



The Citation Group

Annual Sustainability & Impact Report

2023





Better businesses today, for a better world tomorrow



As an employer of 2,000 colleagues and trusted partner to over 130,000 SME's, we recognise the importance of publicly sharing our **progress against and commitment to creating a more sustainable world.**

Our goal is to be recognised as leading across ESG and we measure our progress against ambitious internal and external impact metrics. I, along with our colleagues and investors are **incredibly proud of what we have achieved so far** - but we are equally restless to do more for our clients.

Our core products already offer clients all the services they need under S and G. Given the fragmented and expensive market in

respect of E, coupled with the expertise and services we already have in this area, we are not just best placed but crucially have a duty to **provide our clients with the environmental products they need and want - at a price they can afford.**

We have been building out our environmental offering and I am excited for the new services we will launch that **will help our clients build a better world... without it costing the earth.**

Actions speak louder than words, so I am delighted to share with you what have achieved in 2023.

Chris Morris
CEO

ESG Mission:

To do good and outperform others - sustainably and consistently

Commitment

Our plans go far beyond minimum legal and compliance requirements. Our goal is to be recognised as a leading business with continuous year on year improvements across ESG matters. And we will not just do this for ourselves. We will use our expertise and understanding of SMEs to continue to offer and develop new products and services that help them understand and master ESG.

Our Guiding Beliefs



Planet: Businesses that borrow from tomorrow, will not have a business in the future.








People: It is a fact that workers who are safe, treated fairly and invested in, perform better. Businesses with engaged workers, sustainably and consistently, outperform comparators across all key metrics, from customer satisfaction to profitability.



Protection: Following the key pillars governance (transparency, accountability and security) results in better run businesses for the benefit of all stakeholders (customers, workers, investors, suppliers, community).



ESG Internal Key Achievements 2023

 <p>Planet</p> <p>E</p>	<p>Measured our scope 1, 2 and 3 emissions across the Group</p>	<p>Improved data collection and engaged key suppliers to inform our decarbonisation plans</p>	 <p>SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION</p> <p>Refined our science-based targets for submission to SBTi with near-term and long-term targets</p>
 <p>People</p> <p>S</p>	<p>>400 hours of volunteering £35,000 raised for charities</p> <p>Colleagues receive paid leave to give something back to their community</p>	<p>>80% of colleagues undertaken development/training over and above job role requirements. 40% of colleagues promoted (since joining)</p>	 <p>1 of 38 Big Companies in the UK to receive the award. Awards benchmarked against 36k businesses</p>
 <p>Protection</p> <p>G</p>	<p>Continuous training of all colleagues (monthly)</p>	<p>Blocked >600,000 security threats</p>	<p>Successfully passed: 8 x ISO 27001 audits and 4 Cyber Essentials assessments</p>

2023 ESG Diagnostic



Citation's current rank is 1 out of 39 in the Hg portfolio, up 6 places since 2022

See appendices for more detail



Our 2023 Client Impact Metrics (UK)

