



GROWING SUSTAINABLY TOGETHER.

AAB GROUP ESG IMPACT REPORT

1 APRIL 2022 – 31 MARCH 2023



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HEAD OF ESG

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LIFE AT AAB IS ALL
ABOUT **THE BIGGER
PICTURE**, NOT JUST
THE END RESULT.



A MESSAGE FROM OUR HEAD OF ESG.

Welcome to our annual ESG Impact Report for the financial year ending 31 March 2023. AAB Group is a forward-thinking and ethically minded business. Supporting people and our communities forms part of who we are, and is strongly embedded in our organisation through our dedication to training, development and charitable initiatives. We are eager to maintain this as a core element of our culture as we continue to experience growth across the Group.

Through our continued engagement and involvement with our extensive education networks, we are committed to championing local people by supporting them through education, training and talent development programmes. Giving back to our local communities through charitable initiatives is a fundamental part of our culture at AAB Group, we strive to make a meaningful impact to those that need it most.

In the last few years, we have moved environmental issues higher up our agenda. We have increased the scope of our work towards supporting greater environmental awareness and minimising our environmental impact. We are focused on reducing our impact through everyday operations and extending this throughout our value chain by starting to work with our clients and the businesses we work alongside on their own sustainability journeys.

Following on from the last year's ESG assessment and report, we have continued to work with independent consultants to assess and score AAB Group across a wide range of ESG metrics. This has highlighted areas where we are strong and others where we are able to add value to the Group. As a result of this work, we now have an updated action plan for the year ahead.

The year 2022/23 was a very busy period for AAB Group where we continued to grow through our M&A strategy. The rate of growth and subsequent business integration during the year meant that we were unable to complete important tasks such as supply chain engagement and independent verification of our data. Gathering and verifying ESG data from new entities who joined the Group was also a challenge for us. We anticipate that this will continue to be a challenge in the year ahead, although with our engaged and passionate ESG team structure spanning all offices in the Group, we are confident in our ability to support each other in tackling ESG challenges and delivering continuous improvement.

In recent years, there have been many social and environmental challenges that have come to the forefront of our attention as a business. We are working hard to support change throughout our organisation, to support our people and communities and minimise the impact we have on the environment. Therefore, I am proud to share with you our second ESG report, highlighting the progress we have made this year and areas of future focus.

Sincerely,

Alasdair Green, Partner and Head of ESG



Alasdair Green,
Partner and Head of ESG



**WE ARE WORKING
HARD TO SUPPORT
CHANGE THROUGHOUT
OUR ORGANISATION,
TO SUPPORT
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MINIMISE THE IMPACT
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ENVIRONMENT.**

ABOUT US

AAB Group (AAB) is a tech-enabled business critical services group providing audit and accounting, tax, payroll and HR, and outsourcing and advisory solutions globally from offices throughout the UK and Ireland, and in Michigan, USA. Our depth of capability, experience, and resources enables us to work with clients through every phase of business from start-up to exit.

AAB is a member of Accelerate, an alliance member of top accounting network Crowe Global, and is the Scottish member firm of The International Accounting Group (TIAG).

A growing organisation, AAB Group is today comprised of more than 1,000 people in 12 offices (an increase from over 700 people in 10 offices during the reporting year). During the financial year to 31 March 2023, five M&A transactions brought the addition of the all-Ireland accountancy and tax firm FPM, and the acquisition of Charlton House (specialist customs duty), Think People Consulting Ltd (HR services), May Figures (Science & technology tax advisors), Kilkee Financial Services (financial planning) and Dominion Systems Inc (US payroll software). The Group will continue to grow through delivering its M&A strategy in the financial year 1 April 2023 to 31 March 2024.

Our team of experienced industry professionals specialise in delivering services to SMEs and multinational clients across many key economic sectors including energy, technology, industrial, food & drink, leisure, retail & hospitality, business services, construction & property, public sector, not-for-profit, and family businesses.

Our environmental, social, and governance (ESG) impact was re-evaluated in the financial year, 1 April 2022 to 31 March 2023.



**A GROWING ORGANISATION,
AAB GROUP IS TODAY
COMPRISED OF MORE THAN
1,000 PEOPLE IN 12 OFFICES.**

AAB

AAB PEOPLE

AABIE
CHARITABLE INITIATIVE

Think People
AN AAB GROUP COMPANY

AAB [wealth]

FPM
AN AAB GROUP COMPANY

AAB | JOHN F DALY

MAY FIGURES LTD
AN AAB GROUP COMPANY

AABCONSULTING

sagars
AN AAB GROUP COMPANY

SeeHearSpeakUp
AN AAB GROUP COMPANY

AAB
GROUP

AAB GROUP VALUES

At AAB Group we have six values that all team members can live by. Over the past year, led by Chief People Officer Mark Perry, the leadership team have been sharing examples of how they or other team members have been seen to be 'living the values' in their role.

In November, a group of our Edinburgh team members exemplified our fifth value – We are active members of our local and global community – by using their volunteering day to support Cash for Kids Mission Christmas by helping pack parcels for 655 children to wake up to on Christmas morning. Lauren Morrison shared “It was a very heart-warming experience and teamwork makes the dream work. Definitely one for next year to get involved in and spread the joy to those who need it most.”



NOTHING IS MORE IMPORTANT THAN OUR PEOPLE.

We are continually striving to provide our team with unmatched opportunities. We care and our starting point is compassion.

CLIENTS ARE OUR PASSION.

Our purpose is to help clients to achieve their goals and sleep at night. We relentlessly pursue this purpose.

COLLABORATION IS OUR SUPERPOWER.

When we work together, there is no better team. We seek out opportunities to collaborate.

WE RESPECT AND TRUST EACH OTHER.

It is our range of skills, backgrounds, interests, and approaches that makes us strong. We challenge our assumptions, welcome different perspectives, and celebrate variety.

WE ARE ACTIVE MEMBERS OF OUR LOCAL AND GLOBAL COMMUNITY.

We play our role – do what we can to learn and teach, preserve and develop, challenge and nurture.

WE HAVE AN ETHOS OF POSITIVITY, ENTHUSIASM, AND FUN.

If we are not sharing a laugh, we are not working hard enough!

