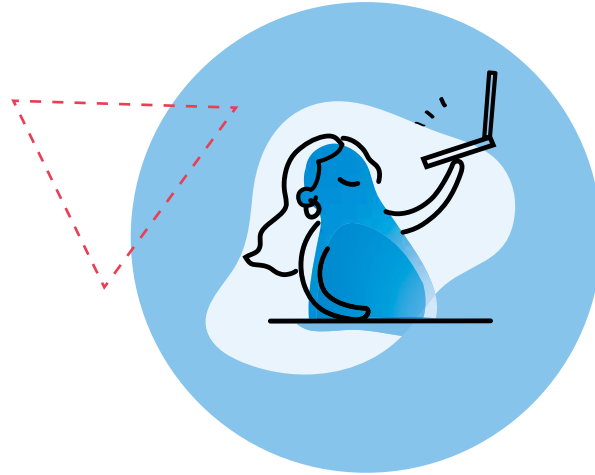


ESG report

People



People

Closing the gaps that exist
in our business and wider industry

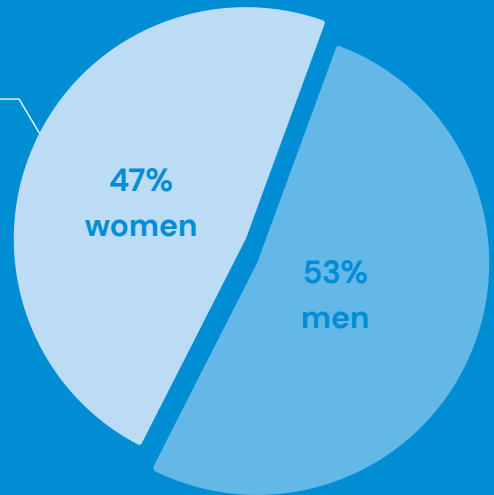
We're working to ensure sustainable futures for all of our people through a focus on employee wellbeing & satisfaction and workforce diversity, inclusion & equity.

As a professional services organisation, we don't underestimate the importance of the health, wellbeing and satisfaction of our workforce. We're creating an environment that helps diverse talent to thrive. We are a high growth, high impact business that relies on competent, committed and high performing employees. In return, we foster a positive work environment that supports personal and professional growth and respects work-life balance.

GENDER

47%

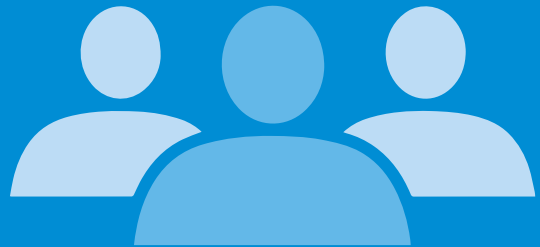
of our workforce are women



ETHNICITY

38%

Increased minority ethnic representation by 38% (13% to 19%)



BENEFITS

30

Increased holiday to 30 days + bank holidays.

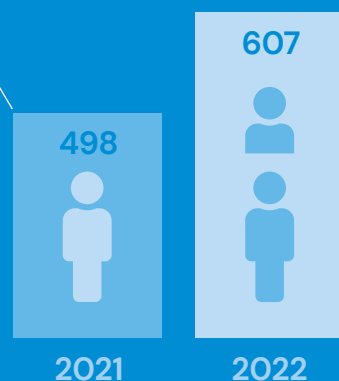


GROWTH

Our workforce grew by*

↑ 22%

*Based on FTE



ESG report

People continued

“So happy to be part of a company with such great values. The people focus was really apparent in all of the changes and decisions shared. We should be proud that the business we work for, puts people at the heart of everything.”

Anonymous, from our Diversity & Inclusion survey

Employee wellbeing & satisfaction

This year has come with a lot of change for our employees. We have brought together multiple different cultures and ways of working and asked a lot from our people. Within that time, we have continued to grow and have welcomed 240 new starters into the new company. Our employee turnover stood higher than we would have liked at 30.6% but we expect to see this settle as the new business and culture establishes itself.

