

Sustainability matters

Worthwhile for all concerned



Why sustainability matters

Our sustainable business model and culture. Our material areas, KPIs and commitments.



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Our four ESG commitments

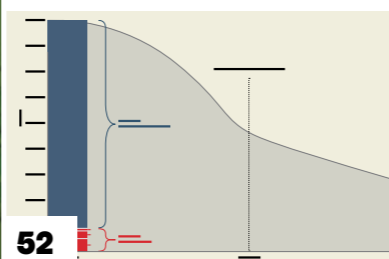
Update on progress.



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Net Zero commitment

We have identified the major steps to achieve Net Zero emissions.



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Our people

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Sustainable supply chain

Certified wood, responsible purchasing, efficient distribution.



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Sustainable product

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Why Sustainability matters to us

Sustainability generates long-term value

Howdens is a growing business. Sustainable behaviour helps us grow in a way that preserves our culture, supports our business model, increases business resilience, mitigates our risks and addresses the needs of our stakeholders.

Sustainability is part of our culture

We talk about the Howdens culture as being 'worthwhile for all concerned' and 'creating the conditions that allow everyone to succeed'. Our business needs to be worthwhile for our staff, our customers, our suppliers, the environment and the communities we work in.

Sustainability supports our business model

Sustainable behaviour gives us a competitive advantage and builds business resilience.

Lowest cost production in our own UK factories leads naturally to minimising waste, energy and raw materials. Our mission statement aim of 'no-call-back quality' means that we need to produce and source product which is durable and safe.

Being trusted partners to our suppliers and customers means that our relationships need to be worthwhile for all parties over the long term.

We have over 850 depots in the UK and Europe. Each one of them relies on strong local relationships to trade profitably, so we need to be a good neighbour in each of those communities.

Sustainability mitigates our risks

We discuss our principal risks beginning on page 39. Sustainable behaviour helps us to address some of those risks.

For example, we invest in keeping our people safe, developing their skills, and offering them a great place to work. We do this because it's the right thing to do, but it also mitigates our 'Health & Safety' and 'Loss of key personnel' risks.

Developing and maintaining sustainable supplier relationships mitigates our 'Interruption to continuity of supply' risk. Energy-efficient, safe and durable product mitigates our 'Product design relevance' risk.

The Board and Executive Committee lead our commitment to sustainability

The importance of sustainable behaviour is recognised right through the business. You can see the Board's Statements of Intent on Health & Safety and Sustainability at: www.howdenjoinerygroupplc.com/sustainability/group-health-safety-and-sustainability-policies. The Board's Sustainability Committee met regularly throughout the year and their report begins on page 144.

TCFD reporting

We see TCFD as a useful framework to build climate resilience in the business. We are using it to talk about how we identify and manage climate risks and opportunities, how we build them into our strategy and how we measure our progress.

Our TCFD reporting begins on page 54.

The material sustainability areas for us and our stakeholders

On pages 64 to 70 we report on progress in our five material sustainability areas:

People: keeping them safe, offering rewarding careers.

Sustainable supply chain: certified wood, responsible purchasing, efficient distribution.

Sustainable product: developing new sustainable products, re-engineering existing products, having a sustainable sourcing strategy.

Environment and operations: reducing waste, responsible operations, lowering emissions.

Communities: local community projects, our nationwide work with Leonard Cheshire Disability and I can & I am.

We last reviewed our material sustainability areas in 2020 as part of a wide-ranging ESG Strategic Review. We have begun a project to revisit and reassess our material areas in line with the progress that we're making in areas such as TCFD and our path to Net Zero, and we look forward to communicating the findings to you in our next report.

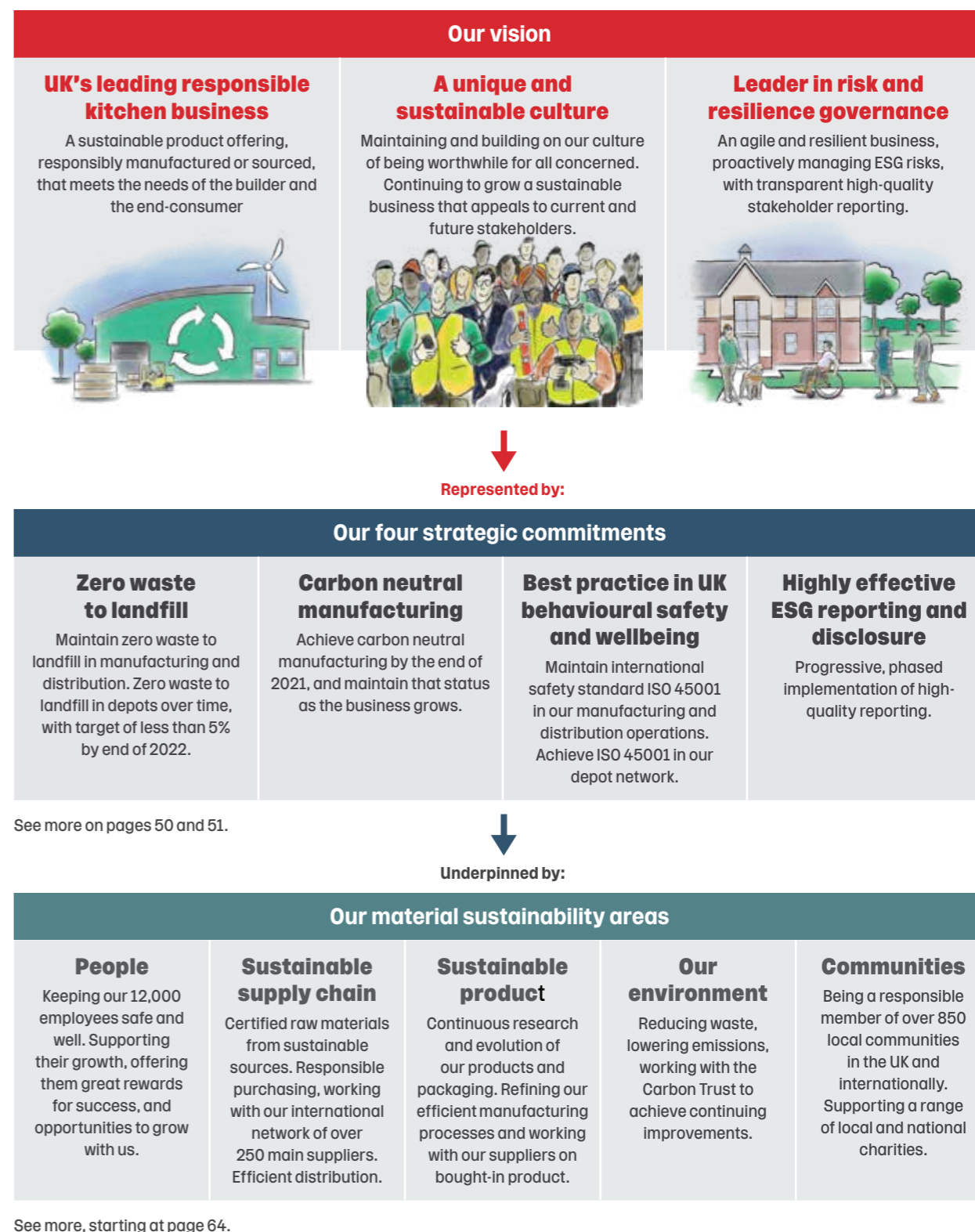
Our sustainability KPIs, commitments and targets. ESG and remuneration.

