

CLIENTS  
CREATIVITY  
CULTURE





# ABOUT <sup>03</sup> EMPEROR

Our clients, creativity and culture make us, us. Find details about the impact we've made this year.

# <sup>16</sup> STRATEGY & PERFORMANCE

See what we've achieved in the year we embraced change and built on solid foundations.

# GOVERNANCE <sup>46</sup>

Find out what makes Emperor a resilient and responsible business that is prepared for the future.

# THE MAKING OF US



**Emperor's third annual review explores three vital things that make us, us: our clients, our creativity and our culture.**

**CLIENTS**

We help our clients to engage with their stakeholders and audiences, to build trust and confidence and achieve their business goals. Whether that goal is capital or talent attraction, being distinctive or being a better business, communications have the power to deliver better outcomes by building understanding, encouraging two-way dialogue and enriching relationships.



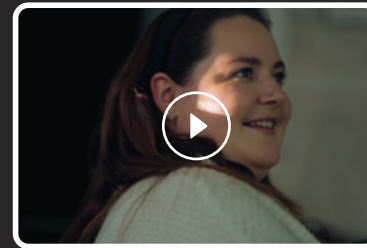
↑ [Click to play](#)

**CREATIVITY**

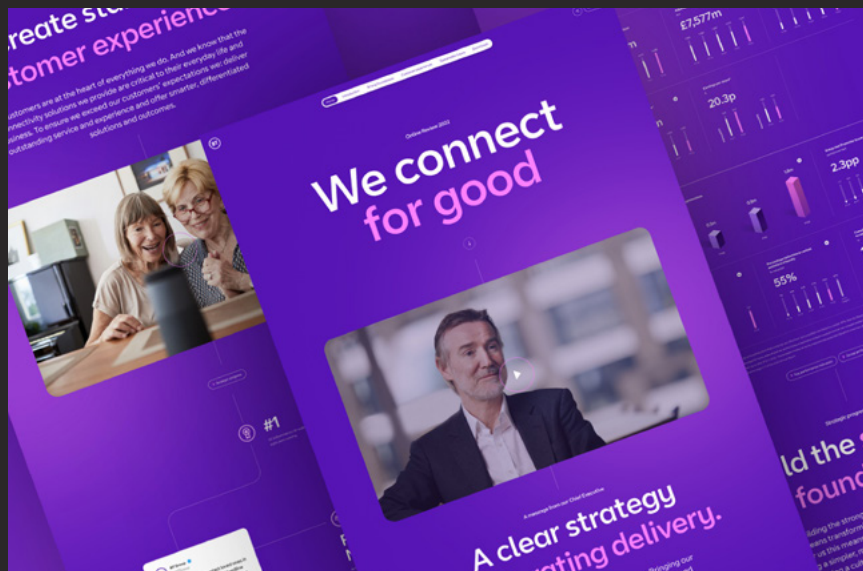
Truly effective creative must be relevant, distinctive, intelligent and impactful. But that doesn't just mean bold ideas and communications that make a visual impact – it's also about skilfully connecting your organisation's strategy with its people and customers, to establish an emotional relationship with your narrative that sticks. This is essential for us to help our clients navigate the multi-dimensional challenges keeping them up at night.

**CULTURE**

We strive to create a great place for great people to do great work. This ultimately creates a culture that delivers the best outcomes for our clients. We do this through open feedback, continuous learning and development, flexible working and a partner dividend scheme. Employee ownership empowers our partners, protects our culture, encourages active participation and allows all partners to share in the successes of the business.



↓ [Click below](#) to view our latest work

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**Emperor is an employee-owned strategic and creative communications consultancy. We help organisations connect with their stakeholders to achieve great things. We are here to turn ambition into success through the power of clear, authentic and consistent communications.**

Emperor was founded 26 years ago on the principle of creating exceptional work and delivering a great experience. We are a Certified B Corporation, which means responsible business underpins everything we do – we believe that business should be a force for good.

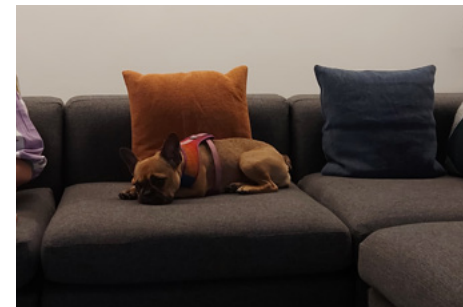
### Trusted

We earn the trust and confidence of our clients through our relentless approach to understanding what matters to them. We have a 300-strong team of talented partners, all with a diverse blend of skills and experience, and the ability to deliver across channels.

# 300+

**experts supporting our clients**

→ See more in **Talented people** on page 36



### Established

Over 26 years we have created a powerful culture and a sustainable business model. We're now one of the largest independent agencies in the UK by size and scale with a unique national and international presence.

# 26

**years of sustainable business**

→ See more in **co-CEO's letter** on page 10



### Partner-powered

Our employee ownership model means we attract and retain a truly different kind of talent who become partners in our business from the day they join us. This creates a unique culture of ownership and ensures our business remains strong and sustainable.

# 3

**years employee owned**

→ See more in **Partner Board** on page 52





## Flexible

Emperor has scale and agility. Through our national network of creative hubs we deliver for our clients across the UK and internationally. We put dedicated teams together from across our business for each individual project, ensuring the right people for the right client with the right expertise at the right time.

# 5

**creative hubs across London, Warwick, Manchester, Edinburgh and Dubai**

→ See more in **Operational Excellence** on page 24



## Responsible

After we became employee owned in January 2020, B Corp felt like a natural next step for us. We have a track record of responsible business and B Corp provides a framework with which to gauge our approach and guide us going forward. We're incredibly excited to now be part of this influential global movement.

# Year 1

## of B Corp Certification

→ See more in **Responsible Business** on page 28



## Connected

We have an extensive referral network. Our close links with industry bodies, regulators, standard-setters and thought leaders enable us to be our clients' eyes and ears.

# 500+

**network of long-standing relationships**

→ See more in **Focused Growth** on page 18



# Brand. Campaign. Digital. Employee engagement. Moving image. Reporting. Sustainability. Presentations.

**The diversity of our expertise means we can blend output seamlessly. Our focus is on channelling our thinking, creativity and innovation into supporting businesses to meet their objectives.**

## BRAND

Brand is about making connections that matter. By uniting strategy and creativity, we get our clients to the people they need to reach. As thinkers, creators and doers we have the versatility and experience to meet business needs; we are personally invested in helping our clients to be better, do better and achieve more.

## CAMPAIGN

Effective campaigns are made up of multi-channel, multi-format content working together to deliver strategic ambition.

## DIGITAL

We empower our clients to harness the value of digital to communicate better, design effective services and ultimately do better business. We do this by combining our deep specialist knowledge of the corporate and B2B worlds to create innovative, creative and measurably better experiences.

## EMPLOYEE ENGAGEMENT

We support our clients to achieve their ambitions by engaging their people with their business. We activate behaviour to drive success, providing people with a purpose to truly believe in, reasons to belong and thrive, and relevant, meaningful communications that they can truly connect with.

## MOVING IMAGE

Business narratives are stories in their own right. At Emperor we have a responsibility to recognise and tell them in the most compelling fashion. Film and animation is a powerful lens to train on any number of subjects, and a unique canvas upon which to uncover, explore and inspire.

## REPORTING

Transparent reporting acts as a source of truth between a company and its stakeholders. We help companies articulate an authentic and compelling narrative around strategy and performance, sustainability and governance. We also provide insight into trends and support their journey to better disclosure.

## SUSTAINABILITY

Sustainability is a strategic imperative key to business resilience and success. We help our clients articulate why they exist and how they create value. We support businesses to communicate in a credible and compelling way, to activate and embed their strategy and achieve their business goals.

## PRESENTATIONS

Lifting an audience and winning their hearts takes powerful stories. Clear, uplifting, and dressed to kill. We create the most beautifully designed, animated, and interactive presentation solutions to turn words, concepts, and images into moments that stick.

Our client-centric, collaborative approach and partnership mindset drives our business growth and success.



### Client service

We deliver work to the highest of standards by focusing on client satisfaction and excellence.

- Relationship management
- Quality assurance, guidance & advice
- Planning & project management
- Technology choices & support development



### Creative

We are strategic creative communicators, delivering compelling and engaging solutions for clients.

- Concepts & ideas
- Storytelling & narrative
- Design & visual language
- Artwork & execution across channels



### Consultancy

We create insight and intelligence-driven brand, sustainability, communications, and engagement strategies.

- Horizon scanning, research & analysis
- Audience profiling & comms planning
- Workshops & focus groups
- Strategic advice & content development

## Our strategic framework

**Our purpose** is to generate trust and confidence for our clients' stakeholders.

**Our vision** is to be the partner of choice for ambitious people.

**Our mission** is to bring clarity, creativity and consistency to communications.

## Our values

### AIM HIGH

We always thrive to achieve more for ourselves and our clients.

### CREATIVITY EVERYWHERE

We apply fresh thinking in everything we do. Our creativity goes way beyond being a 'creative agency'.

### INFECTIOUS ENTHUSIASM

We approach everything with positivity and gusto.

### ALWAYS LEARNING

We take every opportunity to develop and share our skills.

### RAZOR SHARP

We're always on it. Commercial, focused and agile.

## Our strategic pillars



### FOCUSED GROWTH

The right way

→ Read more on **page 18**



### OPERATIONAL EXCELLENCE

Delivering quality efficiently

→ Read more on **page 24**



### RESPONSIBLE BUSINESS

Beyond profit

→ Read more on **page 28**



### TALENTED PEOPLE

Investing at all levels

→ Read more on **page 36**

## Our 12 pledges

**Our 12 pledges are our social and environmental commitments. Detail on individual pledges is featured throughout, look out for the stickers below.**

- We give back
- We give youth a chance
- We are most welcoming
- We help you go beyond your potential
- We trust
- We look after the whole you
- We are always accessible
- We encourage innovation and ideas
- We recognise excellence
- We are social
- We support you through thick and thin
- We care for the environment



### STRONG GOVERNANCE

Emperor has applied the Wates Corporate Governance Principles for Large Private Companies to help shape and inform our approach to good governance.

→ Read more on **page 61**

# OUR IMPACT

## Helping partners go beyond their potential

**2,847**

training hours

**68**

participants in **POP!** our new internal mentoring programme

**38**

career progressions

**1st**

festival of learning

→ See [page 36](#) for more information about our people initiatives

## Embedding environmental ambitions within our operations

**74%**

reduction in **Scope 1 emissions** largely due to moving out of offices with gas supplies\*

**99%**

reduction in **Scope 2 emissions** due to transitioning to renewable tariffs\*

**30%**

reduction in **Scope 3 emissions** but increasing again due to the return of business travel and commute\*

\* against our baseline FY2018-19



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Science Based Targets  
verified by the SBTi



New responsible business  
travel policy and targets

→ See [pages 30-31](#) for more about our environmental programme and carbon footprint

## Championing equality, diversity and inclusion

**20+**

initiatives on topics related to EDI



**23%**

of partners under the age of 24 or over the age of 55

**2nd** 

gender pay gap report

→ See [page 39](#) for our people and culture dashboard

# IN NUMB<sup>®</sup>ERS

## Committed to best practice governance and transparency

**6**

Board meetings

**11**

Partner Board meetings

**13**

Partner Voice sessions

**4**

quarterly partner updates on financial performance

→ See [page 46](#) for more about our approach to governance and engagement with our partners

## Contributing to our communities

**2,177hrs**



of pro bono work, exceeding our target of 1,000 hours

**£60k**

raised for Maggie's cancer care charity from our Amsterdam cycle ride and virtual auction

**19**

new interns of which 5 became permanent

**6**

apprentices

**22%**

job growth rate

**3**

categories introduced to our supplier review and onboarding criteria: Ethics and the Environment, People and Society and Governance and Assurance

→ See [page 36](#) for more about our talented people, [page 33](#) for more about our work with suppliers and [page 34](#) for more about our We Give Back pledge.

## Connecting with our clients

**100**

client feedback surveys

**4.27/5**

service average

**25**

industry awards

**172**

clients we have been working with for 5+ years

→ See [page 18](#) for more on Focused Growth

# STRIVE AND...

WELCOME  
TO EMPEROR



CAM GUNN  
& VIC SUGG  
CO-CHIEF  
EXECUTIVE  
OFFICERS



We look ahead with confidence as we celebrate our third year of employee engagement and B Corp Certification.



We were so proud in June to take the reins from Steve Kemp to drive the next chapter of Emperor's progress. Emperor is a great business made up of exceptional people. The quality of our work; our talented people; our impressive clients; and the strong potential of the new remits that come through the doors every day.

This year marks our three-year anniversary of employee ownership. Alongside our recent B Corp Certification this is a huge moment of pride for Emperor.

Reflecting on the past year we are struck by the incredible amount of change that Emperor has gone through. Arguably we've transformed more in the past two years than the 10 previous. Looking ahead, we write this review against a sea of change and uncertainty – political, economic and environmental.

**OUR PLEDGES**

**We trust**

As new hybrid ways of working become our new normal, we pledge to trust our partners to plan their schedule so that they can do their very best work.



**We have a clear vision of our path through the next year as we seize the opportunity to 'strive and thrive' during this business cycle.**

**We will be client-obsessed...**

continuing to invest time and resources in understanding the people, organisations and sectors we work in, what challenges they're facing, and supporting them in finding the solutions. While we are committed to our existing clients in the UK, we increasingly find opportunity in Europe, the Middle East and beyond.

**We will solve client challenges...**

by connecting our services, having a clear and informed point of view, understanding audiences, and demonstrating the impact of our work and value we bring to clients as we invest in exciting new hires and propositions.

**We will join up to step up...**

ensuring we are better connected inside and out with our amazing network of partners, peers and referrers, as well as the regulation makers and standard raisers. We embrace radical cooperation to take advantage of those connections we already have and explore exciting new collaborations for the benefit of our clients.

**We will be responsible...**

as scrutiny increases among our clients to ensure words match actions, our B Corp Certification is a great validation of our progress. We will not rest on our laurels and instead continue to challenge ourselves to create a positive impact for our people, our clients, the communities we work with, our suppliers and associates, while minimising our impact on the planet.

We will continue to adapt and stay ahead of what our clients need from us today and tomorrow. And we will continue to be relentless in our ambition to be the best.

**CAM AND VIC**

Co-Chief Executive Officers

**OUR PLEDGES**

**We are social**

For the first time in three years, we brought all our partners from all our hubs together for our summer update, under our new leadership. We shared ideas for the future and celebrated all things Emperor.



↑ Emperor summer update 2022

**THRIVE**



↗ It's never been more important for us to be clear when it comes to what we believe in, how we do our best work and what we expect from both our clients and each other.

# THINKERS, CREATORS,

CREATIVITY  
EVERYWHERE

# DOERS



This year, organisations have continued to face challenges presented by macroeconomic conditions. These challenges are becoming more complex, and in some cases, urgent. The need to communicate clearly, authentically and with total transparency has never been greater.

Economic uncertainty for businesses, their employees and stakeholders continues to be unsettling. Whether that is reaffirming your purpose, refreshing your vision, activating your values or being clear about what you do, **how do you position your brand to survive, revive and thrive?**

Climate change and increasing pressure from employees and stakeholders to see both action and evidence of change is another trend that is here to stay. Whether it's your transition to net zero or your journey to B Corp, **how are you supporting your business, employees and stakeholders to become 'climate ready'?**

The pandemic had a profound impact on people's relationships with work. Although we've returned to normality, the impact on the world of work is lasting. Many employees are looking seriously at how work aligns with their new expectations. Mental health and COVID-19 medical challenges compound this change. Hybrid working and the flexibility it brings has also had a significant impact on company culture, **so how are you retaining your best people and inspiring everyone to succeed?**

Digital empowers our world. It is the transformational force. From how we communicate, consume and create, to driving the world's most successful organisations. Precise, personal, and predictive digital experiences are augmented into every aspect of our lives. **How are you using digital to reach the right audiences with the right content?**

Each of these challenges are interconnected, which underlines the need for trusted partnership and intelligent design to navigate them. Emperor's vibrant mix of thinkers, creators and doers are working together to create effective solutions our clients urgently need.

## STRATEGIC CREATIVITY

With more noise, output must be distinctive, impactful and relevant to be truly effective. Creativity is a secret weapon when it comes to thumb-stopping and attention-grabbing communications. But that doesn't just mean bold ideas and communications that make a visual impact - it's also about skilfully connecting your organisation's strategy with its people and customers, to establish an emotional connection with your narrative that sticks.