OUR ESG HIGHLIGHTS FOR 2022-2023

ENVIRONMENTAL:



CALCULATED OUR CARBON EMISSIONS FOR SCOPE 1, 2 AND PARTIAL 3 FOR 2022-2023

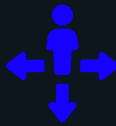
DISCOVERED HOW MUCH OUR DAY-TO-DAY COMMUTING CONTRIBUTES TO OUR OVERALL CARBON FOOTPRINT, VIA A TEAM MEMBER SURVEY WHICH EXPLORES HOW TEAM MEMBERS GET TO AND FROM WORK



WORKED WITH OUR LANDLORDS TO GATHER GROUP WASTE DATA

GOVERNANCE:

APPOINTED ESG CHAMPIONS IN EACH OFFICE TO COLLABORATE IN EMBEDDING ESG ACROSS THE ORGANISATION



ESTABLISHED A GROUP-WIDE ESG FRAMEWORK ACROSS ALL OFFICES INCLUDING LOCAL TEAMS WHO MEET MONTHLY AND A GROUP ESG COMMITTEE WHO MEET QUARTERLY

SET UP A QUARTERLY ESG REPORTING PROGRAMME THAT FEEDS INTO THE BOARD WHERE IT IS AN AGENDA ITEM FOR REVIEW AND DISCUSSION



SOCIAL:



COLLECTED DEMOGRAPHIC DATA TO SUPPORT OUR D&I INITIATIVES – THIS HELPS US TO UNDERSTAND OUR TEAM MAKE-UP, IDENTIFY ANY DEMOGRAPHIC DISPARITIES, AND DEVELOP SOLUTIONS TO CLOSE THESE GAPS

CREATED TWO TEAM MEMBER RESOURCE GROUPS – SPECIALIST WORKING GROUPS FOR COLLEAGUES – TO EXPLORE WORKPLACE ISSUES RELATING TO LGBTQ+ AND WORKING FAMILIES



OUR CHARITABLE CONNECTIONS EXCEEDED 100 THIS YEAR, SURPASSING OUR ORIGINAL TARGET OF 50, THROUGH FUNDRAISING AND VOLUNTEERING ACTIVITIES IN ADDITION TO DONATIONS FROM AABIE



WITHIN THIS YEAR'S REPORT, WE HAVE SET CLEAR GOALS TO MANAGE OUR IMPACT AND ACHIEVE HIGH ESG PERFORMANCE ACROSS OUR BUSINESS IN THE FUTURE.

OUR AIMS FOR 2023-2024

ENVIRONMENT

Much of the focus this year has been working hard to engage with our landlords to ensure accurate and reliable environmental data that can be used as a platform for reduction initiatives to minimise our impact in the future.

Our key environmental aims for 2023-24 are:

REVIEWING OUR ENERGY CONTRACTS ACROSS ALL OFFICES WITH AMBITIONS TOWARDS PROCURING RENEWABLE ENERGY ACROSS ALL OF OUR GROUP SITES WHERE FEASIBLE

COMPLETING ENERGY SURVEYS ACROSS A REPRESENTATIVE NUMBER OF OUR SITES



USING ENERGY, WASTE AND WATER DATA TO DRIVE REDUCTION EFFICIENCY AND TOTAL REDUCTION EFFORTS



COMPLETING AN INDEPENDENTLY-VERIFIED CARBON ASSESSMENT OF OUR SCOPE 1, 2 & 3 EMISSIONS

SOCIAL

This year we focused on growing our diversity and inclusion programme through the collection of D&I data and the creation of additional team member groups to ensure everyone's voice is heard.

Through AABIE, our charitable initiative, we are proud of achieving over 100 meaningful connections with various charities, double our target of 50 set in the previous reporting year.

Our key social aims for 2023-24 are:

USING A DATA DRIVEN APPROACH TO REALISE OUR SOCIAL GOALS. THIS WILL INCLUDE UNDERSTANDING THE TRAINING AND DEVELOPMENT NEEDS OF OUR TEAM MEMBERS, ANALYSING TEAM MEMBER DEMOGRAPHIC DATA WE HAVE COLLECTED AND UNDERSTANDING THE WELLBEING OF OUR TEAM MEMBERS



FURTHER ESTABLISHING AWARENESS AND UNDERSTANDING OF D&I THROUGHOUT THE LEADERSHIP TEAM AND ACROSS THE COMPANY, SUPPORTED BY ANALYSIS OF DATA COLLECTED ACROSS THE GROUP AND COLLEAGUE FEEDBACK

PUBLISHING AN UPDATED GENDER PAY GAP REPORT



ENGAGING WITH OUR SUPPLY CHAIN AND ENSURING FURTHER ALIGNMENT TO AAB GROUP'S ESG STRATEGY

COMPLETING A NEW TEAM MEMBER ENGAGEMENT SURVEY ACROSS THE WHOLE GROUP



GOVERNANCE

Good governance ensures that our policies and our risk reporting processes meet all statutory requirements, are up to date, fit for purpose, and cover the entirety of the business.

Our key governance aims for 2023-24 are:

WORKING TOWARDS GREATER BOARD DIVERSITY, WE AIM TO INTRODUCE GUIDELINES AND PROCEDURES FOR A NOMINATIONS COMMITTEE TO FOLLOW



ENSURING POLICIES, PROCEDURES AND REPORTING PROCESSES REMAIN RELEVANT, CONSISTENT AND ALIGNED ACROSS OUR GROUP AS WE CONTINUE TO GROW




WE SUPPORT THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Developed by the United Nations, the Sustainable Development Goals (SDGs) are 17 overarching goals that are designed to be a “blueprint for achieving a better and more sustainable future for all.” To support this framework, we have selected three SDGs that we feel most closely align with our operations, as well as with our vision and values. We have highlighted our related actions and commitments alongside each Goal.



OUR SDG GOALS

To support this framework, we have selected three SDGs that we feel most closely align with our operations, as well as with our vision and values. We have highlighted our related actions and commitments alongside each Goal.

UN SUSTAINABLE DEVELOPMENT GOAL	UN INDICATORS	OUR CONTRIBUTION
 <p>4 QUALITY EDUCATION</p>	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	<p>We provide a large range of programmes and qualifications which we support our colleagues to access, including coaching and mentoring, supervisory and leadership training, and accredited professional qualifications.</p> <p>We have been recognised by Developing the Young Workforce for our range of apprenticeships, internships, and work and learning opportunities for young people from diverse backgrounds.</p>
 <p>10 REDUCED INEQUALITIES</p>	Reduce inequality within and among countries	<p>Our charitable initiative has raised over £200,000 since 2016 and supports a wide range of charities through fundraising and volunteering. Our colleagues are at the heart of our fundraising initiatives, and AAB Group frequently tops up their charitable donations.</p> <p>All team members are entitled to one paid day of volunteering per annum, and we encourage take-up through group volunteering days.</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	Ensure sustainable consumption and production patterns	<p>Our Green Team has led an initiative to reduce waste and improve recycling across the organisation. Started from the Aberdeen office, recent work has involved installing Environmental Champions across the Group, engaging with landlords and collecting waste data.</p>

ENVIRONMENT.

