ESG Strategy continued
Task Force on Climate-related Financial Disclosures (TCFD)

This statement contains the Group's TCFD-aligned disclosure in accordance with the FCA's Listing Rules and BEIS' statutory instrument on climate-related financial disclosures. The Group has provided responses across the TCFD's pillars and aims to advance the maturity of its climate-related actions and disclosures on an annual basis. This statement complies with each of the TCFD's 11 recommended disclosures and is in compliance with the new Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 (SI 2022/31).

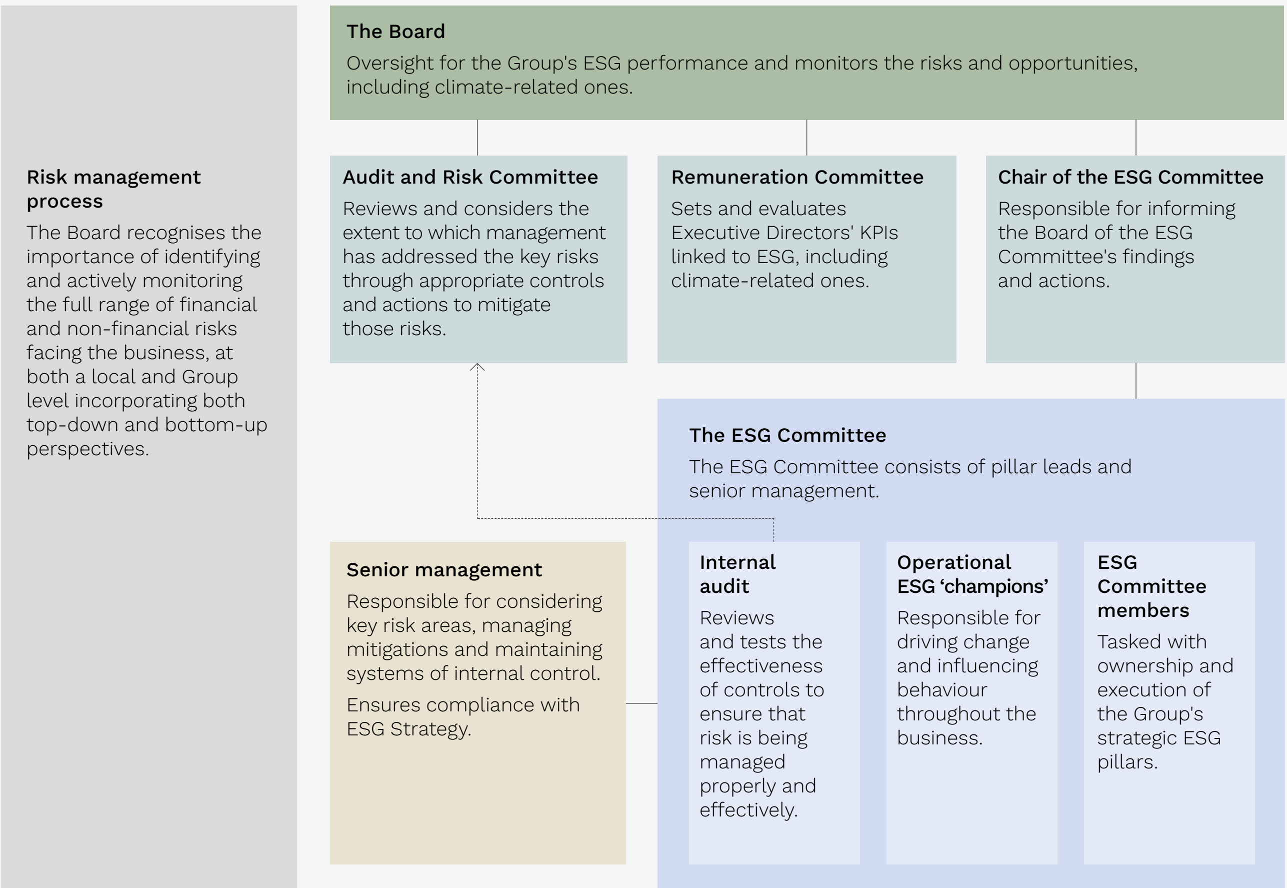
Governance

The Board has primary oversight for the Group's ESG performance and monitors the risks and opportunities, including climate-related ones. The Board considers climate-related issues when reviewing and guiding strategy, risk management policies, annual budget and business plans as well as setting the organisation's performance objectives, monitoring implementation and performance and overseeing major capital expenditures. ESG was a listed topic on the agenda at two Board meetings in the last year, the mechanism through which the Board reviews emerging ESG issues for relevance to the Group's risk profile and company strategy. Any new emerging risks or changes in risk profile are then discussed at the Audit and Risk Committee meetings and a decision is made on whether they should be included in the Group's risk matrix.