## OUR PLEDGES

### We encourage innovation and ideas

From creativity and design to project management and strategy, we encourage new ideas from our partners in everything we do. Innovation is important to us, so making the time and space to try new things, collaborate and bring in different perspectives adds huge value to the work we do.



## CREATIVE PRINCIPLES



As a fast-growing creative business, it's critically important for us to be clear when it comes to what we believe in, how we do our best work and what we expect from both our clients and each other. That's why we've been busy interrogating what these things look like at Emperor. The result of this process is the conception of six creative principles.

These principles are the driver and the measure of our creativity. They are designed to be practical, and they can be applied every day, across Emperor, by everyone. The principles also set expectations, and we can hold each other to account for sticking to them. We want our clients to know about them too, so they know what to expect from us.



## 1. Understand clearly

Clear understanding creates success. Before starting any task, aim to know what needs to be done and why, who it's for, where and when it will be experienced and how it might be created. But be aware that your level of understanding may change at any time.

### Jonny Legender

Senior Copywriter



Creativity starts with questions. Lots of questions. So-called obvious questions. What. When. Who. How much time? How much budget? But also those tricky, cheeky, awkward questions. What's this really all about? Why? Why now? Always why and why again. Because the more you ask why, the clearer your thinking becomes. And this clarity gives you the confidence to ask, what if?



## 2. Think playfully

Pressure and deadlines are the enemy of play. Creativity needs time and space to play. Being playful is being alive to possibilities and feeling free to express ideas. Limits and obstacles will always be there, but playfulness inspires us to think around them. Play is seriously fun, embrace the paradox.

### David Hunt

Creative Director



Time at play isn't time wasted. Allowing ourselves space to experiment, seek inspiration (from somewhere other than the web) and work in a different way can unearth an unexpected idea or technique that makes the difference between good and great.



## 3. Simplify skilfully

True simplicity looks beautiful and works beautifully. It's more than an aesthetic - it's an experience. But without knowledge and ability, simple becomes simplistic. Skilful simplicity is when you can take something away and leave something more valuable.

### Tracy Gunn

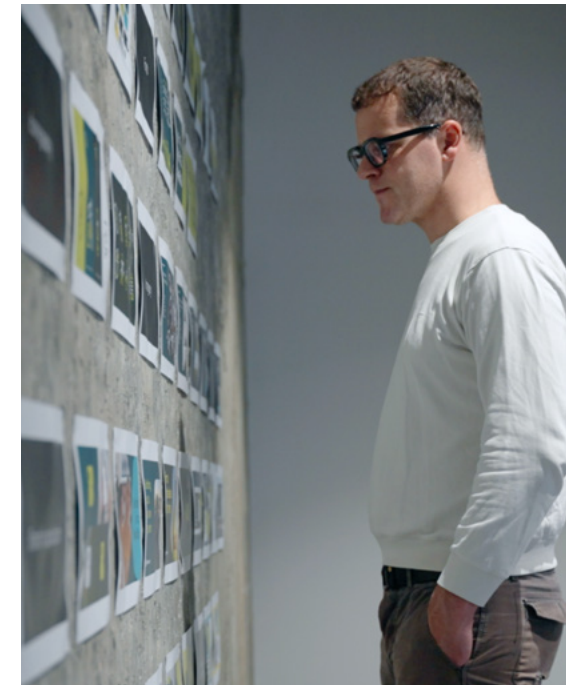
Creative Director



Truly great design should almost be invisible, in so much that it shouldn't interfere with the ultimate objective. Its role is to enhance and deliver that absolute peach of an idea you have. Overcrowd it and it gets lost in the noise. That idea is precious, treat it with respect and give it what it needs, nothing more, nothing less.



**These principles are the driver and the measure of our creativity.**



## 4. Learn openly

Learning is best done openly and collaboratively. This gives people around you the inspiration to share what they know – and the courage to admit what they don't. Because creative people are curious people, open learning becomes a joyful and productive habit.

### Tyron Layley

Associate Creative Director

→



This is about shedding your fears of failure and having a safe place to learn from one another. We have so much hidden talent at Emperor that we should share our skills and knowledge so we can collaborate and grow together.

It's also about being open to new ideas and experiences. Challenge yourself to think differently and do things you didn't know you were capable of because that's how we learn. There's something incredibly satisfying about trying new things that elevate your creativity and bring a fresh perspective to what we do with our clients.



## 5. Focus outwardly



Self-awareness is always a good thing, but too much introspection can kill creativity. Remember: this isn't about you, it's about what's right for your audience. Step outside your own head, climb into theirs, and create something bigger than you.

### Helen O'Brien

Creative Director

→



Rarely are we the target audience for the interactions we create. Knowing what motivates those we want to reach is crucial. Where do they go, what do they see, what do they need to hear; what will resonate, make them think, engage, act? Never underestimate the value of stepping outside of our space and into theirs. So, let's park our preconceptions, get out and about and immerse ourselves in their world to create impactful, engaging comms that really hit the spot.

## 6. Craft consciously

All the brainstorming and focus-grouping in the world won't deliver the goods. Creativity is ultimately about realising your ideas – so make the time to make. With discipline, tenacity and concentration, you'll craft something that you're proud to put your name to.

### Marc Jenks

Executive Creative Director

→



It would be easy to forget that most creatives enter the design world because they love to finesse, tinker and craft an idea to make it truly sing. I know I personally still find it hard not to kern the living daylights out of any noticeable piece of typography. The reality is we all work in an increasingly fast-paced, often client-driven world where timeframes are condensed, expectations are raised and quality of creative may be compromised. Craft is still at the beating heart of our passion to do great creative work; finding the time and headspace to craft consciously is just something as designers we must all commit to. Our personal and professional reputations depend on it.

CREATIVITY



# PERFORMANCE...



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# DRIVEN

# FOR THE

**FOCUSED  
GROWTH**



**To drive the next chapter in Emperor's success, we have embraced change in our leadership and built on solid foundations.**



# PATH AHEAD

One of the things I love about Emperor is the way we have grown through supporting clients at both ends of the spectrum – from small companies at the start of their journey as a listed company, through to the world’s leading brands. Emperor’s growth story for this year is all about increased momentum at every level.

This year we embraced change in our leadership team to drive the next chapter of Emperor’s progress. While Vic and Cam picked up the mantle as co-CEOs, I stepped onto the Board and took on the role of Chief Growth Officer. It’s a shift in how we all work, but helped along by sharing Steve’s vision for Emperor, allowing us to build on solid foundations, rather than reinventing the wheel.

In a year of significant growth, strong performance has been driven across both new business wins and client development, seeing our revenues increase from £20.5m in 2020/21 to £26.7m in 2021/22, a 30.2% uplift.

**OUR REPORTING BACKBONE**

In 2021, we saw an explosion of IPOs, bringing more companies to the market in need of our services and expertise. We won many more mandates for maiden annual reports and it has been a privilege to partner with well-known brands such as Trustpilot, Virgin Wines and LADBible alongside a whole host of other new entrants to the market.

Reporting continues to be the backbone of Emperor, an area we continue to be passionate about. The volume of organisations that invited us to tender for their reporting needs last year reached epic proportions. We added some exciting new names to our client roster, including Pets at Home, Fevertree, Petrofac, Derwent, Endeavor, Biffa, TSB and ArcelorMittal.



**THE ESG AGENDA**

ESG continued to present challenges and opportunities for our clients at all different levels. This has been reflected in the number of new ESG, sustainability and responsible business mandates we’ve picked up this year. We are supporting those at the start of their journey, navigating disclosures, identifying their material issues and beginning to shape a strategy and whilst also advising businesses with established strategies, to further embed them and better engage with stakeholders.

**THE BATTLE FOR TALENT**

The battle for talent continued throughout the year, driving companies to cast a critical eye on their own employer brand proposition and the effectiveness of their employee communications. From EVP mandates and new careers websites, to tactical employee engagement campaigns, employee communication continues to be a significant area of growth for Emperor and we were delighted to receive an award for Best Internal Communications Strategy at the Business Culture Awards for our work with Phoenix Group.

**Our KPIs**

**ANNUAL REVENUE £M**

2020 17.1

2021 20.5

2022 26.7

2021/22 financial year saw revenue up 30%.

**KEY ACCOUNT GROWTH £M**

2020 7.1

2021 8.9

2022 13.8

There were 62 ‘100 club’ accounts last year (up from 51 in 2021/21) and total revenue from these key accounts increased to £13.8m, a 55% increased over the £8.9m prior year figure.

**And the winner is...**

Over the past year we have won or been recognised for 25 awards by nine awards bodies.



**25**

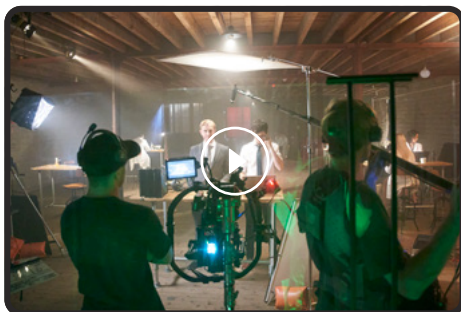
**Industry awards**

### A DIGITAL-FIRST APPROACH

We saw an appetite for better use of digital among our clients, reflected in increased investment in developing relevant and more targeted content. We saw not only an increase in volume of new corporate website wins but also in the size, scope and scale of the projects and mandates involved. Highlights include working with Synthomer, Mondi, SFW Sumitono, Hilton Foods, Entain and Anglian Water. The continued shift to a digital-first approach in reporting for our clients was also evident with a further increase in the number of online annual report summaries we were asked to produce this year.

### MOVING IMAGE CAPABILITY

We invested in our moving image capability, significantly increasing the size of our team, recognising that most of our conversations around compelling content have a film element included. We've been awarded some fantastic projects - from documentaries and product animations through to exciting campaigns such as the 'Battle for the next Bond' employee engagement film series for Dow.



↑ **Battle for the next Bond** film series for Dow



↑ Read more about the **Phoenix Group brand** on our website

### TRANSFORMING BRANDS

Brand has been one of our fastest growing areas. We've picked up mandates across the full spectrum of brand development - from strategy through to implementation, and everything in between. The Phoenix Group brand roll out showed Emperor at its finest with teams across the business working on multiple workstreams to implement a brand that worked across a range of channels. We repositioned SFW Sumitono for a more sustainable future, totally transforming their positioning, and using it to inspire a new brand identity to suit their future ambitions. And Adenza gave the team an exciting M&A challenge to create a new brand from scratch. From strategy to identity, into digital and template creation for roll out.

### LOOKING BACK TO LOOK FORWARD

**Several areas have contributed to our success this year, which we will continue to focus on in the coming year...**

#### 01 Listening to our clients and responding to their needs

We continued to listen to our clients to gain an in-depth understanding of their needs both now and for the future, and focused on unlocking the potential of Emperor as a full-service agency to really support those needs.

The structure we've built around smaller account teams (that we call squads) gives us the agility to find the right fit for each client's needs and drives greater client insight. We've also refined our processes to drive better cross-department working. This ensures our partners have a better understanding of what we have 'in our locker' at Emperor and how to tap into it.

We also have a robust client feedback process, and in 2021/22 we undertook 100 client surveys. Our Net Promoter Score was 51 (on average a score above 50 is excellent) and our average score for service was 4.27 out of 5.

Listening to our clients will always be our priority. Emperor ultimately grows through understanding their needs and helping them to be successful.

#### 02 Having a prominent voice and delivering relevant insights

Our reputation in the market has never been stronger, seen in the volume of inbound opportunities we received this year. Our work continues to be recognised through award wins and we are regularly contributing an informed voice on panels at events and forums in the UK and internationally.

During the year, we took part in many external events (hosted by London Stock Exchange Group, Corporate Governance Professionals Network, Euronext, BIMA and Employee Ownership Association), contributing ideas on corporate governance and investor relations to digital development, climate disclosure and employee ownership.



↑ **Emperor partnered with the London Stock Exchange Group** on several events throughout the year



↑ **Purpose of brand** event, Edinburgh

We launched a series of events to support businesses to engage their stakeholders with their sustainability objectives. Around 100 attendees from FTSE companies attended our 'Change, challenge and opportunities' series, which covered a range of topics from leveraging sustainability as a value driver through to sustainability disclosure and embedding sustainability into a corporate culture.

We also published thematic articles and white papers to keep our clients up to date with latest trends and perspectives. Highlights include: in-depth research on 'The purpose of brand' with Warwick Business School, a deep dive into FTSE350 and AIM 100 reports, a practical guide for 'unlocking the potential of online reporting' and specialist commentary within Equiniti's Governance Update.

### **03 Investing in talent, knowledge sharing and unleashing our future stars**

We invested further in our people, bringing even deeper levels of expertise and experience into the team. Our bi-weekly Driving Client Success sessions allow our client-facing teams to share regular updates on work they have done, latest insights and how we can unlock opportunities that will drive growth for Emperor and success for our clients.

Unleashing and empowering emerging talent is an area I'm deeply passionate about. An agency that always has the same set of familiar old faces on the pitch team, is an agency that caps its growth! Our pitch stars programme continues to help develop future business development talent. This year's 'Be Your Best Fest' gathered 40+ of our rising stars for two days of intensive pitch training workshops accumulating in a Dragon's Den showdown with each team taking their turn at pitching (see more on **page 38**).

All of this serves to drive greater confidence among our client-facing teams in not only pitching but also having strategic conversations with our existing and potential clients. This will ultimately help us unlock the right solutions and expand the scale and scope of work that we do.

→ Read more about our talented people on **page 36**

### **04 Investing in our network and strengthening relationships**

Emperor is part of a huge ecosystem based on great relationships. We are tapped into a network of advisory and regulatory bodies, brokers, PR agencies, law firms and other key advisors. Collaborating and partnering on projects, sharing learning and building relationships across the network remains integral to our approach.

Our Serendipity Club, the networking group for senior women in IR and comms, is back to running in-person events and has seen record numbers of people join our gatherings.

This year guest speakers included Kate Sandle, Director of Programmes at B Corp; Lina Ruiz, Head of Social Responsibility at WeTransfer; Jen Morris, Managing Director of Inclusive Group; Charlotte Valeur, specialist in best practice corporate governance, leadership and equality and diversity; and Carol Vorderman, MBE, broadcaster and champion of education. The topics covered ranged from neurodiversity to B Corp.

Looking ahead, alongside our growing employee-owned network, we are excited about the new relationships we are building with fellow B Corporations, so that together our businesses are a force for even greater good.

→ Read more about our journey to B Corp on **page 29**



↑ **Serendipity Events** have seen record numbers this year

### 05 A commitment to building a resilient client base

We have continued to build long-lasting partnerships with businesses that share our values. This is about ‘walking the talk’ when it comes to our commitment to being a truly sustainable business that cares about people and the planet, as well as profit.

This year we introduced a Resilient Client Selection and Review Policy which will be reviewed annually. That sets out what we look for in a positive partnership with clients. This supports our teams in reviewing existing client relationships as well as new opportunities.

In addition, we have introduced a Resilient Clients Committee to add a further layer of scrutiny when a decision is not clear as set out by the policy. As an employee-owned business, it’s vital that the Committee is a diverse, representative group which reflects partner perspectives from across the business.

We anticipate that the need for the Committee to make decisions will be few and far between, but we will be tracking conversations and collecting data, alongside the Client Disclosure Report to help us reflect on our progress in shaping a resilient client base.

We are clear that we will always work with companies that have a genuine commitment to a more sustainable future.

→ See data from our Client Disclosure Report on **page 23**

### 06 An increased focus on international growth

Across Europe, our client base has expanded with 15 new organisations added to our roster. Air Liquide and Pernod Ricard are our latest Euronext 100 clients, joining Smurfit Kappa, Unibail Rodamco Westfield, Danone, ArcelorMittal and Schneider Electric.

We’ve also seen an explosion of growth in the Middle East. We work with some of the most influential companies in the region and added seven new organisations to our client base. This includes Mubadala, who we have partnered with on multiple campaigns and marcomms requirements.

I recently visited the region, spending time in Dubai, Abu Dhabi and Saudi Arabia, visiting clients, spending time with our team out there and attending the Middle East Investor Relations Association Conference in Riyadh. It challenged many of my own preconceptions and opened my eyes to the opportunities in the region.



↑ Emperor's Natasha Nelson spoke at the Meira conference, Saudi

As we navigate a challenging economic climate in the UK, we will continue to invest in our international growth. Currently **15% of our 100 club** (clients spending greater than £100k per year) are international clients and we expect this to increase over the coming year. Meanwhile, the abundance of IPO activity in the Middle East and the appetite for better disclosure and engagement with stakeholders present huge opportunities that we are in prime position to capitalise on.

