gas emissions. 88% of energy supplied is from carbon neutral contracts. The emissions from these supplies have been deducted to show the net market-based emissions.

During the last 12 months, we have continued implementing ways of being more sustainable. This includes the continuation of our property review, closing inefficient offices for more sustainable options, whilst increasing both client and staff experience. All furniture from vacated sites has been re-used, recycled, or donated to charity, and minimal structural changes have been carried out during renovations. For example, we have recently refurbished our Tunbridge Wells site by re-using components from other sites from zip taps to furniture but still providing a fresher, collaborative, and more functional space, moving just one wall, reusing and repainting everything else.

Additional environmental initiatives include chemical free cleaning and rolling out alternative sustainable vegan snack choices throughout catering offering.

Transport

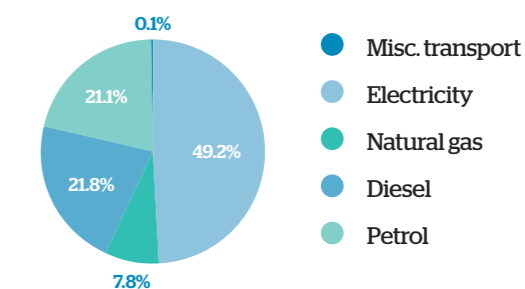
Certain members of staff use their personal vehicles for work-related purposes and are reimbursed through mileage claims. The fuel type and size of the vehicles' engines are recorded with mileage claims. The kWh/mile and kg CO₂e mile conversion factors from the category 'Cars (by size)' have been used to calculate greenhouse gas emissions and underlying energy use.

We have launched a green car salary sacrifice scheme enabling colleagues to access Ultra Low Emission Vehicles ("ULEVs").

Other fuels and emissions

No other fuels are used by the Group. Air conditioning maintenance records did not contain any instances of refrigerant leaks during the reference period. No other sources of fugitive emissions have been identified.

Distribution of annual emissions by fuel



Sustainability forum

An inclusive, collaborative approach is needed to embed sustainability across the business to meet the changing regulatory requirements, our commitments as signatories to the United Nations Principals of Responsible Investing ("UNPRI"), and to reflect our corporate values. To support this, we have established a 'Sustainability Forum', which brings together representatives from across the Group with representation from all departments. The purpose of the forum is to identify, prioritise and co-ordinate efforts on sustainability-related initiatives across both our operational and commercial activities, and to facilitate the sharing of ideas and information. Although the Forum has broad representation, it establishes focused working groups to drive progress, an example being the Task Force on Climate-related Financial Disclosures ("TCFD") working group. The Sustainability Forum is chaired by Eniitan Page (Director of Workplace and Sustainability) and sponsored by our Chief Information Officer, Edward Park.