Our sustainability KPIs cover safety, use of wood from certified sources, and avoiding sending waste to landfill. You can find them on pages 64 to 68.

Our 2020 ESG strategic review resulted in four strategic commitments, which we report on at pages 50 and 51. It also resulted in a number of additional targets and research projects in each of our material areas, which we report on under the relevant area.

As we work towards the commitments, learn more about the targets and research projects, and move further down our road to Net Zero this may lead to new KPIs and key metrics in the future.

Our 2023 PSP share plan will include ESG-related vesting targets. Please see page 131 for details of the targets.



Our four ESG strategic commitments

Progress on our four ESG strategic commitments

E Environment
UK's leading responsible kitchen business

Zero waste to landfill

100%
Manufacturing & distribution

99.7%
Depots

Progress in 2022
In 2020 we achieved zero waste to landfill in our manufacturing and distribution, and we have maintained that in 2022. Rather than sending our waste offsite to be burnt for energy recovery, we took the slower but more responsible method of using the principles of the 'Waste Hierarchy' and maximising the amount that we can reuse, recover or recycle.

It's a lot more challenging to achieve zero waste to landfill in our network of over 800 UK depots. From a baseline of 60% of depot waste avoiding landfill in 2019, we set the target of getting to over 95% by the end of 2022. We exceeded that target in 2021, and at the end of 2022 we have 99.7% of depot waste avoiding landfill, and we are busy trying to find solutions for the remaining 0.3%.

Worthwhile for all concerned

Carbon neutral manufacturing

100%
Achieved in 2021

Progress in 2022
Our commitment was to achieve carbon neutral manufacturing by 2021, which we had confirmed by the Carbon Trust (with evidence provided in accordance with PAS 2060:2014 - Specification for the demonstration of carbon neutrality).

Manufacturing accounts for a significant proportion of our total Scope 1 and 2 emissions, and is entirely under our control, so it makes sense for us to start there. Our approach was to reduce emissions as much as possible with current technology or renewable energy, and then to offset residual emissions with Gold Standard carbon offsets (shown on the independent GSF Registry here: <https://registry.goldstandard.org/projects/details/583>).

Worthwhile for all concerned

Alignment to UN SDGs

Our material SDGs	UN SDG description and relevant targets under each SDG
	<p>'Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all'</p> <p>SDG targets: 8.4, 8.5, 8.6, 8.7, 8.8.</p>
	<p>'Ensure sustainable consumption and production patterns'</p> <p>SDG targets: 12.2, 12.5, 12.6, 12.7.</p>

S Social
A unique and sustainable culture

G Governance
Leader in risk and resilience governance

Best practice in UK Behavioural Safety and wellbeing - ISO 45001

100%
Manufacturing & distribution

100%
UK depot network

Progress in 2022
Our commitment was to achieve the international safety standard ISO 45001 across our manufacturing, distribution and depot network by the end of 2021.

We achieved the ISO in our factories and distribution network in 2020. In 2021 we completed the work in our depots but were not able to achieve accreditation before the end of the year due to COVID-19 restrictions on auditors visiting our depots.

We are very pleased to report that we were able to reschedule the depot audits which had been delayed by COVID in 2021, and we achieved ISO 45001 in our UK and Republic of Ireland network of over 800 depots in early 2022.

Worthwhile for all concerned

Highly effective ESG reporting and disclosure, including KPIs

TCFD and ISS reporting in place. ESG 360 implementation in progress.

Progress in 2022
This year's TCFD reporting starts on page 54.

We implemented the ISS ESG reporting platform in 2021, to benchmark against peers and provide stakeholders easier access to detailed ESG information. In 2022 we have been making sure our data is up to date.

We've implemented 'ESG 360' in 2022, a platform that we will use to collect our own energy consumption data and the Scope 1, 2 and 3 emissions of our top 30 suppliers. We will also use it to collate and analyse physical risk data for our own locations and those of our supplier base, to model climate scenarios and project the emissions reductions and cost implications of various decarbonisation options linked to science-based Net Zero targets.

Worthwhile for all concerned

Our material SDGs	UN SDG description and relevant targets under each SDG
	<p>'Take urgent action to combat climate change and its impacts'</p> <p>SDG targets: 13.1, 13.2.</p>
	<p>'Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests... and halt biodiversity loss'</p> <p>SDG targets: 15.1, 15.2.</p>

Net Zero commitment

We have identified the major steps to achieve Net Zero emissions

Howdens signed up to the Science Based Targets Initiative (SBTi) Net Zero Ambition in 2022. We hope to receive approval of our targets in 2023, and to report in more detail in our 2023 report. In the meantime, we present a summary of our findings and plans so far.



On track to set near and long-term targets

- 42% reduction in Scope 1 & 2 by 2030
- 25% reduction in Scope 3 by 2030
- 90% reduction in all emissions by 2050 - including growth

Key activities

- Comprehensive supply chain mapping
- Detailed internal emissions mapping
- Key suppliers engaged on emissions data and climate risks

Suppliers are critical to achieving our targets

- Top 27 suppliers are circa 80% of all our emissions
- Primarily European based, some in the Far East
- Making more product ourselves and controlling our own freight helps reduce emissions

Costs of change

- 1) Minimal cost of change so far - including moving depots to renewable energy tariff in 2022
- 2) Driving energy efficiency is an opportunity to tackle escalating cost
- 3) Gives confidence that suppliers will be able to achieve 2030 targets without significant adverse cost impact

“We are developing the options to optimise meeting targets”

Scope 1 & 2		Scope 3
A - Distribution LPG and HVO Trials underway Electric vehicles where feasible - test and develop business case Engaging logistics providers for solutions	B - Renewable energy Switch all operations sites and depots to 100% renewable C - Electric fleet Company car transition to 100% electric	D - Supply chain Focus on top 27 suppliers - c.80% of all emissions Roll out ESG 360 system: Capture emissions data Establish reduction plans /metrics Identify risks and opportunities

Task Force on Climate-Related Financial Disclosures - building climate resilience

Our approach to TCFD

Rather than seeing it as a compliance exercise, we see TCFD as a useful framework to build climate resilience in the business. We are using it within the business to talk about our identification and management of climate risks and opportunities, to build them into our strategy and to measure our progress.

We have continued to make good progress on TCFD-related actions in 2022. We have started to use specialist technology to collect both physical and transition climate risk and opportunity data across our value chain. This technology will be connected with our key suppliers so we can build a collective picture of the challenges and solutions together. We will continue to collect this data in 2023, which will help us to understand the granular impact of climate risks and opportunities and to implement associated mitigation actions.

We have also committed to SBTi Net Zero and will be submitting our targets for approval in 2023. We have started to collect real Scope 3 emissions data throughout our value chain, which is a complex exercise. We have also engaged our top 30 suppliers and have held a specific supplier conference to build a coalition of partners on the journey to Net Zero.

No identified significant short or medium-term climate-related risks

The results of our scenario modelling agreed with the results of our existing business risk management process (described starting on page 37, in that they did not identify any significant short or medium-term climate-related risks.

We are reviewing our full supply chain and are not currently aware of any material short or medium-term physical risks, nor do we anticipate any such risks. We evaluate physical risks for time horizons between 2020 and 2050.

