



Listen  
Understand  
Deliver

# Record Financial Group

Building a resilient and sustainable future

**Record plc | Sustainability Report 2024**

For the year ended 31 March 2024



## Our purpose

Leveraging our 40 years of experience and expertise in currency management, we were able to identify opportunities to expand into the asset management sphere, fuelled by the same spirit of curiosity that sparked the Company's inception.

While continuing to provide our esteemed currency management products, we now proudly extend our offerings to encompass a range of asset management solutions. At the heart of our approach is a genuine connection to our clients, ensuring individual needs are not just met, but exceeded, with unique tailored solutions crafted with care and excellence.



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## Record at a glance

Specialist currency and asset manager offering best-in-class bespoke products to large global investors.

### Our business

**\$102.2bn**

Total assets under management ("AUM")

**\$97.5bn**

AUM in currency management

Record's family of currency products are centred on highly bespoke risk management solutions, trading various FX instruments globally across developed, emerging and frontier markets to best suit the evolving currency requirements of our clients.

**\$4.7bn**

AUM in asset management

Asset Management at Record provides private market, yield-enhancing strategies to institutional investors across EM Debt, Digital Lending, Private Credit and Infrastructure asset classes, offering sustainable and customisable structuring and delivery infrastructure.

### Our firm

**100+**

institutional clients

**101**

Employees

across London, Windsor, Zurich, Frankfurt, New York, and Amsterdam.

### Geographical markets

#### Continental Europe

**\$69.9bn**

68%

#### North America

**\$20.7bn**

20%

#### United Kingdom

**\$6.8bn**

7%

#### Rest of the world

**\$4.8bn**

5%

### Our values

## Listen



A client-focused approach

## Understand



Using strengths and experience developed over 40 years in business

## Deliver



Unique, innovative and sustainable solutions

## FY-24 sustainability highlights

### Responsible investment

Allocation to bonds issued by Development Finance Institutions ("DFIs")

**100%**

Private capital invested in bonds issued by DFIs

**\$973m**

Investments with ringfenced use of proceeds for development projects

**\$560m**

UN PRI score<sup>1</sup>

**76**

UN PRI signatory<sup>2</sup>

**6 years**

### Climate action

Renewable energy across all offices globally

**100%**

CDP score

**B-**

Scope 3 greenhouse gas emissions breakdown reported

**First time**

Contribution to a local currency-denominated green bond in India

**\$20m**

Emissions offset for 15th year running

**100%**

### Our people

New gender diversity targets

**Committed**

Disability Confident Scheme

**Committed**

Community fundraising

**£28.1k**

Staff volunteering hours

**118**

Ethnic minority representation

**31%**

1. Score out of 100.

2. Record Currency Management Ltd as signatory.

## Statement from our Chief Executive Officer



Since my appointment on 1 April of this year, as a team, we have now crystallised our long-term strategy for growth around some very clear priorities.

**Jan Witte** | Chief Executive Officer

To ensure the sustainable growth of our business, it is essential that our sustainability priorities are seamlessly integrated into the Group's strategic priorities. My strategic pillars – operational excellence, quality of earnings, and organic growth – are therefore embedded with sustainable considerations throughout.

### Quality of earnings and organic growth

We have identified six high-quality products and our focus remains on building a foundation for the sustained growth of these core products and the Group as a whole. The establishment of the Emerging Market and Frontier Investment team, led by Andreas Koester, demonstrates our dedication to maximising growth opportunities for our flagship Emerging Market Sustainable Finance ("EMSF") product. To this end, we aim to scale the positive impact of EMSF investments, which promote the development of local currency markets in emerging and developing economies for UN SDG-aligned growth. Central to this ambition will be enhancing our impact measurement, monitoring, and reporting capabilities in accordance with industry best practice.

As we grow our core products, we will re-invest in our people, systems, and the Record brand, fostering shared values that promote workforce inclusivity and diversity.

### Operational excellence

We are committed to developing a proprietary operational framework to drive efficiency, effectiveness, and agility. This commitment is rooted in a culture where employees are empowered to initiate change and collaborate across the organisation to enhance operations and deliver value to our clients. To support this, we are relocating to a new office in Paddington, designed with ergonomic workspaces to promote effective communication and well-being.

Sustainability was a key factor in decision-making, with our new office achieving a BREEAM certification of 'Excellent', operating on 100% renewable energy, and implementing waste management programs for a circular economy. Additionally, we are investing in advanced technology across the business to automate and streamline processes, reduce waste, and leverage new IT infrastructure to enhance both operational efficiency and environmental performance. The new operational framework will lay a solid foundation for compliance with the evolving sustainability regulatory landscape, including alignment with the IFRS Sustainability Standards which promote an integrated approach to reporting.

This integrated approach ensures that we are well-positioned for sustainable, long-term success.

**Jan Witte**  
Chief Executive Officer

28 June 2024

## Statement from our Sustainability and ESG Manager



At Record, we stand firmly committed to driving positive change and contributing to a more sustainable future.

**Maddie Dutfield** | Sustainability and ESG Manager

As I reflect on the challenges and uncertainties that have characterised the past year, the term “polycrisis” that I used in last year’s statement continues to resonate as it seems our biggest challenges have only become more complicated. The consequences of inaction are greater than ever as we grow closer to the end of the decade, the global target for achieving the United Nations Sustainable Development Goals (“UN SDGs”). At Record, we stand firmly committed to driving positive change and contributing to a more sustainable future. I am therefore delighted to present Record’s sustainability achievements for the past year and report progress against our goals for shaping a more sustainable world.

### Strengthening our impact reporting

A pivotal aspect of our commitment to responsible investment lies in the cultivation of our flagship Emerging Market Sustainable Finance (“EMSF”) strategy. EMSF is designed to deliver positive, UN SDG-aligned outcomes by fostering local currency market development in emerging markets and developing economies. Over the past year, we have undertaken significant efforts to enhance our impact reporting, introducing a novel impact framework and associated performance indicators to enable us to meticulously monitor and report EMSF progress in achieving sustainable outcomes. We have also refined our engagement framework, developing a process that encourages active engagement with our portfolio issuers and trading counterparties to promote enhanced disclosure of the use of proceeds of our investments and its related impact.

### Maintaining our culture and values

It is our employees who are critical to delivering our strategic business priorities. Building an organisation with a clear purpose through shared values and robust leadership is therefore key to fulfilling our commitments.

In line with this ethos, we continue to nurture the personal and professional growth of our workforce, offering them avenues for advancement in the growth of the business. We have a deep appreciation for inclusion and diversity in the workplace and have made exceptional progress against our Inclusion and Diversity Action Plan this year. Alongside our internal efforts, we inspire our employees to engage with and support our local communities. Our Inclusion and Diversity Network has been instrumental in supporting employee involvement in volunteering, fundraising and charitable contributions – organising more events and initiatives this year than ever before and increasing charitable donations to the community by 53% compared to last year.

### Reducing our impact on the environment

This year we improved from being 100% renewable only in our UK offices to 100% renewable across our offices globally and continue to make progress against our emissions intensity target.

Unfortunately, our absolute emissions have increased this year due to various reasons explained in the report, but we remain committed to meeting our emissions reductions targets and ensuring we grow our business responsibly. We provide a detailed breakdown of our measured greenhouse gas emissions for the first time in this report, demonstrating our ongoing dedication to improved disclosure and transparency.

As you delve into this report, I encourage you to explore the tangible actions and milestones that underscore our sustainability commitment. Our ambition is steadfast, and we are dedicated to setting more ambitious targets and aspirations for the year ahead. Together, let us continue to embrace sustainability as a guiding principle for valuable business and build a more resilient future for all.

**Maddie Dutfield**  
Sustainability and ESG Manager

28 June 2024

# Sustainability strategy



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## Our sustainability strategy

# Sustainable growth

## Responsible investment

We strive to be a thought leader with respect to ESG and impact integration within the currency and alternative asset management space

See more on pages 13 to 18

## Climate action

We hold ourselves accountable to the highest standards of accuracy and transparency in our climate disclosures

See more on pages 19 to 23

## Our people

We are a people-led business and are focused on looking after our employees, communities and wider society

See more on pages 24 to 35





## Progress against targets

# Responsible investment

### FY-24 targets

**Develop and embed a framework for effective engagement with multilateral development banks and development finance institutions in line with EMSF strategy**



- We have expanded our engagement framework to encompass issuers in the portfolio of our EMSF strategy.
- The new framework is outlined in detail on page 23 of our **impact report** and allows us to better integrate engagement into our investment decision-making.

**Improve ability to measure the positive social and environmental impact of EMSF investments**



- We have developed UN-SDG aligned proprietary methodology to measure the social and/or environmental impacts of our bond investments.
- We have also developed an Impact Measurement & Management ("IMM") questionnaire to ensure ongoing dialogue with counterparties on bespoke peer-to-peer trades to improve reporting on sustainable outcomes.

**Continue our research and development on delivering sustainability-themed product innovation**



- Whilst Record is not looking to launch new sustainability-themed products, EMSF has undergone considerable research and development in the creation of its inaugural **impact report**.

# Climate action

### FY-24 targets

**Review our carbon accounting practice to investigate how we can improve the accuracy of our carbon footprint data collection**



- New travel company onboarded who provide regular carbon reports, allowing business travel emissions data to be monitored.
- Sustainability Summer Intern hired to complete a climate change strategy project which included the evaluation of our current carbon accounting process.
- Engaged directly with our carbon accounting partner to improve data collection process.