#### PRIORITIES FOR FY22/23

A theme we talk about every year is the ongoing need for companies to engage and communicate clearly and consistently with their stakeholders. This year is no exception. With each challenge, macro or specific to the organisation, those that do engage effectively with their stakeholders, and take them on the journey through it, are the ones that succeed.

Continuing to be client-centric in the way we work and tuned in to our clients, needs remains a priority. Identifying how we can support organisations to be resilient and help them to realise their opportunities is key to our current and future success.

We will remain focused on corporate and sustainability reporting requirements, as disclosure expectations look set to increase. We know that getting this right is central to sustaining dialogue with stakeholders during difficult times, particularly around strategies for delivering growth, sustainability and equality.



# 15%

**of clients in our 100 club are international clients**

We will continue to focus on delivering strong multi-channel communications strategies, and support companies to leverage their existing communications platforms to meet their commercial ambitions. In addition, we'll explore opportunities for growth internationally, as we forge relationships in new markets.

Although we recognise the challenges of the current economic climate, remaining focused on growing in the right way, with our eyes firmly fixed on the needs of our clients, positions us well for the next chapter of our journey. We look forward to embracing all the new opportunities 2023 presents.



## Client Disclosure Report

### COMMITTED TO TRANSPARENCY

For the first time we have collected data aligned with the Creative Climate Disclosure initiative. This provides us with a new lens through which we view our client base. We have reported against established review categories by type and sector. The initiative was established in 2015, and it challenges the creative sector to consider how it uses its expertise to support businesses and disclose how much revenue comes from high carbon clients.

Transparency is an important aspect of our commitment to using business as a force for good. We understand that we have a role to play in the movement to transform the global economy to benefit all people, communities and the planet. The data will help inform decision-making, ensuring that we are shaping a resilient client base and considering all our stakeholders.

→ Please see **page 33** for how we are engaging our partners with our Resilient Client Selection and Review Policy and the data we're capturing.

### % Revenue by type of business

FTSE 100 5%	AIM 100 6%
FTSE 250 13%	AIM other 18%
FTSE Small Cap 15%	
Overseas 9%	Non-listed 30%
Charities, Foundations, NGOs 5%	

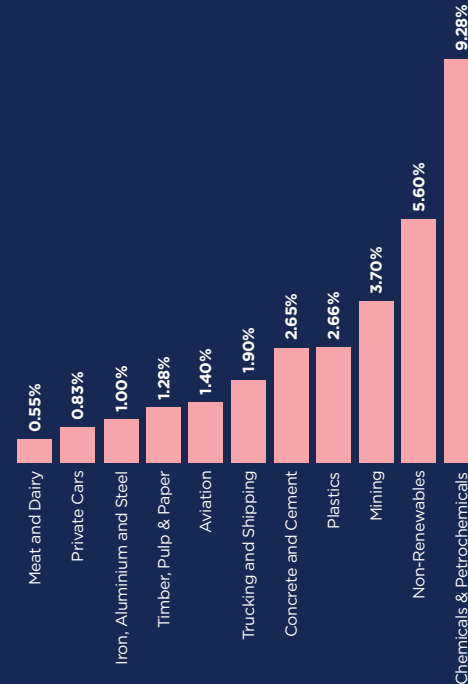
■ Main market ■ AIM ■ Other

### % Revenue by sector

Financial & Insurance 23%	Support Services 9%
Retail, Travel & Leisure 10%	Industrial & Manufacturing 8%
Tech, Media & Telecommunication 10%	Health, Bio & Pharma 8%
Other 32%	

Property & Construction (5%), Oil & Gas (4%), Transport & Distribution (4%), Mining (3%), Food & Beverage (3%), REITs (3%), Utilities (2%), Professional Services (2%), Government & Public Sector (2%), CleanTech (incl. Renewable Energy) (2%), Non-Profit (1%), Fintech (1%).

### % Revenue by carbon intensive sector

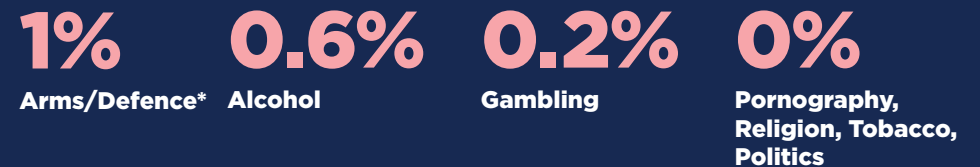


↑ Non-renewables (above left) and Oil and gas (above right) currently includes all our energy clients who have business divisions and investments in renewables, bioenergy, EV charging, hydrogen, and carbon capture and storage. We are currently exploring the benefits of more granular analysis of this category in particular. We have introduced Mining in light of the scale of our work with this sector.

### Top 10 clients by % revenue

- Financial & Insurance:** Brand development and employee experience **4.5%**
- Industrial and manufacturing:** Corporate reporting, employee experience and stakeholder engagement **4.2%**
- Industrial and manufacturing:** Brand and stakeholder engagement **4.2%**
- Financial & Insurance:** Corporate reporting and stakeholder engagement **1.5%**
- Tech, Media & Telco:** Corporate reporting and stakeholder engagement **1.5%**
- Industrial and manufacturing:** Brand, corporate reporting and stakeholder engagement **1.3%**
- Oil and gas:** Corporate reporting and stakeholder engagement **1.2%**
- Oil and gas:** Corporate reporting and stakeholder engagement **1.2%**
- Industrial and manufacturing:** Brand, corporate reporting and stakeholder engagement **1.1%**
- Oil and gas:** Corporate reporting, employee experience and stakeholder engagement **1.1%**

### % Revenue by controversial sector

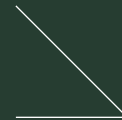


↑ Our work with these sectors is focused on regulatory investor communications

\* Defence is only one market of the three technology and engineering clients included in this 1%.

# SEEING CHANGE

OPERATIONAL EXCELLENCE



**Following organisational structure changes in 2020/21 which set the foundations for planned growth, all areas of our business have seen huge advances in the past year. This is a demonstration of our flexible operational model.**

# THROUGH

**ENHANCING OPERATIONAL PERFORMANCE**

The changes we made were driven by our desire to better support our clients in shaping and delivering their requirements. We only succeed if our clients succeed, and our focus must always be on ensuring that they are central to our thinking, planning and innovating for the years ahead.

Yet growth presents its own unique challenges, especially when our mission is one of continuous improvement and maintaining the highest standards of quality for our clients. There can be no compromise on client service even while there are, inevitably, increased pressures on our systems and our people.

**A YEAR OF GROWTH**

The start of the year was a story of uncertainty: continuing COVID-19 constraints, a cautiously recovering macro-economic environment, and no clarity on returning to offices. Yet this was quickly swept away by a strong first quarter, which delivered year-on-year growth of c.30%.

In the second quarter, a trend established itself early and continued throughout the year - that was, the outperformance of the non-reporting areas of our business, especially brand, marketing and employee engagement. These are areas in which we have made considerable investments in the previous year.

The growth was driven both by new business and, importantly, additional opportunities with existing clients. This was undoubtedly an early operational test for our teams and evidenced many of the aspirations we had when we restructured:

**Collaboration** — people and teams working harmoniously together to solve problems for our clients.

**Flexibility** — sourcing expertise from across the Group, building on the lessons learnt during the pandemic.

**Delivery** — maintaining our high standards even while experiencing unforeseen levels of growth, a key stress-test.

**Values** — as a responsible business which is employee-owned, our values are vital to our ethos and are integral to the way in which we work with our clients.

**OPERATIONAL HIGHLIGHTS**

My sense of the year is one of astonishing pace and positive change. It was very much a case of continuing to refurbish the train while it gathered pace and clattered along the rails. Change is movement and we have learnt to embrace it. As Marc Jacobs once said: “without change... you just don’t move”.

It’s worth highlighting several key areas:

**Squad performance** — all squads (our account teams) exceeded their revenue targets and there was increased sharing and collaboration across accounts.

**Profitability** — we delivered improvements in account profitability as we focused on this critical area, which fed through to growth in our Group margin.

**Data** — we built new tools to help our teams manage their accounts more effectively and to provide far greater data transparency to senior stakeholders.

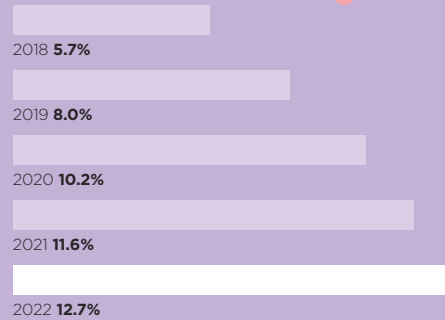
**Account growth** — our average account size grew by >20% since the previous year.

**Group resourcing** — during the year we shared >400 days of design and artwork resources across the hubs (our offices across the UK and Dubai). This saved on freelance spending and promoted cross-hub working and collaboration.

**Our KPIs**

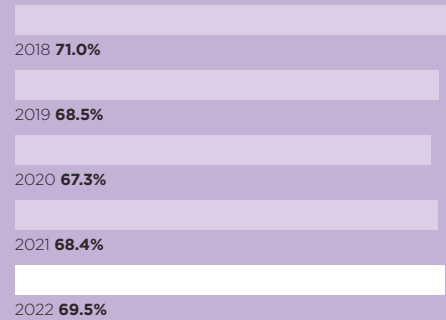


**PROFITABILITY\* %**



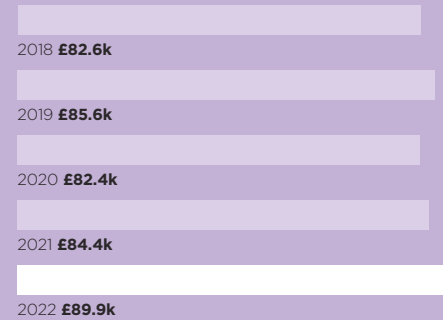
This is our key profitability KPI which we monitor on a monthly and rolling 12-month basis. The margin in 2021/22 increased to 12.7% continuing a positive trend over the past five years.

**STAFF COSTS TO REVENUE\*\* %**



We track the staff costs to revenue ratio as a key measure of margin control. Our target is 60%, but 2021/22 saw a further increase in the ratio to 69.5%. This reflects the competitive market for talent which resulted in salary inflation and also our rapid growth, which resulted in a 61% increase in relatively expensive freelancers as we struggled to recruit rapidly enough.

**REVENUE PER HEAD\*\*\* £**



We track revenue per head as a measure of efficiency. Our target is £100,000 per head (permanent staff). It was pleasing to see a significant increase in this metric in 2021/22 to a level which exceeds the pre-pandemic number. However, a level of caution should be applied as to the improvement in efficiency based on the increased number of freelancers used (which are not included here).

\* Earnings (before exceptional costs) before Interest, Tax, Depreciation and Amortisation as a % of Revenue

\*\* Total staff costs excluding shareholder salaries, including freelancers

\*\*\* Total revenue/Average permanent headcount

PROGRESS ON PRIORITIES

In last year's review I set out several priority areas for the year ahead, here's how we've measured up against them.

01 The power of data

In last year's annual review, I set out a key priority to better understand and embed data throughout the business. During this year, working with a third-party partner, we developed our own bespoke system to support our teams in managing their clients and to enable data to play a much more significant role influencing the decisions we make. The result of this considerable effort is a system we have called Vantage - this provides a real-time aggregation of data from a number of sources to give us, and by 'us' I mean squads, senior stakeholders and ultimately the Board, much greater transparency over the data that is both determining our present and heralding our future.

We can now see, with a high degree of confidence and a low margin for error, the key performance indicators that will enable us to make more informed decisions about the resources we need, as well as where and when we need them.

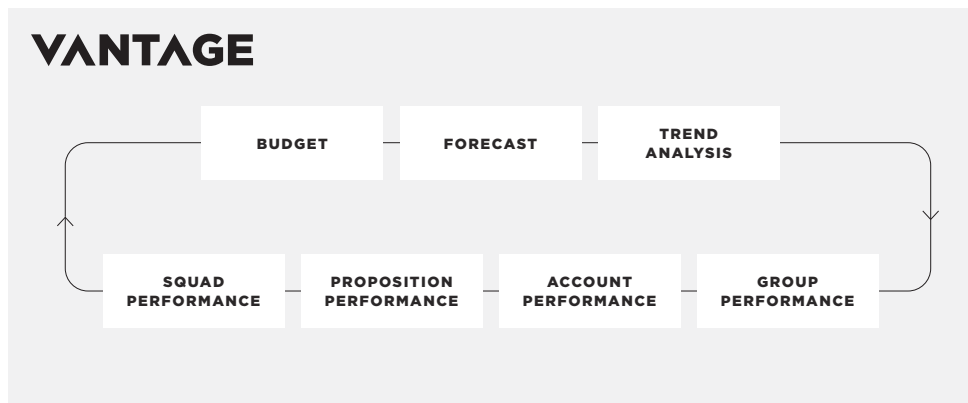
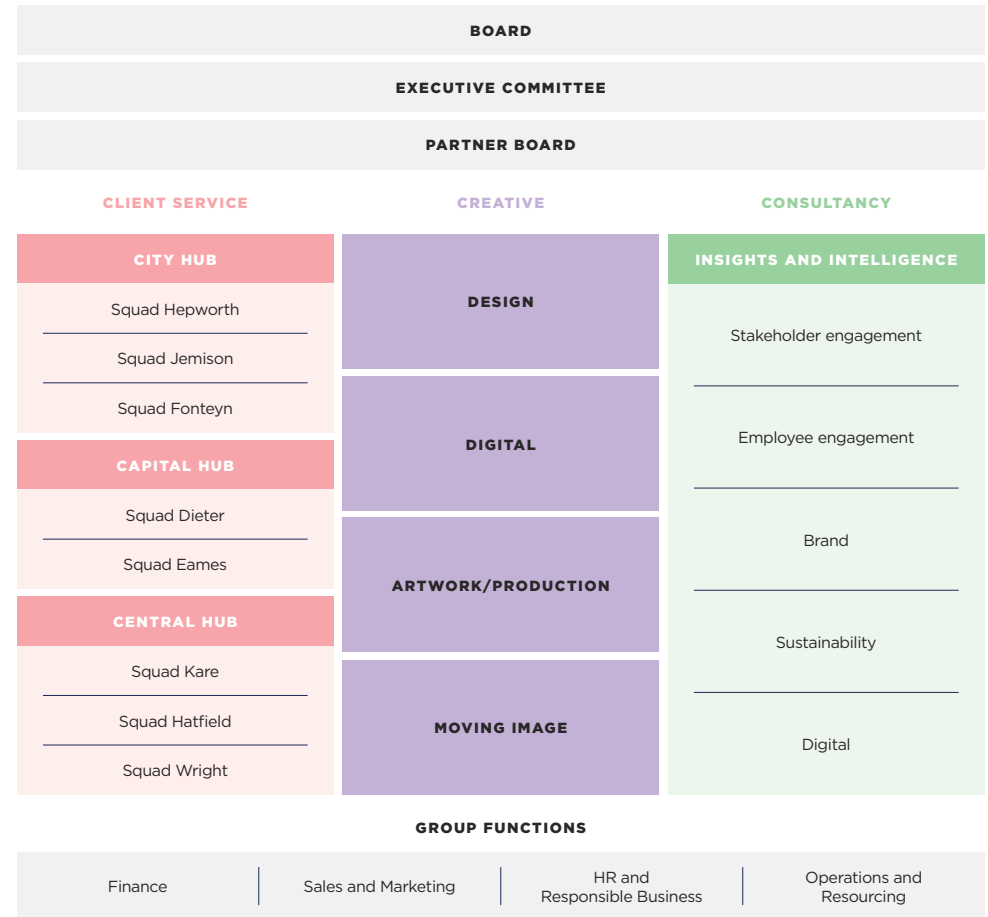
We set ourselves a challenging set of objectives for this area in last year's report and it is satisfying to note that we have either achieved or made significant progress against all of them:

- ⊙ Developing an agreed and consistent set of KPIs for all levels of the business.
- ⊙ Automating and optimising more of our reports.
- ⊙ Supporting squads, tribes and hubs with performance dashboards.
- ⊙ Creating a future-fit data framework that can support our growing requirements, particularly in the area of HR and ESG (environmental, social and governance) reporting.

We are still working on the final objective, albeit in the context of B Corp this becomes an even bigger priority. The shift to a data-informed approach combined with a more systematic and consistent implementation of data is still at a relatively early stage. However, I believe the benefits will be manifold, not just for our people but for our business and for our clients.

02 A structure to support succession

Like data, this is an area under continuous review. After last year's momentous news of Steve's side-step, we wanted to make sure we gave Cam and Vic a structure that supported their ambitions for the business. It's still work in progress, especially as we are only months into the new leadership, but at a macro level we have simplified and optimised.