During the year, the Board used the updates from the ESG Committee to review progress made against the Group's ESG strategy and the Group's ESG targets, among others.

The ESG Committee was established at the beginning of 2021 and meets at least quarterly, meeting seven times in 2023. The Committee has ownership and responsibility for the execution of the Group's ESG strategy and consists of key stakeholders from across the Group including members of the Operating Board and representatives from HR, finance, internal audit, marketing and innovation.

David Bower (CFO) is the Chair of the ESG Committee and is responsible for informing the Board of the Committee's findings and of any required actions. The Committee has appointed two operational ESG 'champions' responsible for driving change and influencing behaviour throughout the business, working with local management teams to meet the Group's ESG targets, including the environmental targets. These targets (listed on page 37) have been incorporated into the Executive Directors' KPIs, within the



ESG targets – corresponding to a maximum annual bonus of 8% (see page 47), as well as those of senior management.

Climate-related risks are identified, assessed and managed in line with the Group's risk management process outlined in full on pages 40 to 41.

Strategy

Climate change mitigation is a key piece of the Group's environment pillar within our ESG strategy. We have made a commitment to reach net zero by 2040 across scope 1 and 2 GHG emissions, and continue to progress against our GHG emissions reduction targets as found on page 37.

The Group recognises that climate change, specifically the transition to a low carbon economy, will change the landscape in which the business operates. In 2022, we undertook a qualitative scenario analysis with the help of specialist ESG consultancy Sillion, which assessed the material climate-related risks and opportunities (CRROs) within a 2°C by 2100 warming scenario.

The process consisted of engaging key internal stakeholders across risk, strategy, operations, communications and other support functions, to examine potential impacts of the scenario. A range of risks and opportunities were then identified, looking at how these might evolve in the short (current to 2025), medium (2026 to 2040) and long term (2041 to 2050). The materiality of those risks was assessed based on their likelihood and potential financial impact. The mitigating activities for each of these were then discussed and agreed upon. Our most material CRROs can be found on pages 40 to 41.

The Group utilised assumptions of physical risks from the Representative Concentration Pathways (RCP 3.4) and assumptions about policy change, market dynamics and customer demand from the Shared Socioeconomic Pathways (SSP2).

We assessed the impacts of the 2°C scenario up until 2050, such that we would be reasonably able to influence upcoming decisions around strategies, capital allocations, costs and revenues. The scenario we examined

was centred on a disorderly transition, where economies take reactive, regional approaches to climate change challenges, rather than globally coordinated responses.

In this scenario, the wider implications related to the Group were broadly categorised as the following:

- Green skills: The demand for green skills could increase, creating a widening gap between demand for talent and availability.
- Clients decarbonising their operations: Clients could face more pressure to decarbonise, and therefore would need to hire individuals with green skills. This is already underway for Financial Services, a key client category, that is under increasing pressure to reduce operations and financed emissions (i.e. their funds and the issuers within those funds).
- Climate migrants and brain drain: Climate catastrophes and desertification moving from the equator outwards could result in climate migration. The majority of such migrants would likely be displaced internally, with only a minority of the wealthiest individuals moving internationally. This could cause brain drain, further exacerbating international inequalities.
- Climate resilience: For those CRROs where the Group is most exposed, we have established mitigating activities to minimise any impact and capitalise on opportunities.

As the transition to a low-carbon economy begins, the Group has put in place actions to strengthen our green skills recruitment and support both clients and candidates in navigating a

changing market. This could have the potential of increasing revenues, where the Group is able to increase the number of placements for companies seeking green and other sustainability skills. Our plan and associated KPIs can be found in our Sustainable World of Work pillar, on pages 34 to 35.