Compliance with the TCFD recommendations

The following pages set out the 11 TCFD recommended disclosures, showing where we are now, the progress we've made this year, and our main areas of focus for the future.

We consider that we're fully compliant with the TCFD recommendations under the Governance, Strategy and Risk Management sub-headings, and that we're partially compliant with the recommendations for Metrics and Targets.

As we set out on page 48, we have metrics and targets which we measure and disclose. However, we expect to refine and revise them in the near future as, for instance, new priorities develop as we get our SBTi targets approved and we carry out repeated iterations of our climate scenarios. We anticipate that we will be introducing revised metrics over the next two years.

On Scope 3 emissions, we expect them to be a material part of our total emissions, and we are currently working on calculating reliable and robust estimates for our main sources of Scope 3 emissions, but this is a complex area, involving several assumptions and estimates, and we don't yet have a full picture. We will aim to disclose full Scope 3 emissions within the next year.

TCFD recommended disclosure	Our disclosure and developments in 2022	Focus areas for 2023 and beyond
GOVERNANCE		
A. Describe the Board's oversight of climate-related risks and opportunities.	<ul style="list-style-type: none"> The Board looks at material climate-related risks and opportunities when setting and monitoring Group strategy, and considers climate risks as part of its overall risk review processes described in detail starting at page 37. This process is led by the Board's Sustainability Committee, whose report is at page 14.4. The Sustainability Committee met twice during 2022 and made recommendations to the Board as appropriate. The Director of ESG* reported to the Sustainability Committee at each meeting, and provided updates on the climate-related targets and goals which are considered in more detail in this Sustainability report. When considering any investment proposition, the Board considers the likely climate-related consequences of any decisions. The best example of this is in the investment in in-house manufacturing. The associated environmental benefit of this investment is an estimated reduction of 200 tonnes of CO₂ due to fewer loads being transported internationally. 	<ul style="list-style-type: none"> The Sustainability Committee will meet regularly in 2023 and will make recommendations to the Board as appropriate on key climate actions. The Director of ESG will provide regular updates on the progress to Net Zero roadmap to the Committee.

TCFD recommended disclosure	Our disclosure and developments in 2022	Focus areas for 2023 and beyond
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GOVERNANCE CONTINUED

B. Describe management's role in assessing and managing climate-related risks and opportunities.	<ul style="list-style-type: none"> It is the Executive Committee's (ExCo) responsibility to execute Group strategy and implement programmes to manage and mitigate climate risks and take advantage of opportunities. The role of the ExCo is set out on pages 84 and 85 of the Corporate Governance report. The ExCo are therefore responsible for delivery of the climate-related targets determined by the Board, which are considered in detail in this Sustainability report. The Director of ESG advises both Board and ExCo and reports to the Sustainability Committee at each of their meetings on progress against targets and other initiatives. He presented at both of the Sustainability meetings in 2022. ExCo reviewed the TCFD materiality impact assessments and scenario analysis in 2022. The Director of ESG worked with ExCo to develop sustainable strategies during the year. ExCo engaged our top 30 suppliers and held a specific supplier conference to build a coalition of partners on the journey to Net Zero. 	<ul style="list-style-type: none"> ExCo members will be assigned key responsibilities on managing climate risks and opportunities. We will continue to engage with our supply chain in 2023.
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STRATEGY

A. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term.	<ul style="list-style-type: none"> We scrutinised and tested the results of our initial climate risk and opportunity assessment with operational areas, ExCo and Board. No significant short or medium-term climate-related risks were identified. We deployed technology to collect climate-related risk and opportunity data directly from our key suppliers. We give more detail on the potential risks and opportunities starting at page 58. 	<ul style="list-style-type: none"> Further quantification of climate risks and opportunities after obtaining further data from the value chain.
B. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	<ul style="list-style-type: none"> We did a physical climate risk assessment over various timeframes in 2021, and we have reviewed the initial results. We have continued to explore ways of building potential risks and opportunities into strategic and financial planning. We give more detail on possible impacts starting on page 58. We discuss our Net Zero commitment on page 52. Once we have approval and external validation of our SBTi Net Zero targets as being aligned with the Paris agreement, we look forward to publishing them. 	<ul style="list-style-type: none"> An ESG/climate screening, including use of scenarios, will be incorporated into the due diligence process for major capital expenditure decisions. Direct data collection from the value chain is currently in progress to establish a clear picture of various risks and opportunities.

* The Director of ESG is a management role and is not a Director of the Board of Howden Joinery Group Plc.

TCFD - building climate resilience continued

TCFD recommended disclosure	Our disclosure and developments in 2022	Focus areas for 2023 and beyond
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STRATEGY CONTINUED

<p>C. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<ul style="list-style-type: none"> We constructed draft climate impact scenarios in 2021, based on our initial assessment of material risks, including a scenario aligned with below 2°C. In 2022 we tested the draft scenario results, discussed with management, ExCo and Board, and started the process of building financial models from the scenarios (with a focus on carbon price). The results of our testing showed the resilience of our current strategy, in that no significant short or medium-term climate-related risks were identified. 	<ul style="list-style-type: none"> Further iterations of the scenarios, with quantification of risks and opportunities. Identifying the implications carbon pricing with various scenarios including various options for decarbonisation.
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RISK MANAGEMENT

<p>A. Describe the organisation's processes for identifying and assessing climate-related risks.</p>	<ul style="list-style-type: none"> We combine our long-standing, bottom-up risk process with improved identification of medium and longer-term climate transitional and physical risks through horizon scanning. See pages 37 and 38 for more detail. We assess and prioritise climate risk using an approach that is modelled on British Standards (BS EN ISO14091), based on risk impact (the expected adverse effect that may occur from exposure to the risk) and our adaptive capacity (our ability to adapt to potential consequences and to take advantage of opportunities). We have built the outputs of our inherent climate risk assessment into operational risk registers. We have adapted our risk process to capture key climate metrics and targets. We have engaged with our stakeholders, including our insurers, to understand how their focus on climate risk is likely to change going forward. 	<ul style="list-style-type: none"> Continue to improve our risk identification process, incorporating more data streams and trends. Assess key metrics and targets, and the operational plans to meet them. Review the external environment for changes in climate risks and new mitigation strategies (through our brokers, insurers external professional bodies and forums). Board will formalise a risk appetite for climate-related risk.
<p>B. Describe the organisation's processes for managing climate-related risks.</p>	<ul style="list-style-type: none"> We manage climate-related risks in the same way as our other risks (see pages 37 and 38), albeit that time horizons may be longer. A member of the ExCo owns each risk and leads the relevant operational teams as they control day-to-day risk management and mitigation. In 2022 we carried out a specific, climate-focused round of risk register reviews to educate operational teams with the aim to ensure that we manage climate risks as effectively as other risks. 	<ul style="list-style-type: none"> Challenge the business on the effectiveness and accuracy of mitigation plans, including evidence of progress. Climate risks remains an emerging risk currently, emerging risks are escalated as necessary to the Group ExCo and Board.