We have built on our work developed in previous years to create a strong foundation to minimise our environmental impact. We have now established a Group-wide ESG framework across all offices in our growing organisation. A considerable focus has been to ensure that we are collecting more accurate and comprehensive environmental data across all our sites. We have achieved this with the implementation of Environmental Champions across all our sites to collaborate on embedding tackling environmental issues across the organisation.



OUR GREEN TEAM.

The Green Team engages with our colleagues, suppliers, and clients on our approach to environmental management. This dedicated team of AAB Group colleagues are ambassadors for responsible environmental behaviours and meet regularly and report to AAB Group's leadership team.

The Team's main objectives are to ensure greater participation and involvement across the Group on environmental issues, creating knowledge sharing and collaboration. This is of increasing importance as we continue to grow as an organisation, across our different teams and through the development and maturity of our ESG programme.

ENVIRONMENTAL MANAGEMENT POLICY

Our Environmental Management Policy ensures AAB Group's environmental objectives are transparent to all team members. This details our key goals and strategy across the Group to reduce our environmental impact.

THE GREEN TEAM'S OBJECTIVES:

		EXCEED THE REQUIREMENTS OF CURRENT ENVIRONMENTAL LEGISLATION AND CODES OF PRACTICE
		MINIMISE WASTE AND REUSE OR RECYCLE AS MUCH OF IT AS POSSIBLE
		BRING OUR WASTE RECYCLING STANDARDS AND PERFORMANCE UP TO A HIGH LEVEL ACROSS ALL OFFICES
		MAXIMISE THE EFFICIENT USE OF MATERIALS AND RESOURCES
		MINIMISE ENERGY AND WATER USAGE IN BUILDINGS AND PROCESSES
		ENSURE TRAVEL METHODS ARE THE MOST ENVIRONMENTALLY FRIENDLY OPTIONS AVAILABLE
		APPLY THE PRINCIPLES OF CONTINUOUS IMPROVEMENT IN RESPECT OF AIR, WATER, NOISE, AND LIGHT POLLUTION FROM OUR PREMISES
		AS OFTEN AS POSSIBLE, USE PRODUCTS AND SERVICES THAT DO THE LEAST DAMAGE TO THE ENVIRONMENT AND ENCOURAGE OTHERS TO DO THE SAME
		PROVIDE TRAINING FOR COLLEAGUES SO THAT WE ALL WORK IN ACCORDANCE WITH THESE AIMS AND CREATE AN ENVIRONMENTALLY AWARE CULTURE
		INCREASE TEAM ENGAGEMENT IN ALL OFFICES
		ENSURE THAT ENVIRONMENTAL FACTORS ARE CONSIDERED DURING PLANNING AND IMPLEMENTATION OF NEW PRODUCTS AND SERVICES

ENERGY.

Our Environmental Champions across all office locations have worked with our landlords to gather Group energy usage data. The frequency of our energy data collected across the Group varies from detailed monthly frequency in some of our offices to quarterly or not at all at other locations. In Edinburgh and London, our estimates are based on office size. With high energy prices and the impact on the climate, we are keen to increase the frequency of reporting, so that we are able to quickly identify high energy usage across all locations, and how this differs throughout the seasons. This will allow us to set reduction targets and work to reducing our overall energy use and environmental impact.



OFFICE	AVERAGE TEAM MEMBER NUMBERS TO 31 MARCH 2023	ANNUAL ELECTRICITY PROJECTED TO 31 MARCH 2023 (ESTIMATE, MWH)	SOURCE OF DATA
Aberdeen	279	561	Monthly invoice
Edinburgh	85	15	Office floorplan (200 sq m)
Glasgow	79	110	Monthly invoice
Leeds	118	111	Monthly invoice
Belfast	23	27	Quarterly invoice
Newry	52	37	Monthly invoice
Dublin	17	21	Bimonthly invoice
Mallusk	14	12	Quarterly invoice
Dungannon	16	13	Quarterly invoice
London	20	12	Office floorplan (160 sq m.)

OUR KEY ACTIONS FOR THE UPCOMING YEAR INCLUDE:

- UNDERTAKING AT LEAST TWO ONSITE SURVEYS TO IDENTIFY ANY ENERGY SAVING OPPORTUNITIES
- REVIEWING ENERGY CONTRACTS WITH OUR LANDLORDS TO ENCOURAGE THAT NEW ENERGY CONTRACTS USE RENEWABLE SOURCES WHERE FEASIBLE
- INVESTIGATING THE POTENTIAL FOR ONSITE RENEWABLE SOURCES OF ENERGY AT EACH OF OUR SITES

Our Aberdeen premises is an environmentally managed office space, with half-hourly meters allowing us to track and monitor energy consumption providing greater accuracy of our energy use. This is important as Aberdeen consumes nearly two thirds of our total energy requirements, so it is important to us that it uses at least 15% less energy than a standard building, thanks to modern building design innovations:

- Heating and cooling are centrally controlled via a building management system (BMS)
- Presence detection lighting is used throughout the building
- Open plan areas have a lux sensor meaning lights dim to compensate for daylight hours
- External lighting is on a timer with a photocell which detects levels of light
- The building is rated 'Very Good' by the sustainability assessment framework BREEAM and is also rated as EPC B+

TRANSPORT.