As a people-centred business, some key risks are centred around our employees' welfare and candidates wanting to work for purpose-led businesses. We believe that our Workforce Engagement (pages 30-31) and ED&I (pages 32-33) pillars will enhance employee welfare and communicate our sustainability progress to current employees and emerging talent, which in turn may give us access to a wider talent pool. As a business that is not strongly exposed to climate-related risks and which is in a position to benefit from emerging climate-related specialist career opportunities, we believe our financial performance and operations will not be under severe stress from climate change. Our strength is in the flexibility of our business strategy and we have an opportunity to assist in enabling employment to a new generation of individuals to whom purpose and sustainability is extremely important.

ESG Strategy continued

Climate-related risks and opportunities

Opportunity	TCFD category	Description of impact	Short term	Mid term	Long term	Activities to capture opportunity
Helping stakeholders adapt to climate change and the transition to a sustainable economy	Transition: Market	The transition to a low-carbon economy and the physical impacts of climate change may have disruptive effects on people and the world of work. Employees may require more support from recruitment companies as they navigate changes to their routine working conditions.	●	●	●	The Group has developed an award-winning ESG for HR Audit, enabling the Group to audit clients' Employee Sustainability Propositions. This will enable the Group to support clients in achieving their ESG objectives and targets in addition to assisting the Group in being recognised as a thought leader in sustainable HR. With the roll out of Zenith, the Group's new customer relationship management (CRM) system, the Group plans to establish a framework for the classification of sustainable jobs, to initiate a formal tracking of recruitment pipelines. This will put the Group in the position to support and benefit from the growth in sustainable and ESG-aligned investment and skills. As the Group obtains relevant data, we will continue to refine horizon scanning for emerging ESG market trends and climate-related risks and opportunities for the Group and our clients. Monitoring market trends will allow us to explore the possibility of creating a 'sustainable' recruitment division to capture any increased investment in that space.
Risk	TCFD category	Description of impact	Short term	Mid term	Long term	Activities to mitigate risk
Climate-related cost of living crisis	Transition: Market	Climate change and the transition to a low-carbon world could increase the cost of living (e.g. energy cost through policy taxes, or food prices due to droughts), putting pressure on people's economic welfare. This could have an impact on the financial wellbeing of the Group's employees.	●	●	●	The Group operates in a highly competitive sector. We are a professional services company and our approach to the remuneration of all employees has been fundamental to our culture and our success over the years. We pay well across the Group, based upon talent, merit and performance, as well as continue to provide employees with benefits to support them and their families in their personal lives. Beyond the existing support we provide through our management and HR teams, we also encourage our people to make use of the locally relevant Employee Assistance Programme (EAP), which offers financial and wellbeing advice. We support gender pay equality and are committed to taking action to close gaps where these may exist. We clearly communicate and promote the Group's contribution to ESG, to improve employee awareness and also provide a sense of purpose.

Risk	TCFD category	Description of impact	Short term	Mid term	Long term	Activities to mitigate risk
Rising energy costs	Transition: Market	As regulation becomes more stringent, high emissive sources of energy may become more expensive. This may increase energy costs and therefore operating costs.				As part of our ESG strategy, we are committed to choosing low-carbon and renewable energy, targeting 100% use of renewable energy by 2035 in offices where we have control over our energy supply. In addition, we are also committed to reducing total energy consumption.
Talent attraction and retention	Transition: Reputational	Younger talent may increasingly want to align their personal purpose with their employer's purpose. If the Group is slow in its action against climate change, it could struggle to attract and retain talent.				The Group acknowledges the very real threat of climate change and we are committed to further reducing our impact on the environment and continue embedding purpose throughout business activities and into the employee value proposition (EVP).
Enhanced carbon reporting obligations	Transition: Policy	The Group is dealing with the rapidly changing landscape of carbon reporting and will need to ensure disclosures are aligned with reporting requirements.				The requirements of climate-related corporate reporting and disclosures are reviewed by the Group Financial Controller annually and are written in line with legislative disclosure requirements.
Acute asset damage	Physical: Acute	As temperatures rise, there may be more extreme weather events (e.g. floods) which could impact some of the Group's office locations. Damages could result in extra costs for the business and interruption of business activity. With the advent of remote working, employees' homes could increase the amount of locations with the potential of being impacted by physical risks.				The Group operates from leased office space and as a service industry has limited high-value physical assets. The Group is geographically diversified and our disaster recovery processes, which are regularly reviewed, ensure the Group is able to mitigate natural disaster risks (e.g. floods, earthquakes). In addition, the provision of Microsoft Surface Pros, one of the most sustainable choices on the market, to all staff ensures we have the flexibility to work remotely as required.
Climate impact on physical work conditions	Physical: Chronic	As temperatures rise, the working conditions during very warm periods may negatively affect employees' productivity and mental wellbeing.				The wellbeing of our people is a high priority. The Group has management and HR support available in all locations to assist employees in managing productivity and wellbeing in offices where climate has an impact on working conditions.