TCFD recommended disclosure	Our disclosure and developments in 2022	Focus areas for 2023 and beyond
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RISK MANAGEMENT CONTINUED

<p>C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</p>	<ul style="list-style-type: none"> They have always been part of our overall risk identification and management process described in detail at pages 37 and 38. They are recorded in our Group and functional risk registers alongside our other operational, financial and strategic risks. They are formally reviewed twice a year as part of this process to ensure they accurately reflect our current risk exposure. One key difference between climate-related risks and other risks is that we typically use longer time horizons when looking at climate risks. In 2022 we implemented a new emerging risk identification and management approach, with dedicated reporting to Exec and Board. We also started a project to capture Board risk appetite for climate risks. 	<ul style="list-style-type: none"> Continue with specific climate-focused risk register reviews. Continue to develop reporting to Exec and Board.
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METRICS AND TARGETS

<p>A. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<ul style="list-style-type: none"> We have long-standing KPIs on use of FSC® and PEFC raw materials and on production waste recycling - we report on these at page 66 and page 68. In 2022 we reviewed the outputs of our detailed 2021 TCFD project to see if this suggests extra or alternative KPIs, as well as to identify whether there are any other important climate-related metrics. We developed the first iteration of an ESG metrics dashboard for internal review and stakeholder consultation of any potential new KPIs. We began consideration of how climate-related metrics might build into consideration of future investment decisions. 	<ul style="list-style-type: none"> Further internal review and stakeholder consultation of potential new KPIs will take place with formalisation of key metrics. An external TCFD readiness assurance project has been carried out with satisfactory results. As part of the ESG due diligence process for investment decisions, specific metrics will be created as part of the ESG strategy.
<p>B. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.</p>	<ul style="list-style-type: none"> See our SECR reporting, starting on page 68. We consider the risks relating to emissions as part of our overall climate risk reporting, summarized above. We have estimated our material sources of Scope 3 emissions (category 1). Selected appropriate assumptions and started to investigate which of our Scope 3 emissions we can try to gather reliable data on. 	<ul style="list-style-type: none"> We are currently in the process of collecting and measuring the full Scope 3 emissions (15 categories) and will complete our baseline year (2021) calculations by Q1 2023.
<p>C. Describe the targets used by the organisation to manage climate-related risks and performance against targets.</p>	<ul style="list-style-type: none"> We are currently researching and developing these targets as part of the overall TCFD implementation process. We have carried out research and development of potential new TCFD metrics and targets, based on the outcomes of the TCFD implementation project so far. 	<ul style="list-style-type: none"> Finalising quantitative metrics and targets for material climate risks and opportunities and assign to the senior executive team.

TCFD - building climate resilience continued

Main risks and opportunities from our scenario modelling so far

Details of the scenarios

We began our work on climate scenario planning in 2021. We looked at both physical and transition risks and held a series of workshops with stakeholders from across the business to identify and discuss potential significant risks and opportunities. Our discussions concentrated on the time period to 2030, which we further split into short-term (to 2023), medium-term (to 2026) and long-term (to 2030).

We developed three scenarios to frame our discussions of potential climate risks and opportunities:

1) **Less than 2°C scenario:** Where governments and regulators act quickly and take the lead with a series of measures aimed at achieving the Paris Agreement targets. This scenario envisages swift action, a high level of legislation and emphasis on mechanisms such as carbon pricing and financial incentives for decarbonisation.

2) Where lack of agreement between governments leads to an initially slow pace of change, but where a series of social tipping points see a response to climate change which is led by citizens putting pressure onto governments and companies to act.

3) Where there is some commitment from governments, companies and citizens to a Net Zero transition, but where these commitments aren't always fully developed or enforced, and may sometimes be overridden by political, commercial, or individual concerns in the short and medium-term, requiring more severe policy action and enforcement in the longer-term.



Results and next steps

Our initial scenario modelling work has given us an increased understanding of the qualitative impacts of climate change on our business across various time horizons, although we recognise that it is an iterative and dynamic process. The results of our scenario modelling agreed with the results of our existing business risk management process, which we describe in more detail starting on page 37, in that they did not identify any significant short or medium-term climate-related risks.

Under each scenario there were several possible medium and long-term risks and opportunities, which we have summarised below. Over time we will continue to develop this analysis, which will include quantifying any potential material impacts and setting a strategic direction to mitigate any potential significant risks and maximise the potential opportunities.

The results of our testing showed the resilience of our current strategy, in that no significant short or medium-term climate-related risks were identified.

Overview of opportunities	Time horizon	Impact	Mitigation actions
OPPORTUNITY: Area of impact - Brand			
Delivering on our aim to be the UK's leading responsible kitchen business and creating a brand that is recognised as a leader in managing climate-related risk could result in increased sales, greater brand awareness, increased market share and increased attractiveness to current and future employees.	Medium to long-term (2025-2030)	Increased sales. Greater brand awareness. Increased market share. Stronger employee retention/ relations.	Upskilling staff and promoting awareness of our stance regarding SBTi and Net Zero ambitions. Sustainable customer offering and bringing the suppliers on the Net Zero and sustainability journey with us.
OPPORTUNITY: Area of impact - Cost reduction			
Continuing to focus on energy efficiency, pushing through our targeted improvements and taking future steps on the path to decarbonisation could lead to a lower cost base. Relevant factors could be things such as: <ul style="list-style-type: none"> Access to grants, subsidies and favourable tax treatment for adopting decarbonisation technologies Absolute reductions in energy consumption will lower costs, particularly in times of rising energy prices, extended application of carbon pricing and an increase in the underlying carbon price. 	Grants and subsidies: short to medium-term (2022-2025) Absolute reductions in energy consumption: medium to long-term (2025-2030) Deployment of Decarbonisation technologies such as hydrogen: medium to long-term (2025-2030)	Capitalise on energy opportunities: installation of solar/wind etc., will help in reducing costs and lead to carbon emission savings. Own energy generation: by accessing grants and subsidies and deploying latest decarbonisation technologies.	Reducing energy consumption will help mitigate the impact of rising energy prices/ carbon pricing. Deploying new renewable technologies with grants will lower the own capex requirements and improve energy security.
OPPORTUNITY: Area of impact - Access to capital			
Building a climate resilient strategy and communicating it effectively to the market could increase the demand for our shares and could also give us access to lower-cost bonds and loans.	Short to medium-term (2022-2025)	Increased demand for shares. Access to sustainable finance opportunities.	Clearly communicating our sustainability and climate resilient actions to our existing and future investors.
OPPORTUNITY: Area of impact - Product design			
Taking the lead in producing sustainable products before our competitors could increase our competitive advantage and market share.	Medium to long-term (2025-2030)	The future sustainability of our assets: develop sustainability metrics to be employed at the point of design.	Implementing circular practices will promote the 'worthwhile' image of our brand and will help us lead by example.