### 03 Transitioning to hybrid working

We opened our new London HQ in The White Chapel Building this year – a space that has given us so much more flexibility and one that we have designed with the future very much in mind. We are still adjusting to new hybrid working patterns across all our hubs, which we see as positive for our partners and our clients. We think there is a ‘best of both worlds’, but this change shouldn’t be underestimated. It’s the biggest change in the working model for decades.



↓ **The White Chapel Building** London



### 04 Client-centricity, propositions and revenue rebalancing

The growth that we experienced last year was, at least in part, the result of investment specifically in our non-reporting propositions. For the first time we saw a shift in the balance of revenue from reporting, which fell below 60% of total revenue for the first time. A big part of this shift is that we are now doing more projects with more of our existing clients – an explicit strategic goal. Multi-disciplinary working can be difficult, but the goal of our operational model is to eliminate silos, encourage collaboration and be more unified for our clients – a goal that this year we have made good progress towards and one that will continue to be a big part of our overarching strategy.

### OPERATIONAL PRIORITIES FOR 2022/23

As you will have read elsewhere in this review, it’s a very exciting time to be part of Emperor. We have new leadership, our employee-owned partnership model continues to be a powerful force that drives success, and we have achieved B Corp Certification, which is an important signal of intent. Yet the world and the markets we operate in are still pervaded by uncertainty and risk. In that context it’s important that we don’t just invent new priorities each year; we are building on the foundations of 26 years of success and stability. Although there will be new, unforeseen challenges (the pandemic taught us all that hard lesson), the discipline and focus that has got us to this point must remain.

So, for me and for the operational teams, continuing to improve across the areas I’ve already mentioned remains vital. Ultimately, my overriding priority is to provide a stable operational platform for us to continue to succeed alongside our clients – stable but not rigid!

Three additional areas we’ll be focusing on in the year ahead include:

**Digging into data** – we are at the beginning of our journey using data in increasingly meaningful and innovative ways that support our commercial ambitions and enable us to better solve our clients’ problems and deliver what they need when they need it.

**Inspired integration** – many agencies promote their ‘integrated services’ but very few deliver – we need to be one of the few. We have made genuine progress, but this needs to be an area of continued relentless focus and improvement.

**Happy hybrid-ing** – by getting the right balance for our people and for our clients there is a huge opportunity. There is no one size fits all, heterogeneity is a given and we are a creative agency that thrives on ideas, insights and problem solving. Knowing when it’s more productive to be together or more productive to be at home is both a challenge for the individual and the Group.



### OUR PLEDGES

#### We recognise excellence

In December, we hosted our annual Excellence and Value Awards. The awards are nominated by all partners and give recognition to individuals across Emperor. We also gave out our yearly Stuart Wisken Caring and Kindness Award, in memory of Stuart Wisken, our former Facilities Manager.



**LYNN  
DICKINSON**  
CHIEF  
RESPONSIBLE  
BUSINESS  
OFFICER




**RESPONSIBLE  
BUSINESS**

**WITH  
REAL...**

**Responsible business is the golden thread through our operations, our ways of working and our services to the benefit of all our stakeholders.**



**OUR APPROACH**

Responsible business is our commitment to business as a force for good, creating value for all our stakeholders. It supports and drives the growth of the business, attracting and retaining clients and talented partners. It's brought to life by employee ownership, our pledges and our commitment to continuous improvement, in line with B Corp's five impact areas: governance, employees, environment, community and clients.

**PRIORITIES FOR FY22/23**

- Better and more timely data to inform planning and decision-making.
- Responsible business practices further embedded into how we think and do.
- Partner engagement with our responsible business ambitions and actions.



**IMPACT REPORTING**

Although responsible business exists as a distinct pillar of our strategy, it is also interlinked - whether underpinning or overarching - throughout everything we do. Many aspects of our focused growth, operational excellence and talented people also talk to the tenets of a responsible and ethical business. On **pages 8-9** we have included an impact data overview signposting to different aspects within the review.

**PLEDGES**

Our pledges are a key element of our approach to responsible business. They are a set of 12 promises and commitments that focus on issues we're passionate about and are an integral part of our culture. The pledges are listed on **page 7** and have been spotlighted across this review.

**OUR B CORP AMBITION**

**Our goal**

To be a part of the B Corp community, support the movement and make a positive impact for people and planet.

**Progress**

Emperor's B Corp journey began in 2020. We became employee owned in the January and B Corp felt like the next step. We had a track record of responsible business and B Corp provided a framework to gauge our approach and progress so far, and then guide us going forward. We submitted our B Impact Assessment (BIA) in April 2021 with a score of 113.4 points and (due to high demand and a significant queue) we waited until July 2022 to be assigned a B Corp analyst and then received confirmation of certification in September. We're excited to see how going forward embracing a B Corp mindset will influence our ongoing commitment to creating value for all our stakeholders.

**Next steps**

- Get involved in and advocate for the B Corp movement.
- Continuous improvement plans including an ongoing focus on environment, EDI and supply chain.

**ENVIRONMENT: OUR GREATEST AMBITION YET**

**Our goal**

To make reduced carbon emissions a shared objective through our operations, our ways of working and our services.

**Progress**

As a result of 18 months of continued effort by our Environmental Operations Team to collect four years of emissions data we are now up-to-date and aligned with our financial reporting. We have also improved and extended the scope of data, all of which gives us a more accurate picture of the changing shape of our footprint and where to prioritise action.

During the year our science-based targets were verified by the Science-Based Targets initiative (SBTi), our London and Edinburgh offices received ISO14001 recertification, and we worked hard to engage partners with our strategic focus areas: Avoid, Reduce, Recycle, Restore, Offset.



**Next steps**

- A detailed materiality review of Scope 3 emissions to establish our net-zero pathway, as outlined by the SBTi.
- Planning to address our carbon hotspots.
- Use our data to innovate our ways of working and services.

**INTENT**



**OUR CARBON FOOTPRINT**

During the year, we worked with B Corp Green Element to calculate our carbon footprint for 2020/21 and 2021/22 including increased scope based on learnings from previous exercises. We now have four years of emissions data, starting with a full working year pre-pandemic as our baseline and illustrating how our world of work has changed.

2021/22 scope included:

**Five offices** — four in the UK, one in the UAE

**On-site activity** — Electricity, Gas, Water, Waste, Refrigerant

**Off-site activity** — Business Travel, Hotels, Commuting, Homeworking

**Purchased goods and services** — Digital Emissions, Paper & Printing, IT Equipment, Food & Drink, Furniture & Renovations

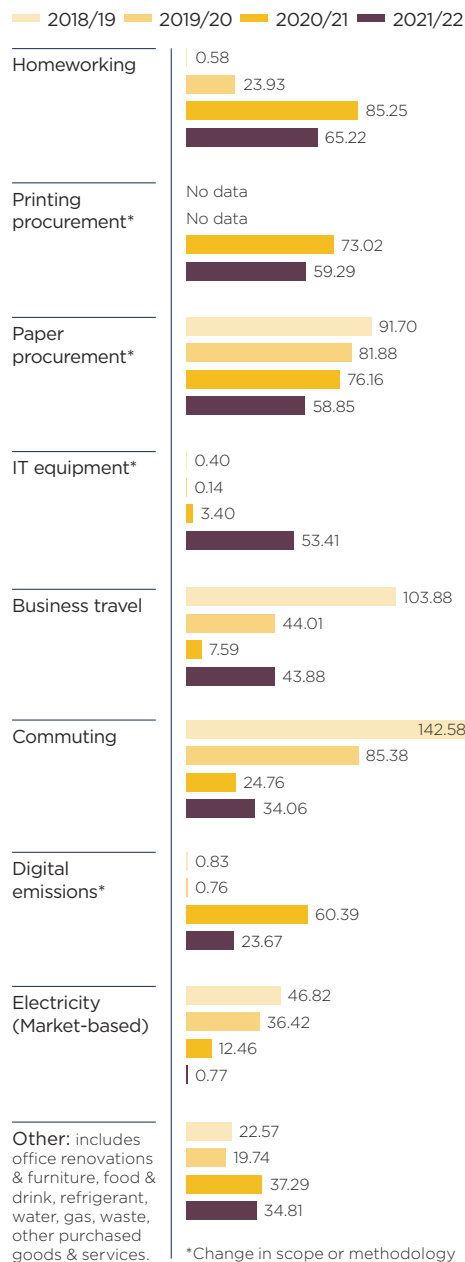
The bar chart demonstrates the change in total GHG (greenhouse gas) emissions over four years which has included several lockdowns and a shift to hybrid working.

The data is split by activity and shows where emissions have increased and decreased as a result in changing working patterns and an ambition to stick with the good habits that have benefited the environment.

We offset our operational footprint with B Corp Ecologi, whose carbon avoidance programmes are Gold Standard, and in addition we planted 2,500 trees, supporting nature restoration projects. We are also a Climate Friendly Workforce, partially offsetting the personal footprint of our partners. Going forward we are in conversation with our partners Green Element to ensure the most impactful approach to investing in offsetting.

↑ <https://ecologi.com/bima/emperor>

**TOTAL GHG EMISSIONS (TCO<sub>2</sub>E)**

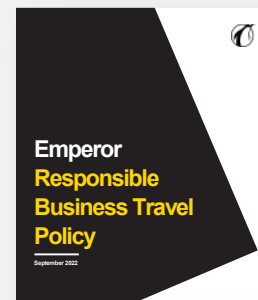


**CARBON HOTSPOTS**

**2018/19 and 2019/20 data revealed four hotspots that required action:**

**01 Business travel**

In August we launched a responsible business travel policy, alongside a decision-making toolkit for partners and air travel targets for 2022/23. This commits us to avoiding a return to pre-pandemic levels of air travel and reduce the number of flights by 30% on our baseline year. We are putting systems in place to monitor progress against our targets quarterly which will be key as the latest data shows business travel increasing significantly following the end of restrictions and a desire from colleagues and clients to connect in real life.



**02 Electricity**

Moving offices in London and Manchester meant we were able to make the switch to 100% renewable energy tariffs and significantly reduce Scope 2 emissions. We will continue to work with our landlords on environmental efficiencies and 100% green tariffs.

**03 Commute**

Data shows a 38% increase in emissions on last year relating to our commute as we spent more time working in the office. We launched a pilot electric vehicle leasing scheme that so far, has enabled six partners to switch to electric. Our 'We care for the environment' and 'We look after the whole you' pledge teams are working together to launch a new Cycle Club.

**04 Print and paper procurement**

Although print volume decreased by 18% on the previous year, together printing and paper combine to make up 31% of our footprint. Alongside continuing to advise our clients on best practice environmental printing and reduced print runs, we have improved the scope of our data in this area to separate out emissions related to print suppliers and paper brands. This is helping us to identify opportunities for reduction going forward. For example, we are avoiding carbon intensive papers and working with printers operating on a 100% renewable energy tariff.

**2020/21 and 2021/22 data showed three emerging hotspots for prioritisation:**

**01 Working from home (WFH)**

Although emissions relating to partners working from home decreased by 23% on last year, they have grown significantly on our baseline year as a result of the shift to hybrid working, first as a result of the pandemic and now as valued flexibility enjoyed by our partners. During the year we launched a new Virtual Green Office Policy with the five actions of our environmental strategy front of mind at home as well as in the office. Going forward, we will use the data collected from our WFH and commute questionnaire to find ways to support partners and reduce emissions.



**02 IT equipment**

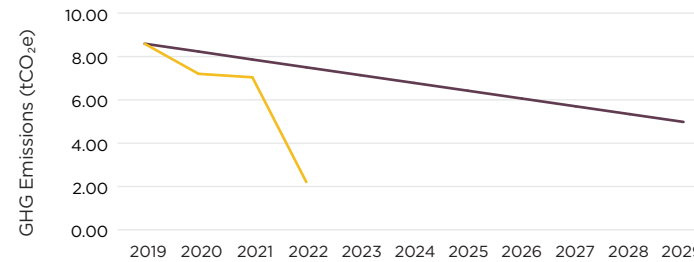
This significant increase from making up 3% of our carbon emissions last year to 14% this year, is largely down to a change in methodology by Green Element, using more specific carbon factors published by relevant suppliers. DEFRA have also published updated GHG emissions factors for IT equipment. 76% of related GHG emissions came from monitors which are particularly carbon intensive due to the raw materials and manufacturing energy consumption. We will therefore examine our current approach in light of the data provided and develop a plan to address this new hotspot.

**03 Digital emissions**

Digital is a central and growing part of our business, and an area where we have significantly improved data collection. A much improved sample size from five in 2020/21 to 97 out of 150 websites in 2021/22 means we have established a more accurate understanding of related emissions. We have a specific workstream looking at sustainable web design, how we can develop our ways of working and innovate new services for our clients.

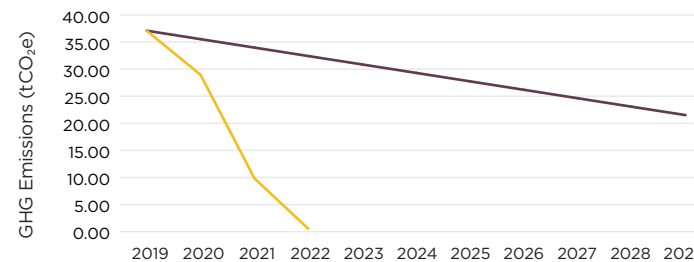
Actual values Target values

**NEAR-TERM SCIENCE-BASED-TARGET TRACKING: SCOPE 1**



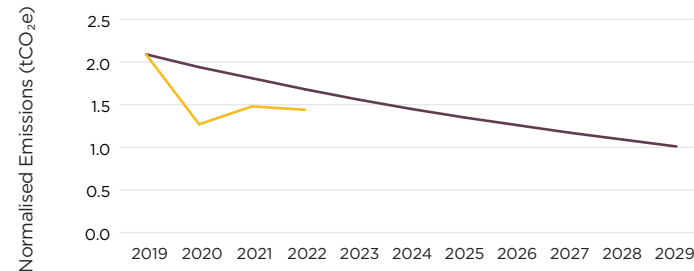
↑ Our Scope 1 trajectory is tracking well below the target largely due to moving out of offices with gas supplies.

**NEAR-TERM SCIENCE-BASED-TARGET TRACKING: SCOPE 2**



↑ Our Scope 2 trajectory is tracking below target due to transitions to 100% renewable tariffs.

**NEAR-TERM SCIENCE-BASED-TARGET TRACKING: SCOPE 3**



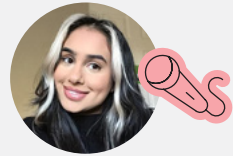
↑ Whilst we are tracking below the 7% year-on-year reduction, with an overall reduction of 30% since the baseline, emissions are increasing again due to the return of business travel and commuting plus the impact of changes to way that IT equipment is measured.

**STICK TO IT**

**Make a pledge and share your story**

We designed the 'Stick To It' campaign back in autumn 2021 to launch our new environmental strategy. The campaign recognised that some of the behaviours we developed during the pandemic have been good for the environment, including our transition to a paperless office and travelling less for work. Returning to the office and adjusting to the new world of hybrid working gave us the opportunity to be mindful of those habits that have an impact on the environment and avoid returning to them.

Partners were encouraged to make a pledge which aligned with the five actions of our strategy: Avoid, Reduce, Recycle, Restore and Offset. The campaign allowed us to highlight our carbon hotspots and promote habits which would actively work on reducing our emissions in the office and at home. The following spring we encouraged partners to make videos of their progress, which featured in our internal communications channels, alongside tips for sticking to good habits.



**Over the course of the campaign, we received more than 70 pledges. Our responsible business executive, Yumna Hussain, caught up with some of our partners to find out how they got on:**

**Claire Hastie**



→

"The Stick To It campaign boosted my motivation to continue with a New Year's resolution I made a few years ago to avoid buying new clothes and instead to buy from charity or vintage shops. I'd encourage everyone to give it a try, as there's a real sense of satisfaction from finding great items without them costing the earth — in more ways than one!"

**Rajan Dole**



→

"This campaign made me push myself to think about how I can actively support positive change to our environment and put into practice good habits day to day."

**Rachel Bostock**

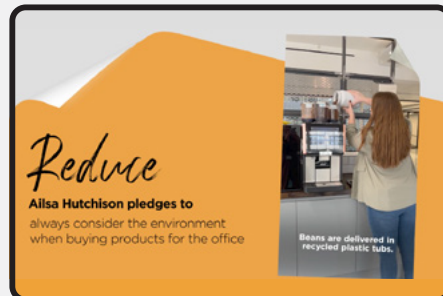


→

"My pledge was to continue not to print (post lockdown homeworking where I didn't have the option!). What I found surprising was how easy it was to slip back into old habits. The Stick To It campaign helped remind me not to slip back into old ways. My next step is paperless notes!"