**Continue to improve climate transparency and disclosure through our **climate report** and voluntary frameworks**



- Benchmarking exercise completed to evaluate how we compare to our peers and where we can improve reporting.
- Improved Task Force on Climate-related Financial Disclosures ("TCFD") alignment in **climate report** including improved greenhouse gas ("GHG") emissions reporting.
- Maintained B- score for 2023 CDP disclosure, but achieved improved grades across eight categories.

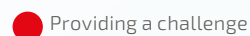
### Key:



Achieved



In progress



Providing a challenge

## Progress against targets continued

# Our people

### FY-24 targets

**Use feedback from recent pulse survey to implement changes for the benefit of our employees**

**Organise at least ten Inclusion and Diversity Network events across the year (e.g. training, fundraising, talks, socials)**

**Implement a supplier onboarding platform to better enable us to better engage with suppliers on sustainability and monitor their adherence to our Modern Slavery Policy, Supplier Code of Conduct, as well as their climate commitments**

### Progress

- - Town hall held to share results of FY-23 pulse survey and share strategy to address feedback.
  - Actions taken from pulse survey:
    - Paternity Leave Policy updated from two weeks' to six weeks' enhanced leave on full pay.
    - Cost of living payments continued for FY-24.
    - Line manager engagement sessions held.
- - Created an inclusive calendar which has dedicated themes for each month.
  - Organised several events across the year, including:
    - 16 social events.
    - Six I&D awareness events.
    - Five fundraising initiatives.
    - Three corporate volunteering days.
- - Contract management platform implemented which includes a process for modern slavery risk assessment for all new suppliers.
  - All new suppliers now uploaded to the platform during onboarding.
  - Existing suppliers are being uploaded to the platform.

**Key:**

- Achieved
- In progress
- Providing a challenge



# Governance

## What's in this section

Record's Sustainability Office

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## Record's Sustainability Office

Effective governance is fundamental to operating as a responsible and ethical business. Sustainability is integrated into Record's overall governance framework and is aligned with our governance approach.

### Record plc Board of Directors (the "Board")

The Board is responsible for governing and overseeing the Group's business strategy, including management of its sustainability strategy. The Board reviews disclosures made in our sustainability-related reports and receives regular updates from our Senior Sustainability Office, enabling them to provide rigorous challenge to management and ensuring we are ambitious in our goals.

### Management responsibilities

#### Group Senior Sustainability Office ("SSO")

The Record plc Board has delegated accountability for determining sustainability strategy and prioritising progress to the SSO. The SSO is comprised of senior management who take responsibility for proactively integrating sustainable practices across Record Financial Group.

The SSO approves Record's sustainability strategy, and as such has reviewed and approved our climate change strategy and our TCFD disclosures. The SSO meets bi-monthly to make decisions on sustainability-related topics, considering recommendations and approving proposals from the Sustainability Manager and the wider Sustainability Committee.

### Sustainability Manager

The Sustainability Manager is responsible for driving progress against the sustainability strategy, taking recommendations and proposals to the SSO and implementing actions as approved. The Sustainability Manager acts as conduit between the Sustainability Committee and the SSO, co-ordinating sustainability efforts and aligning goals across the Group.

### Resource groups

#### Sustainability Committee

The Sustainability Committee is a broader committee that seeks to gather ideas and recommendations from across seniority and functional areas in the Group as well as implement initiatives. The Committee is comprised of officer roles which represent key areas of sustainability aligned with the Company strategy. The officers work closely with the Sustainability Manager to make progress on defined sustainability objectives.

### Sustainability organisational chart



Please see our [climate report](#) for a more detailed overview of our sustainability governance structure.

# Responsible investment

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## Investment philosophy

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Record has long been a company that places sustainability and corporate responsibility firmly at the heart of its priorities. Responsible investment is therefore a natural extension of this corporate philosophy and forms a key pillar of our sustainability strategy.

Our core business has traditionally been within the currency management space, where Record has been a thought leader in exploring the integration of Environmental, Social, and Governance ("ESG") within currency markets. We have leveraged our 40 year's market-leading foreign exchange expertise to develop innovative strategies and extend the boundaries of ESG beyond its existing base in equity and bonds. In our first drive to incorporate ESG factors into active currency products, Record worked in collaboration with Oxford-based researchers in the creation of one of the first ESG Emerging Market Currency for Return strategies in 2018. Our efforts have only continued to evolve since with the launch of our flagship Record Emerging Market Sustainable Finance ("EMSF") strategy in 2021.

Record Currency Management Limited, our main trading subsidiary, is proud to have been to the United Nations Principles for Responsible Investment ("UN PRI") since 2018, having been one of the first specialist currency asset managers to sign up. Our Group Responsible Investment Policy is written in line with the UN PRI and acts as a guide to the investment teams and committees across Record's subsidiaries when considering their approach to ESG integration in their investment activities, providing group-wide clarification on definitions and outlining our own set overarching set of principles for responsible investing.

### Systemic viewpoint

We approach responsible investing from a holistic and macroeconomic perspective. We believe this approach enables us to gain a comprehensive understanding of specific ESG issues within a given theme and to identify nuances and interconnections between different sustainability issues.

### Materiality

We will take an informed approach when considering ESG factors, incorporating only material issues in pursuit of intentional and meaningful economic and/or positive impact.

### Client-focused outcomes

Our aim is to both enhance and preserve the value of our clients' investments, seeding new investment strategies that offer innovative solutions aligned with our clients' sustainability preferences.

### Long-term mindset

We consider the long-term sustainability and resilience of investments, looking beyond short-term gains and acknowledging the transitional nature of the markets in which we operate.

### Sustainability outcomes

We will measure performance against sustainability outcomes for our responsible investment strategies to demonstrate real-world outcomes aligned with the UN Sustainable Development Goals.

## Emerging Market Sustainable Finance

### Developing local currency markets and contributing to sustainable growth through an innovative investment strategy.

The launch of the flagship Record EM Sustainable Finance strategy ("EMSF" or the "Strategy") in 2021 was a pioneering step to design a sustainable finance solution together with private sector investors that aims to support the development of local currency markets in Emerging Market and Developing Economies ("EMDEs") to promote United Nation Sustainable Development Goal ("UN SDG") -aligned socioeconomic growth.

EMSF takes active currency risk across a wide universe of emerging and frontier currencies in pursuit of greater currency stability, whilst also offering currency hedging solutions in partnership with the development finance community to encourage local currency funding. Simultaneously, EMSF directly supports the financing of development projects through its investments in bond instruments issued by Multilateral Development Banks ("MDBs") and other Development Finance Institutions ("DFIs") with active operations in EMDE countries.

This blended impact-first investment strategy is underpinned by a holistic pattern of continuous engagement that delivers impactful investment opportunities and aims to promote improved investment transparency and disclosure on use of proceeds alongside better policies and practices among investees and bank counterparties.

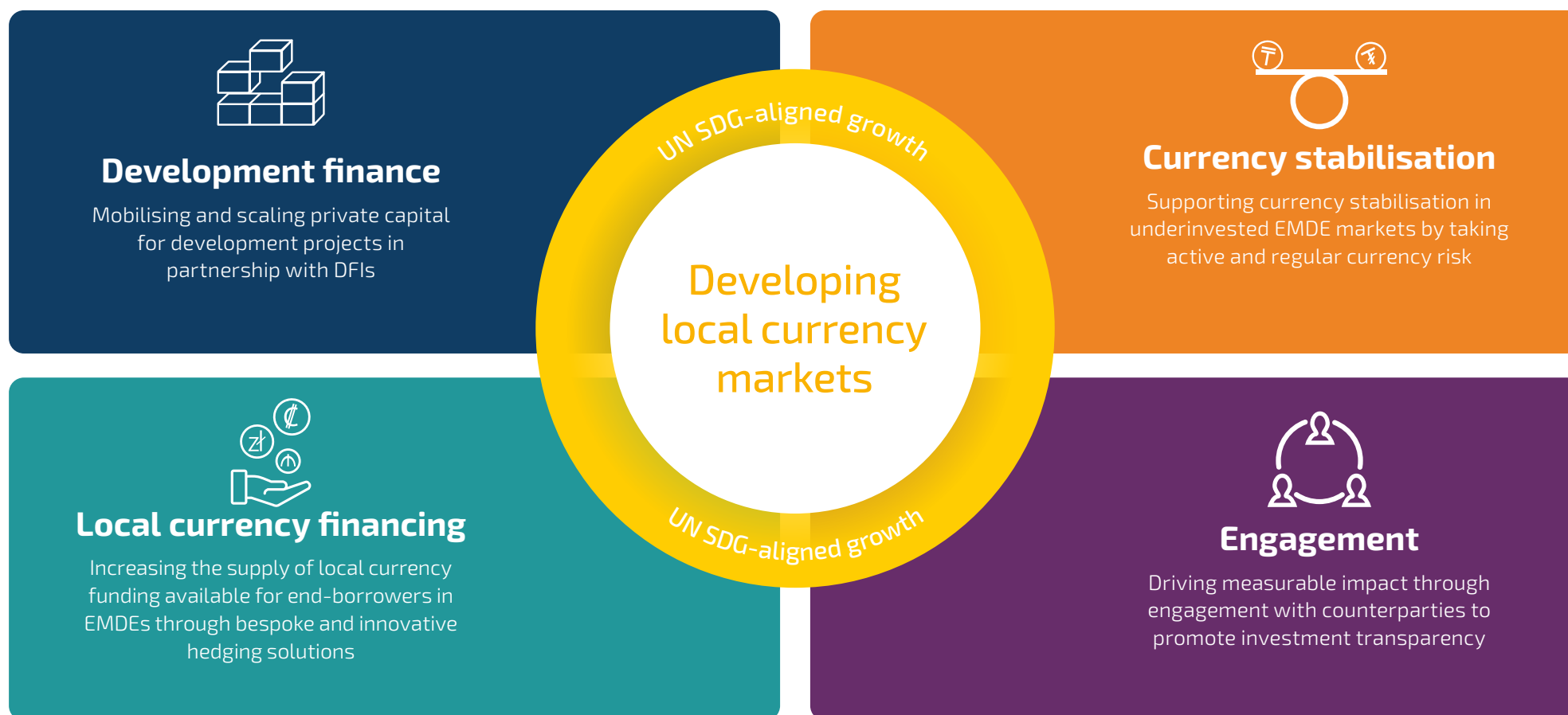


Read more in our **impact report**.