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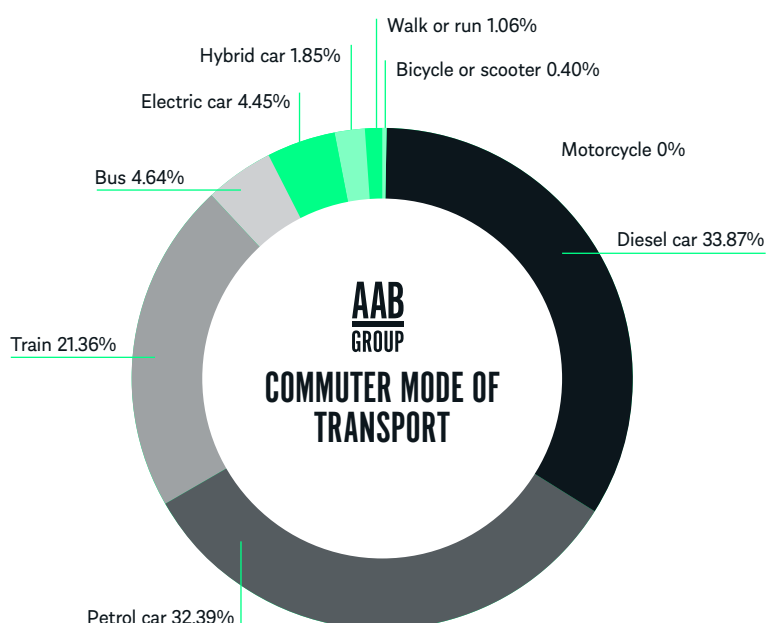
WE RECOGNISE THAT MANY OF OUR CLIENTS VALUE IN-PERSON MEETINGS AND WE VIEW THIS AS AN ESSENTIAL ASPECT OF OUR CLIENT CARE AND PARTNERSHIP BUILDING.

This year we have conducted a travel survey to accurately calculate our carbon emissions. This helped us understand our total miles per week across all transport methods which came to 47,983 miles and estimate the total per year of 2,045,871 miles, assuming the reported average of 3 days commuting per week. This survey also highlighted the most common commuter transport methods and reported petrol and diesel cars by their engine capacity.

The survey has helped us understand sentiment towards transitioning to Electric Vehicles (EVs). The main factor is the cost of EVs. Fortunately cost is projected to decrease over the coming years and so EV uptake is likely to follow suit.

We recognise that many of our clients value in-person meetings and we view this as an essential aspect of our client care and partnership building. However, as part of our Environmental Management Policy, we encourage the use of public transport wherever possible and always encourage our people to think about the necessity of a face-to-face meetings rather than using a virtual call. When it comes to internal meetings, we encourage using video conferencing to reduce travel mileage and carbon.

AAB Group has historically only had one company vehicle, used for quick deliveries and for team members to book as needed, so our mileage is very low. We do not plan to renew the lease on this vehicle in the next financial year due to decreasing usage.



OUR JOURNEY TO NET ZERO.

AAB GROUP	01/04/2022 – 31/03/2023	
	tCO ₂ e	%
Scope 1	102.47	14%
Scope 2	180.84	24%
Scope 1 & 2	283.30	38%
Scope 3 (Partial)	457.49	62%
Total Carbon footprint	740.79	100%

Carbon footprint helps us understand the major emissions areas of our business. To calculate it, we included Scope 1, Scope 2, and partial Scope 3 emissions, including:

- Scope 1 – Carbon emitted from gas usage at each of our sites or estimates based on office size and fuel consumption of our company-leased vehicle
- Scope 2 – Carbon emitted from electricity usage at each of our sites or estimates based on office size
- Scope 3 – Carbon emitted from our team members' personal cars for commuter travel (this is just one of the 15 categories of carbon emissions to be found in Scope 3)

Through this calculation our carbon emissions for the year were found to be 740 tCO₂e.

In the next year we will be aiming to extend our carbon emission calculations by adding business travel, purchased goods and services, and accurate waste data (all Scope 3).

Following the compilation of our Group Scope 1 & 2 carbon emissions data for FY 2022/23 and the verification of its calculation, the board opted to invest in a UK based carbon reduction and biodiversity project. This investment has been committed to “Make It Wild” and has been made against our rounded-up figure of 290 tCO₂e.

‘MAKE IT WILD’



This investment will pay for tree planting to help offset our carbon emissions impact. Our passion for supporting UK biodiversity and tree planting was a key factor in selecting Make It Wild for our investment. The proximity of the project to our Leeds office was also an important factor, where team members can visit the site and team, and experience the positive impact of our investment first hand.

Make It Wild is a biodiversity project in Yorkshire that was established to encourage greater knowledge, understanding and enjoyment of the natural world. The organisation has planted thousands of trees, dug ponds, restored wildflower hay meadows, made ‘leaky dams’, placed bird and bat boxes at Sylvan Nature Reserve, Bank Woods, Dowgill Grange, and Dacre Woodlands. In early 2023, they celebrated the planting of their 60,000th tree.

WASTE.

We continue our journey on understanding how much waste we produce and where it ends up. We have been working with our landlords across all office locations to understand how all our waste is disposed of. We have completed a site waste audit at our Edinburgh, Leeds and London offices. This will be expanded in the future to remaining office locations and as part of engagement and collection of waste data in the future. Confidential waste is segregated at each site and we have been able to locate data for almost all sites.

AABIE
CHARITABLE INITIATIVE



OFFICE	CONFIDENTIAL WASTE (KG)
Aberdeen	1,840
Edinburgh	300
Leeds	1,125*
Belfast	1,300
Newry	8,812**
Dublin	1,940
Mallusk	130
Dungannon	1,300
Glasgow	Not available
London	Not available

* Estimate of 45 confidential waste bags, assuming 25kg each

** This large volume accounts for transition from paper filing to digital

IN OUR ABERDEEN OFFICE, OUR GREEN TEAM HAS LED EFFORTS TO REDUCE OUR RESOURCE CONSUMPTION AND TO INCREASE OUR RECYCLING AND DIVERSION OF WASTE FROM LANDFILL.

WE HAVE ALSO WORKED WITH OUR SUB-TENANTS TO HELP THEM QUANTIFY THEIR WASTE.

AT THE MAJORITY OF OUR OFFICE SITES, WE ARE ABLE TO MANAGE THE REUSE AND UPCYCLING OF IT EQUIPMENT AND OFFICE FURNITURE. THESE ARE EITHER DONATED DIRECTLY TO ORGANISATIONS THAT NEED THEM OR SOLD TO RAISE FUNDS AS PART OF OUR AABIE CHARITABLE INITIATIVE.

BIODIVERSITY.

Our Aberdeen office is located in the Prime Four business park and has been able to participate in a two year ecological programme delivered by The Habitat People. They are a local consultancy who manage the green spaces in the park for the benefit of biodiversity and the community. The programme included sowing several kilos of wildflower seed, managing certain species of plants and completing an ecological survey of plant and insect species.