TCFD - building climate resilience continued

Overview of risks	Time horizon	Impact	Mitigation actions
RISK: Area of impact - Sourcing			
<p>Future physical or legal barriers arising from climate change could bring challenges to sourcing some of our products in the future - principally items which we currently source from overseas.</p> <p>Causes could be things such as:</p> <ul style="list-style-type: none"> Carbon pricing Pressure on supply chains to decarbonise, especially in emerging markets Some current raw materials could increase in cost or become unavailable in the future, so alternatives would have to be found. 	<p>Carbon pricing: medium to long-term (2025-2030)</p> <p>Pressure on supply chains to decarbonise: medium to long-term (2025-2030)</p> <p>Raw materials cost increase/ unavailability: medium to long-term (2025-2030)</p>	<p>Carbon pricing: £2.9m - £5.1m (assumption of £50 per tonne of CO₂e carbon price).</p> <p>Pressure on supply chains to decarbonise: as climate change is a global issue, our supplier base will also be impacted with the drive to decarbonise.</p> <p>Raw materials cost increase/ unavailability: there may be adverse impact on availability of certain raw materials in the future.</p>	<p>We have signed up for SBTi Net Zero targets and we are currently formulating a fully-costed Net Zero action plan, which will help with mitigating the impact of future carbon prices due to absolute reductions in our emissions.</p> <p>We have deployed technology to collect data directly from our suppliers, which will help us understand the granular impacts and to implement subsequent actions for resilience.</p> <p>The data collected from suppliers will provide clarity on the criticality of certain raw materials and help us formulate a mitigation strategy.</p>

RISK: Area of impact - Operations			
<p>The physical risk to our operations from climate change can include extreme weather events and rising sea levels. These risks could require additional capital expenditure or could interrupt operations.</p>	<p>The physical risk assessment: identifies potential risks in the short, medium and long term (2022-2050). However, no significant physical risks were identified in the short or medium term. We are currently working with suppliers for more granular data throughout the supply chain - this work is ongoing.</p>	<p>Interruption to operations: physical impacts of climate change could cause supply chain disruption/ physical route disruptions.</p> <p>Additional capital expenditure: physical climate risks may require us to improve/ update our infrastructure, which will increase our capex.</p>	<p>To further understand the risks at a granular level, we have deployed a two-phased Physical Risk Assessment of our own locations in the UK and our suppliers' locations around the world.</p> <p>Phase 1 identified the physical risks such as coastal flooding, rising sea levels, heat stress and drought in certain regions and locations, using timeframes up to 2050.</p> <p>Phase 2 of our physical risk assessment, which we are currently embarking upon, will deliver a vulnerability and resilience option assessment and it will allow us to determine our Value at Risk for physical exposure and understand our suppliers' adaptive capacity.</p>

Overview of risks	Time horizon	Impact	Mitigation actions
RISK: Area of impact - Decarbonisation			
<p>Decarbonisation of our distribution and depot fleets could require transitional investment and/or adjustments to current working practices.</p>	<p>Adjustments to current working practices: short to medium-term (2022-2025)</p> <p>Transitional investment: medium to long-term (2025-2030)</p>	<p>Additional capital expenditure: to decarbonise our own operations e.g. our buildings and fleet.</p>	<p>We are currently carrying out a Net Zero feasibility study with high level cost implications, which will clarify levers of decarbonisation available to us.</p> <p>We are also implementing an ESG/climate screening into the due diligence process prior to asset acquisition.</p>
RISK: Area of impact - Customer expectations			
<p>Failure to meet customer demands for sustainable products could reduce market share.</p>	<p>Failure to meet demands: medium to long-term (2025-2030)</p>	<p>Impact on future sales: from inability to meet customer needs.</p>	<p>We plan to be a leader in sustainability in the kitchen business and will leverage our Net Zero strategy to achieve this goal.</p>

Our impact on stakeholders



Environment

- 260,000m³** of chipboard from sustainably managed UK forests
- 100%** of manufacturing waste reused, recycled or recovered
- 10,000** tonnes of waste sawdust converted to energy to heat our factories

People

- 603** apprentices in training
- 1 in 12** of our current employees started their Howdens career as an apprentice
- 4%** of our employees are apprentices
- 335** apprentices were appointed to permanent roles in 2022
- 603** internal promotions made in 2022

Shareholders

- £115m** dividends paid
- £250m** share buybacks

The wider economy

- £508m** of tax generated or collected. Corporation tax, NI PAYE and VAT
- £327m** of working capital extended to over 430,000 small businesses in our peak trading period. No fees, up to 8 weeks to pay
- Over 430,000** small businesses in our peak trading period. No fees, up to 8 weeks to pay

Community & charity

- 18th** year of our national partnership with Leonard Cheshire. Supporting disabled young adults to find valuable roles within their communities
- £1.3m** in donations to local charities and community activities across our network in the UK and Europe

People

- Over 12,000** full-time jobs with prospects. In manufacturing, in over 850 local depots, and in distribution, systems and support
- 850** local communities where we employ people
- £624m** salaries and benefits paid to our employees in 2022
- £257m** cash contributed to our pension schemes in the last 5 years
- 100%** of UK employees in share ownership schemes
- 10th** in the 2022 Best Big Companies to work for awards

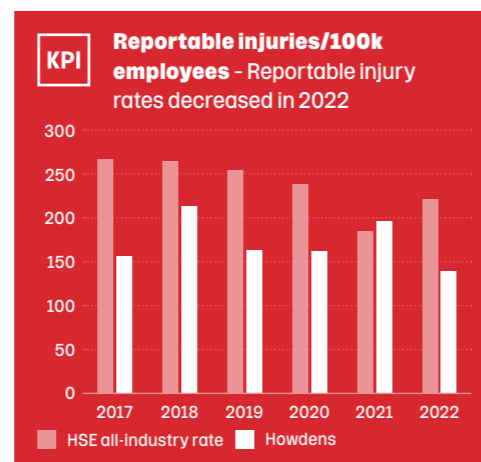
Sustainability matters

Our people

Keeping our people safe and healthy

2022 highlights

- Our safety KPI has decreased from 196 RIDDOR¹ reportable injuries per 100,000 employees in 2021 to 140 in 2022. This is also significantly below the 2021/2022 HSE All-Industry rate of 222.
- Our injury severity rate has also significantly decreased from 2021 to 2022 at 26.2 hours lost per 100,000 hours worked (2021: 33.4 hours/100,000 hrs worked).
- Our network of over 800 depots in the UK and Republic of Ireland was awarded the ISO 45001 certification in early 2022. This was achieved by implementing simple and visual safety management systems and actively encouraging the participation of all staff to help continuously improve Health & Safety (H&S) performance. We had already held ISO 45001 certification across our manufacturing and distribution network since 2009.
- We have developed our construction-based H&S systems for our Solid Work Surface Installations and Contracts operations, which are rapidly-expanding areas of growth.
- At the beginning of May 2022, our Supply division launched its first ever Safety Climate Survey created by the HSE. The survey was open for four weeks and colleagues in Howden Manufacturing, Runcorn, Howden Work Surfaces and Transport operations were asked to tell us what they thought of how we manage H&S, engage our people and promote participation. We received over 600 responses which gave us an in-depth insight into our cultural strengths and where we can improve. The outputs of the survey have been used by our operational leadership teams to establish H&S objectives for 2023.
- We continue to prioritise our employees' health and wellbeing. Following feedback through our employee engagement survey, we increased our support and investment in this area, taking a more holistic approach that includes physical, mental and financial wellbeing. We introduced a Wellbeing Committee for Operations, with 24 reps from across our sites. We introduced the AXA Health app for all employees, encouraging them to take regular steps to becoming healthier. We continue to promote relevant services available through our Employee Assistance Programme (EAP), and provided access to free blood pressure and resting heart-rate checks. We partnered with specialist organisations to provide workplace support for mental health and women's health issues.



Update on areas of focus from our 2020 ESG Strategic Review

ISO 45001

Achieve ISO 45001 across our manufacturing, distribution and UK depot network.

2022 update: See page 51, and above. We obtained ISO 45001 certification for our UK and Republic of Ireland depot network in 2022. We had already achieved ISO 45001 across our manufacturing and distribution network in 2020.

BRITISH COUNCIL 5-STAR SAFETY STANDARD

Achieve this standard at all manufacturing and logistics sites by the end of 2026.