## Impact principles

EMSF's strategic ambitions are summarised within four overarching impact principles which together contribute towards developing local currency markets in EMDEs to promote UN SDG-aligned socioeconomic growth and local community wellbeing.





## Impact principles continued

Measuring and reporting EMSF development outputs for FY-24.

### Development finance

Allocation to DFI bond issuers

**100%**

Private capital invested in bonds issued by DFIs

**\$980m**

EMDE countries benefiting from portfolio issuers' development operations

**146**

### Currency stabilisation

EMDE currencies traded

**35**

Investments in active EMDE currency contracts

**\$1.5bn**

Volume traded in EMDE currencies

**\$7bn**

### Local currency financing

Hedged local currency loans for DFIs

**\$183m**

Local currency transactions directly supporting EMDE borrowers

**19**

Average tenor of EMSF hedging solutions for DFIs

**4 years**

### Engagement

Investments with ringfenced use of proceeds for development financing

**\$560m**

Investments with expected environmental and/or social impact KPIs

**\$65m**

Engagement meetings with counterparties

**50+**

## Impact story

# Promoting gender equality in housing finance in Kazakhstan

Asian Development Bank

### Project summary

The Housing Finance programme has been running since 2020 and aims to reduce poverty and promote gender equality through affordable local currency mortgage products designed exclusively for women borrowers. ADB provides Kazakhstani tenge (KZT) funding to Otbasyl Bank, with at least 60% of the funds earmarked for loans to female customers living in rural areas of Kazakhstan and at least 20% to low-income women. The mortgage sub-loans provided by the financial intermediary will be used for the acquisition of residential housing units or the renovation of existing homes.

The project addresses the growing demand for housing and limited access to affordable mortgages for households in rural and remote areas in Kazakhstan.

It also aligns with the national regional development programme, which prioritizes the integration of the economy and empowering of the regions by promoting non-oil industries, such as SMEs, tourism and agriculture. In rural areas, the provision of affordable housing finance helps build and enhance valuable housing assets and thereby improves the living standards of the female population who are predominantly self-employed and dependent on agriculture.

### Interim impact outputs as at Q4 2023

- ADB-funded outstanding housing sub-loan portfolio totalled \$81 million, with 100% disbursed to female customers.
- 3265 loans disbursed to woman clients for acquisition of housing or renovation.



- 19% of the loans were granted to low-income female borrowers (with household income below KZT 200,000).
- 72% of loans were disbursed to clients outside the four major city centres.
- Average maturity of the sub-loan portfolio was 9.1 years.

### KZT project funding

\$100 million (KZT 44.6 billion)

### EMSF KZT investment

KZT 2.3 billion in ADB gender bond. Approximately 6% of the ADB-funded outstanding sub-loan portfolio

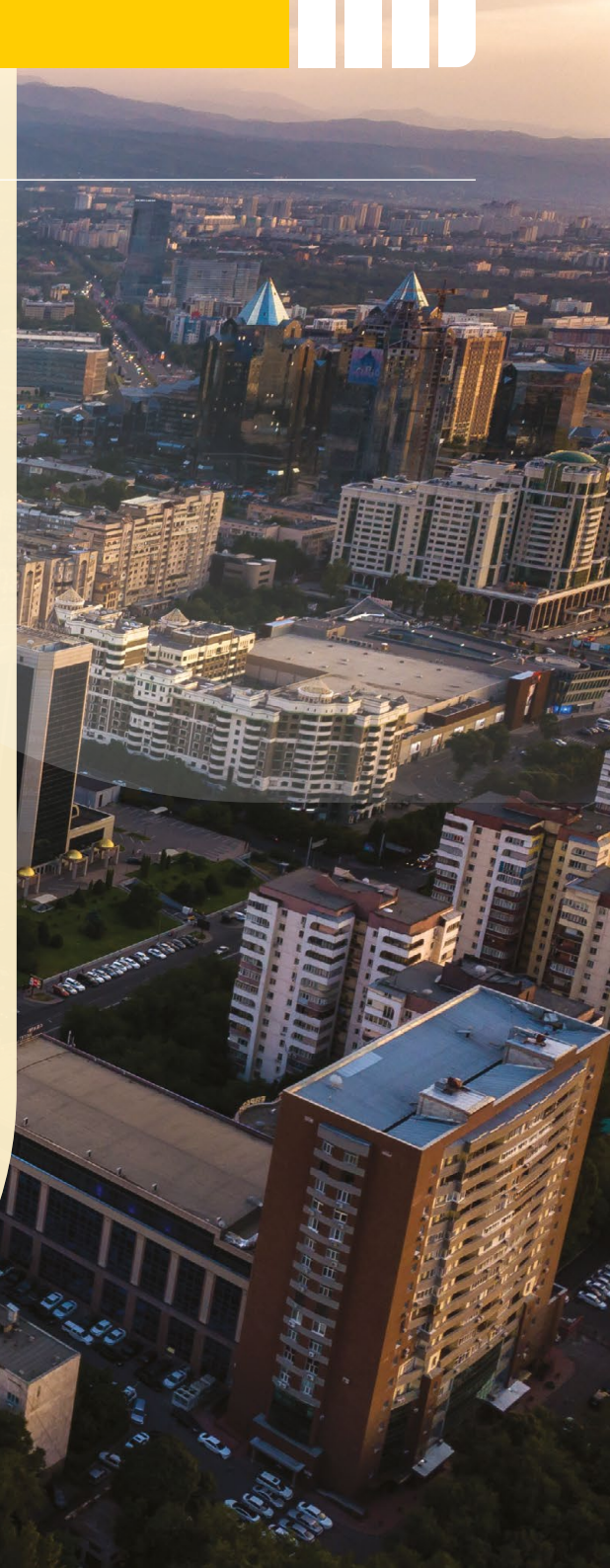
### Read the [project overview](#)

### Read a [press release](#)

### Watch a [video](#)

USDKZT as at 29 March 2024

Source: ADB website, ABD Project Data Sheet.



# Climate action

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## Our climate change strategy

# Our commitment to realising our climate-related opportunities and mitigating climate-related risks is aligned with our responsibility to our stakeholders.

Our climate change strategy aims to reduce climate-related risks whilst supporting the transition to a low-carbon economy.

In line with this, we have identified four strategic pillars for addressing climate-related risks and opportunities which we believe will generate long-term value for the Company, our stakeholders and the environment. To inform our strategy and provide a framework for assessing climate-related risks and opportunities, we have drawn upon the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD").



### Net-zero transition

We will work to reduce the greenhouse gas emissions we produce and minimise our reliance on carbon offsets in our journey to be net-zero by 2050. We have set interim emissions reduction targets for 2030, demonstrating our commitment to immediate climate action.



### Climate-integrated investment

We will integrate environmental and climate-related factors into our investment process and seek to manage potential climate risks where relevant.



### Climate-focused engagement with stakeholders

We believe in enhancing climate action through active stakeholder engagement, accelerating the transition to climate resilience within our own organisation as well as within wider society.



### Climate transparency and reporting

Record aims to exceed stakeholder expectations in reporting, transparency and action on climate-related issues. We believe that transparency and reporting are key for progress, allowing us to be held accountable to public standards.



You can read our comprehensive TCFD disclosures in our **climate report**.

## Net-zero transition

We are committed to taking the vital step to reach net-zero, reducing the amount of greenhouse gas emissions ("GHGs") we produce throughout our operations and value chain. We have therefore set the following targets:

### Reach net-zero greenhouse gas emissions in our operations and value chain by 2050

### Reduce Scope 3<sup>1</sup> emissions intensity<sup>2</sup> by 55% by 2030 against a 2019 baseline

These targets were developed using science-based methodology and are aligned with limiting global warming to 1.5°C. When we first published this target in our FY-22 report, we had already reduced our Scope 2 emissions significantly by becoming 100% renewable across our UK operations. Our interim target therefore focuses solely on our indirect Scope 3 emissions, which at the time made up 98% of our carbon footprint.