This year, employees scored their satisfaction as 7.1 out of 10 on average (down from 7.6) and their wellbeing as 6.8 out of 10 (down from 7.4). We know it will take some time for teams to feel as comfortable within their new teams and with the new ways of working as they were within their smaller agencies, highlighting how important employee engagement is for us.

Our new employee value proposition

We recently launched our new employee value proposition which is designed to give responsible, autonomous employees the flexibility and support they need to thrive. We believe that this proposition sets us apart from our competitors as an employer of choice. Some highlights are:

- 30 days holiday each year on top of bank holidays to allow our people to reset, recharge and do the things that they love.
- a flexible approach for employees to choose when and where they work.
- better support for new parents with six months full pay for maternity, adoption and surrogacy leave and three months full pay for paternity

- at least two paid days off a year to volunteer and a further two for professional development
- a focus on health and wellbeing through our EAP, health plan and generous sick leave policy
- green incentive schemes to encourage sustainable living such as an electric vehicle leasing scheme
- shares in the business for all employees through a joining bonus and a tax efficient share incentive plan.

We are a low risk business in terms of occupational health and safety issues and had no serious injuries or fatalities at work last year.

Employee Assistance Programmes

TPXimpact provides free access to an Employee Assistance Programme (EAP) for all UK employees. We provide the EAP as a confidential resource designed to help our people to deal with personal and professional problems that could be affecting their home life or work life, health or general wellbeing. As part of this service, every employee is entitled to four free counselling sessions each year. This year the service received 56 calls and delivered 18 counselling sessions for our people.

Fitness challenge

Our annual steps challenge aims to boost employees' physical activity after the Christmas holidays. This year, the company clocked up more than 14 million steps and covered 6,717km over the course of three weeks. Their efforts helped to raise £5,200 which the winning team donated to the Ukrainian charity "Voices of Children", supporting young people affected by the war.

Wellbeing

We continued the Wellness Wednesday initiative which started during the first lockdown with more webinars hosted by external experts on educational topics like nutrition for gut health, breathing techniques for building resilience and energy management during the menstrual cycle. Overall 68% of our employees engaged in our wellbeing activities this year.

Diversity, inclusion and equity

The work that we are doing is helping to shape how societies experience the world, from their digital experiences, to how they access and navigate local services. We do not underestimate how important it is therefore to have a workforce that is representative of the communities that they are serving so that we can ensure our solutions work for everybody.

We are proud that our UK business is representative of the population when it comes to gender, ethnicity, sexual orientation and neurodiversity. We have had a real focus on ethnic diversity this year, through our recruitment, the launch of our Origins employee resource group and running a Future Leaders accelerator specifically for young Black people. This has resulted in us doubling our Black representation and increasing our overall minority representation from 13% to 19%.

We will continue to ensure that the quantity, quality and frequency of our DEI reporting is best in class and be totally transparent about our results and our progress. We truly believe that this is the most valuable thing that we can do, not only to hold ourselves to account but also to encourage our peers to acknowledge and address the issues that exist within our industry.

TPXimpact is working hard to intentionally build a culture that is inclusive of the diversity of talent that we want to attract. We intend to help change the composition of the tech sector by continuing to raise the standards of our DEI initiatives, raising awareness of issues and investing in a pipeline of diverse talent.

Here are some of the things we have been working on this year;

We set up ERGs

We set up the Employee Resource Groups (ERGs) to help amplify the voices of underrepresented employees and make sure our workplace is inclusive for everyone. We kicked off with three groups; Women, Origins and LGBTQI+. Some highlights from the first year are:

- monthly 'Coffee and Current Affairs' sessions have become a popular drop-in session to talk about issues affecting women, with everything from Britney Spears' conservatorship to the drinks spiking epidemic being discussed
- the Origins committee hosted a series of insightful lunch and learns over Black History Month and for Diwali exploring and celebrating these cultures
- women shared their experiences within the workplace and the ERG produced a report with recommendations and an accompanying video
- a series of meet-ups took place for LGBTQI+ employees and allies
- a new allyship channel was set up for those interested in learning from the ERGs and the first two events took place this year

ESG report

People continued

As the new organisation is taking shape, we will work to make sure that the ERGs are properly represented in the governance structure and there are clear links of escalation and accountability for issues or ideas that are raised by those communities.