2022 update: We value the 5 star audit process as it drives excellence in health, safety and wellbeing with a significant focus on H&S culture which is aligned to our own medium-term H&S objectives. We remain committed to achieving the 5-star standard, although we have changed our timescale from 2023 to 2026 in order to align with the timescale of our medium-term objective.

BEHAVIOURAL HEALTH & SAFETY

Continue with our behavioural safety and safety culture approach across the Group.

2022 update: We are the final stages of delivering our Senior Management H&S behavioural training programme in our depot network. This is a comprehensive training package which emphasises the importance of leading by example, establishing a generative culture and winning hearts and minds through effective communication and participation of all staff within the business.

WELLBEING

Develop a Group wellbeing strategy.

2022 update: We have taken a more holistic approach, incorporating physical, mental and financial wellbeing. This provides greater support for our employees, whose needs are evolving post-pandemic and during a cost-of-living crisis.

¹ 'RIDDOR injuries' are injuries reportable to the HSE under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013.

Rewarding careers, opportunities to develop and thrive

2022 highlights

- We remain focused on creating an engaging place to work with fulfilling jobs and a strong culture that supports everyone to do their best. Listening to our employees is key. Over 65% of our employees completed the Best Companies engagement survey in March. Based on their feedback, we ranked 10th in the 2022 Best Big Companies to Work For list, up four places since we last participated in 2020. We're using the feedback to make Howdens an even greater place to work for our employees.
- To ease the pressure from the rising cost of living, in September, we gave employees a £500 one-off payment. We also increased our employer pension contributions. We provided access to information and tools to enable employees to better manage their finances and plan for their future. This includes practical online advice through our Employee Assistance Programme.
- Howdens has a long-standing commitment to apprenticeships and the development of 'homegrown' talent. In 2022, we recruited 555 new apprentices and, in December, had 603 on programmes across the business. We're proud that one in 12 of our current employees started their Howdens career as an apprentice, and we continue to champion apprenticeships through our sponsorship of the National Apprenticeship Awards. In June, Howdens was ranked 17th in the UK's Top 100 Apprenticeship Employers.
- We reviewed our learning and development offer to ensure it was aligned to the skills and roles required for our growth strategy. We introduced a more interactive induction, blending both Company and local information that gives new employees a warm welcome and strong launch pad for a successful Howdens career. The new L&D approach launches in February 2023.

Update on areas of focus from our 2020 ESG Strategic Review

EQUALITY DIVERSITY AND INCLUSION (EDI)

To develop our EDI roadmap and strategy to 2025.

2022 update: Howdens is a place where everyone is welcome, and everyone has the opportunity to thrive. We believe that a diverse workforce is more innovative, more creative, more collaborative and, as a result, enables our continued success. For this reason, we are committed to making Howdens an even more diverse and inclusive workplace - not just for our employees, but for our customers and communities, too.

We have made good progress with our EDI and strategy. Our executive sponsors are leading employee working groups for the three priority themes: gender, disability and ethnicity.

The groups have engaged specialist organisations that are helping to articulate our vision for each theme, create action plans and gain relevant accreditation.

Our aim is to embed inclusion so EDI is not seen as a standalone initiative. As of December 2022, 87% of people managers have received EDI awareness training.

We are pursuing accreditation as a Disability Confident Employer and as a Menopause-Friendly Workplace, supported by Leonard Cheshire and Wellbeing for Women respectively. We hope to achieve these in 2023.

Our employees support our commitment to create a more inclusive workplace. We used the engagement survey process to collect anonymous diversity data. Over 5,000 employees voluntarily provided personal information about gender identification, disabilities and ethnicity, and we are using it to shape how we can best support our employees.

SOCIAL MOBILITY

To improve social mobility through the career development we offer.

2022 update: Social mobility is an integral part of our founding principle, 'worthwhile for all concerned', and we continue to improve social mobility for our employees through career and personal development. In 2022, we took a ground-breaking step towards improving social mobility in the UK more generally by supporting apprenticeships outside of Howdens.

We have committed to transferring 20% of our apprenticeship levy to fund construction apprenticeships in small businesses across the UK. More specifically, we target the investment in deprived communities that we serve.

By doing this, we address the skills gap in the construction industry, support small businesses - our customers - to grow and create jobs, and tackle social mobility challenges across the UK. This is in addition to the work we already do to actively recruit care leavers. In recognition of this work, Howdens received the UK Social Mobility Award for Innovation in October.

LOOKING AHEAD TO 2023

In 2023, we want to bring together our ambitions for EDI with the work we are doing to address social mobility, all of which reinforce that Howdens is 'open for all'. Moreover, we believe that consolidating our efforts will have an even greater impact for our employees, our customers, our stakeholders and the communities we serve.

As part of this, we'll actively work to diversify our talent pool, using new channels and targeted marketing campaigns to attract a wider

range of potential candidates. We'll launch our refreshed careers website in the first half of the year, which will promote Howdens' inclusive workplace. We will continue to develop partnerships with more regional organisations to support people of all ages and backgrounds into employment.

We'll share our updated strategy for diversity and inclusion, which will include social mobility, in next year's Annual Report.

Sustainability matters

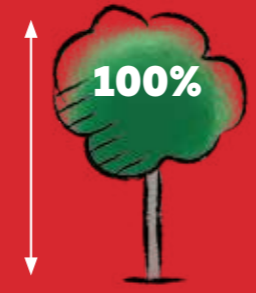
Sustainable supply chain

Certified wood, efficient distribution, responsible purchasing

2022 highlights


- We used over 260,000 cubic metres of chipboard and 65,000 cubic metres of MDF in our factories in 2022 - enough to fill the Albert Hall more than 3 times - so it's natural that we have a long-standing KPI requiring this wood to be 100% certified.
- FSC® or PEFC™ certification means that the wood comes from responsibly-managed forests and that we have independent documented evidence of an unbroken chain of ownership all the way from the forest to us - via the mill, the importer and our suppliers.
- We are also members of Timber Development UK and are recognised by them as a 'Responsible Purchaser', which means that we have third-party assurance on our timber purchasing due diligence systems.
- Our transport fleet drove over 18 million miles in 2022, so we need it to be both efficient and safe. All of our trucks comply with the latest emissions standards, and we've fitted refinements to the standard build to increase efficiency and reduce emissions even further. In 2022 we began using Hydrotreated Vegetable Oil (HVO) as part of our fleet fuel mix. HVO is a sustainably sourced second-generation biofuel. It is plant-based and can replace diesel without requiring engine modifications. It reduces CO₂ by 90% compared to diesel, and also has lower nitrogen oxide and particulate emissions. We have also begun to trial trucks which run on Bio-LNG, a fuel produced by anaerobic digestion of organic waste, manure and sewage which produces 80% less CO₂ than diesel.
- We invest in safety and energy-efficiency training for our drivers. We combine this with the latest in-cab telemetry and a system of daily debriefs where driver behaviour is assessed against energy-efficiency and safety targets. We reward drivers who reach the highest standards, and we work with any drivers who need help to improve. In recent years, we have invested in training our own new drivers via a driving apprenticeship scheme. This helps to encourage our high standards from the beginning of a driver's career.
- All of our buyers and our compliance team have taken and passed the Chartered Institute of Procurement and Supply's Ethical Procurement & Supply training, and we have a rolling programme of refresher training on Modern Slavery and Anti-Bribery.
- Recognising that our highest exposure to modern slavery is through our supply chain, we have taken a robust approach to ethical and sustainable procurement. We continue our partnership with SEDEX (Supplier Ethical Data Exchange); and over 90% of our current suppliers are registered and completed their self-assessments on the platform. During 2022 we continued to risk rate all our suppliers by using the SEDEX RADAR tool. Over 35% of suppliers are classed as low risk and a further 59% are classed as moderate risk. The remaining 6% of suppliers, classed as high risk, have had a third party ethical audit in last 3 years. Using SEDEX insight, we are continuing to work with suppliers to deliver improvements in working practices across our supply chain. Currently 264 supplier sites share their ethical data with us.
- Since last year we have improved our supplier onboarding process and we are implementing SAP Ariba SLP (Supplier Lifecycle and Performance) to enhance supplier qualification to align with anti-corruption, human rights goals, sustainability and the Company's code of ethics.
- Our modern slavery statement can be found here: www.howdenjoinerygroupplc.com/governance/modern-slavery-statement.