### Record plc GHG emissions<sup>3</sup>

	Baseline <sup>4</sup>	FY-23	FY-24
Scope 1 and 2	63	6	11
Scope 3 <sup>1</sup>	231	235	421
<b>Total emissions (tCO<sub>2</sub>e)</b>	294	242	<b>433</b>

Progress against 2030 target	Baseline <sup>4</sup>	FY-24	% change	Target
<b>Scope 3 tCO<sub>2</sub>e/thousand GBP revenue</b>	0.00944	<b>0.00927</b>	-1.8%	-55%

When setting our emissions reduction target in FY-22, we anticipated a short-term increase in emissions as Record embarked on a growth phase, a phase in which we are still in the midst of. To accommodate this growth, we incorporated an intensity measure in our interim target linked to revenue. However, we do expect to see a shift towards absolute emissions reductions in the long term, driven by adherence to our emissions reduction principles and aided by government intervention and new technologies.

Our most recent assessment shows our absolute GHG emissions footprint has increased compared to last year and our baseline year. This increase is primarily attributable to the expansion of our workforce, movement to a larger London office, and the establishment of a new office in Frankfurt. The uptick in Scope 3 emissions reflects our growing presence outside of the UK, which involved the recruitment of new employees and forming international partnerships in key locations including New York, Switzerland and Germany. This has led to increased business travel as we integrate our new colleagues into the business and support face-to-face meetings with our partners.

Despite increasing our office space, we have made significant strides in reducing our Scope 2 emissions compared to our baseline by transitioning to 100% renewable energy across our offices globally through the utilisation of Energy Attribute Certificates ("EACs"). The remaining direct emissions, classified as Scope 1 emissions, primarily stem from the consumption of fuel for office heating purposes and have increased compared to last year in accordance with increased office space.

A detailed breakdown of our emissions can be found in the Greenhouse Gas Emissions Report published on pages 42 to 43.

1. Scope 3 emissions: business travel; premises waste, transmission and distribution losses; outbound deliveries; commuting; other upstream emissions; and homeworking.
2. Scope 3 emissions intensity is calculated as an absolute value of emissions divided by revenue.
3. GHG emissions are reported using market-based methodology.
4. Baseline year includes reported GHG emissions from 1 January 2019 to 31 December 2019.

## Net-zero transition continued

### Emissions reductions principles



#### Renewable energy

We currently operate on 100% renewable energy through the use of Renewable Energy Guarantees of Origin ("REGOs") and other Energy Attribute Certificates ("EACs"). Purchasing these supports the renewable energy market by demonstrating market demand whilst also increasing the renewable energy mix in the grid of the country where it was generated. REGOs are recognised by several standards and bodies including the GHG Protocol, CDP and RE100 as a method to reduce Scope 2 electricity emissions.



#### Responsible travel

We promote responsible business travel, asking employees to always evaluate their need to travel and assess alternative, greener options where viable. Our travel booking agency provides quarterly reports on business travel and related GHG emissions which are monitored to frequently assess whether employees are prioritising sustainable travel.

We continue to adopt a hybrid working arrangement, which has allowed us to significantly reduce our commuting emissions. Alongside this we have several initiatives in place to encourage greener travel, including a cycle to work scheme and a green salary sacrifice car scheme which only supports the purchase of hybrid or fully electric cars.



#### Energy efficiency

Record has invested in several energy efficient technology alternatives. Our personal laptops are all Energy Star certified, which means they have been third-party certified as using 25-40% less energy than conventional models. We have moved to a cloud-based server that uses less energy and has its own commitments to reduce energy consumption through continuous innovation, infrastructure upgrades and maximising the impact of key sustainable technologies across their data centre portfolio.

All Record offices are in shared buildings where energy efficiency measures are centrally managed and largely out of our control. However, the office space we rent in London is Building Research Establishment Environmental Assessment Methodology certified ("BREEAM"); (rated as Excellent) and is therefore considered to be highly energy efficient. We also engage with our building managers and work with them to introduce more energy efficient alternatives where we can.



#### Minimising office waste

Record reviews suppliers to ascertain whether there are more environmentally sustainable alternatives. In line with this, we purchase our office snacks and fruit from businesses who use recyclable packaging only. We switched from buying plastic milk bottles to refillable glass bottles, reducing the amount of one-use plastic goods purchased. Last year our goal was to reduce paper consumption, and we met this by moving day-to-day activities which require paper online and by reducing the number of printers available. Our new printing policy encourages thoughtful paper usage and provides exemptions only in certain instances.

#### ULEV car scheme

Our ultra-low emission ("ULEV") car benefit scheme allows Record employees to lease a brand new car whilst receiving income tax and NI savings through salary sacrifice. Our commitment to sustainability is at the heart of the employee benefit, with the green scheme only supporting the purchase of ultra-low emission cars (<75g CO<sub>2</sub>/km) from a fully electric or hybrid range. Along with the government tax benefits on green cars, we hope the green scheme will encourage employees to swap out their petrol or diesel cars for a fuel-efficient, more sustainable option.

# Carbon offsetting projects

## Carbon offsetting projects

### 1. Renewable energy

We currently operate on 100% renewable energy through the use of Renewable Energy Guarantees of Origin ("REGOs") and other Energy Attribute Certificates ("EACs"). Purchasing these supports the renewable energy market by demonstrating market demand whilst also increasing the renewable energy mix in the grid of the country where it was generated. REGOs are recognised by several standards and bodies including the GHG Protocol, CDP and RE100 as a method to reduce Scope 2 electricity emissions.

### 2. Responsible travel

We promote responsible business travel, asking employees to always evaluate their need to travel and assess alternative, greener options where viable. Our travel booking agency provides quarterly reports on business travel and related GHG emissions which are monitored to frequently assess whether employees are prioritising sustainable travel.

We continue to adopt a hybrid working arrangement, which has allowed us to significantly reduce our commuting emissions. Alongside this we have several initiatives in place to encourage greener travel, including a cycle to work scheme and a green salary sacrifice car scheme which only supports the purchase of hybrid or fully electric cars.

### Degraded grasslands afforestation, Uruguay

Natural climate solutions, afforestation/reforestation

**Verified under:**

Verified Carbon Standard and Climate, Community and Biodiversity standard



The project combines sustainable forestry with cattle grazing. Trees are planted on higher and more degraded land, reducing topsoil degradation, while cattle graze the lower areas.

The project promotes sustainable timber creation and contributes to increasing afforestation rates globally.



### Rivas wind power, Nicaragua

Sustainable infrastructure, renewable energy project

**Verified under:**

Clean Development Mechanism and Gold Standard



This project promotes the transfer of environmentally sound technologies to a developing country, helping the Nicaraguan electrical grid grow with sustainable sources of power.



### Chinese afforestation, China

Natural climate solutions, afforestation/reforestation

**Verified under:**

Verified Carbon Standard and Climate, Community and Biodiversity standard



The projects are restoring more than 30,000 hectares of degraded land in the provinces of Qinghai and Xinjiang, supporting a drive to create and conserve nature reserves in order to enhance local biodiversity with a resilient mix of native tree species.



# Our people

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## Being a great place to work

Our employees are central to our success as a business. We invest in our people to ensure they are motivated, engaged and happy. We strive to be an excellent place of work, where our values are reflected in our culture.

### Listening to our employees

We empower our employees to share their opinions, ideas and suggestions. More importantly, we listen. Listening to our employees enables belonging and helps us maximise our business performance and culture. This year we continued to send out a series of pulse survey questions which asked for feedback on various topics including technology, benefits, cost of living payments and more. Regular town halls are also hosted by senior leadership which aim to keep employees up to date with strategic priorities and enable dialogue on different topics.

### Hybrid working

Record is always thinking creatively about new approaches to how we work, when we work and where from. We want to strike an optimal balance between flexibility and providing an environment which fosters teamwork and innovation. We have continued to keep hybrid working practices in place, with core office days to nurture the inter and intra-department communication and collaboration. This flexible approach aims to support employee personal needs and provide an attractive work-life balance, thereby enhancing productivity and motivation.

### Flexibility

On top of our hybrid working approach, we allow flexibility through flexible work hours and an unlimited holiday policy. The aim is to create purposeful working and equip everyone to better manage their work-life balance and personal wellbeing. We believe this enables exceptional performance and innovation. We also implement a flexible public holiday leave policy to support our colleagues who celebrate different religious holidays and cultural events by allowing employees to take leave on the dates that are most meaningful and significant to them.

### Wellbeing

Our approach to wellbeing is holistic; we care about our employees' physical health as well as their mental and financial health, providing benefits and interventions to support our employees across all aspects. We respond to employee needs on an individual basis and encourage management to have open and safe discussions with team members regularly. We provide further support by training mental health first aiders and through our Employee Assistance Programme ("EAP"), which provides counselling services for those dealing with stress, anxiety and depression.

### Investing in our people

We invest in the learning and development of all our employees. We seek new and challenging opportunities for individuals and teams to take hold of, allowing them to develop their skills and realise their potential. We offer both financial support and study leave for anyone who wants to take qualifications and offer both on-the-job and formal training based on employee feedback of what they would benefit from. Line manager support is key to helping individuals progress and we ran a manager training programme this year which included six important modules: Profiles and Personalities, Personal Development Plans, Team Building, Remuneration and Recognition, Inclusion and Diversity, and Team Wellbeing.



## Inclusion and diversity

For our employees to reach their full potential they need to feel valued, included and respected. This is the culture that Record works towards and, as part of this, we celebrate individual differences and aim to promote a sense of belonging. We believe that having a diverse workforce better enables us to meet our clients' needs, offering different perspectives and pathways to solving problems and innovating.