Risk/opportunity

- Low risk
- Medium risk
- High risk
- Low opportunity
- Medium opportunity
- High opportunity

Time horizon

Short term: Current – 2025

Mid term: 2026 – 2040

Long term: 2041 – 2050

ESG Strategy continued

Risk management

As detailed in the strategy section of the TFCD statement on page 38, in 2022 the Group undertook a qualitative scenario analysis which included an assessment of predicted physical, regulatory and societal shifts in a 2°C warming scenario. Through this process the Group identified relevant CRROs and assessed their impact up until 2050. The CRROs identified and monitored are disclosed in the CRRO table on pages 40-41.

The Board recognises the importance of identifying and actively monitoring the full range of financial and non-financial risks facing the business, at both a local and Group level. The materiality of risks is considered as a product of occurrence (the likelihood of the risk happening within the next 10 years) and impact (the degree of the impact should the risk happen), with a summary of the key risks that we believe could potentially impact the Group's operating and financial performance disclosed in our Principal Risks and Uncertainties section on pages 52-58. At present, in relation to the key risks identified in the Principal Risks and Uncertainties section, the relevant CRROs identified are not considered to have a material impact for the Group.

The processes for mitigating the identified CRROs can be found in the CRRO table on pages 40-41. As part of the overall risk management process, which includes CRROs, the Audit and Risk Committee reviews and considers the extent to which management has addressed the key risks through appropriate controls and actions to mitigate those risks.

CRROs are managed and prioritised as part of the Group's overall risk identification and management process (outlined in full on page 52). Additionally, we plan to review the scenario analysis annually and update any key assumptions and market trends that might uncover emerging risks or opportunities. The Group will continue to monitor the CRROs and their significance (including existing and emerging regulatory requirements) quarterly as a standing item at the ESG Committee, implement mitigating activities, and disclose in line with materiality to the Group.

Metrics and targets

Commitment to the ongoing tracking and monitoring of climate-relevant metrics facilitates the effective management of the CRROs. The Group has set specific climate-related targets, disclosed in full on page 37.

The Group measures and reports Scope 1, 2 and 3 emissions which are summarised in the table overleaf in line with the Greenhouse Gas (GHG) methodology. The Group reports absolute figures (tonnes of CO_2e) and intensity figures (CO_2e per head) across all scopes.

Streamlined Energy Carbon Reporting (SECR)

This section includes our mandatory reporting of greenhouse gas emissions pursuant to the 'streamlined and more effective energy and carbon reporting framework' for the UK – SECR, which was enacted into law in 2018 through The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Reporting year

The greenhouse gas emissions report has been prepared based on a reporting year of 1 January to 31 December 2023, which is the same as the Group's financial reporting period.

Reporting boundary

The Group's report is based on all entities and offices which are either owned or under operational control globally.

Methodology and scope

The methodology used to calculate the Group's emissions is based on the 'Environmental Reporting Guidelines: including Mandatory Greenhouse Gas Emissions Reporting Guidance' (June 2013 as updated in March 2019) issued by the Department for Environment, Food and Rural Affairs (Defra).

The Group has also utilised Defra's 2023 conversion factors within the reporting methodology.

The greenhouse gas emissions data has been prepared with reference to GHG protocol, which categorises greenhouse gas emissions into three scopes. Reporting on emissions from Scope 1 (direct GHG emissions) and Scope 2 (indirect GHG emissions) activities is mandatory.