KPI



100%

100% of chipboard & MDF used in our manufacturing processes is from FSC® or PEFC™ certified sources



Results of our 2020 ESG Strategic Review - Future commitments, targets and ongoing work

REDUCING FUEL CONSUMPTION MPG improvement targets for our distribution fleet. Targeting a 3% improvement by 2023.

2022 update: We are slightly ahead of our 2023 target. Against a 2020 baseline of 9.89 MPG, we have achieved a 3.3% improvement with our 2022 12 month rolling average of 10.21 MPG.

INCREASING ENERGY EFFICIENCY Introducing new CO₂ KG/km emission targets for our distribution fleet.

2022 update: This is a new target in 2022. The target is a 15% reduction by 2026, against a 2021 baseline of 0.721 CO₂ Kg/Km.

Sustainability matters

Sustainable product

High-quality, sustainable product that we're proud of

The sustainable cabinet

Our ambition is to create sustainable products that we're proud of. We make over 4.5 million cabinets a year in our own UK factories, so this is a product where our choices can make a real difference.

We buy our chipboard from sustainably managed UK forests. For every acre of trees used, an acre or more is planted.

When the cabinet has come to the end of its life in the home it can be recycled and broken down to produce more chipboard, which can be used to make more cabinets in the future.

We don't only want to do things to an incredibly high standard - we want them to be sustainable too.

Other product highlights of the year

- 100% of kitchen range SKUs now FSC® or PEFC™ certified
- FSC®/PEFC™ certified timber in joinery and flooring SKUs increased from 38% to 63%
- Continuing to embed sustainability as a pillar of our product development process
- Creating a new role of Sustainable Product Developer to deliver further benefits in packaging and product design in 2023 and beyond
- Removal of polystyrene from Clerkenwell frontals produced on our new production line
- Launched our first own-brand Lamona product with EPS-free packaging
- A+ energy rated products in all extractor designs



Results of our 2020 ESG Strategic Review - Future commitments, targets and ongoing work

FSC® & PEFC™ TIMBER: 100% of our kitchen frontals to have FSC® or PEFC™ timber certification by the end of 2022.

2022 update: 100% of all our kitchen frontals were made from FSC® or PEFC™ certified materials. All the frontals which we manufacture ourselves are certified, and we insist on certification for all new frontals which are manufactured by third parties.

SUPPLIER CODE OF PRACTICE: Introduce code of practice for all timber suppliers, clarifying our commitment and expectations regarding ESG standards throughout the supply chain.

2022 update: Our new Supplier Code of Conduct has been issued to all suppliers, and mandates that they use the SEDEX sourcing platform. See page 68 for more details.

PACKAGING: Removal or reduction in environmental impact of plastic we use in product and packaging.

2022 update: We are aiming to remove 17 tonnes of plastic packaging from glazed moulded skin doors replacing this with a corrugated solution that is recycled, recyclable and FSC® certified. We will also build on the work to remove polystyrene from our packaging across product categories through 2023 whilst looking for opportunities to remove or reduce plastic from our product. In 2022 we removed over 300,000 pieces of polystyrene from our packaging, replacing them with a paper-based alternative that is recycled and recyclable. This is enough polystyrene to fill eight 44-tonne lorry trailers.

Sustainability matters

Our environment and SECR reporting

Reducing waste, responsible operations, lowering emissions

2022 highlights

- **Maintaining zero to landfill in 2022 in our manufacturing and logistics operations.** We were very pleased to achieve this in 2020 through our approach of removing or minimising the use of resources in the first instance, and then maximising the amounts of waste that we can reuse, recycle and recover. We have maintained this performance in 2021 and 2022 and this is our target for the future.
- **Less than 1% to landfill in our UK depots in 2022.** This metric is part of one of our main ESG commitments, and we've made significant progress in 2022, ending the year with 99.7% of depot waste avoiding landfill. See page 50 for more details.
- **ISO 14001.** Our manufacturing, warehousing and transport are certified to ISO 14001 Environmental Management System. This assures us that we have sustainable processes in place and encourages us to look for improvements.
- **Sawdust-to-heat.** In 2022 we converted over 10,000 tonnes of sawdust into energy in biomass boilers at our Runcorn and Howden factories. This is enough sawdust to fill 13 Olympic swimming pools, and it would otherwise have to have been transported elsewhere to be reused. Using it to heat our factories also saves us money. The energy generated our biomass boilers was equivalent to the average electricity consumption of over 10,000 households.

KPI

100% of production and warehouse waste reused, recovered or recycled



Results of our 2020 ESG Strategic Review - Future commitments, targets and ongoing work

ZERO TO LANDFILL: Zero to landfill across our UK depot network over time, with a target of less than 5% to landfill by the end of 2022.

2022 update: Exceeded the 2022 target at 99.7%. See page 50.

CARBON NEUTRAL MANUFACTURING: Carbon neutral manufacturing by the end of 2021.

2022 update: Achieved in 2021 and maintained in 2022. See page 50.

SECR Reporting

Energy efficiency initiatives

Over 10 years, our carbon intensity ratio tCO₂e / £m turnover has decreased by 58%. Reducing energy consumption and maximising efficiencies has become business as usual, focused on where our large consuming assets are. This is predominantly in our manufacturing sites at Howden and Runcorn.

Our energy reduction strategy has been targeted towards high consumers such as extraction and compressed air systems with energy efficient drives and variable demand optimisation. LED Lighting, new asset specification and asset automation continues to significantly contribute to these ongoing reductions. Our other main area of focus has been on our transport fleet, which we discuss on page 66.

Use of renewable energy sources and carbon offsets

Our commitment to renewable energy use expanded in 2022 to include substantially all our depot and office estate. Our manufacturing, distribution and depot network now use grid electricity from renewable sources backed by Renewable Energy Guarantees of Origin (REGO). Each year, this will avoid around 10,000 tonnes of indirect carbon emissions. The impact of this can be seen in our market-based reporting figures.

Biomass heat generation has been a feature of our Howden and Runcorn sites for almost 25 years with a combined heat output of 46,000MWh pa, we can heat 1msqft of manufacturing space with 98% less carbon emissions.

In 2021 we achieved carbon neutral manufacturing at our Howden and Runcorn sites. We committed to annual recertification and in 2022, we retired 11,363 Gold Standard Carbon offsets. Independent registry and verification details can be found on page 50.