We launched a board mentoring programme

We launched a board mentoring programme to champion and support diverse talent within the business. In our pilot year, we paired five ERG chairs with a member of the TPXimpact board, helping them to navigate the role of committee chair and supporting them more broadly in their career development.

This programme has served to:

- reward employees who have volunteered their time to help us achieve our DEI targets
- raise aspirations, particularly around securing a board level position in the future
- develop skills, through mentorship and guidance

We've made leaders accountable

We have built DEI requirements into the share award eligibility for all leaders. We want DEI to be a priority and therefore we are going to use it as a metric to measure the performance of senior leaders within the business. Performance on these metrics for leadership are now linked directly to their remuneration.

We made sure we were buying more diverse companies

We built DEI requirements into our mergers and acquisitions (M&A) process at the end of 2021. We request DEI data when we first start speaking to potential targets so that we can build this into the qualification and valuation process. This reflects our belief that good DEI practice does not only limit risk but adds value to the bottom line.

Alongside commercial and financial metrics, we will now base valuations on diversity and equity data, community investment and engagement and the environmental impact of potential acquisitions. Not only will this help us to achieve our own DEI targets, it should have a wider effect in recognising and encouraging positive behaviours for small business owners.

We've been investing in people from diverse backgrounds

We take a long-term view in investing in diverse talent pipelines. Our community investment strategy is based around equipping young people from diverse backgrounds with future-proof skills. You can read more about what we have been doing in that space on page 67.

This year, we launched a partnership with Code First Girls to place four women or non-binary people on a Full-Stack Nanodegree. After training, the successful candidates will join TPXimpact as full time Associate Engineers. The organisation is dedicated to helping more women & non-binary people break into and excel in the tech industry. We will focus on people from underrepresented communities, beginners to tech, those who identify as neurodiverse and those who grew up with no financial advantage.

How do we measure diversity, inclusion and equity?

We have developed a methodology that we call 'Gap Reporting' for measuring our diversity, inclusion and equity performance. Diversity can be complex. We are measuring lots of different and overlapping characteristics and the goalposts move all the time. That's why we use Gap Reporting – so we can easily identify how much work we have to do in each of the areas we report on.

What are our DEI goals?

We currently track over 25 gaps that we have identified across representation, pay and inclusion. We appreciate that diversity is about far more than just gender and skin colour and therefore try to be as thorough and expansive in our reporting as possible to get a full picture of the workforce and identify what the contributing factors might be for those who feel more or less included in the workplace.

Our end goal is that we have no gaps. No pay gaps, no difference in how included employees feel and no gap between our workforce and community diversity. We know we have a lot of work to do to get there but have put in place an ambitious target in the meantime to half all gaps from our benchmark year in FY2021 by 2025.

Our results

Notable Takeaways

Overall, we are a more diverse organisation than we were last year, particularly in terms of ethnicity.

We continue to measure, track and disclose more DEI data than any of our competitors.

We have really strong LGBTQI+ and neurodiversity representation at 16% and 14%, more than the general population.

We are a multicultural organisation, with over 20% of employees being foreign nationals.

We have not made the progress we would have liked in terms of senior representation.

Employees felt less of a sense of inclusion and belonging across all community groups.

ESG report

People continued

Diversity at TPXimpact

Senior Leadership

Women

34%

(FY2021: 36%)** ↓

Population 50%

Minority Ethnic*

8%

(FY2021: 9%)** ↓

UK Population 14%

Black*

0%

(FY2021: 0%)**

UK Population 3%

Disability

4%

(FY2021: 6%)** ↓

Population 16%

LGBTQI+

13%

(FY2021: 13%)**

Population 3%

Neurodiverse

15%

Population 14%

Lower Socio Economic Background*

30%

(FY2021: 26%)** ↑

UK Population 39%

Foreign Nationals

25%

Overall

Women

47%

(FY2021: 48%) ↓

Population 50%

Minority Ethnic*

19%

(FY2021: 13%) ↑

UK Population 14%

Black*

6%

(FY2021: 3%) ↑

UK Population 3%

Disability

7%

(FY2021: 6%) ↑

Population 16%

LGBTQI+

16%

(FY2021: 12%) ↑

Population 3%

Neurodiverse

14%

Population 14%

Lower Socio Economic Background*

28%

(FY2021: 23%) ↑

UK Population 39%

Foreign Nationals

22%

* for ethnicity and socio-economic background we have just used UK demographic data and included our UK employees