An important part of protecting biodiversity is measurement of change. The project has identified an additional 21 plant species and several insect species that have thrived in the past year, particularly bumblebees, solitary bees and wasps, and hoverflies. The number of bird species identified on site has increased by 11 species since last year, with linnet seeing the biggest population boom - from 3 to 15 pairs, and starling, moorhen and kestrel all now being found on site. The swift and starling nest boxes put up by the Prime Four team have allowed for two pairs of starlings to take up residence.

However other species have struggled, 'true bugs' were significantly less numerous this year compared to last, with a 34% drop in numbers. 2022 has sadly been a very poor year for butterflies; this has been a general trend throughout the UK. This year only three species were sighted compared to six in the previous year, and there were half the number of sightings compared to last year. Similarly, the dragonfly count for this year was very poor, and numbers are also down throughout the UK. There were 100 individual dragonflies noted last year, whereas this year there were only 32 sightings.



A series of events ranging from lunchtime nature walks to teambuilding exercises and volunteering opportunities take place in the park and our colleagues can participate and have access to green spaces for quiet reflection and occasional social events like team picnics. In addition to this, AAB Group sponsors one of the four hives on the Prime Four site and are glad we are playing a small part in supporting the biodiversity through pollinators like the honeybee.

Whilst most offices in the Group do not have such generous green space, in the year ahead the Environment Team will take these biodiversity learnings from Aberdeen to our other premises around the UK, Ireland and USA.



THE NUMBER OF BIRD SPECIES IDENTIFIED ON SITE HAS INCREASED BY 11 SPECIES SINCE LAST YEAR, WITH LINNET SEEING THE BIGGEST POPULATION BOOM.



SOCIAL.

At AAB Group we have an ongoing commitment to ensure the best working environment for our team. We have collected demographic data to support the development of our D&I programme. This will allow us to understand our team composition and work on closing any gaps that exist. To promote greater inclusion across the business, we have created two specialist working groups for colleagues on issues relating to LGBTQ+ and working families. In addition, our D&I Leadership Story Series continues to discuss and promote topics such as menopause, gender and racial equality, hidden conditions, neurodiversity and diverse backgrounds.

As part of our AABIE charitable initiative, we have worked hard to ensure meaningful collaborations with over 100 charities that support our goal of achieving impact in our communities.





To provide our clients with the best service, we need to ensure we are looking after our people and operating with the wider community in mind. As a business we believe we have strong cultural foundations, employing brilliant people and looking after them, delivering with a 'can do' mindset to an ever-expanding client base, and having a lot of fun along the way! At the foundation of this is our responsibility to provide good working conditions, pay, benefits, growth, and development opportunities for our team.

At AAB Group we believe in corporate social responsibility (CSR) and providing positive social impact. We use our resources and energy to give something back to our communities. Through AABIE, our charitable initiative, we give a helping hand in a wide variety of projects, reaching many people and groups across our communities.

EMBEDDING DIVERSITY & INCLUSION

Anecdotally, we know we might not be the best at diversity, including racial or class. We have started to collect demographic information from team members through surveys and this will help us to understand where we are. We focus on fairness and equality, but we are challenging ourselves by asking, 'What more can we do'? Embracing diversity in all its forms and making AAB Group a truly inclusive place to work is a priority for us. We want to ensure everyone in the firm can participate and achieve their full potential and create new opportunities for a wide range of people.



WE FOCUS ON FAIRNESS AND EQUALITY, BUT WE ARE CHALLENGING OURSELVES BY ASKING, 'WHAT MORE CAN WE DO'?

RECRUITING

We actively encourage and value career enquiries from a diverse range of backgrounds. We foster a culture of inclusiveness with no place for discrimination or harassment and our Equal Opportunities and Dignity at Work Policy is in place to reinforce this. We offer candidates places on our work experience programme, apprenticeship programme, internships, student placements (for university students), or graduate programme, some of which provide a route into a career with us.

We are working with partnerships such as the RISE (Research on Improving Systems of Education) programme with the Institute of Chartered Accountants in England and Wales, and Diversity Network to promote opportunities and widen our search to include diverse groups of talent.



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WE ARE PLANNING FOR 50 TEAM MEMBERS TO ATTEND FACE TO FACE SUPERVISORY SKILLS COURSES BETWEEN APRIL AND SEPTEMBER.

DELIVERING INCLUSION

Our D&I Roadmap and Delivery Plan, was co-created by team members across the AAB Group, using discussions, workshops, and surveys alongside external guidance. It identifies five priority areas to focus on to help us achieve our ambition of being recognised as a diverse and inclusive Group, each of which has an action plan and timeline for delivery.

- Demonstrate inclusive leadership
- Educate, raise awareness, and share knowledge
- Attract and retain diverse talent
- Create clear pathways and development opportunities
- Use data to inform and measure diversity and inclusion activity

In the past year, we have created and supported several working groups to support greater inclusion across our workforce, including the working families, LGBTQ+, menopause and neurodiversity groups. In the future, we plan to develop a student group and a women in leadership group.

To better understand any barriers to diversity and inclusion amongst our team we have been requesting demographic data from our team members at our Aberdeen office, and this will be expanded across the Group. We also plan to launch a D&I leadership training programme in the next financial year to enable our people leaders to take a key role in ensuring D&I is a key topic embedded in our organisation.

INVESTING IN OUR PEOPLE

Our AAmBition Xchange allows our colleagues to discuss and assess their own personal development on an eight-weekly basis, with ongoing conversation between coach and team member about goals and objectives, with a personal development plan agreed. In the next financial year this will be enhanced by the introduction of performance modules within our new digital team member engagement platform mAABel.

We believe skills and abilities are enhanced by good working relationships. We have a clear path for promotion, and every team member can request qualifications. We support team members in studying towards a qualification, often provided by an external provider, where a business need is identified in addition to colleagues' own development and career progression goals. We ensure that training is provided to all our teams at AAB Group. On average each member receives 24 hours of training a year, including formal training, technical reading, and on-the-job training.

Developing Leadership Skills

Colleagues can benefit from our Supervisory Skills Course, which is aimed at newly qualified supervisors up to Advisor level, and our Developing Leaders in Practice (DLIP) course for the Leadership Team saw 17 team members attend during the year. We are planning for 50 team members to attend face to face Supervisory skills courses between April and September.

Coaching and Mentoring Programme

We encourage all colleagues to participate in our Coaching and Mentoring programme, and we encourage cross departmental coaching to ensure that the time is spent dedicated to the individual's development, rather than business as usual.