Our four overarching commitments provide a framework for how we approach inclusion and diversity. Record publishes an Inclusion and Diversity Action Plan which sets out objectives for each commitment and we report progress against it annually. For an overview of progress towards our Inclusion and Diversity Action Plan, please see pages 48 to 49.

### Spotlight on Girls Are INvestors ("GAIN")

We now work with GAIN to get access to a talented pool of female students looking for careers in the industry. We receive CVs directly from GAIN to interview for our Summer Internship Programme, demonstrating our commitment to gender diversity whilst supporting industry initiatives aimed at increasing the representation of women.



### Workplace inclusion

We aim to foster a culture that encourages acceptance. Our commitment to workplace inclusion aligns with the broader goal of building a resilient and adaptive business. Embracing inclusion enables employees to bring their authentic selves to work, allowing us to harness the power of diverse perspectives and experiences. We believe this in turn results in enhanced innovation and improved decision-making. Record's I&D Network promotes workplace inclusion through ongoing events, training and campaigns that raise awareness of challenges faced by underrepresented groups and celebrates individual differences. The Network has deliberately placed "Inclusion" before "Diversity" in their name, to reflect our belief that diversity is a by-product of an inclusive workplace.

### Diversity in recruitment

Our approach to recruitment aims to promote diverse representation of candidates and ensure fair, objective and non-discriminatory assessments in our recruitment process. We ensure diverse interview panels and encourage diverse candidate lists for job vacancies. For internship and graduate roles, we work with industry partners such as Investment 2020 and GAIN to identify talent from diverse, underrepresented backgrounds. We also took a blind assessment approach to our Summer Internship Programme recruitment for the past two years, removing the possibility of unconscious bias in our initial review of applicants.



### Diversity in development and progression

Our focus is to identify and break down barriers to progression, ensuring everyone receives equal opportunities to fulfil their potential. We provide regular training for management on how to evaluate performance, mitigate unconscious bias in decision-making and provide constructive feedback to their teams. Record's HR Committee oversees all decisions related to promotions and remuneration, strengthening consistent assessments across the Group. All employees are encouraged to have Personal Development Plans ("PDPs") in place to provide a framework for ongoing assessment towards long-term career aspirations. We also promote internal mobility across teams, businesses and geographies as a way to create growth opportunities and support retention.

### Sustainability and accountability

We continue to embed inclusion and diversity into Record's culture and this is sustained through accountability at all levels of the business. Individual accountability is built by giving employees the confidence and agency to discuss important matters across inclusion, diversity, identity and bias. Accountability at senior levels of the business is supported through oversight responsibilities as well as engagement and participation in I&D Network events.

## Letter from the Inclusion and Diversity Network

Building upon momentum from last year, the Network has continued to be a catalyst for meaningful dialogue, awareness and positive change.

Our employee-led Inclusion and Diversity Network (the "I&D Network" or "Network") has remained steadfast in its commitment to fostering an inclusive workplace at Record. Building upon momentum from last year, the Network has continued to be a catalyst for meaningful dialogue, awareness and positive change.

This year, the Network decided to formalise member responsibilities, creating both individual and shared roles that cover outreach, events, internal communication, strategy and secretarial responsibilities. This has allowed us to cater to individual member skills and better manage time alongside our day-to-day jobs. We also created an inclusive calendar for the year which sets out themes for each month, helping us focus our efforts and ensure communication is targeted and meaningful. This is supported by monthly newsletters which are now distributed to Record employees and include a round-up of recent events and highlight future initiatives within each calendar theme.

Another key focus for the Network has been to work more closely with HR to ensure we are aligned with broader Company goals and priorities. Collaboration with HR has also been effective in making meaningful change, which has been reflected in updated Company policies and practices. The Network has been instrumental to supporting HR in several initiatives, including partnering with Girls Are INvestors ("GAIN") to receive female candidate CVs for our Summer Internship Programme as well as increasing our enhanced paternity leave and introducing a Menopause Care Plan available to all employees through our healthcare provider.

Since joining the Diversity Project last year, we have made use of the valuable opportunity to collaborate with other firms in the financial services sector, sharing best practice and addressing common challenges for similar-sized organisations through participation in their Small and Medium Enterprise ("SME") networking stream.

We have organised more events and campaigns than ever before, revisiting successful events from previous years whilst also thinking about new ways to campaign and raise awareness of the challenges faced by different underrepresented groups. Two extremely successful events included our Neurodiversity Webinar held in collaboration with The Brain Charity and our British Sign Language ("BSL") taster session with Palm Deaf, which both had exceptional turnout and received extremely positive feedback.

In addition to our events, we remain committed to giving back to our communities through charity fundraising initiatives and volunteering. We held a Coronation tea party for the Felix Project, a raffle for the Thames Hospice and a hot chocolate stand for the British Red Cross, raising an additional £9,700 compared to last year, as well as our annual toy drive to collect gifts from employees to give to children in hospital at Christmas through the Link Foundation.

We also organised three corporate volunteering days through local charities who continue to do amazing work in the areas close to where we work.

As we continue our journey towards a more inclusive and diverse workplace, we invite all Record employees to join us in championing inclusion, compassion and appreciation in everything we do. Together, we can create a workplace where every individual feels valued, respected and empowered to succeed.

### **Inclusion and Diversity Network**

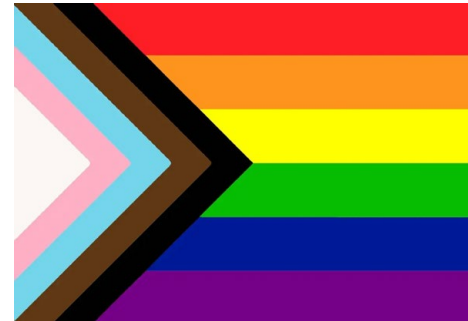
28 June 2024

## Inclusion and diversity continued

### Celebrating inclusion and diversity all year long



**Deaf Awareness Week**  
 We held a British Sign Language (“BSL”) taster session in partnership with Palm Deaf which introduced deaf people’s experiences as well as the BSL alphabet and common greetings.



**Pride Month**  
 Record celebrated Pride with a walking tour throughout the city with Queer Tours of London. The tour told the stories of London’s queer history, shedding light on the lives, spaces, identities, repression and resistance that form the backdrop of LGBTQ+ lives today.

**Stress Awareness Month**  
 Record started the conversation for employees to talk about how they manage stress and our mental health, opening the floor up to members of management and senior management who shared insights, examples and advice on how they personally manage stress and their mental health.



**Black History Month**  
 October marked Black History Month and this year we celebrated by attending a Black History Month special comedy evening for an uplifting night that celebrated black culture and black comedians.



**Neurodiversity**  
 We held a Neurodiversity Awareness training session led by The Brain Charity which focused on understanding what neurodiversity means and how conditions may present themselves as well as identifying barriers to employment for neurodivergent people and how companies can support them in the workplace.



**World Menopause Month**  
 We celebrated World Menopause Month to raise awareness, break the stigma and highlight the support options available for improving the health and wellbeing of individuals experiencing menopause. As a first step, Record acquired a new benefit for all employees which entitles them to have access to a Menopause Plan and Menopause Continued Care Plan using our healthcare provider.

## Inclusion and diversity continued

# Disability Confident Scheme

In July 2022, we became a member of the UK's Disability Confident Scheme. Being a Disability Confident Committed employer ensures that every part of our organisation is considerate of disabled people and their needs. Our recruitment process is inclusive and accessible throughout, promoting vacancies on a variety of platforms to reach the widest talent pool. Our Disability Confident Committed badge is proudly placed on our careers page so that all prospective applicants know they will receive the support they need. Reasonable adjustments are always offered and readily available for all those who need them.

We continue to support all disabled employees to guarantee they have equal access to work and opportunities, whether these disabilities or long-term health conditions are pre-existing or have been acquired since hire, with excellent health and wellbeing policies and employee-focused management.

Ongoing management training ensures all employees feel supported and confident to speak to their leaders to discuss their needs and adjustments.

As an organisation, we will continue to work towards becoming a Level 2 Disability Confident Employer (Level 2) by summer 2025. We will include Disability Awareness Equity training within the induction process for onboarding new employees, as well as provide guidance on supporting and managing employees' mental health. Additionally, we will communicate and share good practices for supporting disabled people, in and out of the workplace, via our Inclusion and Diversity Network bulletins.



"I joined Record in January 2022 and have been supported by both my manager and HR from the start. I was given the space and opportunity to share my needs and requirements, all of which were implemented as soon as possible to ensure I could train and work effectively, with the necessary equipment provided both at home and in the office. Record's flexible working hours and hybrid working have allowed me to develop my skills and progress in my career without my disability hindering me. Working from home is ideal for when my mobility fails, and flexible starting hours ease my chronic fatigue. I was also fully assisted when applying for Access to Work to get some additional specialized equipment when my condition and symptoms started to deteriorate. My manager creates a supportive environment where I can discuss my changing needs at any time, and I know they will do what they can to aid me."

**Lucy Robinson**  
Portfolio Implementation, Senior Analyst



## Inclusion and diversity continued

### Gender pay gap

The gender pay gap shows the difference in the average hourly rate of pay between women and men, as a percentage of average male earnings. The calculations were made using gender pay gap calculation guidelines from the UK Government. We have been publishing our gender pay gap for the last seven years on a voluntary basis to promote transparency and hold ourselves accountable. All data was taken as at 5 April 2024 and includes those employed across our UK subsidiaries.