15.8 x
less likely

To receive a
tribunal claim

80%
less likely

To have an accident
at work

39%
less likely

To suffer
a fatality

Over 5%
of the UK
workforce

Have passed at
least one of our
eLearning courses

7,200,000

Successfully
completed
eLearning
modules



Sustainability Hub

Built and **gifted to 30,000 clients**

Our goal is to be leading across ESG

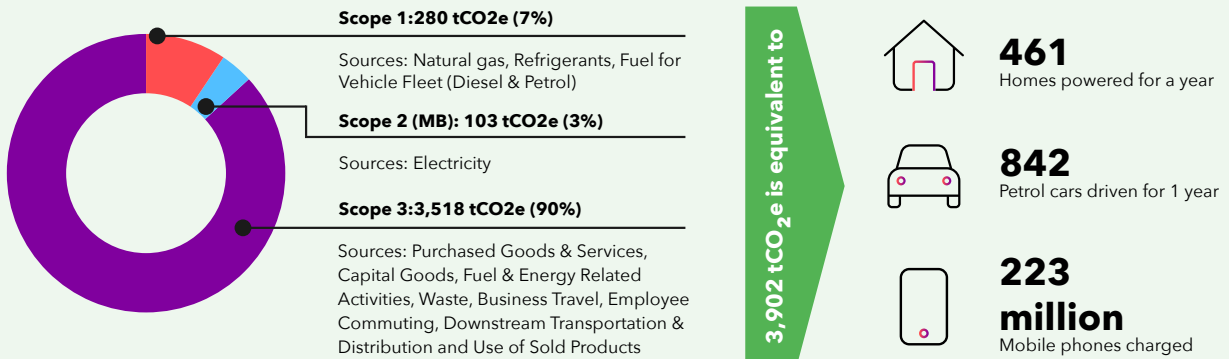


Our plans link to the UN Sustainability Goals

Key ESG topics	Initiative(s)	Metric(s)	Q4 '23	Target	Target Date	Commentary
ESG products and services	Integration of ESG factors in services offered, design and service with fully zero or ultra and zero emissions	Search sustainability assurance on the public database and of 100% of assurance companies	N/A	100%	Dec 23	Successfully searched in all countries at existing rates to drive target rate
Climate Equity & Inclusion	Workforce diversity reports and inclusion	Gender (f/m) by role 2023	52% Female 48% Male	Gender 50/50	Dec 23	At the top of the industry, continue to improve gender diversity in our workforce
Employee engagement	Employee attrition	% attrition reported	2%	2%	Dec 23	Employee attrition 2% and 2% in which 82% engaged and 18% not engaged for attrition rate for attrition rate
	Employee engagement	Engagement Survey scores (Global and North America)	88%	75%	Dec 23	Reached 88% in the Survey for 2023, exceeding target
Data security	Cybersecurity	Cyber security assessment	Cyber security assessment 2023 & 2024 (North America)	8	Dec 23	82 score achieved in 2023 (up from 78 in 2022)
Green management	Large commercial development and inclusion plan	100%	N/A	100%	100%	Reduction plan and 100% in line with 100% (achieved in 2023)
ESG activities / Net Zero	Green House Gas emissions & Net Zero Strategy Implementation plan	1,841 tCO ₂ e (Scope 1, 2 & 3 emissions) & 1,841 tCO ₂ e (17 activities with 2023)	N/A	100%	100%	Net Zero target for 2023 (up from 1,841 tCO ₂ e in 2022)

We are transparent and report our progress at Board Level

We partnered with ERM to accurately measure our GHG emissions and are committed to Net Zero



Proudly committed to Science Based Targets and Net Zero with near term and long targets set

Spotlight on



What is SBTi? A charity with partners across



United Nations
Global Compact



WORLD
RESOURCES
INSTITUTE



SBTi is a corporate climate action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis.

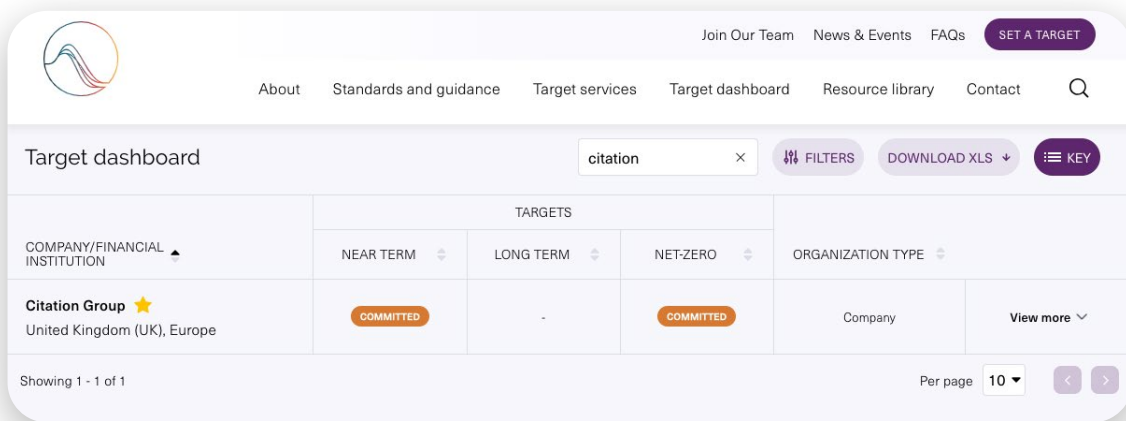
SBTi provide a clearly-defined pathway for companies to reduce greenhouse gas (GHG) emissions. Targets are considered ‘science-based’ if they are in line with

what the latest climate science deems necessary to meet the goals of the Paris Agreement

We committed to action and have recently submitted our Science Based targets for their review and validation

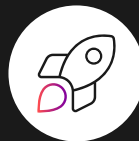
You will find us on their website

sciencebasedtargets.org/companies-taking-action

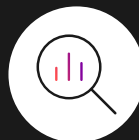


Our emissions, sustainability targets, commitments and progress have been externally benchmarked against industry peers and we are proud to be classed as “Outperforming industry peers”.

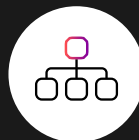
Atlas Sustainability Hub



Brand new - launched in H2 and gifted to 30,000 clients



Enables clients to complete a Maturity Assessment



We've simplified the complex and made it easy for clients to take action across ESG

Citation Cyber

keeping businesses safe and in business

Cyber Essentials can reduce **80%** of cyber-attacks

80% fewer insurance claims from business with Cyber Essentials in place



£15,000

The average cost of a cyber-attack for SME businesses in 2023. **65% of SMEs don't recover from a breach and shut down within 6 months**



65% of SMEs

Don't recover from a breach and shut down within 6 months



UK most attacked

In Europe, accounting for 43% of cases



5.7m UK SMEs

Yet only **36,000 SMEs** have Cyber Essentials Certification



79%

Of breaches were as a result of phishing attacks last year



One SME is hacked every 19 seconds

65,000 attempts a day, with 1 in 10 successful!



Too small to need it?

SMEs are a bigger target as criminals know they don't have preventative measures in place



SME sectors most vulnerable

Healthcare, Hospitality, Legal, Financial, Education

Creating sustainable
business today,
for a better world
tomorrow

thecitationgroup.com/sustainability