CHAMPIONING THE YOUNG WORKFORCE

Throughout the UK and Ireland we support student development in our local schools and universities, recruiting graduates, placement students, and apprentices, and providing access to practical learning opportunities for groups of young people in the local community. In Scotland, our efforts have been recognised by Developing the Young Workforce, the Scottish Government's Youth Employment strategy.



We also sponsor student prizes and a business growth incubator. Our Pathway Taster sessions involve co-designing solutions to challenges faced by businesses or public sector organisations.

We offer work experience to unemployed individuals, have a regular flow of undergraduate and postgraduate interns whom we support to gain skills in management, data analysis, and research. New starts and interns in our Consulting business learn about Agile techniques and the use of tools such as Trello, Miro, Mural, and Teams to manage projects, collaborate with each other, and share outputs.

Team members have continued to use the tools shared as part of student university work; therefore, we believe that introducing more students to the world of professional services not only provides great work experience but also builds capabilities that can be applied at AAB Group.

We are an employer of choice for young people. As an Investors in Young People Gold Award winner, AAB Group has been recognised for providing learning, training, and employment programmes that offer fantastic opportunities for enthusiastic individuals to build a successful career. We know that programmes like this work well; in fact, our own Chief Executive began his career as an apprentice!

OUR QUALIFICATIONS OFFERED

QUALIFICATION BODY	NUMBER OF PARTICIPANTS DURING THE REPORTING PERIOD 01/04/22 - 31/03/23
Institute of Chartered Accountants of Scotland (ICAS)	47
Institute of Chartered Accountants of Scotland (ICAS)/CTA	10
Institute of Chartered Accountants England and Wales (ICAEW) Also referred to as ACA	18
Chartered Accountants Ireland	20
Institute of Chartered Accountants England and Wales (ICAEW)/CTA Also referred to as ACA/CTA	9
Association of Chartered Certified Accountants (ACCA)	25
Association of Taxation Technicians (ATT)	3
Association of Taxation Technicians (ATT)/CTA	8
Accounting Technicians Ireland	3
Association of Accounting Technicians (AAT)	10
Chartered Institute of Tax (CTA)	8
Chartered Institute of Payroll Professionals (CIPP)	5
Chartered Institute of Management Accountants (CIMA)	1
Chartered Institute of Professional Development (CIPD)	1
Chartered Insurance Institute (CII)	13
Payroll Centre	3

We are a training and learning organisation and strongly support our colleagues who are seeking to develop further qualifications. During this last year, 117 colleagues enrolled in professional programmes including accounting, taxation payroll, professional development and insurance, up from 88 in the previous year.

We celebrate our team's achievements, and we post exam successes across our company intranet. As students approach the end of their professional exams, we discuss future career routes and options with them. We recruit students who are eager to learn and develop with us. They gain technical skills, hands-on commercial experience and develop a professional network. Every year and in each location, there is a celebration for those becoming chartered accountants.

TEAM ENGAGEMENT

We value an open culture where team members are prepared to give and receive constructive feedback. As we grow as an organisation it will be important for us to include the ideas and feedback from across the Group, this will help use become a better business and to better support our team members.

The Group communication strategy involves live updates using Teams software, announcements and updates made through Teams and Viva Engage.

Each office in our Group holds a monthly all-team gathering using the online Teams meeting platform. Hosted by the office managing partner, the purpose of the gathering is to update team members on what has been going on in the office, any topical issues and information on up and coming events. At each gathering there is a focus on one of the Group's values and all team members, regardless of role or position have the opportunity to present. These are hugely important for communicating with our team members.

Being present for our team members is a vital part of our approach: our leadership team are present to address any issues that are identified; our senior members and partners are also available for informal, regular, coffee catchups with team members; and key messages from senior management are frequently shared directly with team members using our internal communications platform, Viva Engage.



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AS AAB GROUP CONTINUES TO GROW, WE'RE LOOKING TO LEARN ABOUT NEW AND INNOVATIVE WAYS TO ENGAGE WITH OUR TEAMS TO ENSURE THAT WE ARE ABLE TO MEET THE NEEDS OF THE GROUP.

HEALTH & WELLBEING

One of our key values is 'Team First'; recognising that if we look after our team members, they will look after our clients and each other. For us to help our team members to thrive, we must support their wellbeing and reward their hard work. Initiatives include:



A Health & Wellbeing Hub on our new digital team member engagement platform mAABel where we share information to raise awareness of specific health and wellbeing topics and our team member assistance programme (EAP), which covers:

- Financial information, including access to legal advisers relating to financial planning and money management;
- Mental wellbeing, including access to qualified counsellors; and
- Physical support, including access to registered nurses



Access to telephone and video counselling sessions for all colleagues and their immediate family members and access health and wellbeing services through our e-health app.



The Headspace app for wellbeing practices and exercises.



This year we have increased the number of team members who have been trained as mental health first aiders to 11. They are ready to assist their colleagues with any mental health concerns or queries and sign post them to support.



Our working arrangements enable colleagues to arrange their working day in line with client and personal requirements and to work at a location that suits their needs, including from home, a client site, or any of the AAB Group offices. team members can also request secondments or career breaks at specific points in their working lives.



Our Family Leave Guide provides procedural support and advice when personal and family matters interrupt a colleague's ability to work. Family matters can arise suddenly and may require immediate action. We encourage open communication with HR, our Management Team, and our Leadership Teams.



We have specific policies for carers and those with caring responsibilities, to ensure they can fulfil their temporary or permanent duties. These include options for unpaid time off to care for dependents in emergency situations, variable or agile working to accommodate temporary caring responsibilities, and flexible working to allow a change of hours to support more permanent caring commitments.



We support colleagues planning to start or expand a family through every stage, from providing confidential support to prospective parents – especially in the pre-pregnancy and first trimester periods, which can bring added physical and emotional stresses – to maternity and paternity leave, to providing advice and guidance for returning to work. Our improved maternity and paternity conditions, effective 1 January 2023 now offer our team members who are on maternity three months full pay, three months half pay and three months statutory pay. New fathers receive two weeks of fully paid paternity leave. Previously we offered statutory maternity and paternity pay only.

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ONE OF OUR
KEY VALUES
IS **'TEAM
FIRST'**.



FAIR PAY

In Scotland, we are accredited as a real Living Wage Employer by Living Wage Scotland and we're a member of the Scottish Business Pledge, an indication of commitment to equal and fair pay and to promoting skilled, diverse, and innovative working practices.

We believe in the importance of pay equity and this is reflected in the fact that more than 51% of our senior management are female. In our previous year 2021/22, we published our gender pay gap report. Our organisation has changed significantly since then and because of growth and integration activities during 2022/23, we elected not to carry out a gender pay gap report. This is a now priority for the year ahead.