**OUR GREATEST AMBITION YET.**

- Avoid**: Stop your impact from the very start.
- Reduce**: Think and act creatively to reduce unavoidable impacts.
- Recycle**: Build recycling into working practices, and inspire others to do the same.
- Restore**: Use your time and skills to help restore damaged ecosystems.
- Offset**: Invest and innovate to offset as we strive to avoid and reduce.



**SUPPLIERS: POSITIVE PURCHASING**

**Our goal**

Our purchases, partners, suppliers, and customers are all part of a chain that links us to the world. This reflects who we are and what matters to us. Our vision is to be part of a supply chain that's as ambitiously positive, resilient, collaborative, and responsible as we aspire to be. That's why with every decision we take and every connection we make, sustainability should always be at the forefront of our thinking.

**Progress**

Building on last year's first steps, we've continued to develop our Supply Chain Management Programme with a significant outcome being a new review and scoring process. Going forward this equips us with:

- A clear gauge of preferred suppliers
- A mechanism with which to select and onboard new suppliers
- An assessment of valued relationships and where we need to help improve their score
- A clearer picture of risks in our supply chain which need to be addressed

**Next steps**

- Embedding our new approach into the selection and onboarding of new suppliers
- Developing targets and KPIs

For more detailed information please see our **Modern Slavery Statement**.

**CLIENTS: SHAPING OUR SUSTAINABLE FUTURE**

**Our goal**

We believe in B Corp's mantra of business as a force for good and want to build relationships with like-minded companies committed to an ambition to be better and balancing people, planet and profit.

**Progress**

Building on the momentum of open and transparent discussions about who we work with and why, we formalised a new Resilient Client Selection and Review Policy and formed a Resilient Clients Committee. We produced our first Creative Client Disclosure Report which you can read about on **pages 22-23** in Focused Growth.

We shared the data with partners as part of three 30-minute Shaping our sustainable future sessions. These sessions were focused on raising awareness of the new policy, examples of decisions it had informed so far, and the launch of a questionnaire asking partners to tell us who they'd love to work with, what makes a great brief and what issues they are keen to see being addressed by the companies we work with.

**Next steps:**

- Develop a business development plan from the results of the, Shaping our sustainable future, partner questionnaire.
- Record and review data being captured by our teams implementing the new policy and cases being raised to the Resilient Clients Committee.
- Continue to engage partners through the 'Shaping our sustainable futures' initiative.

**RESPONSIBLE BUSINESS CHAMPIONS**

**Our goal**

Establish a network of responsible business champions to keep spreading the word far and wide.

**Progress**

In last year's report we said we would establish a network of responsible business champions across Emperor. When setting out to define what we wanted to achieve and how this could work, we identified an already active ecosystem of partners immersed in different aspects. So for our company-wide summer update, we created a video to bring to life the different ways in which people across Emperor are involved in responsible business every day.

**Next steps**

Going forward it is key that our partners understand our approach to responsible business and make connections with their own role and responsibilities. This will help us to further activate our plans and achieve our goals. A particular focus for the coming year is to increase the number of partners with specific performance objectives as part of our annual review process encouraged by the rollout of specific training and ongoing communications.

**OUR PLEDGES**

**We care for the environment**



**PLANT. GROW. EAT.**

Thanks to the imagination of 'We care for the environment' pledge team leaders Christina Brusendorff and Louisa Holgate this year saw our first Big Spring Plant in support of our environmental strategy. The initiative encouraged everyone to help restore our environment while also bringing a little joy to our partners. Throughout the spring and summer, we watched our tomato seeds turn into plants and eventually some delicious tomato-based recipes with the guidance of our very own Head of Digital Strategy, Simon Bennison.



↑ At the summer update we showcased **our responsible business champions video**

OUR PLEDGES

We give back

EMPEROR FOUNDATION

Emperor set up the Emperor Foundation in 2018 to maximise the impact of our charity fundraising initiatives and to clearly separate our corporate and charitable activity. Our partners took part in several inspiring fundraising initiatives this year, which meant the Foundation could donate £65,000 to a number of great causes.

This year we went further with our pledge to give back, as Emperor committed to donating 1%\* of its EBITDA to charity. This meant a further £27,000 was distributed through the Foundation this year, which is nearly three times our previous commitment of £10,000.

\* This is calculated on earnings before interest, taxes, depreciation, and amortisation (EBITDA)

FUNDRAISING INITIATIVES

We continued our support for our chosen charitable partner Maggie's, a charity providing free cancer support and information across the UK. Our fundraising activities were broad, ranging from bake offs, a ping pong tournament and beauty banks to 'wear a hat to work' day, and our Christmas 'Penguin Pairs' game.

After being postponed several times during the pandemic, we completed our long-awaited London to Amsterdam charity cycle. 53 of our partners cycled 120 miles for a great cause - following this initiative, we were able to donate £60,000 to Maggie's - this includes £25,557 raised from a silent auction.



We also supported the British Red Cross Ukraine war appeal, raising over £3,000. We raised further funds for charities Mermaids, Frontline Aids, Cancer Research UK, Trailwalker UK, Save the Children, Charlie Waller and Long Covid Support.



53

partners cycled 120 miles for Maggie's cancer care charity

1%

EBITDA to charity



**VOLUNTEERING**

Volunteering, mentoring and coaching is another important way we can give back to the community. During the year, our partners worked with the following organisations:

- Spitalfields City Farm
- Aleto Foundation
- Help to Ukraine
- Onhand
- Long Covid Support
- Olive Academies Trust
- Edinburgh College
- Barnado's
- Kerning the Gap
- Two + Two

Whilst we have been steadily increasing the number of hours volunteered over the past two years, we still have a way to go to broaden participation. Team based initiatives and mentoring partnerships remain our focus.

**Total volunteering hours: 585**



↑ **Wild Work Day** with the Warwickshire Wildlife Trust



↑ **Tending to the sunflowers** at Spitalfields City Farm



**PRO BONO WORK**

Giving back isn't just about fundraising and volunteering. We've shared our creative communications skills with organisations that are doing great work for people and the planet. This year, we've worked with the following organisations on a pro bono basis:

- Ocean Generation
- The Rivers Trust
- Grove Cottage
- Maggie's
- Forth Children's Theatre
- World Endometriosis Society
- Cornish Metals
- Make 2nds Count
- Lend an Ear
- Mubadala International Day of Charity 2022
- Schools Out
- The Harlequins Foundation & The Photography Movement
- Wargrave House School & College

**Total pro bono hours: 2,177**

**Smashing our target of 1,000 hours.**



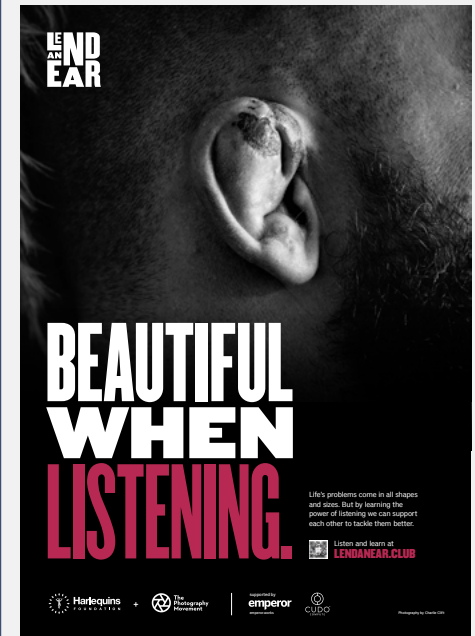
**585**  
volunteering hours



**2,177**  
pro bono hours



↑ **Partnering with Schools Out** to create a powerful brand identity. Click to learn more.



↑ **Teaming up with The Harlequins Foundation and The Photography Movement** to launch Lend an Ear



**We've had another incredible year with a keen focus on strengthening skills and ensuring more opportunities for growth are open to all our people.**



**TALENTED  
PEOPLE**

**EQUIP**  **ED**



Our relentless focus on partner experience meant we continued to foster an environment where health and wellbeing are actively promoted and where all partners feel engaged with the business and valued for their contribution.

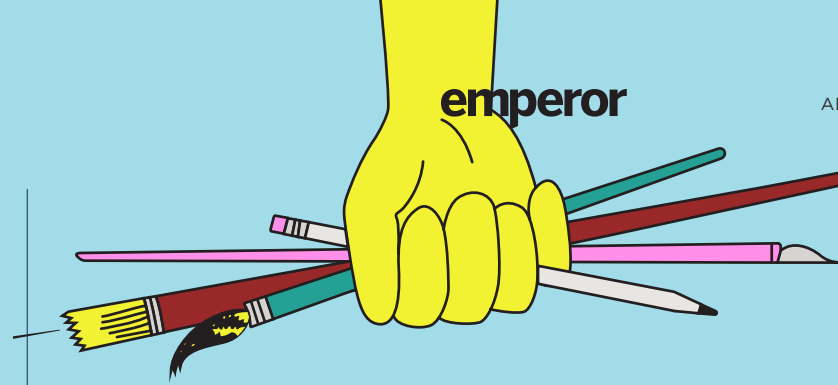
This year also saw the departure of our Head of People and Culture, Nicole Andrews. Nicole returns to New Zealand with her family after nearly 10 incredible years leading the people agenda at Emperor. Our people-first culture is testament to her dedication and relentless enthusiasm.

We move into 2022/23 with the appointment of Sam Lipman to the role of Chief People and Talent Officer. Sam brings a wealth of experience in brand and communications agencies, and will continue to build upon the strong foundations of our people team.

**Sam  
Lipman**

Chief People  
and Talent  
Officer

→



# AND INSPIRED

## GROWING OUR OWN

We are convinced that learning and development (L&D) enables a high-performance culture. This year was a bumper year for L&D as we set about establishing the foundations to amplify our learning culture. We encouraged our people to take advantage of our many opportunities to learn and grow and offered a wide range of opportunities including:

- Developing the capabilities of our managers and leaders through internal and external development
- Continuously improving our knowledge of investor relations with the IR Society
- Amplifying our Pitch Stars with the D&AD
- Developing technical capabilities through Pluralsight, Udemy and LinkedIn Learning
- Enhancing our sustainability capabilities with Cambridge University
- Discovering our unique talents and how to apply them through Clifton StrengthsFinder

- Building exceptional leaders through executive coaching
- Staying current with industry leading conferences and workshops.

We also recognise the significant knowledge we hold as an organisation and continue to foster informal and peer-to-peer learning. Spots on our monthly organisation-wide meetings allow partners from all over the business to share work and experiences we can all learn from. We also have regular cross-function learning in 'show and tell' sessions hosted by our creative teams, as well as sessions in which we share best practice work.

A six-week sustainability programme hosted by our Head of Stakeholder Engagement was again oversubscribed and we'll look to run this for the third time next year. Participants came away with current thinking and confidence relating to sustainability.

## IMPROVED EXPERIENCES

We have invested in technology with user friendly, self-service tools to provide more data-driven insights for improved decision making.

Our new HR information system supports our ambition for all employee data to live in a single, secure database.

We've also introduced an applicant tracking system that optimises our hiring process. It's allowed us to improve the candidate experience and manage hiring processes across the organisation.

Together these modernisation initiatives have helped to simplify and standardise how we work and we will continue to explore technology solutions that generate cost and efficiency savings.

**FOSTERING AN INCLUSIVE ORGANISATION**

Much work remains, but we continue to make good progress with our commitment to equality, diversity and inclusion in all aspects of our business. This year we launched our first inclusion survey to better anticipate our people’s needs and to shape our people strategy. As a result, we developed a number of initiatives including allyship workshops for all partners, the evolution of our employee resource group and we engaged in a partnership with a disability consultancy.

We also launched our first apprenticeship programme, RISE. We know that many young people lack access to our industry. We set out to proactively offer young people space and support to shape a career in the communications industry. With five bright school leavers joining us in August, they quickly hit the ground running. They’re rotating across multiple disciplines throughout the programme and we can’t wait to nurture these future stars.

We also continued our partnership with fellow B Corp LDN Apprenticeships to recruit our first Responsible Business Executive participating in the new Corporate Responsibility and Sustainability Apprenticeship pathway.

Equality, diversity and inclusion (ED&I) continues to be central to our people strategy and we’ll continue to review and deepen our efforts.



5

**New RISE apprentices**

**PRIORITIES FOR FY22/23**

In the year ahead, we’ll focus on delivering a brilliant people experience that drives incredible performance.

We’ll be investing our efforts in:

- Creating an inclusive culture where we can all be our best
- Designing people metrics to shape our strategy
- Improving our onboarding experience with a streamlined approach
- Continuing to grow the people function, infrastructure and processes to keep pace with the evolving needs of the business.



68

**Partners participated in POP!, our first internal mentor programme**

**RISE**



**OUR PLEDGES**

**We help you go beyond your potential**

This year’s focus on learning and development meant we could really fulfil the potential of the ‘We help you go beyond your potential’ pledge. We saw the launch of two key programmes:

**POP!**

Partnerships of Potential or POP! was our first internal mentor programme. We saw 68 partners participate for a variety of development needs, including personal brand and career progression through to extending knowledge and career changes. This six-month programme now has a waiting list for 2023 and we look forward to seeing the potential of even more partners, pop!

**BE YOUR BEST FEST**

Over three glorious sunny days, 40 partners came together in a field for our inaugural Festival of Learning, Be Your Best Fest. This year’s event was aimed at upskilling our junior members of staff with vital agency skills, such as interrogating and responding to a brief. Working in cross-function teams, our partners worked on a real client brief with the ambition to create a brand for a game-changing apprenticeship initiative that fosters social mobility. The event not only gave a nod to our ED&I ambitions but also our sustainability efforts as we went off grid at an eco campsite. Be Your Best Fest gave partners the opportunity to come together to celebrate and truly deepen our extraordinary culture.



↑ Be Your Best Fest



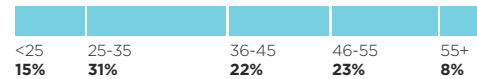
## People and culture dashboard

As at 31 August 2022

### EMPLOYMENT TYPE



### AGE RANGE



# 82

New joiners

# 49

Leavers

# 19

Interns

# 6

Apprentices

# 13

Fixed-term to permanent

# 285

Permanent employees  
(as of 31 August 2022)

# 18.4%

Employee turnover  
(compared to industry average  
of 26.8%, April 2022)

# 4.2yrs

Average length of service

# 9

Number of 'boomerangs'

# 89%

annual appraisals (up from  
65% last year) - up 24%

# 2,847

training hours internally  
(up from 1,616) - up 76%

# 38

career progressions  
(up from 22) - up 73%

# 1st

festival of learning

### OUR PLEDGES

#### We give youth a chance

Emperor has continued to support young people through apprenticeships, internships and work experience programmes across our UK hubs.

#### LONDON

- 14 interns joined to work across all teams
- Five apprentices joined us through our RISE programme
- 11 work experience students worked with us

#### EDINBURGH

- Two account executives were recruited through our schools programme
- Four interns joined to work across all teams
- Mentoring, inductions, presentations and creative partnership with Edinburgh College



#### MANCHESTER

- Two mentees in partnership with charity, Barnado's
- One intern who rotated through all teams
- Brand strategy event for Stockport Design College
- Brand strategy masterclass for apprentices
- Held workshops for youth and social mobility in the design industry

#### WARWICK

- Established a creative connection with Northampton University to look for talent of the future
- One apprentice joined us on the Corporate Responsibility and Sustainability Apprenticeship Pathway through LDN Apprenticeships

We know that the right focus on equality, diversity and inclusion is fundamental to our ongoing success.

Companies with 250 or more employees must publish their gender pay gap data each year. We're only now over 250 people but we've chosen to report this data for the past two years to be more transparent and conduct a very useful analysis.

At its simplest, the gender pay gap is described as 'the difference between the average earnings of men and women across a workforce.' It's also important to note that 'gender pay gap' and 'equal pay' aren't synonymous. When we talk about equal pay, we mean when men and women perform the same work (or work of the same value), they must be paid the same. Emperor pays equally. Earlier this year we published our salary bands and that exercise illustrated that point.

The gender pay gap analysis is just one data point that we use as a reference for our actions in the ED&I space. It is an incredibly useful indicator for areas of the business that we need to investigate and improve. Just like the insights we source from our disability survey data or the reporting from our Belonging Index survey. If we can get the ED&I focus right, then we should expect an outcome with appropriate representation across all demographics, not just gender.