** last year we used the top pay quartiles of each business within the group to get to the senior representation number. Since merging, we are now on one payroll and therefore have used the top pay quartile of the combined payroll. In order to show progress we have adjusted FY21 numbers as if we were operating one payroll



Diversity

We measure overall representation and senior representation (top pay quartile) for employees from underrepresented communities. We have increased the number of communities that we measure this year to include neurodiverse employees and foreign nationals.

Our overall representation improved this year across most categories, most notably our ethnic diversity has improved with the percentage of Black employees doubling from 3% to 6% and minority ethnic employees as a whole increasing from 13% to 19%. We made less progress in diversifying the senior leadership team. This is in part due to the leadership teams that have been acquired throughout the year.

Disclosure

75% of our employees participated in our 2022 DEI Survey, up from 73% last year. For pay gap analysis we now have 100% of gender information and 93% of employees have disclosed their ethnicity. This increase (from 92% and 82% last year) is largely due to the implementation of our new HR system.

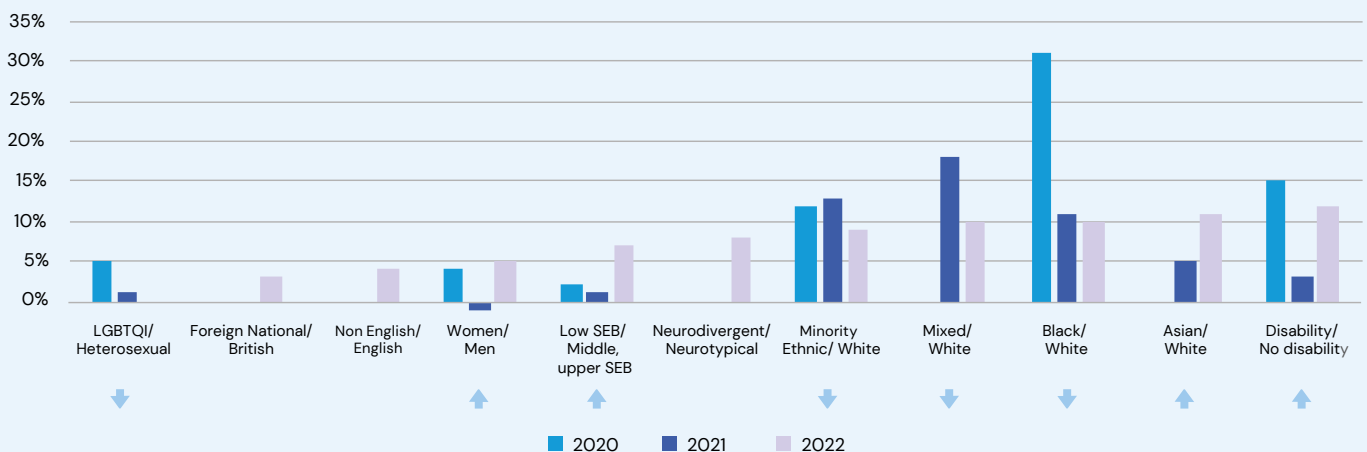
Inclusion

We work out inclusivity scores based on the average responses from inclusivity questions asked in the annual DEI survey. These questions and the methodology are based broadly on Kantar's inclusivity index.

Overall inclusion scores went down for all groups this year. Inclusion scores are based on questions around belonging at work and we therefore expected to see a bit of a dip in sentiment at this stage of such a large change programme as we moved people into new teams and asked them to build new relationships. Despite this, we managed to make progress in closing half of the gaps in how included employees feel based on their background/characteristics, particularly for minority ethnic groups.