We hold a strong position on diversity and agree there is more to do. We are committed to driving positive change here at AAB Group, and over the past 12 months we have amplified our voice across a diverse range of jobs boards and talent communities to ensure we have the maximum reach when recruiting. Where possible, interview panels and recruitment events are attended by a diverse panel of team members. We already have a vast talent pool of women in the organisation and offer coaching and mentoring to help develop this talent. We have introduced initiatives designed to retain more women in the organisation, such as introducing a women's career development sponsorship programme, offering enhanced maternity pay and greater flexibility around working hours and have regraded several roles to harmonise total reward pay.



SOCIAL EVENTS AT AAB GROUP

Having fun and celebrating together are great ways to build close teams and strong working relationships, and our colleagues identified this as one of the four pillars of AAB Group's workplace culture. Each year our dedicated Social Committee creates an annual calendar of social and sporting events, encouraging our people to get involved by organising opportunities for socialising with colleagues.

This year events included:

- Walk to Work Challenge – Over the month of May, across each location, we held a team challenge to encourage people to get out and get active
- AAB Cycle Challenge 2022 – More than 30 clients and guests joined us on a 50-mile route in Aberdeenshire. We were joined by the all-female elite Alba Development Road Team which we currently sponsor

Summer parties and Christmas parties at each of our office locations. Previous events have seen our people take part in office bingo, quiz nights, pumpkin carving, and weekly inter-department competitions, both in the offices and virtually to make sure everyone can get involved!





GIVING BACK

As a firm we value the communities in which we operate. We invest in them, recognising the benefits we gain from them, as well as the potential impact we can have. We encourage all AAB Group team members to volunteer for charitable projects and provide a day of volunteer leave each year.

OUR CHARITABLE INITIATIVE

Our Charitable Initiative (AABIE) was created after our team shared feedback that they wanted a more readily visible vehicle for our CSR efforts. One of our key values here at AAB Group is 'giving something back', and one of our strategies is dedicated to our stakeholders: 'having a positive impact and being valued members of our communities'.

AABIE is the platform which facilitates all at AAB Group to be able to invest in the communities in which we operate in the UK, Ireland and USA. AABIE seeks partnership with charities and invites applications from worthy causes for donations and grants volunteer time for the initiative.

Last year we set ourselves the target of achieving 50 meaningful interactions with charities. And so, we are delighted to have surpassed this with 114 meaningful connections this year. One aspect of our interactions is our volunteering days and this year 43 team members completed a day of volunteering, supporting local communities and projects with their time. Through fundraising, we raised £28,279 which is not only an excellent achievement, but also testament to the generosity and time spent by our team. These numbers and values were delivered during a time when our society and economy were transitioning from Covid-19

restrictions. In the year ahead we anticipate our number of volunteering days and fundraising values will increase.

Since its launch in 2016, AABIE has donated grant funding of over £200,000 to numerous charities within our communities. What makes AABIE so special is that almost all money donated by AABIE is raised by our people, meaning our community CSR efforts are integrated into the lives of everyone at AAB Group.

AABIE allows us to extend the reach of our efforts to the wider community and support a large variety of projects. We invite year-round applications from charities for our quarterly grant rounds, with AABIE Trustees meeting once a quarter to review applications. We have set funding criteria that help to make sure the money donated is having maximum impact.

AABIE's funds come from a range of sources. Some are raised through our Aberdeen office car park donations, where colleagues' parking fees are donated to the initiative. We also hold fundraising events including small-scale events like bake sales, and we have the option for team members to raise money via their own fundraising challenges with all proceeds donated. AAB Group often supports team fundraising initiatives, such as topping up fundraising efforts and through Giving Tree collections.

CHARITIES SUPPORTED THROUGH AABIE GRANT ROUNDS FROM 2022-2023

**TOTAL AWARDED
2022-2023
£28,279.88**

This year we supported disadvantaged children and families with food and essentials, supported a women's refuge and people who find themselves homeless, amongst many other important causes. Funding has also been used to support children and young people to attend events and activities that they would not be able to otherwise.

With the cost of living affecting many people this year, it became apparent that the impact of financial hardship would be an important area for us to provide support to our communities. We provided nutritious meals for children, supermarket vouchers for families and hot meals for the elderly on a weekly basis. Over the Christmas period, donations were used to provide presents and food for families to enjoy.



CHARITIES SUPPORTED THROUGH AABIE	AMOUNT DONATED
The TRON Theatre	£1,000
Four Square (Scotland)	£500
Citywise Mentoring	£700
Lucy Air Ambulance for Children	£1,500
Searchlight Scotland	£1,500
Edinburgh City Mission	£750
Radio Forth Cash for Kids	£1,000
SSAFA, the Armed Forces Charity	£500
The Open Door Edinburgh	£1,200
Upward Mobility	£1,086
Archway Charitable Trust	£1,000
Dare 2 Care	£1,000
The Reanella Trust	£709
Shazam Theatre Company	£540
Mind Store	£1,100
TLC Befriending project	£1,310
Care for carers	£480
Lothian Care for Inclusive Living	£2,865
Radio Forth Cash for Kids	£1,050
Edinburgh Headway Group	£400
Miscarriage Services Charity (MISS)	£2,728
Sunshine Wishes Children's charity	£600
Grampian Disability Sport	£1,000
TRON Theatre	£1,000
Community Renewal Trust	£1,058
Dean and Cauvin Young People's Trust	£970
Middlefield Community Project	£2,006
North Glasgow Community Food initiative	£1,500
Banchory Greenpower	£631
Inspire (partnership through Life)	£1,650
Aberdeen FC Ladies Treasurer	£750
The School Bank West Lothian	£700
Anthony Nolan - top up funding Catherine Barker	£500
Friends of the Cancer Centre, Belfast - top up funding Eimer McMillen	£500
Friends of Anchor - top up funding Gordon Steele	£500
TOTAL AWARDED 2022-2023	£28,279.88

ADDITIONAL CHARITY ACTIVITY ACROSS AAB GROUP



PLAYPARK AT SENSATIONALL



AABIE Trustees Claire Smith and Lesley Connon recently attended the opening of the Playpark at SensationALL where they were able to see first-hand exactly how our support had made an impact to children living in Westhill and the surrounding area.

