

Impact Report 2021/22



Introduction

In 2021 we agreed as a team to 'live lagom'. That's Swedish for balance - 'not too much or too little'. For us it means a real drive to make a difference far beyond delivering for clients and the bottom line.

I grew up in Sweden and it's fair to say that the concept of 'lagom' back then was often used as short for something that lacked ambition.

Today, 'lagom' is anything but. Businesses, organisations and governments across the world are battling with how to find a better balance between people, planet and profit.

The journey

As we started exploring this further, we found that we had more questions than answers.

- Can we 'do good' without losing commercial credibility?
- Can you even 'do good' in marketing?
- What possible impact can our small team have on the HUGE challenges the world is facing?
- And where the hell do we start?!?

We needed a framework to understand where we were and what we wanted to achieve. So, we submitted our B Corp Impact Assessment. Now we're very proud to be fully 'certified'. In parallel, we committed to '1% for the Planet' - donating a minimum of 1% of our annual sales to charities that are working to protect our planet.

Here, we discovered the wonderful <u>Carbon</u>
<u>Literacy Project</u> (CLP) right on our doorstep.

A global education initiative recognised by the UN as a 'Transformative Action Program' - here in Manchester.

An industry first

CLP helped us understand what's happening to our climate and what we can do.

I'm hugely proud to say that we developed the first carbon literacy course for sales & marketing teams in the built environment in September 2022.

And trained 36 people in three months across five cohorts including the Hattrick team.

As I look back at 2021 and 2022, I can't quite believe how far we've come in a short space of time; how much we've learnt as a team and an organisation.

And I'm immensely proud of the impact we're making already. 'Living lagom' loud and proud.

Malin Cunningham, Founder and MD





Our purpose:

To build an agency where teams & clients thrive and make an impact - for good.

2022 highlights

- ★ Submitted our B Corp application we were certified in April 2023!
 - o Calculated our total carbon footprint incl scope 3
 - o Rolled-out private healthcare provision for everyone in the company
 - o Produced our first environmental impact policy
 - o Created a staff handbook incl code of ethics, equality and whistleblowing policy
- ★ Launched an environmental impact business arm
 - Developed the first accredited Carbon Literacy Course for sales and marketing teams in the built environment
 - o Educated the whole Hattrick team; we're all Carbon Literate
 - Trained 30 clients & individuals in the built environment with an estimated emissions reduction of 5.06 tCO2e p (details of calculation on p. 6)
- ★ Donated 3.5% of our total sales* to the Carbon Literacy Project as part of our continued commitment to 1% for the Planet
 - 9.5 days worth of volunteering for environmental causes
- ★ Started building our network by joining the Alliance for Sustainable Building Products and the Better Business Network
- ★ Committed to fight greenwash & use our marketing skills for good and signed-up to the Sustainable Marketing Manifesto

*includes financial donation and total volunteering hours



Marketing as a driver for change

Increasingly organisations recognise that to be commercially successful they have to be 'purpose-led'.

As a team, we have supported businesses with their sustainability and diversity & inclusion messaging and campaigns for over a decade.

And this is where we can make the greatest impact; in our role as consultants and marketeers. We take this responsibility very seriously.

In 42% of cases, green claims were exaggerated, false, or deceptive.

European Commission study 2021

Our commitment

We are dedicated to using our professional skills for good and are proud signatories of the <u>Sustainable Marketina Manifesto</u>.

We believe that this is key to unlocking real change and urgency. Practically this means:

- Educate ourselves, our clients and wider network on what is happening to the climate and why
- Use our knowledge to encourage and support clients in their sustainability efforts
- Communicate transparently in ways that help drive change
- Actively call out greenwash and green hush
- Collaborate with like minded businesses and organisations to help drive change





Climate, gender equality & education

We use the <u>UN sustainable development goals</u> (SDGs) as a framework for setting our targets and have chosen the following three as the most relevant to focus our efforts; Climate Action, Gender Equality and Education.

Climate action - take urgent action to combat climate change and its impacts.

We specialise in supporting businesses in technical and trade sectors including those in the built environment. The built environment contributes over 40% to global carbon emissions, which presents a huge opportunity for us to make a real difference.

We're committed to driving this by:

- Continually educating clients on their role in protecting the environment - and why it matters
- Advising and supporting them in how to communicate about their efforts transparently
- Declining work with organisations that are not interested nor willing to progress

Gender equality - achieve gender equality and empower all women and girls.

One of the greatest challenges for women to progress in the workplace is their disproportionate responsibility for childcare and the lack of flexibility in the workplace. According to the UN, over 100 million women aged 25-54 years with small children at home were out of the workforce globally (2020).

We're committed to:

- Provide a Scandi 'low-hierarchy' organisational structure that encourages collaboration to allow everyone to thrive
- Offer part-time and genuine flexibility for all employees to encourage women with children to continue to contribute to the world of work
- Pay everyone a living wage
- Apply all policies and benefits equally across the whole team regardless of role and number of working hours
- Support female-owned and run businesses
- Mentor young women from underrepresented groups to help them build a career in our fantastic industry

Education - ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

We believe in the power of life-long learning to unlock business success and opportunities for all-not the least women.

Curiosity sits at the heart of Hattrick and our hero value is 'seek beyond the obvious'; don't take things at face value, drill deeper, challenge conventions and go further.

As marketeers in a world where information is so readily available, but where it's increasingly difficult to separate fact from fiction, we're passionate about instilling a culture of personal development, accountability and critical thinking.

