



Annual ESG Report

**Environmental, Social
and Governance Report**
FY23 (April 22 - March 23)



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Chief Executive's Statement



Clients and Colleagues,

I'm delighted to share Adare SEC's inaugural Environmental, Social and Governance report for our fiscal year 2023, ending 31 March. Last year was an important year for our business, being the first complete year following the acquisition and integration of Adare SEC by Opus Trust Communications. We are now a top 3 UK transactional communication provider with an ambitious strategy for growth.

Naturally, as we grow, we have an increased potential to impact the environment and the communities in which we operate. It was therefore important that we developed a strategy that recognised this and channelled it to make a positive difference, reducing our greenhouse gas emissions and contributing to society as a whole. This required clear goals and time-bound objectives, and these were set out in our combined ESG Strategy which we launched in July 2022. This report is our opportunity to publish our plans and progress objectives, publicly demonstrating our continued commitment to positive change.

Throughout our strategy implementation we have been keen to ensure, that we seek external validation and benchmarking of our progress. We were delighted therefore to make the leap last year to EcoVadis Gold rating, a step up from the previous year's silver rating and a year ahead of target. This places us in the top 5% of more than 100,000 companies participating and is testament to how seriously we take ESG.

The business also joined the Science Based Targets Initiative (SBTi) in 2022, establishing a greenhouse gas emission reduction target of 46% by 2030, against a baseline year of 2019. This links our own reductions to the UN 1.5C limit on global warming. I am pleased to report that last year we reduced our Co2 emissions by 3%, a significant reduction on the previous year. This figure demonstrates an impressive 66% reduction against our 2019 baseline and also means we have achieved our SBTi objective well ahead of target – an amazing result for the business.

Social initiatives have moved forward in the year, leading with a move to become a Real Living Wage Foundation employer. We followed this by making an additional cost of living payment of £250 to all employees earning less than £35k a year, helping those most directly impacted by the cost of living crisis. As we move through 2023, we will be rolling out our 'Day to Make a Difference' charity campaign, affording employees the opportunity to give a working day to one of a range of supported charities.

I hope you find this report informative and interesting and I look forward to sharing further progress in due course.

Tony Strong
Chief Executive

Our Vision

Reimagining Customer Communication

Our Mission

We enable clients to optimise the way they communicate with customers, using our combination of best-in-class technology, message production know-how and proven sector expertise to improve efficiency, channel-choice and customer experience



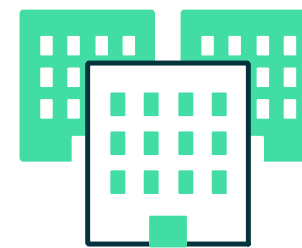
This report highlights our priorities and progress against our newly augmented ESG Strategy during FY23 which ran until 31 March 2023. It captures our performance, key achievements and reportable data, as well as highlighting our current challenges and future priorities as we endeavour to become a more sustainable and responsible business.



448

Staff

We have 448 staff across our four sites with colleagues being split between a wide range of office and production roles.



4

Sites

We have 4 sites across the UK; Huddersfield, Redditch, Leicester and Bellshill.



£117m

Revenue

Revenue was up over 70% on our previous year which represents both strong performance and the amalgamation of Adare SEC, Opus Trust and Critiqom into one business.

Our Highlights

3%

**Reduction of CO2
vs FY22**

*market-based, CarbonQuota

66%

**Reduction of CO2
vs 2019 baseline**

*market-based, CarbonQuota

70%

**of our electricity
now comes from
renewable sources**

60%

**of our workforce
benefited from
a cost of living
supplement**

66%

**Reduction in total
energy consumption
vs 2019 baseline**

*market-based, CarbonQuota

15%

**Reduction on
water usage
across all sites**

Our Highlights

EcoVadis

EcoVadis Gold
rating places us
in the top 5% of
companies

Living Wage

We are proud to a
be Real Living Wage
Employer

FSC Certified

Forestry
Stewardship
Council accredited

Improved Family Policies

Improved
maternity and
paternity policies

CarbonQuota

Carbon metrics
independently
verified by
CarbonQuota

SBTi Target

Our 2030 SBTi
target has been
achieved 7 years
ahead of forecast

Our Strategy

Our strategy ensures we are committed to a high standard of responsible and sustainable practice across our business and trading landscape. We continually work to raise expectations internally as well as those of our supply chain. Through our ESG Strategy, our goal is to strengthen an ethos which considers social, economic and environmental consequences and the company expects all internal colleagues, partners and suppliers to work to these augmented standards wherever possible.



Our Footprint Environmental Sustainability

Continue to reduce our environmental impact and carbon footprint



Our Supply Sustainable Procurement

Promote responsible supply chain sustainability



Our People Human Resource & Culture

Nurture a diverse, inclusive and safe environment for colleagues



Our Community Social Initiatives

Seek to drive positive social change in the communities in which we work



Our Practices Governance & Policy

Ensure Board level set values and ethics are reflected in everything we do

Environment

Energy Saving Campaign

Across the business we have rolled out an energy saving scheme which focuses on the responsible consumption of electricity and highlights to colleagues the importance of ensuring electrical equipment is switched off where appropriate.

Carbon Capture

As reported in our 2022 Newsletter we are excited to announce the re-launch of our Premier Paper Carbon Capture Certification. Last year, through the scheme, we supported the planting of 1177m² of UK woodland, subsequently removing 47,090kgs of carbon dioxide.

“Our aim is for our business to run with a holistic sustainability view, making adaptable changes to fit the future”

Minimising our environmental impact



Electric Car Scheme

Our electric car scheme has been extended and is now available to more of our colleagues. Through our carbon neutral partners, the scheme offers a range of brand new electric vehicles which are paid for via an affordable salary sacrifice initiative.