SECR - Emissions reporting

Absolute carbon emissions reduced 3.5% against 2021

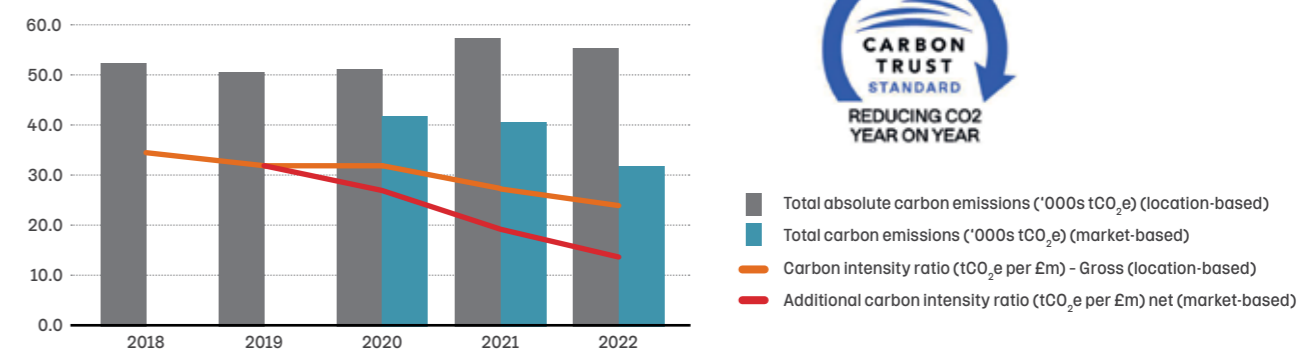
Emissions reporting methodology

Footprint calculations performed in accordance with the WRI GHG Protocol and market-based emissions are reported in accordance with the GHG Protocol Scope 2 Guidance - An amendment to the GHG Protocol. Emissions are reported in accordance with HMG Environmental Reporting Guidelines including Streamlined Energy and Carbon Reporting (SECR). All footprint calculations are subject to internal quality checks at source data and final report stages.

We have used the Operational Control boundary which includes all UK and International operations with the exception of Sheridan Fabrications Ltd, which we acquired during 2022. There are no process emissions within Howdens, as defined in the GHG protocol, and fugitive emissions from air conditioning systems are omitted due to insignificant materiality to the overall footprint.

	Total CO ₂ emissions (Tonnes)	
	2022	2021
Scope 1 - Direct: Gas	13,032	15,707
Scope 1 - Direct: Owned Transport (LGV/Van/Car)	28,302	27,626
Scope 1 - Direct: Other fuels	1,354	1,684
Scope 1 - Direct: Biomass	469	642
Scope 1 - Direct: Total	43,157	45,659
Scope 2 - Indirect: Electricity - location-based	12,067	11,585
TOTAL Scope 1 and 2 absolute emissions - location-based	55,224	57,243
Scope 2 - Indirect: Electricity - market-based	101	7,460
TOTAL Scope 1 and 2 - market-based	43,258	53,118
Carbon offsets tCO ₂ e	(11,363)	(12,648)
TOTAL (Scope 1 and 2) net emissions	31,895	40,470
Turnover (£m)	2319	2093.7
Carbon intensity ratio (tCO ₂ e per £m) gross, location-based	23.8	27.3
Inflation adjusted intensity ratio (tCO ₂ e per £m) gross, location-based	28.4	29.9
Additional carbon intensity ratio (tCO ₂ e per £m) net, market-based	13.8	19.3
Additional inflation adjusted intensity ratio (tCO ₂ e per £m) net, market-based	16.4	21.1
Energy consumption used to calculate above emissions (kWh)	321,588,787	308,287,239
Proportion of CO ₂ emissions generated in the UK:	98.6%	99.0%
Proportion of total energy consumed (kWh) in the UK:	98.5%	98.6%

Our record over the past five years is shown on the chart below:



Sustainability matters

Our communities

Local and national donations and partnerships

2022 highlights

Partnerships

Howdens actively partners with like-minded organisations who share our ambitions to improve people's lives.

Our partnership with Leonard Cheshire Disability entered its 18th year. As well as donating kitchens during the year, Leonard Cheshire Disability provided support on our equality, diversity and inclusion programme, sharing their expert knowledge on disability and skills.

We also continued our partnership with 'I Can & I Am', the charity whose purpose and passion it is to inspire confidence in young people and to help them to maintain good mental health by offering pastoral services via a converted double decker bus (www.icanandiam.com/the-bus/).

Three exciting new partnerships were launched in 2022 that promote young people and skills. Howdens sponsored the Donmar Warehouse's 'Take the Stage' programme, which invites young people who may not have access to theatre to devise a new work that is in response to a Donmar production and is reflective of their perspectives of the world. Take the Stage gives access to a leading team of theatre makers, with their performance being shared on the Donmar stage in front of an invited audience (www.donmarwarehouse.com/donmar-local/take-the-stage/).

Howdens also funded the Queen Elizabeth Scholarship Trust (QUEST) and National Saturday Club's new 'Craft&Making' Saturday Club, which launched in January 2023. The Craft & Making Saturday Club will give young people the opportunity to explore and engage with craft-based activities, developing their creativity and hand-making skills (www.saturday-club.org/subject/craft-making/).

Howdens also launched the 'Game Changer' programme in partnership with the Football Association (FA). This exciting new initiative involves Howdens donating £1 million of kitchens each year for three years to grass roots football clubs. This programme will have nationwide reach and will benefit local clubs who are so often the heart of the community.



Howdens Worthwhile Foundation

Our community and charitable activities will continue to transition to the Howdens Worthwhile Foundation during 2023. The Foundation will build on the exciting partnerships already in place with the primary purpose of supporting skills, inspiration, young people and inclusivity. It will also facilitate the local donations and fundraising that has always been central to our communities strategy.

Giving back to local communities

Our employee-led communities strategy continued in 2022 with Howdens donating £1.3m to charities and community groups. The largest proportion of our giving is decided by our people who chose to donate cash and stock to a diverse group of causes, including hospices, colleges, health and mental health charities as well as local sports clubs, youth groups and community projects. Unsurprisingly, there was more focus in 2022 on groups helping with the cost of living crisis with food banks, housing trusts and homeless charities receiving bigger donations than ever before. Local donations and fundraising will continue to form the backbone of our 2023 communities strategy.

Supporting our employees support the causes that matter to them

Howdens donated to thousands of different charities and community groups during 2022 but our employees continued to fundraise for the causes that meant the most to them. Early in the year, Howdens employees raised over £42,000 for the Disasters Emergency Committee (DEC) Ukraine appeal, with a significant proportion donated via payroll giving. Howdens matched all employee funds raised and donated an additional £7,000 through a separate initiative. In total over £91,000 was raised for the DEC appeal.

One of our Area Managers, Ed Gregory, completed his goal of raising £100,000 for The Children's Hospital Charity, Sheffield. Initially giving himself 10 years to achieve this ambitious target, Ed completed it in five years. By fundraising with colleagues, via collection buckets in depots and with a little help from Howdens at the end, these donations will support key projects at the children's hospital going forwards.

In December, our employees raised money for Nurture a Child's Christmas appeal. Nurture a Child is a Hull based charity close to our factory in Howden. Their appeal relies on volunteers to produce Christmas gifts for local older children and teenagers in care who otherwise would receive little or nothing on Christmas Day. Thanks to the efforts of our people, 382 gifts were donated last Christmas.