**GENDER SPLIT AT TIME OF REPORTING**



**HAS OUR PAY GAP INCREASED OR DECREASED?**



Mean



Median

ONS



Median

\* UK figures for 2022 published by the Office for National Statistics (ONS)

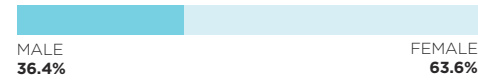
Our 2022 mean pay gap was 13.2% and the median pay gap was 8.8%. When we compare 2022 to 2021, there has been a significant reduction in the mean pay gap of 8.6% and a reduction in the median pay gap of 10.1%.

It's clear that the figures this year show positive movement. But it's important to look beyond the headlines.

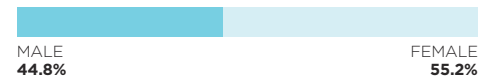


**WHAT ARE OUR GENDER SPLITS?**

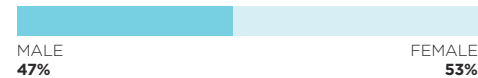
**LOWER QUARTILE**



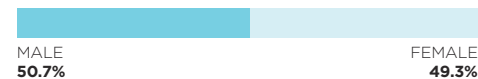
**LOWER-MIDDLE QUARTILE**



**UPPER-MIDDLE QUARTILE**



**UPPER QUARTILE**



There is more insight when we begin to explore the distribution of male and female employees in each of the four equal quartiles. In the lower quartile we have 63.6% female but by the time we reach the upper quartile, that's reduced to 49.3%. We know there are internal and external factors that influence this so the key takeaway for us is to ensure we're helping women progress through the quartiles.

On the whole, there is positive movement and we can say with confidence that:

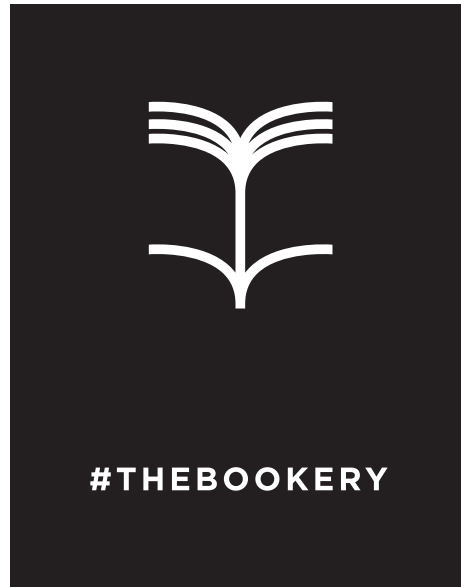
- Men and women are paid equally for doing the same role at Emperor.
- Progressing to a senior role in Emperor is not affected by your gender.
- There are external factors that contribute to these figures.
- We are going in the right direction and continuously working towards maintaining a fair gap.

It's clear there is still significant and ongoing work to do in the ED&I space. The gender pay gap is just one slice of the data pie. In 2023, we're renewing our diversity and inclusion commitments to ensure we keep a razor sharp focus in this space and will be regularly reviewing our data to ensure we are being proactive and continuing to hire and retain a diverse group of talented partners.



**Renewed commitments to ED&I in 2023**

- **A RAZOR SHARP FOCUS ON THE DATA**
- **CLEAR GOVERNANCE AND ACCOUNTABILITY**
- **INCREASING REPRESENTATION IN OUR TALENT POOLS**
- **ENHANCED, BEST-IN-INDUSTRY POLICIES AND PRACTICES**
- **HELPING ALL PARTNERS PLAY THEIR PART**



↑ **The Bookery**, Emperor's very own virtual book club which was born out of lockdown, continued to bring us together over our shared love of getting lost in stories.



**OUR PLEDGES**

**We look after the whole you**

We continued to prioritise a proactive approach to our partners' wellbeing. Through a survey and our Partner Voice workshops, partners shared vital feedback on their experiences, challenges and needs. This shaped how we supported our people to improve their physical, mental, social and financial wellbeing.

**Initiatives included:**

- Weekly yoga and meditation
- Improvement to our Partner Assistance Programme
- Men's Health Week talk on nutrition and HIIT session
- Wellbeing sessions including NLP and confidence
- Blue Monday event and treats
- The Bookery - our Emperor book club
- Winter March of the Penguins - a company-wide step count to keep us moving
- Monday Matchup - matching people across Emperor to have a casual coffee catch up
- World Mental Health Week pottery session
- Financial and mortgage advice
- Organisation-wide blocks in calendars for a lunch break and Teams-free Friday afternoons
- Continued promotion of our mental health resources via our Mental Health Champions



7

**Mental Health Champions**

60+

**hours of yoga**

540+

**minutes meditating**

11+

**hours of wellbeing capsules and webinars**



# INVESTED



**This year we maintained strong momentum. We increased our revenue by a third, declared an increased partner dividend and added to our cash reserves.**



# WITH

# MEANING



**THE  
FINANCIALS**

In last year's report, we wrote about the strong start we had made to our 2022 financial year, and the 'unprecedented momentum' in the business. It is pleasing to be able to present results for the full year which demonstrate how this momentum was maintained.

The results for 2022 presented here are in our management format but reconcile directly to the fully audited statutory accounts filed at Companies House. The headline numbers show a strong performance. Consolidated turnover (that is the consolidation of Emperor Design with its 51% subsidiary, Emperor Presentations) for the year was £32.4 million, an increase of £7.7 million (31%) on 2021. Our key indicator of business activity, revenue (turnover less direct bought-in costs), was £26.7 million, an increase of £6.3 million (31%) on the previous year.

In the core Emperor Design business, it was the first year since pre COVID-19, that performance was strong throughout. In the first six months revenue was up 11% on budget and 37% on the previous year. Earnings before interest, taxes, depreciation and amortisation (EBITDA) was almost £1 million higher for that period. The second half of the year, although not quite at this level, continued to be strong and resulted in full year revenue up 31% at £25.1m.

Emperor Presentations performed strongly in 2022, its fourth year of trading, with revenue of £1.7 million up from £1.3 million in 2021. It delivered EBITDA of £529,000 (2021: £460,000).



# +31%

Year-on-year revenue

## OPERATING PROFITABILITY

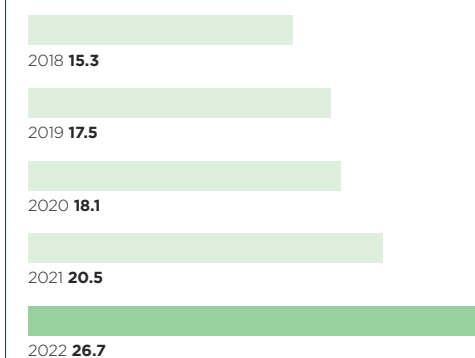
The rapid growth in the first part of the year put our people under significant pressure. This was exacerbated by uncertainty and operational complexity caused by the second lockdown in November 2021, and then the gradual move to a new hybrid, flexible working model from February 2022. We recruited significantly during the year to help alleviate this pressure but also to take advantage of the market opportunities that presented themselves.

Increase in people costs largely drove the significant increase in overheads for Emperor Design to £22.5 million (an increase of 31%). This included exceptional costs relating to the refinancing of Vendor Loan Notes (see below) of £360,000.

Excluding these exceptional costs, EBITDA was £3.2 million (2021: £2.2 million, an increase of 45%). The margin at EBITDA level was 12.7% before exceptional items, up from 11.6% in 2021.

Because of the strong performance of the business, we were able to declare a partner dividend of £300,000, up 20% on 2021. It was shared among all eligible partners under the terms of the Employee Ownership Trust operating agreement. Under the Employee Ownership Trust legislation, the dividend is tax free for individuals up to £3,600.

## FIVE-YEAR CONSOLIDATED REVENUE £M



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 August 2022

	2022 £'000	2021 £'000
<b>Turnover</b>	<b>32,352</b>	<b>24,620</b>
Bought-in costs	(5,609)	(4,141)
<b>Revenue</b>	<b>26,743</b>	<b>20,479</b>
Administrative expenses (excluding depreciation)	(23,507)	(17,951)
<b>EBITDA</b>	<b>3,236</b>	<b>2,528</b>
Depreciation	(193)	(137)
Interest payable	(35)	-
<b>Profit before taxation</b>	<b>3,008</b>	<b>2,391</b>
Tax on profit	(599)	(470)
<b>Profit for the financial year</b>	<b>2,409</b>	<b>1,921</b>
Profit for the financial year is attributable to:		
Owners of the parent company	2,203	1,740
Non-controlling interests	206	181
	<b>2,409</b>	<b>1,921</b>

**CASH FLOW HIGHLIGHTS**

In 2022, Group net cash from operating activities was £2.6 million. Capital expenditure was £435,000 most of which related to the new London office in The White Chapel Building, which we moved into in January 2022.

£3.9 million was gifted to the Employee Ownership Trust to redeem Vendor Loan Notes and repay bank debt relating to the refinancing of those notes in May 2022.

At the year-end, the Group had cash reserves of £2 million (2021: £1.6 million). Emperor Design had a revolving credit facility provided by Santander Bank of £2.5 million which was fully drawn down. Santander also provide a working capital facility of £500,000, which was not utilised during the period. This replaced the invoice financing facility previously provided by NatWest Bank.

**VENDOR LOAN NOTE REFINANCING**

In May 2022 we refinanced the outstanding Vendor Loan Notes relating to the sale of shares to the Employee Ownership Trust in March 2020. Santander provided two facilities for this purpose: a revolving credit facility of £2.5 million and a five-year term loan of £4 million. The term loan is in the name of the Employee Ownership Trust, but repayments are made by the Company via gifts to the Trust. The facilities are secured against the assets of the Group.

**BALANCE SHEET HIGHLIGHTS**

The Group has a strong balance sheet and good liquidity. At 31 August 2022, we had cash of £2 million and net current assets of £3.2 million. The revolving credit facility of £2.5 million was drawn down on 19 May 2022. It is repayable on the fifth anniversary of the draw down.

**SIMON NEWTON**

Chief Financial Officer

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 August 2022

	2022		2021	
	£'000	£'000	£'000	£'000
<b>Fixed assets</b>				
Tangible assets		523		280
<b>Current assets</b>				
Stocks	216		351	
Debtors	6,606		4,976	
Cash at bank and in hand	1,960		1,603	
	<b>8,782</b>		<b>6,930</b>	
<b>Creditors: amounts falling due within one year</b>	<b>(5,569)</b>		<b>(4,423)</b>	
<b>Net current assets</b>		<b>3,213</b>		<b>2,507</b>
<b>Total assets less current liabilities</b>		<b>3,736</b>		<b>2,787</b>
Creditors: amounts falling due after one year		(2,576)		-
Provisions for liabilities		(44)		(42)
<b>Net assets</b>		<b>1,116</b>		<b>2,745</b>
<b>Capital and reserves</b>				
Called up share capital		1		1
Profit and loss reserve		878		2,542
<b>Equity attributable to owners of the parent Company</b>		<b>879</b>		<b>2,543</b>
<b>Non-controlling interests</b>		<b>237</b>		<b>202</b>
		<b>1,116</b>		<b>2,745</b>

**£2m**

**Cash reserves**



### OUTLOOK FOR THE NEXT FINANCIAL YEAR

Towards the end of this financial year, it became clear that the outlook for the next 12 months is uncertain. Growth in 2023 may not replicate that achieved in 2022. Our budget for the year assumes a growth in revenue of just over 10%.

The start of 2022/23 has proved more difficult than we anticipated. The well-documented challenges facing the UK economy have made an impact. Although revenue has grown in the first quarter of our financial year, profit has been adversely affected by salary inflation, energy costs and the pressure on client budgets.

With most commentators now predicting a multi-year recession, we are proceeding with some caution. One of our primary concerns, as ever, is to do our best to support our partners and provide them with job security through this period. As ever, our partners have worked tirelessly throughout the past year and they should be proud of the exceptional work they have delivered and the financial performance they have helped to achieve.

### CONSOLIDATED STATEMENT OF CASH FLOWS

As at 31 August 2022

	2022		2021	
	£'000	£'000	£'000	£'000
<b>Cash flows from operating activities</b>				
Cash generated from operations		3,106		3,028
Interest paid		(35)		-
Income taxes paid		(449)		(417)
<b>Net cash inflow from operating activities</b>		<b>2,622</b>		<b>2,611</b>
<b>Investing activities</b>				
Purchase of tangible fixed assets	(435)		(173)	
<b>Net cash used in investing activities</b>		<b>(435)</b>		<b>(173)</b>
<b>Financing activities</b>				
Drawdown of bank loan	2,356		-	
Capital contribution to EOT	(3,866)		(1,500)	
Dividends paid to non-controlling interests	(319)		-	
<b>Net cash used in financing activities</b>		<b>(1,829)</b>		<b>(1,500)</b>
<b>Net increase in cash and cash equivalents</b>		<b>358</b>		<b>938</b>
Cash and cash equivalents at beginning of year		1,603		665
<b>Cash and cash equivalents at end of year</b>		<b>1,961</b>		<b>1,603</b>

### OUR PLEDGES



### We will support you through thick and thin

A one-off £500 cost of living bonus was awarded to all partners, which we hope will make a tangible difference in helping them to meet rising household costs.

# INTEGRITY AND...



## In this section

- 48 Principal risks and uncertainties
- 52 Employee Board
- 58 Leadership



# OPTIMISM

# PREPARING FOR CHALLENGES

PRINCIPAL RISKS  
AND UNCERTAINTIES



**Emperor's risk management framework manages principal risks as they emerge.**

Principal risks are formally reviewed four times a year by the Executive Committee and twice a year by the Board. The current list of Principal Risks, the changes in the list since last year, and the mitigations in place are set out in the table overleaf.

RISK	DESCRIPTION AND IMPACT	DEVELOPMENTS IN 2020/21	CONTROLS AND MITIGATIONS
<b>Recruitment and retention of talent</b>	<p>The market for talent is highly competitive in several key disciplines in our sector. Failure to attract the talent we require can have an adverse impact on our ability to win and deliver work to the appropriate standard.</p> <p>Using recruitment agencies can add significantly to costs and reduce margins.</p> <p>The loss of key talent can impact on the continuity of client relationships and the depth of our expertise and capabilities, putting future fees at risk.</p>	<p>The impact of the increased cost of living has put significant additional pressure on salaries, further fuelling the market.</p> <p>Competition for the talent is increasingly coming from in-house corporate teams as well as agencies in our sector.</p>	<p>A full salary review process took place during the summer to ensure salaries were market checked.</p> <p>A full-time Talent Acquisition Manager was appointed during the year with a focus on reducing our reliance on agencies. A candidate tracking system was also implemented to improve the management of the candidate pipeline.</p> <p>An increased investment in, and clear strategy for, learning and development (including our first residential event – Be Your Best Fest) is intended to mitigate the loss of talent. See more on pages 36–38.</p>
	Risk Level: ● Impact Level: ●		
<b>Employee health and wellbeing</b>	<p>Our partners' health and wellbeing have a direct impact on the quality of work we produce, both in terms of our strategic and creative output, but also the quality of client relationships.</p>	<p>Some of our partners have thrived in a remote-working environment, while others have found it incredibly challenging to balance conflicting priorities, childcare demands, loneliness and isolation.</p>	<p>Our Pledge and Wellness Manager is responsible for our programme of wellness initiatives for partners. This has been expanded to cover many facets of mental, physical and other wellbeing.</p> <p>Our weekly Pulse survey enables us to monitor partner sentiment and satisfaction, identify trends, and respond to key issues.</p> <p>The Partner Board is a forum for partners to raise and escalate issues for management attention. Six-weekly 'voice sessions' give partners the opportunity to be heard. The Partner Voice reports to the Executive Committee monthly. See more on page 54.</p>
	Risk Level: ● Impact Level: ●		
<b>IT systems and security risk</b>	<p>The cyber threat to all businesses is persistent, evolving and growing. A cyber-attack could result in operational disruption, reputational and financial damage, depending on the type and extent of it. Emperor is continually investing in appropriate mitigation measures, software and monitoring processes to protect our operations, our clients and our people.</p>	<p>There has been an increase in phishing attacks during the year and in particular so called 'spear phishing attacks' – attacks that target a specific person or group and often include information known to be of interest to the target.</p>	<p>The IT Steering Committee is responsible for overseeing all elements of IT system access and security. Processes and policies are in place and include our Cyber Incident Response Plan and Data Security Handbook. Cyber security awareness training is provided to all partners on an annual basis.</p> <p>We have increased our investment in the Darktrace software to cover all 'end points' in our network.</p> <p>There has been increased communication and explanation of the risk of spear phishing attacks, and a process implemented to respond when they occur.</p>
	Risk Level: ● Impact Level: ●		