#### Understanding the gap

Our mean and median gender pay gap analysis shows that women are currently paid 32% and 29% less than men, respectively. Both our mean and median pay gaps increased compared to last year, which can be attributed to several key workforce changes. Notably, two senior female employees, including the former Chief Executive Officer, left at the end of the year. Subsequently, Jan Witte was promoted to Chief Executive Officer. Additionally, a restructuring of our Systems department, which involved moving previously contractual roles in-house, led to the hiring of two senior males. This shift contributed to the decrease in women in the upper quartile pay bracket compared to last year. With fewer than 100 UK employees, changes at senior levels of the business can significantly impact the overall gender pay statistics. Despite this, we want to improve our gender pay gap and aim to increase the representation of women in senior roles to do so.

Mean gender pay gap (%)

**32%**

2023: -10%

Median gender pay gap (%)

**29%**

2023: 20%

Mean gender bonus gap (%)

**68%**

2023: -93%

Median gender bonus gap (%)

**30%**

2023: 48%

Lower quartile: (%)

**48%**

2023: 41%

Lower middle: (%)

**43%**

2023: 45%

Upper middle: (%)

**32%**

2023: 32%

Upper quartile: (%)

**14%**

2023: 36%

**100%**

Women and men were participants in the bonus scheme

2023: 100%



## Inclusion and diversity continued

### Improving our gender pay gap

#### Training and mentoring

We have been focusing our efforts in identifying female talent, and supporting their progression through mentoring, training and development. Since October 2021 we have been partnered with Advancing Women Executives ("AWE") to run an accelerator programme for mid-level women at Record, which we offer to all new female Associate Directors. The programme provides specific training and networking opportunities which are critical for career advancement and promoting the succession of women.

#### Working parents

We continue to support working parents and those with caring responsibilities through our parental leave and flexible working policies. Record's approach to flexibility is highlighted by the continuation of hybrid working and our flexible working hours policy. However, our support for working parents extends beyond our policies and is emphasised in communications from senior leadership and line managers. Managers are supportive and are aware of the needs of the people in their teams, and work hard to accommodate these needs as much as possible.

#### Recruitment

We engage with our recruiting agencies on the importance we place on diversity and use inclusive job boards to attract diverse talent pools, especially when recruiting for typically male-dominated roles. Our job advert checklist ensures that before adverts go out they are reviewed for things such as overuse of male-gendered language or the inclusion of whether the role can be done flexibly. We collect data on all applicants and review this data annually to ensure our talent pools are representative.

#### Reporting

We collect data on gender, ethnicity and disability on a voluntary basis. This data is used to annually evaluate our workforce demographics, allowing us to identify any demographic gaps and assess underlying factors which may play a contributory role, such as hiring practices, progression or retention.



## Inclusion and diversity continued

### Race at Work Charter

In October 2021 we signed up to Business in the Community's Race at Work Charter, committing to take practical steps to ensure our company is tackling barriers that ethnic minority groups face in recruitment and progression.

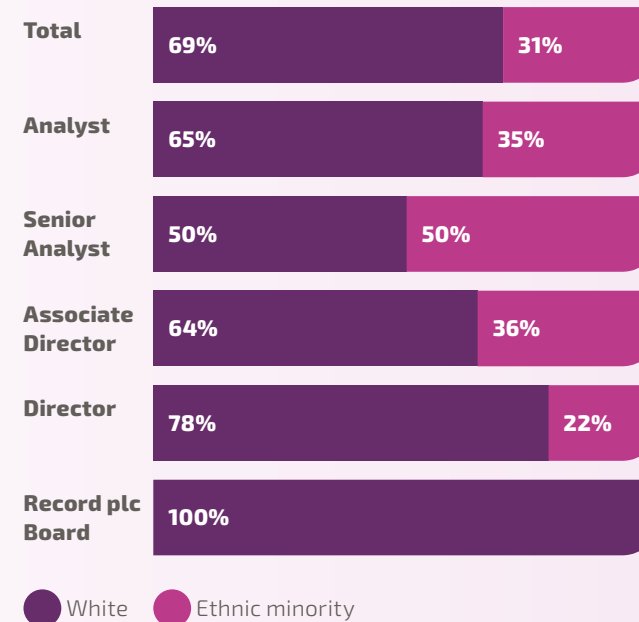
In line with principle two, we publish ethnic minority representation across the business. We have good representation of ethnic minority groups within our business as a whole, and at junior and management levels. However, there is scope for improvement with regard to representation at more senior levels of the business.

We have integrated the Race at Work Charter's principles in our Inclusion and Diversity Action Plan and will work continuously to do better in raising awareness of and breaking down the barriers that ethnic minority groups often face in the workplace.

**The charter has seven principles to improve quality of opportunity:**

- 1 appoint an executive sponsor for race;**
- 2 capture ethnicity data and publicise progress;**
- 3 commit at Board level to zero tolerance of harassment;**
- 4 make equality, diversity and inclusion the responsibility of all leaders and managers;**
- 5 take action that supports black, Asian, mixed race and other ethnically diverse employees' career progression;**
- 6 support race inclusion allies in the workplace; and**
- 7 include black, Asian, mixed race and other ethnically led enterprise owners in supply chain.**

#### Ethnic diversity representation (%)



Ethnic diversity representation (%) as at 31 March 2024. Please note we are unable to publish ethnic diversity data within the five ethnicity categories defined by the UK Government due to General Data Protection Regulation.



## Human rights and modern slavery

We aim to do business in a way that makes the world a better place and respects human rights. Whilst Record has always been committed to upholding internationally recognised human rights laws, this year we formally published a Statement of Human Rights. The statement was published in accordance with internationally recognised human rights standards, including the International Labour Organization's standards and the Universal Declaration of Human Rights. We comply with human rights standards and labour laws of each of the countries we operate in, and we do not tolerate any instances of modern slavery, human trafficking, child labour or any other form of human rights abuse within our organisations.

Read our **Statement of Human Rights**.



### United Nations Global Compact

Record became a signatory to the UN Global Compact in November 2021. The UN Global Compact requires companies to commit to integrating ten corporate responsibility principles, which are aligned with the UN SDGs, in their business operations and strategies. The ten principles cover the areas of human rights, labour, environment and anti-corruption. We align our policies with the UN Global Compact and annually report against their ten principles.

### Modern slavery

Record publishes an annual Modern Slavery and Human Trafficking statement in line with the government regulation under the Modern Slavery Act 2015. The policy outlines the procedures we have in place to identify and prevent modern slavery and human rights violations both in our own operations and in our supply chain. We regularly review our approach to modern slavery to ensure our policy and procedures are in line with best practice.

This year we implemented a contract management platform which allows us to manage all supplier relationships and contractual agreements. All new suppliers are now uploaded to the platform, which requires a modern slavery risk assessment. Our Supplier Code of Conduct is also shared with new suppliers and requires them to adhere to high standards in the areas of human rights, diversity and inclusion, environmental policy and ethical practice. We value our supplier relationships, and we want to work with them collaboratively to promote sustainable best practice within our supply chain.



## Community impact

As a business, we believe that everyone benefits from a more equitable society, and we have a long-standing culture of generosity and community involvement. We work closely with organisations whose values align closely with our own. We aim to help individuals, their families and their communities build a better future for themselves.

### Charitable donations and fundraising

This year we held several fundraising events to raise money for charities and organisations whose mission we believe in. A scheme allowing UK employees to give to charity through the payroll is also offered. Record generously matches the charity donations of its staff, which has bolstered overall contributions to impressive totals.

FY-22

£18.2K

FY-23

£18.4K

FY-24

£28.1K



Thames hospice

### Raffle for Thames Hospice

In September, Record held a raffle to raise money for the Thames Hospice in Berkshire, a local organisation which provides palliative care services to our community for those with life-limiting illnesses. The raffle was to raise awareness of caregivers, many of whom in the UK are unpaid carers who are looking after relatives or friends alongside their full-time jobs. We signposted our Carers Leave Policy, which provides both short-term and long-term leave for those who need to provide full-time care and attention to someone who needs it.



### Hot chocolate stand for The British Red Cross Society

In December, we set up a hot chocolate stand in the London office to raise money for The British Red Cross Society. With so many recent emergencies in the news, from natural disasters to armed conflicts, we wanted to support an organisation providing humanitarian aid and kindness across the world to support vulnerable people.

## Community impact continued

### Volunteering



#### Heathrow Special Needs Centre

In April this year, Record employees spent a day volunteering at Heathrow Special Needs Centre. The centre provides a place where people with special needs and disabilities of all ages can develop important skills, increase confidence and gain a great sense of personal achievement by being in contact with farm animals and rural activities.

Our team at Record spent the day gardening, painting and helping get the farm's front garden area looking ready for the summer months. We also donated £1000 to replace their weathered garden sleeper beds which Record built during our last volunteering day there and are used by their clients to grow fruit and vegetables. We plan to go back next year to help rebuild them.



#### Felix Project

In June, we volunteered at the Felix Project's East London unit where they collect/receive food from over 500 suppliers that would otherwise go to waste, and then sort and deliver the same high-quality and nutritious food to almost 1,000 front-line charities and schools. Our volunteers worked as warehouse assistants, picking orders for charities, sorting food and helping keep the warehouse in order.