At AdareSEC our sustainability frame underpins our environmental sustainability strategy and looks to minimise the environmental impact of our operations and daily activities across our business. Our priority is to deliver services and products that are created and delivered with minimal environmental impact and our aim is for our business to run with a holistic sustainability view, making adaptable changes to fit the future.

We continue to seek to improve the environmental performance of both existing and new partners and we recognise that sustainable asset management not only needs to be in line with our commitment to responsible procurement, but also provides long-term efficiencies and cost savings that can improve our overall business performance. This year, in line with our new ESG Strategy, we have emphasised our focus on reducing our carbon footprint, minimising our waste output and promoting sustainable site and staff initiatives which continues to allow us to put these policies into effective practice.

In FY23 we are pleased to report a 3% reduction in our carbon based emissions. We are especially proud of this figure given the substantial growth of the business and the potential negative impact that may have had on our reportable data.

We are also pleased to report that this now means we have achieved our 2030 SBTi reduction figure well ahead of target. We will look to set a new target through our ESG team in the coming months.

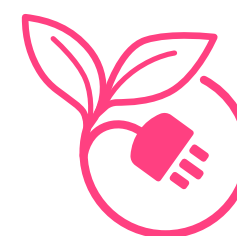
*Adare SEC is registered with SBTi through our parent company Opus Trust Marketing



Carbon Reduction

66%

vs 2019 baseline



Energy Reduction

66%

vs 2019 baseline

Social

“ Our people are at the heart of what makes Adare SEC a great place to work. ”

Cost of Living Support

The Adare SEC Board approved a £250 cost of living supplement to support valued employees who are most affected by the current cost of living crisis. The scheme benefits 271 employees which represents 60% of our workforce.



Real Living Wage

We are proud to be a Real Living Wage employer. The Real Living Wage is based on the cost of living and is accredited to UK employers who believe we all need a wage that meets our everyday needs.

Continually focused on improving



Our people are at the heart of what makes Adare SEC a great place to work. We are committed to diversity and our dedicated HR team ensures that new job opportunities are made available, where appropriate, to existing employees as well as to outside applicants. All employees are able to benefit from training, career development and promotion opportunities and the recruitment of new personnel is made without prejudice. We strongly believe in equal opportunity and the active encouragement of diversity (detailed in the Equal Opportunities and Diversity & Inclusion policies). We are continually focused on improving not only the experience of our employees but also that of our clients and stakeholders too.

We endeavour to work with transparency across the board and remain committed to the monitoring and improvement of all aspects of our 'people experience'. Paying close attention to areas such as health & safety, working conditions, gender balance, modern slavery protocol, living wage amendments, and work life balance suggestions, we persistently seek out enhanced ways to conduct business in a fair, honest and open manner, ensuring that we comply with all relevant laws and regulations.

Across the business we have recently implemented a number of new employee focused schemes including our Employee Assistance Programme, Wellbeing platform and cost of living support.

We are also proud to have rolled out our new and enhanced maternity and paternity policies.

Day to Make a Difference

Our Day to Make a Difference scheme kicks back off later this year and will allow colleagues the opportunity to give back to a local or national organisation during working hours. The initiative will also supplement voluntary work carried out by colleagues in their own time across a number of charitable organisations. Over the past year our staff have supported causes such as Cancer Research UK, Movember, Age UK and The Woodland Trust.

Improved Family Policies

With effect from 1 April 2023 our new family policies will be rolled out across our four sites. This includes an enhanced Maternity Leave Policy which provides extra support to colleagues in addition to Statutory maternity Pay.

Governance

“ We are proud to be among the top 5% of businesses rated by the world’s largest sustainability assessor ”

Sustainability and consumers

We recently completed our Voice of the Consumer research report which dedicates a section to the importance of sustainability, highlighting its critical influence on consumer choice. We help businesses communicate effectively, meaning less wastage and a more sustainable process.

Our new ESG Strategy

Last summer we were delighted to formally launch our new ESG Strategy to our clients, colleagues and stakeholders. As a business, sustainability has long been a focus and priority. Formalising this in our strategy has been an opportunity to set meaningful targets upon which we can report, implement, develop and evolve.



EcoVadis

We are proud to share that in 2022 Adare SEC was awarded an EcoVadis Gold rating. An upgrade from our previous silver status, the accolade means that Adare SEC is now among the top 5% of businesses rated by the world’s largest sustainability assessor.

Always striving to progress and evolve



Adare SEC has developed a stringent Corporate Governance framework and this year has made significant progress in ensuring that it is continually evolved through transparent and concentrated recognition. All policy decisions are reviewed at the highest level to ensure robust ethical, risk and governance focused business practices are embedded into the decision-making process throughout our whole business. Our framework is designed to responsibly manage protocols, stakeholder relationships and operational risks.

We are proud to:

- Maintain our regulatory policies and procedures which have been developed through our board by our Risk and Compliance team.
- Provide regular structured compliance training to every employee.
- Ensure accurate and structured reporting to provide stakeholders and Board members with a clear picture and understanding of the performance of the business.
- Adhere to all regulation authority requirements to the extent that they apply to us.

CarbonQuota Report

Last year we signed up to CarbonQuota - an independent carbon calculation engine which provides us with real time insights and measurements. Its reporting tool allows us to accurately track our carbon footprint throughout our whole operation and facilitates us in measuring the impact of our supply chain.

ESG Focus Group

In addition to our new ESG Strategy we are also pleased to announce the creation of a dedicated internal ESG focus group. Established in 2022, the group steers Adare SEC’s sustainability focus and ensures we are fully aligned with our Client’s own goals and priorities.



**Speak to us today about
our ESG Strategy**

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