RISK	DESCRIPTION AND IMPACT	DEVELOPMENTS IN 2020/21	CONTROLS AND MITIGATIONS
<b>Leadership succession</b>	The CEO succession process that culminated in new co-CEOs being appointed with effect from 1 June 2022 could result in a loss of focus and failure to implement strategic priorities. If the business responds negatively this could also lead to a loss of talent.	<p>The CEO succession plans were communicated to the business in August 2021 and several open forums were hosted for partners to ask questions.</p> <p>The CEOs are now in position and have been focused on ensuring continuity while reviewing the strategic priorities.</p>	The succession process was rigorous, recognising Emperor's unique culture, as well as its strong growth aspirations and responsible business ethos. The new CEOs have continued to drive and foster a collaborative culture and maintain strong lines of communication between the Executive Committee and the Partner Board. Ensuring strong communication between the various layers of governance is contributing to a smooth transition.
	Risk Level: ● Impact Level: ●		
<b>Evolving hybrid working model</b>	Building trust, maintaining culture and fostering team cohesion in a hybrid world is a challenge. Our partners have expressed different preferences for blended working arrangements between home and office. The role of the office is changing but still has a crucial role to play. If Emperor is unable to create the conditions and workspaces that support an effective blended working model, we risk compromising quality, collaboration, productivity and client service level, as well as diluting our key strategic pillars.	<p>During the year we moved into our new London office, and also a new Manchester office. Plans were announced recently to move our Warwick office to the centre of Birmingham.</p> <p>The new office spaces have been designed with flexible, hybrid working in mind. There are areas for collaboration and socialising, as well as appropriate technology for video calls.</p>	<p>Our new offices have enabled us to create inspiring environments equipped with the technology for our partners to do their best work, collaborate with colleagues and host clients and contacts.</p> <p>We seek regular input and feedback from partners and continue to adapt systems, processes and management. We continue to use technology platforms to ensure people stay connected.</p> <p>There are clear policies and procedures in place to support new ways of working. Training is available for line managers focused on managing remote teams.</p>
	Risk Level: ● Impact Level: ●		
<b>Underinvestment in innovation</b>	To meet the changing needs of our clients and to keep ahead of the competition, it is important that we continue to innovate our services and products, as well as our delivery functions and operations. Failure to do so could lead to client attrition, a loss in productivity and reduction in margins.	<p>During the year we have seen increased demand from clients for projects using emerging technologies, and we have delivered projects working with partners in areas such as virtual and augmented reality.</p> <p>Some competitors are developing their own systems to enhance the efficiency and client experience for the delivery of our core stakeholder communications offering. There are also new software entrants to the market.</p>	<p>We have established partners in several areas to support the delivery of projects using technologies or techniques that we do not currently have the capabilities to do in-house.</p> <p>A team headed by our Technical Director has a specific mandate to explore technical innovations in our service portfolio.</p> <p>We are in close dialogue with our competitors around the development of technologies to improve the efficiency of delivery of projects and the overall client experience. There is an opportunity to work collaboratively with them to mitigate risk to us.</p> <p>We are engaging with new software entrants to the market to ensure we understand their offerings and make the correct decisions around future partnerships.</p>
	Risk Level: ● Impact Level: ●		

RISK	DESCRIPTION AND IMPACT	DEVELOPMENTS IN 2020/21	CONTROLS AND MITIGATIONS
<b>Market correction</b>	An uncertain macroeconomic environment often results in reduced marketing and communications budgets and a reduction in discretionary client spend. In turn this can result in loss of clients and an increased risk of bad debt.	Despite strong growth and financial performance in 2022, there are signs that the economic environment is impacting our clients and their future discretionary spend.	Our broad client base across industries reduces our exposure. Our core service offer, mandatory stakeholder disclosure, makes up c.60% of our revenues and hedges us against a reduction in discretionary spend. We continue to focus on cost control, weekly monitoring of aged debtors and maintaining a strong new business pipeline.  Not all geographies have been equally affected. We are reviewing our plans for investment in areas such as Dubai which have experienced a less severe market correction than the UK.
	Risk Level: ● Impact Level: ●		
<b>Impact of UK economic instability</b>	Economic and political uncertainty in the UK can impact on client spend as well as increase operational costs of the business.	The current economic and political uncertainty in the UK, and the economic shocks of the past 12 months, have resulted in rising interest rates, salary inflation and increased energy and other related costs.	The debt burden on the business is relatively small with strong cash flow cover. Opportunities to hedge the interest rate risk have been reviewed by the management team but rejected as not necessary.  We are forecasting sufficient growth in revenue to more than offset salary inflation and other increased costs, although an increase in margin may prove difficult.  The Executive Committee maintains a strong focus on cost control and a rigorous process for hiring staff.
	Risk Level: ● Impact Level: ●		
<b>Supplier concentration</b>	A reliance on a small number of suppliers for key services may cause concern should those suppliers run into difficulties that affect their fulfilment of those services. This in turn can lead to dissatisfaction from our clients and loss of current and future year revenue, or increased costs for Emperor for sourcing alternative suppliers.	During the year a full review of our supply chain has been carried out in order to meet our responsible business objectives. This has further highlighted the risk of supplier concentration.	Relationships with our key suppliers are long-standing and collaborative. Their financial status is continually reviewed.  Alternative suppliers are being trialled in several key areas with a view to bringing them on board once their suitability and capabilities have been proven.
	Risk Level: ● Impact Level: ●		
<b>Resilient client base</b>	To meet our responsible business and broader strategic objectives, it is important that we continue to build a resilient client base that has a social and ethical 'license to operate' for the long term. This may result in short-term loss of revenue as unsuitable opportunities are declined or existing accounts resigned.	During the year there have been new opportunities that we have declined to pursue as they do not meet our resilient client requirements. We have also disengaged with existing clients for similar reasons.	A Resilient Clients Selection and Review Policy and Resilient Clients Committee have been established to provide a process and a framework to evaluate existing clients and new client opportunities. The Committee includes three Board Directors as well as the Director of Responsible Business and other representatives from around the business.  The Resilient Clients Committee is ensuring that controlled decisions are taken, and the full financial impact of decisions is considered and understood. See pages 22-23 for more information.
	Risk Level: ● Impact Level: ●		

# OWNING

EMPLOYEE  
BOARD

In 2022 we entered our third year of employee ownership. Our new Partner Board (PB) members successfully onboarded with a desire to continue to refine and improve our ability to engage openly and transparently across the business.

# OUR



# BUSINESS

## SHARED AMBITIONS

**It is important that our PB membership covers a broad range of functions, ages, locations, skill sets, tenures, experiences, and backgrounds.**

**Kathryn Cearns**

Chair (PB) and Non-exec Board member

**Helen O'Brien**

Manchester Hub

**Henry Ker**

Support Services

**Sam Trillwood**

London Hub

**Samer Anjoukeh**

Edinburgh and Dubai Hubs

**Chris Gloster**

Warwick Hub

**Rosie Lauder**

Under 30s

**Katie Eustace**

Client Relationships

**WHAT IS EMPLOYEE OWNERSHIP?**

Employee ownership describes when a business is fully or partly owned by its employees. An Employee Ownership Trust (EOT) holds the majority shareholding on trust for the benefit of all Emperor's employees.

**WHAT IS THE ROLE OF THE PARTNER BOARD?**

Our purpose is to enable all employees to input into the success of the business. We do this through facilitation of regular Partner Voice sessions and feedback. As part of the governance structure, we hold the Board to account to ensure it communicates openly and honestly.

**Helen  
O'Brien**



→

"Employee ownership is a fundamental part of our identity and what makes Emperor a unique and special place to belong. Success requires leaders who are prepared to listen and share openly; and partners who are actively engaged in contributing ideas and feedback to shape our future and ensure we deliver to our clients and to each other. As a Partner Board we aim to be an effective channel to enable collaboration, consultation, and ultimately partner-powered shared success."

**Rosie  
Lauder**



→

"The fact that my voice can be heard on behalf of myself, and younger partners makes Emperor a super empowering place to work. Being younger or more junior it can sometimes feel intimidating to share your thoughts and opinions in case they are 'wrong' or 'frivolous'. It has been great speaking up for the side of Emperor that perhaps isn't listened to as much alongside raising issues that may not spring to mind for some."

**WHAT DOES EMPLOYEE OWNERSHIP MEAN TO US?**

We believe that employee ownership makes Emperor a better business to be part of. All partners are offered the opportunity to share their views, opinions and ideas and our leadership team engages honestly and openly about the decisions the business makes. This benefits our client relationships because our people are vested in our mutual success. Our partners, at all levels of their career, have a deep understanding of how a complex business operates along with the ability to influence it.

At Emperor our success as an organisation and as individuals is tied to the success of our clients and our shared ambitions. This is made possible by creating a safe, open, sharing, and transparent environment. In our advisory role, we form a valuable part of our governance structure, giving voice to our partners and holding our leadership to account.

**IN THE LOOP**

Responding to partner feedback, our focus for this year has been on improving transparency and closing the communications loop.

**Pulse surveys**

This weekly survey provides a 'pulse measurement' of sentiment across Emperor along with the opportunity to raise topics of interest or concern. Items raised here help to inform the agenda of the Partner Voice sessions.

**Partner Voice sessions**

Run every six weeks, these online sessions run over several days to an agenda informed by the Pulse survey or significant topics/activities. Open to everyone and facilitated by the PB, these sessions are an opportunity for people at all levels, across departments and locations, to get together and discuss, inform and share insights, perspectives and experiences.

**Jostle**

Consolidated feedback from partners, as presented to ExCo, is shared on our intranet, Jostle. It is important that this information is easily accessed by all.

**Executive Committee meetings (ExCo)**

The PB consolidates feedback from the Weekly Pulse survey and Partner Voice sessions to share at monthly ExCo meetings. It is also an opportunity for ExCo to inform the Partner Board of upcoming topics to explore further with our partners.

**Partner Board meetings**

The PB meets formally each month, to discuss actions arising from sessions and progress of key initiatives within the business. We often have workstream owners throughout Emperor join us to update us on any activity that might materially affect partners, the gender pay gap updates being a recent example.

**Huddle**

The PB updates on progress, activity, and dates of importance at our monthly company-wide meeting, the Huddle..





**While we're a nice bunch, we are very committed to advocating for our fellow partners, and that means holding senior leadership to account – we take that part of our role seriously.**

13

Partner Voice sessions



11

Partner Board meetings

8

Presentations to ExCo

#### WALKING THE WALK AND TALKING THE TALK AT THE EOA CONFERENCE 2022

Employee ownership is a powerfully sustainable business model, creating better businesses with more connected and purposeful individuals.

We were delighted to deliver a hugely successful workshop called 'How to keep your people informed, engaged, and excited about EO' at this year's Employee Ownership Association Conference in Liverpool. Hosted and facilitated by Senior Engagement Strategist Trudi Williams, Director of Brand Keith Taylor and fellow PB member Samer Anjoukeh, it was an opportunity to share our brand and employee engagement expertise along with learnings from our own employee ownership journey. It was great to spend time with a broad range of like-minded businesses from a wide range of sectors and locations.

#### HOW WE INFORMED DECISION MAKING IN 2021/22

Last year, we highlighted our priorities for 2021/22 as:

- Support the business through the change of leadership as Vic and Cam took on the co-CEO role.
- Support the business as we shape and deliver against our responsible business strategy (read more on [page 29](#)).
- Invest in our people as we grow and evolve the business.
- Increase our effectiveness as a PB and as an employee-owned business.

We have followed up on each of these priorities along with an item that has remained on our agenda from 2020/21 – hybrid working. This continues to be an active conversation as we continue to ensure we remain as connected and inclusive as possible.

Against a background of a turbulent political and economic environment, we've seen Vic and Cam move into their new roles with passion, energy and ambition. They are committed to continuing our responsible business journey, of which employee ownership is a key component.

Working with Vic and Cam we have created a tracker system that allows us more oversight of actions taken against topics or suggestions raised through Partner Voice sessions, increasing our effectiveness as a PB by holding leadership to account. We are joined by either Vic or Cam each month at our PB meeting to update us on progress.

#### OUR PLEDGES



#### We are the most welcoming

New people joining Emperor become partners from day one. To make sure our new recruits get the best start, we share information about our pledges in our goodie bags and operate a buddy system. This year we've also introduced online welcome teas and a new starter survey, so that we can improve the onboarding experience as far as possible.

#### Sam Trillwood



→

"It is important for us as the Partner Board to enable and encourage two-way communication across the business, between our partners, the leadership team and the Board. This two-way communication leads to greater transparency and ensures the partner voice is heard, two key principles of a good governance structure that is purpose-led and focused on the long term."

## The PB and our partners' insights have helped shape decision-making and made a positive difference to several areas. These include:

- Clarity around partners' understanding of the gender pay gap results, methodology and strategy for addressing it.
- Supporting with feedback on key responsible business policies including 'Shaping our sustainable future' client selection, Green Office, Business Travel and Speak Up.
- Informing and educating both partners and clients about what it means to be employee owned and B Corp Certified
- Continuing the ways of working/hybrid working conversation to ensure we remain connected.
- Facilitated conversations about the requirements of our Warwick hub with those partners affected by any office relocation and consulted with senior leadership.
- Advised on improvements to our onboarding programme through partner feedback.
- Responded to partner desire for personal financial education and support during these challenging economic times through a series of financial wellbeing sessions.
- Shared partner sentiment and recurring issues on office environments to ExCo.
- Passed on concerns to ExCo about partners' cost of living concerns. ExCo responded with a cost of living allowance for all partners.
- Development of a best practice guide for using our internal comms digital channels.
- Put forward the need for greater salary transparency and provided consultation surrounding the publication of salary bands.
- Fed back to ExCo from partners on how we can leverage the power of Be Your Best Fest to shape the development plan for the coming years.
- Shared partner insights to shape and inform learning and development plans and opportunities throughout the business.
- Responded to a consultation on Emperor's wellbeing strategy.



**Katie Eustace**



→

"The real value that I believe the PB brings to Emperor is that we are the ears of the organisation. We actively listen to partner feedback (and seek out more if needed), so we can report back to ExCo on what partners are saying, feeling and experiencing. While we're a nice bunch, we are very committed to advocating for our fellow partners, and that means holding senior leadership to account — we take that part of our role seriously. The more of our partners who engage with the Partner Voice sessions and weekly Pulse survey the more effective we can be so we encourage as many people as possible to share — we're all ears!"

### OUR PLEDGES



#### **We are always accessible**

Being an employee-owned business, our leadership and decision-making is always guided by our partner feedback. Through company-wide huddles, weekly surveys and Partner Voice sessions, we continue to ensure that Emperor is partner-powered and a great place to work. Our Partner Board champions this pledge by making sure that partner voices are heard and are put to our Executive Committee.

### THE IMPORTANCE OF HAVING A VOICE AND BEING HEARD

Over the year, we checked in with partners asking what it means to them to be part of an employee-owned business. The key themes are:

- The ability to shape a sustainable business in a work environment where we flourish and share in the rewards of our combined success.
- Open communication and transparency in business decisions, challenges and successes.
- Having a voice that is proactively sought out and listened to at Emperor.
- A sense of shared responsibility and a sense of belonging to something special.
- Being vested in our future success as a business.

At this year's 'summer update', our annual all-company gathering, we heard from some of our people in their own words. You can listen here.



→ <https://vimeo.com/766823719/32c284c291>

We are proud of what Emperor has achieved under employee ownership to date. The Partner Board is committed to ensuring that experiences of people across the business are considered in key business decisions and initiatives. We'll also provide a platform that ensures our combined expertise continues to shape a responsible business; creating a thriving culture and delivering positive impact for our partners, clients, communities and the planet.

**Henry Ker**



→

"As a partner at Emperor, I don't think I've ever felt so close to or involved in the strategic direction of a company before. The starting point is the level of transparency. The more we lift the lid on the inner working and help partners understand the complexity behind decisions, not only do we feel more confident in the decisions themselves, but we are better placed to contribute to making them a success. The way the senior leadership and co-CEOs Vic and Cam have embraced this approach is a really special part of our culture."

**Samer Anjoukeh**



→

"Being part of Emperor's Partner Board gave me the opportunity to run a workshop and present to more than 150 people at the Employee Ownership Conference with Keith and Trudi. It was an amazing experience to share our journey with so many people, help them on theirs, answer questions and network within the EO community. This is just one example of the things I get to experience that are different from my day-to-day role as a partner in Emperor, which is really exciting!"