We're committed to:

- A dedicated individual CPD programme and training budget for all, regardless of contract
- 'Seeking beyond the obvious' drill deeper and go further for ourselves and our clients
- Regular lunch & learn sessions to share insights across the team

"I'd highly recommend this carbon literacy course for any comms people in construction.

"I'm finding it useful for clearing the fog of the climate emergency & emotive media out there"

Debbie Mauger, social media manager Alliance for Sustainable Building Products



Setting targets & tracking progress

2021/22 was all about getting started and understanding where we were at as an organisation:

- → What it takes to be a purpose-led business
- → How we are fairing as an organisation
- → What we need to do to perform better

Climate action

2022 was the year when many people in the UK experienced the full force of climate change.

It was the hottest year on record with summer temperatures exceeding 40 degrees for the first time.

That really helped sharpen our minds and we took action in a number of different ways - see table below.

Environmental impact

This is what we found in the exploratory phase:

- Our carbon footprint is relatively low
- We have limited ability to impact due to our lease
- Hybrid working
 - o The office is now too big for our needs
 - Our lease is up early 2024; opportunity for change
 - Working from home we need a separate environmental policy

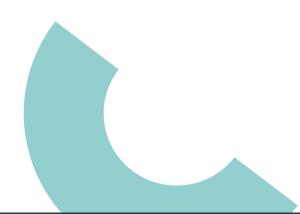




Hattrick 2021/22 environmental impact data

Area	Data	Comparative data	Description	
Total energy use office	5,173kwh 100% renewable energy	N/A	To power the office between 21/12/20-14/12/21 Based on Urban Splash information share	
Scope 1	0 tCO ₂ e p/year	N/A	No manufacturing, or production on site - 2021	
Scope 2	1.1 tCO₂e p/year	N/A	Gas and electricity to heat the office and power laptops, electrical equipment and lights - 2021	
Scope 3	31.66 tCO ₂ e p/year	N/A	Bought equipment incl laptops, financial and other professional support services Various digital subscriptions Leased a car and printer All in 2021	
Building energy performance	Energy efficiency rating: 36	Newly built: 24 Typical of existing stock: 69	Heating fuel: natural gas - in 2021	
Building emission rate	24.91 kgCO2/m2 per year	N/A	Based on Urban Splash information share	
Waste	499.25 kg mixed waste/year 100% diverted from landfill 30% recycled 70% waste as fuel	N/A	As reported by Urban Splash environmental report for 26, Exchange Quay in Manchester between 06/21-05/22 Total waste collected for the building: 3,994kg Assumed Hattrick is responsible for 1/8 of this	
Carbon Literacy pledges impact	Reduction of UK emissions of: 5.06 tCO ₂ e p/year*	N/A	06/22-12/22 26 businesses participated 36 people trained incl Hattrick team 27 were certified**	
	*Calculation 27 people made 2 x pledges: 2x low impact, 32 x medium impact, 17 x high impact = $20,220$ kg CO ₂ e We have assumed that only 25% of this reduction was realised in 2022 making it $5,055$ kg CO ₂ e or 5.06 tCO ₂ e **A number of participants delayed their submission to 2022			







Climate change targets

2021/22 targets	2023 targets
 ✓ Calculate and track Hattrick's carbon footprint and environmental impact ✓ The target was to donate 1% of our sales to the Carbon Literacy Project - we achieved 3.5% ✓ Develop and roll out our environmental policy including a working from home policy ✓ Develop our own Carbon Literacy course ✓ The target was to train 33 people in Carbon Literacy - we trained 36* ✓ Every team member to be 'Carbon Literate' ✓ Each team member to calculate their carbon footprint and set targets to reduce these as part of their carbon literacy pledges ✓ Calculate and set a starting point for working with local suppliers - current figure is 51.2% of our spend ✓ Develop our first publicly available business impact report with targets for 2023 (rolled this out in 2023) 	 ✓ Publish our business impact report with targets for 2023 ☐ Create a more detailed plan for reducing our impact ☐ Reduce our carbon footprint by 20% ☐ All new starters to have the 'Carbon Literacy training' ☐ Train 200 people in Carbon Literacy ☐ Deliver 4 x additional external learning sessions on environmental issues ☐ The whole team to deliver on their environmental pledges ☐ Create and distribute a formal assessment for suppliers ref environmental stewardship and policy. Set target for 2024 ☐ Increase our spend with local suppliers to 60% from 51.2%

Gender equality targets

2022 targets	2023 targets			
 ✓ 37% of our suppliers are female owned ✓ Rollout private healthcare support to all employees ✓ Include diversity and inclusion criteria in all our recruitment processes 	☐ Increase the number of suppliers with diverse ownership (women, individuals with recognised D&I protected characteristics) to 50% ☐ Create and distribute a formal assessment for suppliers ref gender ownership and equality policy ☐ Publish our policy for prioritising minority-led suppliers			

Education targets

2022 actions	2023 targets
 ✓ The whole team became 'Carbon Literate' ✓ CPD training tracker put in place ✓ 64 days of training across the team* 	4 CPD hours each per month as part of 'Rocks' All new employees become Carbon Literate Become a Carbon Literate organisation 6 team-led lunchtime learning sessions 1 quarterly external team learning session 1 dedicated individual course

^{*}Just over a quarter of this (16.8 days) was the carbon literacy course and associated learning for the entire team. Additional learning required to develop our own carbon literacy course accounted for and additional half of the time at 35 days



^{*}Malin Cunningham's carbon literacy group pledge was to educate 100 people in a year. The first course was delivered in September: 4 x 8.3 people = 33.3. An even more ambitious target has been set for 2023.