Record also ran a fundraising initiative in conjunction, holding a bake sale to celebrate the Coronation of King Charles III, who is also an avid supporter and contributor to the Felix Project. The bake sale raised the equivalent of 2,204 meals to be delivered to individuals in need.



#### The Soup Kitchen

The Soup Kitchen is a charity local to our London office and provides meals, clothing, mental health support, and a strong sense of community for London's most vulnerable people. Record employees teamed up with the charity to take part in their Street Outreach programme which included a four-mile journey through central London to distribute food, drinks, clothes and comfort to rough sleepers.

# Forward- looking sustainability commitments

## What's in this section

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## Forward-looking sustainability commitments

Moving into 2024, our strategic aims are aligned with helping our company adapt to a more sustainable long-term future whilst playing our role in supporting this transition. Numerous ongoing and emerging trends characterise the sustainability landscape, and we have identified three key priorities as we chart our course for the future.

### EMSF Impact

Our commitment to monitoring, measuring, and reporting the impact of the Record EMSF strategy is central to our strategic priorities. We aim to gather comprehensive and accurate data on the environmental and social impacts of our investments through advancing collaboration and engagement with our counterparty banks and portfolio issuers in the development community. Overtime, this will enable us to build a bank of detailed case studies that illustrate the tangible benefits and sustainable outcomes of our initiatives.

### Regulation

The regulatory landscape for sustainability is continuously evolving, and this year has witnessed the ratification of several sustainability disclosure regulations. Taking a proactive approach to align our practices with regulatory changes is at the forefront of our focus. Over the next year, we will evaluate our existing disclosure and reporting mechanisms to ensure unwavering compliance with regulations across all jurisdictions.

As part of this, we aim to implement training for our staff and partners to ensure they are well-informed about new regulations and their implications.

### Integration





While sustainability is already embedded in our business, we aim to improve how it is integrated into all aspects of our decision-making processes. We want the business to actively consider the relationship between sustainability and the various operating and functional units and secure our understanding of the relationship between financial and non-financial, sustainable factors that determine our performance. This integrated approach to thinking will enable us to move away from traditional, separate annual and sustainability reporting to integrated reports that disclose and connect financial, environmental, social, and governance inputs and performance information all in one.

Finally, we will continue to make progress in our core areas of focus: responsible investment, climate action, and our people, and detail our associated targets on the following page.



# Sustainability targets

New targets = Orange

Target	Target year	UN Sustainable Development Goal	FY-24 progress
<b>Responsible investment</b>			
Improve ability to measure the positive social and/or environmental impact of EMSF investments.	Ongoing		Please read our <b>Impact report</b> .
Work with academic researchers and/or the development finance community to develop a new Theory of Change for EMSF	FY-26		New target
<b>Climate action</b>			
Interim target of 55% reduction in greenhouse gas emissions intensity	2030		-24%
Offset 100% of measured greenhouse gas emissions in line with the CarbonNeutral® Protocol	Ongoing		100%
Electronic waste disposed of using certified responsible suppliers	Ongoing	 	New target
<b>Our people</b>			
Complete actions outlined in Inclusion and Diversity Action Plan	Ongoing	 	See pages 48-50.
Improve number of women in senior management positions to 30%	2030	 	22%
40:40:20 representation across the Group, in which 40% of employees are women, 40% men, and 20% flexible across either gender.	2027	 	35% women: 65% men

# Corporate disclosures

## What's in this section

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Task Force on Climate-related Financial Disclosures ("TCFD")	44-45
Sustainability Accounting Standards Board ("SASB") report	46-47
Inclusion and diversity action plan	48-50



## Memberships and affiliations

### 2022



We are a member of the Diversity Project, a cross-company initiative championing a truly diverse, equitable and inclusive UK investment and savings industry.



We are supporters of and report against the Sustainability Accounting Standards Board.



We signed up to the UK's Disability Confident Employer scheme and are committed to removing barriers for disabled people in the workplace.

### 2021



We committed to the UN Global Compact's principles in the areas of human rights, labour, the environment and anti-corruption.



We disclose to the CDP, an organisation that assesses cities and companies on their climate impact and disclosures.



We are a signatory of Insuring Women's Futures' Financial Flexible Working Pledge; the pledge addresses the monetary inequalities resulting from women typically acting as the primary carers for children or other family members.



## Memberships and affiliations continued

### 2020



We are a supporter of and report in line with TCFD recommendations to assess climate risks and opportunities.

### 2018



We have committed to adopting and implementing the United Nations Principles for Responsible Investment, aimed at aligning investment practices with ESG factors.



As members of Swiss Sustainable Finance, we aim to promote sustainability in the Swiss financial market.

### FX GLOBAL CODE

We are committed to a set of global principles of good practice in the foreign exchange market, promoting integrity and its effective functioning.

### 2014



We are members of Investment 2020, an organisation that helps individuals learn about and enter a career in the investment management industry, helping to diversify the talent pool.

### 2007



Since 2007 we have been certified as CarbonNeutral® in accordance with the CarbonNeutral® Protocol, the leading framework for carbon neutrality.

## Greenhouse gas emissions report

Our greenhouse gas (“GHG”) emissions assessment quantifies the GHG emissions produced directly and indirectly from our business activities. This assessment has been carried out in accordance with the World Business Council for Sustainable Development and World Resources Institute’s (“WBCSD/WRI”) Greenhouse Gas Protocol; a Corporate Accounting and Reporting Standard, including the GHG Protocol Scope 2 Guidance. This protocol is considered current best practice for corporate or organisational greenhouse gas emissions reporting. GHG emissions have been reported by the three WBCSD/WRI scopes.

The assessment has been completed by Climate Impact Partners to provide Record with a CarbonNeutral® certification following the purchase of carbon credits to offset our assessed carbon footprint.

**Consolidation approach:** Operational control

**Organisational boundary:** FY-24 operations of Record plc, including:

- Windsor, UK office
- London, UK office
- Frankfurt, Germany office
- Zurich, Switzerland office
- New York employees (no dedicated office)

Category	Definition	Required or recommended for CarbonNeutral® certification	FY-24 (tCO <sub>2</sub> e)
<b>Scope 1</b>			
Direct emissions from Company owned, leased or directly controlled sources that use fossil fuels and/or emit fugitive emissions	Emissions associated with direct combustion of gas	Required	11.4
Direct emissions from owned, leased or directly controlled mobile sources	Emissions associated with direct combustion of fuel for transport purposes	Required	Not applicable
<b>Scope 2</b>			
Emissions from purchased electricity (market based)	A calculation of electricity use based on specific purchase contracts we have made with our energy suppliers	Required	0
Emissions from purchased electricity (location based)	A calculation of electricity use which considers the average emissions intensity of the local power grids where we operate	Required	35.8

## Greenhouse gas emissions report continued

Category	Definition	Required or recommended for CarbonNeutral® certification	FY-24 (tCO <sub>2</sub> e)
<b>Scope 3</b>			
<b>Category 1:</b> Purchased goods and services	Extraction, production and transportation of goods and services purchased or acquired	Recommended	Not assessed
<b>Category 2:</b> Capital goods	Extraction, production and transportation of capital goods purchased or acquired	Recommended	Not assessed
<b>Category 3:</b> Fuel and energy-related activities (not included in Scope 1 or 2)	Upstream emissions associated with purchased electricity	Recommended	8.7
	Upstream emissions associated with purchased fuels	Recommended	2
	Transmission and distribution losses	Required	3
<b>Category 4:</b> Upstream transportation and distribution	Emissions associated with third-party transportation and distribution of purchased products and services	Recommended	0
<b>Category 5:</b> Waste generated in operations	Disposal and treatment of waste generated in operations	Required	1
<b>Category 6:</b> Business travel	Transportation of employees for business-related activities	Required	302
	Emissions arising from hotel accommodation associated with business travel	Recommended	3.9
<b>Category 7:</b> Employee commuting and homeworking	Emissions generated by employees travelling to and from our offices or emissions generated by employee remote working	Required	101
<b>Category 9:</b> Downstream transportation and distribution	Emissions associated with third-party transportation and distribution of sold products	Required	Not applicable
<b>Category 11:</b> Use of sold products	End use of goods and services sold by the reporting company in the reporting year	Recommended	Not applicable
<b>Total GHG emissions in FY-24 for offset (tCO<sub>2</sub>e)</b>		Market-based: 433	Location-based: 469
<b>FY-24 total offset (tCO<sub>2</sub>e)</b>			469

## Task Force on Climate-related Financial Disclosures (“TCFD”)







Recommendations	Current status	Key areas of progress	Page
<b>Governance</b>			
Describe Board-level oversight of climate-related risks and opportunities.	●	<ul style="list-style-type: none"> <li>The Record plc Board is responsible for governing and overseeing the Group's business strategy, and providing oversight, control and monitoring of its operations and risks. As part of this function, the Board oversees climate-related risks and opportunities.</li> <li>Other Board-level Committees have oversight responsibilities for climate-related risks and opportunities.</li> </ul>	See more on pages 7 to 10 of the <b>climate report</b> .
Describe management's role in assessing and managing climate-related risks and opportunities.	●	<ul style="list-style-type: none"> <li>The Board has delegated responsibility for the delivery of the Group's climate change strategy to the Senior Sustainability Office.</li> </ul>	
<b>Strategy</b>			
Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	●	<ul style="list-style-type: none"> <li>We have identified potential climate-related risks and opportunities which may arise over the short, medium and long term, and use this assessment to inform our strategy.</li> </ul>	See more on page 12 to 22 of the <b>climate report</b> .
Describe the impact of these climate-related risks and opportunities on the organisation's business, strategy and financial planning.	●	<ul style="list-style-type: none"> <li>We have undertaken a qualitative climate-scenario analysis using the globally recognised Network for Greening the Financial System (“NGFS”) “Current Policies”, “Net Zero 2050” and “Delayed Transition”.</li> </ul>	
Describe the resilience of the organisation's strategy, taking into account different climate-related scenarios, including a 2°C or lower scenario.	●		