### LOOKING FORWARD In the coming year we will continue to:

- Support Vic and Cam in their co-CEO role.
- Support the business as we continue to shape and deliver against our Responsible Business Strategy and maintain and improve our B Corp status.
- Champion ongoing investment in our people as we grow and evolve together.

### To increase our effectiveness as a PB we will:

- Conduct a review of the existing PB feedback channels for their engagement and effectiveness so we ensure our channels are right for our partners and continue to gather feedback from across the business.
- Continue to provide consultation on major business decisions that impact partners.
- Advocate for partners and ensure their needs are considered by ExCo.
- Engage and educate partners on what employee-ownership is, its benefits and what it means at Emperor.



**Chris Gloster**

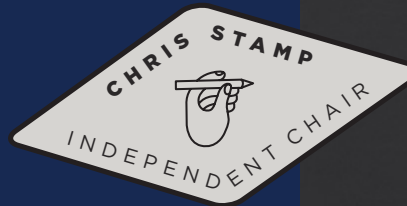


→

"The great advantage of being a partner-owned business is that we all have a voice. We can go to work knowing that we all have the ability to help shape the future of our business; we all can make a difference. We have seen so many examples of how partners, views and ideas, big and small, have changed the way we work. And, it is up to us to give you the platform and the mic!"

## LEADERSHIP

# WITH PURPOSE...



Over the past year, Emperor has navigated its way through a transition of leadership and now looks towards the expanding horizon ahead with renewed vigour and enthusiasm.



The Board of Directors remain focused on long-term sustainable success and ensuring that Emperor continues to prosper while remaining true to its purpose, values and culture.

Last year it was clear that the pandemic had supercharged change at a rate that Emperor, and indeed many other businesses, had not seen in a while. For the Board, we understood a new chapter had begun, and that good governance would need to play an even greater role in the next phase of Emperor’s journey.

Emperor’s 2021/22 financial performance was strong, meaning the Board was pleased to be able to approve the second partner dividend to be issued to our partners in September 2022. The partner dividend is a benefit of employee ownership and allows our partners to share in the financial success of the business.

Although we have made a solid start to the 2022/23 financial year, we will proceed cautiously, given the current macroeconomic headwinds, in order to protect the business for the benefit of Emperor’s stakeholders.

**SUCCESSION IN ACTION**

The biggest change for Emperor this year was the succession of leadership. Steve Kemp, who has successfully led the business as CEO for the past 26 years, stepped aside in June 2022 to pave the way for co-CEOs, Victoria Sugg and Cameron Gunn, to take control of the helm. As a Board, we knew the transition would require careful management, and understood our responsibility to provide guidance, mentoring and counsel to Steve, Victoria and Cameron, as well as to Kingsley James and Noel O’Connor as Founder Directors. All Founder Director roles continue to take shape, and for Steve, he remains focused on purposeful growth, client counsel and mentoring.

These roles were not the only leadership changes made in 2022. Jenni Fulton became Chief Growth Officer and joined the Board in February 2022. Jenni’s role focuses on ensuring that Emperor’s customer needs and preferences are at the heart of how we continue to operate and grow. Jenni provides the Board with vital insight into how the business is managing, monitoring and tracking growth.

Philip Franklin, Chief Operating Officer, also remains on the Board as our fourth non-founder executive, and continues to provide an operational perspective to Board discussions.

With so many changes happening in the business, Emperor held its annual all-company update in-person in June 2022, the first in person update since the pandemic began in early 2020. It was also the first to be led by the new co-CEOs.

The Board understood the importance of this event, and all members attended or were directly involved in the preparation or presentation itself. Georgia Mitchell, our newly appointed Deputy Company Secretary and Compliance Assistant, presented our governance structure to all our partners, including the announcement of a new senior leadership team (SLT). Reporting to the Executive Committee, the SLT forum provides broader cross-business representation.



↑ **The Emperor Governance structure** includes our four key forums, all of which work together and communicate as one to ensure cohesion and alignment. The Partner Board makes sure that each forum always considers the voice of our partners.

# AND OPENNESS

## STAKEHOLDER

**The Trustee**

\*manager of the Emperor Design Consultants Limited Employee Ownership Trust

**The Partner Board**

→ Read more on [page 48](#)

**Executive Committee**

→ Meet our ExCo members on [page 65](#)

## WHY IS THIS RELATIONSHIP IMPORTANT TO THE BOARD?

The Trust is Emperor's largest shareholder. The Operating Agreement between the Company and The Trust sets out the information requirements of the Trust, as well as containing certain reserved matters for which the Board must seek the Trust's approval.

The Partner Board represents the partners and is an important forum for receiving employee feedback on key Board discussions and decisions.

Although the Board is legally responsible for the Emperor business, day-to-day responsibility for the running of the business is the responsibility of the ExCo, led by the co-CEOs.

## HOW WE COMMUNICATE

The Board is in regular contact with the Trust and provides it with quarterly financial information, as well as annual audited accounts. All requests for approval for reserved matters are made in writing signed by the appropriate signatories set out in the Operating Agreement. The Chair will meet with the Trustee on an annual basis or more often if required.

Kathryn Cearns, the Chair of the Partner Board, attends all Board meetings both as a Non-executive Director responsible for workforce engagement, and as an observer on behalf of the Partner Board.

Significant issues being discussed by the Board will be discussed with the Partner Board beforehand by the ExCo. Where appropriate, Partner Board members may be invited to discuss specific issues with the Board.

**OUR COMMITMENT TO MAKING BUSINESS A FORCE FOR GOOD**

Excitingly, the business became a Certified B Corporation in 2022. The process of assessment highlighted the importance of governance, transparency and reporting. It helped the business and the Board identify what had been achieved so far, and what must be done next. As mentioned last year, we amended the Company Articles in 2021, and the Board committed to producing an annual impact report, which details our impact as a business on our partners, communities and environment.

→ See [pages 8-9](#) for an overview and signposting to more information across this review

We truly understand the importance of what being a B Corporation means, and how we must continue to conduct ourselves in a way that has a positive impact on society. We as a Board commit to ensuring that Emperor remains dedicated and on a path to do better, and be better. This also relates to our existing governance processes, which we plan to build on and strengthen in 2022/23.



6

**Board meetings in 2022**

## WATES CORPORATE GOVERNANCE PRINCIPLES FOR LARGE PRIVATE COMPANIES

### Emperor continues to apply the Wates Corporate Governance Principles for Large Private Companies to help shape and inform our approach to good governance. This statement explains how Emperor has applied the six Wates principles during 2021/22.

#### 01 Purpose and leadership

With the business changing leadership, the Board has been working alongside the new co-CEOs and executive team to review, refresh and adapt Emperor's strategy to reflect where the business is today, and where it is heading in the future. The Board believes the updated strategy will safeguard, protect and ensure long-term success for all stakeholders.

As an employee-owned business, the Board always considers the interests of its partners. In May 2022, the bank refinancing to settle the Emperor Design Consultants Limited Employee Ownership Trust ('Trust') Vendor Loan Notes, was completed, helping give our partners more structure, discipline and certainty towards Financial Freedom Day<sup>1</sup>.

#### 02 Board composition

The balance of our Non-executive Directors, Founder Directors and Executive Directors was reviewed by David Haines (independent consultant) at the end of 2021. Following his recommendations, the composition of our current Board is appropriate to the size, complexity and skills required to ensure its effectiveness, allowing for all individuals to make a valuable contribution and provide challenge where needed.

The size of the business has grown considerably over the past year, and to reflect this growth, the decision was made in early 2022 to increase the size of the Board from eight to 11 with the addition of two new Non-executive Directors (Kathryn Cearn and Miriam McKay) and one Executive Director (Jenni Fulton).

All three provide the Board with invaluable insight and perspectives, including, and most crucially, the viewpoint of our clients. The additions of Kathryn, Miriam and Jenni has also positively shifted our Board gender ratio, which is now 64% male and 36% female. We are focused on making further improvements to the Board's equality, diversity and inclusion, and will continue to review its composition on a regular basis to ensure that it adapts to the requirements and needs of the business.

Meet our Board and Executive Committee on page 63.

#### 03 Board responsibilities

The Board met six times in 2022 to help navigate the business through the after-effects of the pandemic, as well as to provide support and close counsel throughout the succession process. During those six meetings the Board received updates from the executive team on strategic priorities, operational performance, financial performance and sales and business development.

In June 2022, with the transition of leadership, the Board took the opportunity to review its calendar, processes and meeting format for the rest of 2022 and 2023. The changes implemented were made with the aim of encouraging further interaction, space for discussion and challenge where necessary.

We remain committed to ensuring that our governance is of the highest standards and that the business strives to do better. This includes producing an annual impact report, as well as annual reviews of the following:

- Modern Slavery Statement
- Code of Conduct
- Whistleblowing
- Anti-bribery and Corruption

<b>CHAIR:</b>	<b>CHRIS STAMP</b>
<b>CO-CEO:</b>	<b>VICTORIA SUGG CAMERON GUNN</b>
<b>NON-EXECUTIVE DIRECTORS:</b>	<b>PAUL MATTHEWS KATHRYN CEARN MIRIAM MCKAY</b>
<b>EXECUTIVE DIRECTORS:</b>	<b>STEVE KEMP KINGSLEY JAMES NOEL O'CONNOR PHILIP FRANKLIN JENNI FULTON</b>

1. Financial Freedom Day is the point at which all debt relating to the sale of shares to the Employee Ownership Trust is fully repaid.

There has been a huge amount of change within the organisation, and as a result the Board's priorities have shifted. We are now focused on the following key priorities:

- Careful and considered cash management to ensure the requirements of the bank refinancing are met (the bank refinancing was completed in May 2022 and the funds were used to settle the Vendor Loan Notes from the Trust).
- Establishing an updated strategy that aligns with the purpose, values and culture of the business, whilst providing a clear vision for the future.
- Maintaining our responsible business and B Corp Certification, and making sure that Emperor's governance remains transparent, fair and in the interests of all its stakeholders and communities.
- Continuing to work closely alongside the new leadership team and Founder Directors to support and complete the succession process.
- Overseeing and developing on our existing remuneration governance and disciplines.
- Further development on embedding and maturing our approach to governance, including broadening the diversity of the Board.

#### 04 Opportunity and risk

The Board understands the importance of identifying opportunities for growth to create and preserve value, while ensuring that we monitor for the identification and mitigation of risk. The economic climate has been unpredictable, and like many other businesses, the board and executive committee have had to make considered decisions on the opportunities and risks that it takes.

As the business has grown, the Board recognises that to mitigate risk there is a need for greater discipline, especially around the quality of our financial forecasting and monitoring. Therefore, it was decided that as part of the bank transaction to settle the Vendor Loan Notes to the Trust, the Company would also switch banking provider to the same bank, instilling new financial measures and requirements.

The Executive Committee and the Board continually assess risk but ensure that an in-depth review of the principal risk register is completed for Board review at least twice a year. This in-depth review determines both the risk level and impact level (high, medium or low) of each risk identified.

Read the full risk report on [page 48](#).

#### 05 Remuneration

Emperor's Remuneration Committee, which was formed in 2020 consists of the four Non-executive Directors, whose remit is to oversee Emperor's remuneration framework, approve any employee-related securities and determine the remuneration packages for all Executive Directors within the business, including its Founder Directors. In July 2022, the Remuneration Committee approved changes to executive director remuneration in light of the changes to a number of executive and management roles.

In 2022/23, under the leadership of our newly appointed Committee Chair, Paul Matthews, the Remuneration Committee will continue to evolve its approach to senior executive remuneration.

#### 06 Stakeholder relationships and engagement

Many of Emperor's principal stakeholder relationships remain the primary responsibility of the Executive Committee. The Board has three key stakeholder relationships outlined on [page 60](#).

Emperor and the Board have always strived to benefit all of our stakeholders; this can be seen by the decision to become employee-owned back in 2020, and now through its successful B Corp Certification in 2022.



#### SUSTAINABLE GOVERNANCE

At the beginning of the year, we knew there was change and challenge ahead, but we have seized every opportunity along the way, and have made great progress on our journey. As we step into the new year, we as a Board are focused on sustaining success with governance. This will ensure that Emperor makes the right decisions for our clients, partners and communities.



**We remain committed to ensuring that our governance is of the highest standards.**

**The Board oversees our corporate strategy and operations. The day-to-day running of the business is the responsibility of the Executive Committee, led by the co-CEOs.**

**B** Emperor Board

**E** Executive Committee

### Kathryn Cearns OBE

**B**

Non-executive Director and  
Chair of the Partner Board

I am a chartered accountant and a non-executive director of various bodies, mainly in the public sector, including the Nuclear Decommissioning Authority, National Highways and the UK Endorsement Board. I have chaired the Partner Board since its inception and became a Non-executive Director of Emperor on 1 January 2022.



### Paul Matthews

**B**

Non-executive Director

I have more than 30 years' stock market knowledge, working with UK listed companies on all forms of shareholder and employee engagement, allied with strong corporate governance knowledge.



### Chris Stamp

**B**

Independent Chair &  
Non-Executive Director

I oversee Emperor's corporate governance at Board level. In 2002, following an in-house career as a company secretary, I established Prism Cossec, a leading company secretarial practice which was acquired by Equiniti Group in 2012. I am a Fellow of the Chartered Governance Institute and hold a BA (Hons) from Southampton University and an MBA from Warwick Business School.



### Miriam McKay

**B**

Non-executive Director

I am a highly experienced communications and investor relations professional with extensive knowledge on business communications, strategy development and the investor community.



### Steve Kemp

**B**

Founder Director

As one of the founders of Emperor and former CEO, over the past 26 years I have led Emperor's growth to become one of the UK's leading creative agencies. With over 30 years' experience in corporate communications, I have advised many different companies with their reporting, brand and digital strategies.



**Noel O'Connor**

Founder Director

I co-founded Emperor with Steve in 1996 and have over 30 years' experience in the visual communications industry having worked across a diverse range of clients and sectors, from FTSE 100 companies to AIM and private businesses. In 2003 I established our first creative hub outside London in Edinburgh, which is now one of the largest corporate design agencies in Scotland.

**Kingsley James**

Founder Director

As an Executive Director of Emperor, I have Board responsibility for finance, IT, legal, property, and corporate development projects. I joined Emperor 23 years ago and my background was originally in finance, mergers and acquisitions, having qualified as a chartered accountant with EY.

**Victoria Sugg**

Co-CEO

In June I proudly became co-CEO of Emperor, having previously held the role of Group Business Development Director for six years. In sharing the role with Cameron Gunn, my focus is specific: to ensure there's a queue at the door both in terms of future clients and future talent - and that we hold ourselves to account on our responsible business ambitions and commitments.

**Cameron Gunn**

Co-CEO

In 2022, I became co-CEO of Emperor in partnership with Victoria Sugg. My focus is to drive strategy, ensuring we have a contemporary and connected service offer, and that operations and finance functions are fit-for-purpose. I joined Emperor in 2019 as Head of Digital and have 10+ years experience in marketing and communications.

**Jenni Fulton**

Chief Growth Officer

I'm responsible for driving growth across Emperor and ensuring that our reputation and reach continues to expand. I'm committed to maintaining a client-obsessed culture and ensuring that our clients' needs are at the heart of how we operate. I have over 20 years corporate communications experience, joining Emperor after leading, growing and selling my own agency in 2016.

**Philip Franklin**

Chief Operating Officer

I'm responsible for ensuring we are achieving our goal of delivering quality efficiently. I work across the Group, listening, guiding, advising and directing, as well as talking to clients to hear their feedback. With 30 years' experience in marketing and communications, having started a marketing agency in 1990, I've now been with Emperor for 10 years.



## Simon Newton



Group Chief Financial Officer

I'm responsible for all financial, legal and compliance matters and I oversee health and safety and office operations in London. Most of my time is spent preparing, analysing and communicating financial information, though I am also heavily involved with client procurement. I am also a trustee of the Emperor Foundation. Over the past 25 years, I've held a number of senior finance posts at Uniq plc, Kingfisher plc and Omnicom Group Inc.



## Sam Lipman



Chief People and Talent Officer

My role sits at the heart of ensuring our partners are attracted, engaged and developed. I am responsible for implementing a best-in-class people strategy and encouraging a diverse, inclusive environment. I oversee people operations and development, talent acquisition and internal comms. With over 20+ years' experience of driving transformational change, at agencies including Omnicom and WPP, my expertise is with fast-paced environments with strong, high-performing cultures.



## Amanda Woodward



Chief Commercial Officer

My role is part operational and part commercial. In the last year I have joined ExCo to which I bring my 25+ years of agency experience of looking after clients and ensuring quality standards. Driving profitability to enable us to be the sustainable agency for the future for our clients and partners is a key principle of my role at Emperor.