SensationALL provide inclusive therapy-based services and social opportunities to ALL ages, ALL conditions and

ALL members of the family. SensationALL evolved in response to a gap in local services in 2012. Parent Susan Kay and Occupational Therapist Suz Strachan started the organisation with the vision of giving families living with multiple support needs and disabilities a place to belong where they can feel empowered, safe and supported throughout their lives.

“The new Playpark has been carefully put together, taking into account the various needs users may have. For example, the park has a slide that is extra wide to accommodate any supports a child may require. There is also a floor level trampoline that will enable wheelchair users to experience the feeling of moving up and down. Considerations have been made that would normally be overlooked. It is so important to have inclusive spaces that cater to everyone and AABIE has had a hand in creating this which is amazing. In our September 2020 grant round we were able to make a contribution, funding 2 pieces of kit in this wonderful playground. It was great to see and hear how many children have already made use of the fantastic park and even greater to find out that the park is open to the wider community not just SensationALL users. ALL are welcome!” - Claire Smith

THE MOIRA ANDERSON FOUNDATION

The Moira Anderson Foundation is based in North Lanarkshire, Scotland and was launched in 2000 by Sandra Brown as a legacy to Moira Anderson and her family. The charity is dedicated to supporting people affected by childhood sexual abuse. They have three main aims: to help people heal, to prevent further abuse and to raise awareness of this issue.

Glenn Hogg joined the AABIE Trustee board almost a year ago and had previously supported several charitable initiatives over the years, sharing that one of the best parts of being involved is being able to see the impact that the support has made to people in need.

‘Whilst there, I was able to see their treatment and consultation rooms which are very welcoming, bright and safe places. We then went to the garden space, and it was great to see the impact of the AABIE funding that covered the cost of items such as seating and table sets, shrubs, compost, paint, a potting bench and a wheelbarrow.’

Director at Moira Anderson Foundation, Gillian Urquhart added “We are very grateful to AABIE for the much-needed funding. Our clients are getting so much pleasure from our enhanced outdoor spaces, we wouldn’t have been able to offer this without your support.”



GOVERNANCE.

Core to an effective ESG programme is effective governance, and as we have grown, so has our governance infrastructure. Our Pioneer TopCo Board is head of the AAB Group with representation from August Equity, our principal investor, as well as four executive directors from the AAB Group.

Reporting into our TopCo board is our Operational Board which deals with key operational and trading matters including delivery of our ESG strategy. The Operational Board includes our principal heads of department, our Managing Partners as well as the executive directors of Pioneer TopCo.

Following our recent mergers, we are working to integrate all entities fully within the Group, and an important way to do so is by streamlining our policies.



HOW WE MANAGE OUR POLICIES

It is important to have clear and consistent policies and procedures in place to provide guidance and best practice relating to employment rights, benefits and support for colleagues. Our senior management team are responsible for ensuring that all our policies are up-to-date, applicable across each of our services and offices, whilst meeting all of the legislative requirements.

Our management team undertake regular policy training to ensure that their knowledge remains current. We have mandatory training and annual refreshers for all colleagues on key policies. team members receive training on all policies during induction and are alerted when policies are updated. Policies are also readily available to all team members to provide greater visibility and transparency over governance at AAB Group.

Standards of Conduct Policy

This helps our colleagues understand what is expected of them in the workplace. We create a positive culture at work when we are clear with team members, letting them know that we want them to apply their knowledge, skills, and judgement to the best of their ability, to bring credit to the firm, and to maintain effective working relationships, by being responsible, constructive, respectful, and mindful of others.

Agile & Hybrid Working

We have an agile working culture driven by business needs, to assist with service delivery. Colleagues can use their own judgment of their workload to determine their working hours and working patterns, with effective communication as the foundation. We promote hybrid working for all team members, and specific policies and procedures for families or those with caring responsibilities. This approach to agile and hybrid working means that our colleagues can give their best, and we can support colleagues with their responsibilities outside the workplace too.

Equal Opportunities and Dignity at Work Policy

AAB Group is committed to providing equal opportunities for all job applicants, workers, and colleagues and our Equal Opportunities Policy includes guidance on dignity at work which aims to ensure that the work environment is free from bullying and harassment. The policy is supported and reinforced by our Diversity and Inclusion Roadmap, Delivery Plan and our Recruitment Policy.

Anti-Fraud & Corruption Policy

Our Anti-Fraud & Corruption policy outlines the Group's commitment to the prevention of fraud, bribery, corruption and tax evasion and has this year been updated to include the specific requirements of recognising and managing potential Corporate Criminal Offences.

This policy ensures we always operate to the highest ethical standards and in full compliance with current laws and regulations.

Business Continuity and Crisis Management Planning

Our Business Continuity Plan (BCP) ensures that if disaster strikes, we have a plan to recover and continue with the minimum of disruption, to our own operations and that of our customers.

We keep track of our risks through our Risk Register and identify how to mitigate and manage these risks. Emerging ESG risks include the risk of reputational damage resulting from over-promising or 'green washing', the impact of extreme weather and climate change risk related to flooding, fires, excessive heat and energy reliability.

Data Protection, Privacy, and Cybersecurity

Cybersecurity is a key governance focus area for AAB Group as cyberattacks have the potential to create losses and disruptions to core parts of the business. To mitigate against these very real risks, we have created highly secure systems and processes, and these have passed stringent tests. We have full accreditation for our information security management systems (ISO 27001:2013). We are Cyber Essentials certified and have recently completed the Cyber Essentials Plus certification to meet the highest standards of information security management. We recognise how important it is to remain vigilant, to prevent these attacks, and to ensure our systems remain secure. We regularly test our processes and procedures for weaknesses and vulnerabilities.

Our suite of data protection, privacy, and security policies ensure the highest standards for our colleagues, clients, and supply chain, to ensure compliance with UK and EU data protection laws. Our Data Protection Policy, Data Incident Management Policy, Information Security Policy, Human Resources Security Policy, and Acceptable Use Policy provide a comprehensive set of guidance. Our Cyber Response Team, Information Security Team, and Data Protection Officer are responsible for reporting on and responding to any breaches, weaknesses, and near misses.





GROWING SUSTAINABLY TOGETHER.

AAB Group prides itself on providing excellent service and support to our clients and the businesses we work with. Our ESG activity highlights recent achievements and current commitments, but we understand there will always be more work to do. Within this year's report, we have set clear aims to manage our impact and achieve high ESG performance across our business in the future. This extends to continuing to work with our stakeholders on this sustainability journey, as we look forward to turning our current ESG vision into an everyday reality.

