



# SUSTAINABLE GOVERNANCE continued

## Sustainability Data

	2023	2022	2021	2020	2019
<b>Product Research &amp; Development</b>					
Spend on R&D	£3.3m	£2.8m	£1.9m	£2.0m	£1.4m
Percentage of revenue	0.4%	0.4%	0.3%	0.3%	0.2%
<b>Environmental</b>					
Environmental penalties	£nil	£nil	£nil	£nil	£nil
Carbon Disclosure Project ('CDP') Rating	B	B	D	C	D
Group water usage (m <sup>3</sup> )	92,963	84,667	104,795	95,093	91,152
Solid waste to landfill (tonnes)	4,769	5,138	3,600	5,165	4,678
Recycled waste (tonnes)	22,385	18,870	13,755	19,145	22,514
Percentage of recycled waste	82%	78%	79%	83%	85%
<b>Greenhouse gas emissions</b>					
Emissions (tCO <sub>2</sub> e) - Scope 1: UK <sup>(1)</sup>	16,074	17,494	18,322	17,653	n/a
Emissions (tCO <sub>2</sub> e) - Scope 1: Rest of World <sup>(1)</sup>	20,591	15,782	18,824	20,278	n/a
Location-based emissions (tCO <sub>2</sub> e) - Scope 2: UK <sup>(1)</sup>	3,165	3,066	3,867	3,818	n/a
Location-based emissions (tCO <sub>2</sub> e) - Scope 2: Rest of World <sup>(1)</sup>	10,074	8,317	8,652	8,496	n/a
Market-based emissions (tCO <sub>2</sub> e) - Scope 2: UK <sup>(1)</sup>	164	428	1,054	4,441	n/a
Market-based emissions (tCO <sub>2</sub> e) - Scope 2: Rest of World <sup>(1)</sup>	9,837	8,315	8,624	8,466	n/a
Intensity Ratio	0.06	0.07	0.09	0.10	0.11
Scope 3 (tCO <sub>2</sub> e) – Group <sup>(1)</sup>	830,732	1,264,512	n/a	n/a	n/a
Other Greenhouse gas emissions – CH <sub>4</sub> (tCO <sub>2</sub> e)	65	65	87	81	n/a
Other Greenhouse gas emissions – N <sub>2</sub> O (tCO <sub>2</sub> e)	144	114	213	194	n/a
<b>Energy Consumption</b>					
Energy Consumption UK (kWh)	93,797,826	105,589,838	n/a	n/a	n/a
Energy Consumption Rest of World (kWh)	147,333,308	118,499,128	n/a	n/a	n/a
Energy Consumption Total (kWh)	241,131,134	224,088,966	329,447,183	318,527,334	330,041,768
<b>Health &amp; Safety</b>					
No. of workplace fatalities	0	0	0	0	0
No. of lost time injuries	35	85	142	109	119
LTIR	0.43	1.1	1.7	1.5	1.6
No. of Near Miss Reports	1,969	2,217	2,126	955	n/a
<b>Ethical conduct</b>					
Charitable donations	£98,985	£62,000	£39,000	£21,000	£39,000
Whistleblowing reports made by employees	10	12	2	3	19
Modern Slavery audits carried out	Yes	Yes	Yes	Yes	Yes

<sup>1</sup> In accordance with our Greenhouse Gas Emissions Recalculation Policy (available at <https://hsgroup.com/who-we-are/governance/our-policies/>) and the GHG Protocol, our 2020-2022 scope 1, 2 and 3 data has been revised to remove the emissions relating to any operating companies that have been divested and to include estimates for the emissions from companies that we have acquired during those years. This may result in stated emissions for previous years differing from those reported previously, but allows a meaningful comparison of current emissions with base year and historic year emissions.

	2023	2022	2021	2020	2019					
<b>Talent &amp; Employment Practices</b>										
No. of Group employees (as at 31 Dec)	4,336	3,817	4,402	4,398	4,591					
Voluntary (regrettable) attrition rate	9%	14%	14%	6%	n/a					
Percentage of employees with access to a recognised Trade Union	5%	11%	18%	18%	n/a					
UK Gender Pay (Median Pay Gap)	-0.1%	2.8%	-4.5%	0.1%	-3.2%					
Training Spend	£0.9m	£0.8m	£0.6m	£0.4m	n/a					
Total No. of days training	5,799	5,626	4,119	4,000	n/a					
UK Apprenticeships	60	55	49	34	n/a					
Percentage of UK sites utilising the Apprenticeship Levy	83%	89%	57%	49%	n/a					
Employees participating in training & development	3,527	2,386	156	111	n/a					
Percentage of employees participating in training & development that are female	9%	10%	17%	10%	n/a					
<b>Engagement</b>										
Engagement Survey participation	80%	80%	62%	n/a	56%					
Engagement Score	56%	61%	55%	n/a	48%					
Inclusion Engagement Score	73%	69%	63%	n/a	58%					
<b>Gender Diversity</b>										
	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>
PLC Directors <sup>(2)</sup>	5	2	5	3	5	3	5	2	5	2
Exec Board	3	2	4	2	4	2	n/a	n/a	n/a	n/a
No. of Subsidiary Directors	46	10	39	7	49	3	66	5	79	3
No. of Senior Leaders	109	26	78	20	201	38	174	39	221	40
Percentage of PLC Directors <sup>(2)</sup>	71%	29%	62%	38%	62%	38%	71%	29%	71%	29%
Percentage of Exec Board	60%	40%	67%	33%	67%	33%	n/a	n/a	n/a	n/a
Percentage of Subsidiary Directors	82%	18%	85%	15%	94%	6%	93%	7%	96%	4%
Percentage of Senior Leaders	81%	19%	80%	20%	84%	16%	82%	18%	85%	15%
Total percentage of Group employees	89%	11%	90%	10%	90%	10%	90%	10%	91%	9%

## SUSTAINABILITY POLICIES

The Group has a number of policies that support its Sustainability Plan. These are listed below, and these can be found at <https://hsigroup.com/>

- Product Responsibility Policy
- Conflicts Mineral Policy
- Supply Chain Policy
- Energy Policy
- Environmental Policy
- Health & Safety Policy
- Equal Opportunities & Diversity Policy
- Talent & Development Policy
- Tax Strategy Policy

<sup>2</sup> In January 2024 the Group appointed two new directors to the Board: Carol Chesney, Non-executive Director, and Hooman Caman Javvi, Chief Operating Officer. Mark Reckitt, Non-executive Director, will be retiring from the Board at the conclusion of the AGM in May 2024. Following these changes, the composition of the Board will be 62% male and 38% female.