The reporting of Scope 3 emissions (other indirect emissions from sources not owned or controlled by the Group) is voluntary and therefore, the Group reports on all those Scope 3 activities which it feels are relevant and sufficiently accurate and complete.

We have commenced a detailed screening process across all Scope 3 activities to identify those with the most significant impact, allowing us to focus our data collection efforts and expand our scope 3 reporting.

The Group's energy consumption in kWh has been calculated for 2023 by taking the calculated fuel consumed by the Group for gas and electricity usage and combining with an estimated kWh for our company cars and business-related travel by employees using their personal vehicles.

Intensity metric
The Group has recorded the total global emissions, in tonnes of CO_2e (tCO_2e), and has decided to use an intensity metric of tonnes of CO_2e per head, which the Group believes is the most relevant indication of our growth and provides the best comparative measure over time.

The table below shows the total global emissions in tonnes of CO_2e and tonnes of CO_2e per head for the Group. It also shows the Group's energy consumption for UK and non-UK activities.

Base year
The 2019 financial year is being used as the baseline due to lower-than-average emission levels in 2020 during the global pandemic.

The base year and the prior year have been recalculated for changes to the scope of operation and measurements, including any additions to measured Scope 3 data. The base year and the prior year are also recalculated if more accurate data is identified.

Energy efficiency initiatives
As a result of our 2022 pilot scheme to enable us to more accurately measure, identify and attribute energy use, we have been able to make improvements to both plant and lighting during 2023, resulting in energy reductions in our London head office. Although lighting upgrades are still only 75% complete, energy use by lighting alone has been reduced by 5% due mainly to the introduction of energy efficient LED lighting but also through better control of the system. We have replaced old and inefficient air conditioning equipment in our server room resulting in an energy reduction of 35%.

Greenhouse gas emission source (base year 2019)

	2023 Dec YTD tCO_2e	**2023 Dec YTD tCO_2e per head**	**2023 v 2022 tCO_2e variance %**	Current Revision 2022 Dec YTD^ tCO_2e	Current Revision 2022 Dec YTD^ tCO_2e per head	Current Revision 2019 Dec YTD^ tCO_2e	Current Revision 2019 Dec YTD^ tCO_2e per head	2023 v 2019 tCO_2e variance %
Scope 1								
Vehicle fleet and purchased gas	**641**	**0.13**	**(25%)**	593	0.18	764	0.18	(26%)
Total Scope 1 emissions	**641**	**0.13**	**(25%)**	593	0.18	764	0.18	(26%)
Scope 2								
Purchased electricity and heat	**1,132**	**0.24**	**(26%)**	1,057	0.32	1,704	0.40	(41%)
Total Scope 2 emissions	**1,132**	**0.24**	**(26%)**	1,057	0.32	1,704	0.40	(41%)
Scope 3								
Business travel – air	**1,010**	**0.21**	**(33%)**	1,039	0.31	1,560	0.37	(43%)
Business travel – land*	**238**	**0.05**	**(11%)**	185	0.06	376	0.09	(44%)
Transmission and distribution	**80**	**0.02**	**(25%)**	74	0.02	112	0.03	(37%)
Total Scope 3 emissions	**1,328**	**0.28**	**(29%)**	1,298	0.39	2,048	0.49	(43%)
Total Group emissions	**3,101**	**0.65**	**(27%)**	2,948	0.89	4,516	1.07	(39%)
Carbon offset	**(3,101)**	**(0.65)**		(2,945)	(0.89)	(4,314)	(0.93)	
Total net emissions	**0**	**0.00**		3	0.00	202	0.14	
Energy consumption (kWh)								
UK energy consumption (kWh)	**1,110,561**	**n/a**		1,136,946	n/a	1,576,801	n/a	
Non-UK energy consumption (kWh)	**5,048,161**	**n/a**		4,610,690	n/a	5,641,293	n/a	
Total energy consumption (kWh)	**6,158,722**	**n/a**		5,747,636	n/a	7,218,094	n/a	

*Land travel includes all forms of land transport, such as rail and taxi, but excludes travel in the Group's vehicle fleet. The appropriate conversion factor for the method of transportation is applied to the distance travelled.

^The base year and the prior year have been recalculated for changes to the scope of operation and measurements, including any additions to measured Scope 3 data. The base year and the prior year are also recalculated if more accurate data is identified.