Inclusion Gaps

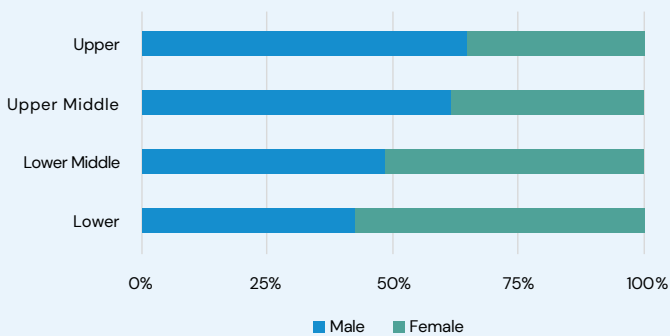


This chart shows the percentage difference in inclusivity scores for the communities below over the last three years. The arrows show whether the gap in inclusivity scores has increased or decreased year on year.

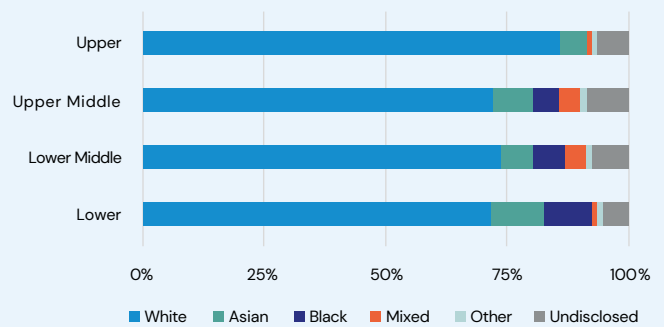
ESG report

People continued

Pay distribution by gender



Pay distribution by ethnicity



Equity

This year we continued to produce quarterly pay gap reports for both gender and ethnicity across the business.

Our gender pay gap has grown over the last 12 months. This is in part due to higher disclosure of gender, particularly for those in the top pay quartile, due to our new HR system. It is also due to a lack of female leadership in the new acquisitions. Our ethnic pay gap also grew fairly substantially. We have seen higher levels of representation but mainly within the bottom two pay quartiles. This is likely due to our focus on recruitment but also due to increased disclosure of ethnicity (within the bottom two pay quartiles) following the launch of the Origins ERG and the new HR system.

Mean Gender Pay Gap

19%

2021: 16%, 2020: 16%

Mean Ethnicity Pay Gap

12%

2021: 4%

Median Gender Pay Gap

20%

2021: 19%, 2020: 17%

Median Ethnicity Pay Gap

15%

2021: 0%

What's next?

1. Formalise the role of the Employee Resource Groups and help to amplify the voices of underrepresented communities
2. Focus on finding, recruiting and retaining diverse senior people
3. Equipping leaders with the right tools they need to create a culture of inclusion, psychological safety and empathy at TPXimpact



“I think TPX have been fantastic at fostering an environment where being a brown woman and a parent I feel comfortable and supported in my work which also allows flexibility and the ability to be able to work autonomously. I feel proud to be part of this company so thank you.”

Anonymous, from the DEI Survey

Human rights

TPXimpact is fully committed to preventing modern slavery and human trafficking in our operations and supply chain. We do not tolerate modern slavery in any of its forms and have taken concrete steps to tackle and prevent modern slavery as stated in our Modern Slavery Statement statement.

In the past year, we conducted a risk assessment of the capacity of the organisation to manage and prevent the risks of modern slavery based on the Global Slavery Index and the UK Government's Modern Slavery Assessment Tool (MSAT) framework.

As part of the assessment, we mapped of our supply chain by taking into account:

- The risk profile of individual countries based on the Global Slavery Index
- The business services rendered by the suppliers falling under high risk services (e.g. cleaning service suppliers within personnel services)
- The presence of vulnerable demographic groups

In addition to this, TPXimpact includes Modern Slavery Training as part of the onboarding material for any new member of staff as well as existing and have a Whistleblowing Policy that encourages all employees, customers and suppliers to report any suspicion of slavery or human trafficking without fear of retaliation.