**Key:**

● Compliant

● Partially compliant

## Task Force on Climate-related Financial Disclosures (“TCFD”) continued

Recommendations	Current status	Key areas of progress	Page
<b>Risk management</b>			
Describe the organisation's processes for identifying and assessing climate-related risks.		<ul style="list-style-type: none"> <li>The process of identifying, assessing and managing climate-related risks is embedded into our Group-wide Business Risk Framework, which operates a three lines of defence approach.</li> </ul>	See more on pages 23 to 25 of the <b>climate report</b> .
Describe the organisation's processes for managing climate-related risks strategy and financial planning.		<ul style="list-style-type: none"> <li>Climate-related risks are considered within our existing principal risk categories.</li> </ul>	
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.			
<b>Metrics and targets</b>			
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.		<ul style="list-style-type: none"> <li>We report Scope 1, 2 and 3 GHG emissions and this year provide a more detailed breakdown of Scope 3 emissions.</li> <li>We report progress against emission reduction targets.</li> </ul>	See more on pages 26 to 29 of the <b>climate report</b> .
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (“GHG”) emissions, and the related risks.			
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.			

**Key:**

 Compliant

 Partially compliant

## Sustainability Accounting Standards Board (“SASB”) Index Report

We have aligned our annual reporting against the SASB disclosure framework and have presented in accordance with their standard for Asset Management and Custody Activities.

The SASB index is reported on behalf of Record plc and its subsidiaries. All data in the index is for the financial year ended 31 March 2024.

### Transparent information and fair advice for customers

Code	Accounting metric	Key areas of progress
FN-AC-270a.1	(1) number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings.	There were no covered employees with a current record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings.
FN-AC-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product related information to new and returning customers.	There were no monetary losses as a result of legal proceedings associated with the marketing and communication of financial product related information to new and returning customers.
FN-AC-270a.3	Description of approach to informing customers about products and services.	<p>Please see page 36 in our <b>annual report</b> for a description of how we engage with our clients.</p> <p>Record also provides a wide range of information to clients about our products and services via our public <a href="#">website</a> as well as in page 14 to 19 of our <b>annual report</b>.</p>

### Employee diversity and inclusion

Code	Accounting metric	Key areas of progress
FN-AC-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees.	<p>Please see page 31 in our <b>annual report</b> for Company gender representation and page 32 of this report for Company ethnic representation. We are unable to provide a breakdown of ethnic minority representation into categories due to General Data Protection Regulation (“GDPR”).</p> <p>For more information on our diversity and inclusion policies and practices, please see pages 26 to 32 of this report.</p>

## Sustainability Accounting Standards Board (“SASB”) Index Report continued

### Incorporation of environmental, social and governance factors in investment management and advisory

Code	Accounting metric	Key areas of progress
FN-AC-410a.1	Amount of assets under management, by asset class, that employ (1) integration of environmental, social and governance (“ESG”) issues, (2) sustainability-themed investing, and (3) screening.	Record's Emerging Market Sustainable Finance (“EMSF”) fund is classified as Article 8 under the Sustainable Finance Disclosure Regulation (“SFDR”) and is characterised as promoting social characteristics. The EMSF fund represents a total AUM of c.\$1 billion as at 31 March 2024.
FN-AC-410a.2	Description of approach to incorporation of ESG factors in investment and/or wealth management processes and strategies.	Information on our approach to the incorporation of ESG in our investment activities can be found in our <a href="#">Group Responsible Investment Policy</a> .
FN-AC-410a.3	Description of proxy voting and investee engagement policies and procedures.	Record plc provides an overview of its approach to engagement in its Group Responsible Investment policy, and has individual engagement policies for relevant products.

### Business ethics

Code	Accounting metric	Key areas of progress
FN-AC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations.	There were no monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations.
FN-AC-510a.2	Description of whistleblower policies and procedures.	Record has a strong culture of high ethical standards. Our <a href="#">Whistleblower Policy</a> outlines the procedure for how employees can raise concerns.

## Inclusion and diversity action plan

### Workplace inclusion

We will foster an inclusive culture that encourages acceptance, flexibility and fairness.

FY-24 objective	Progress	
Promote inclusive events to raise awareness of issues faced by underrepresented groups and celebrate achievements.	●	<ul style="list-style-type: none"> <li>Organised several events across the year, including:               <ul style="list-style-type: none"> <li>– 16 social events</li> <li>– Six I&amp;D awareness events</li> <li>– Five fundraising initiatives</li> <li>– Three corporate volunteering days</li> </ul> </li> </ul>
Expand initiatives to support all underrepresented groups, ensuring our focus is wider than only gender and ethnicity.	●	<ul style="list-style-type: none"> <li>Celebrated Pride Month in support of the LGBTQ+ community, organising a Pride-themed walking tour of London.</li> <li>“Neurodiversity in the Workplace” session held in partnership with The Brain Charity.</li> <li>British Sign Language (“BSL”) taster session with a focus on how to support deaf people in the workplace.</li> </ul>

### Diversity in recruitment

Ensure our talent pools and recruitment process promotes the hiring of diverse candidates.

FY-24 objective	Progress	
Talk to local state schools to build awareness around the asset management industry and opportunities at Record.	●	<ul style="list-style-type: none"> <li>We engaged with Investment 2020 to find a local partner school. We have not yet found a partner school but continue to have conversations.</li> <li>We are in the process of organising an Insight Day in partnership with Investment 2020 for June 2024.</li> </ul>
Communicate our goal to increase diversity to any agency or university we recruit with.	●	<ul style="list-style-type: none"> <li>Re-engaged with recruitment agencies on requirement of diverse applicant CVs.</li> <li>Introduced diversity data collection process for CVs that come through recruitment agencies (previously only collected for in-house recruitment process).</li> </ul>
Continue to measure diversity of applicant pools.	●	<ul style="list-style-type: none"> <li>Diversity of applications across the year reviewed annually.</li> </ul>

#### Key:

● Achieved

● In progress



● Providing a challenge



## Inclusion and diversity action plan continued

### Diversity in development and progression

Identify and break down barriers to progression, ensuring everyone receives equal opportunities to fulfil their potential.

FY-24 objective	Progress	
<p>Conduct benchmarking analysis on peer company policies and speak to relevant employees to review the need to improve Record's Paternity Leave Policy.</p>		<ul style="list-style-type: none"> <li>HR undertook the assessment and updated our Paternity Leave Policy from two weeks' to six weeks' enhanced paternity leave with full pay.</li> </ul>
<p>Investigate interest in a formal mentoring programme.</p>		<ul style="list-style-type: none"> <li>We continue to partner with Advancing Women Executives ("AWE") to run an accelerator programme for mid-level women at Record, which we offer to all new female Associate Directors. The programme provides specific training and networking opportunities which are critical for career advancement and promoting the succession of women. Mentoring discussions are taken up with employees after the AWE training but no formal programme has been put in place yet. Going forward, we aim to engage with the Company about the benefits of mentoring to encourage interest and ensure uptake.</li> </ul>

**Key:**

 Achieved

 In progress

 Providing a challenge

## Inclusion and diversity action plan continued

### Sustainability and accountability

Embed inclusion and diversity in Record's culture and equip leaders with the ability to manage diversity and be accountable for the results.

FY-24 objective	Progress	
Monitor and publish progress against inclusion and diversity goals outlined in this plan.	●	<ul style="list-style-type: none"> <li>Progress towards objectives reported in the annual Sustainability Report.</li> <li>Workforce demographics on gender and ethnicity published.</li> </ul>
Utilise memberships with organisations who provide resources and tools to help companies reach inclusion and diversity goals.	●	<ul style="list-style-type: none"> <li>I&amp;D Network members regularly join Diversity Project meetings for SME firms.</li> <li>I&amp;D Network members regularly engage with other SME firms on the Diversity Project forum group to share insights and ideas.</li> </ul>
Encourage engagement with Inclusion and Diversity ("I&D") Network.	●	<ul style="list-style-type: none"> <li>Began producing a monthly newsletter to provide regular Company updates on what the I&amp;D Network is doing.</li> <li>Employees outside of the I&amp;D Network took active roles in several events and campaigns. For instance, for Stress Awareness Month senior management sent out their top tips for managing stress and preventing burnout to the Company.</li> </ul>
Communicate effectively and frequently to the Company the importance we place on inclusion and diversity.	●	<ul style="list-style-type: none"> <li>I&amp;D Action Plan published on our website.</li> <li>I&amp;D Network and our goals are communicated to all new joiners during their induction.</li> <li>I&amp;D Action Plan signposted during communications for events, socials and other related initiatives.</li> </ul>

#### Key:

● Achieved

● In progress

● Providing a challenge

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