

# Employee engagement drives value for all stakeholders

### The importance of engagement

It is widely recognised that an organisation whose employees are engaged with its purpose and culture will perform better than others, and create value for clients and shareholders. This is because engaged employees feel a strong connection with their employer and believe their work is important.

This is certainly what we believe. For us, engagement has a strong role to play in helping our people be as good as they possibly can be, and this underpins a superior business performance. At Brewin Dolphin, our Human Resources ('HR') function and Corporate Responsibility ('CR') activities are both recognised as powerful builders of engagement.

### Our rising engagement score

It is very important to us that we understand our engagement performance. In 2017, we commissioned an employee engagement survey for the third successive year. Once again, this is proving to be an active tool that helps us listen to our people, understand what they want and focus on improvement.

This year's survey demonstrated that this approach is working. It showed a rise in the Brewin Dolphin engagement score, up by four percentage points ('pp') on last year's very strong result to 82%. This is well ahead of the financial services industry benchmark of 76%, and continues the year-on-year improvement that we've seen since the survey's initial launch.

Every office identifies local initiatives that can make a positive impact on the workplace. Taking the rich data the survey provides we also focus on a number of Group-wide work streams. Satisfaction with internal communication, for example, rose by 14 pp, while that for learning and development rose by eight pp. This is especially good to see, as these are the two key areas in which HR can most directly improve employee engagement.

These were not the biggest rises, however – working with our colleagues across our Business Support function saw their overall engagement score rise from 67% to 80% (13 pp). The employee participation rate in the 2017 engagement survey, meanwhile, was 88%. This is an exceptional level of participation by any standards, and we see it as an endorsement of the actions we have taken following past surveys.

### Culture and engagement

We continue to nurture and strengthen the elements of our culture that we believe will engage our people and drive the best possible service for our clients.

From both an internal and external perspective, our brand values are key features of our culture. This is why in 2016 we involved employees, clients and prospective clients in identifying our three core values of:

- Genuine: heartfelt advice, delivered by people who care
- Expert: skillfully facilitating important decisions
- Ambitious: making more of life's opportunities

During 2017, we focused attention on embedding these values throughout the organisation. In particular, they have become key factors in our performance management and promotion processes. They have also provided the platform for the newly launched Brewin Dolphin People Awards, in which employees nominate colleagues for their exceptional qualities in these three areas.

The values also reflect Brewin Dolphin's cultural desire to do what is right, which is echoed in how we treat our clients, our employees and our communities. In particular, they run through all our 'people' processes, covering performance, talent and development, ensuring that 'how' we do things is at least as important as 'what' we do.

### Driving diversity and inclusion

Our ongoing commitment to Diversity and Inclusion ('D&I') continued during 2017, focusing on issues wider than gender and ethnicity to help us ensure that we attract the very best talent we can find and enable all our people to perform to the best of their ability. This approach enables Brewin Dolphin's people to benefit our clients, our business and society as a whole, as well as themselves.

During the year, the D&I Committee was reinvigorated to broaden the scope of the issues that we address. Specific actions included joining the City of London Mental Health Alliance, a self-help group aiming to eliminate the stigma surrounding the subject.

We also started to work with the 'Outstanding' LGBT business network, with employees participating in their mentoring programme as mentors and mentees.

In addition, we joined the Business Disability Forum, which aims to open up visibility around the issues of disability in the workplace.

All these organisations, and more, were identified as offering opportunities for interaction, as they gain from the contributions of our people as much as we do from theirs.

Last year, we reported on the unconscious bias training initiative we ran across the organisation. In 2017, we took this a stage further, addressing all our recruitment literature and selection processes to reduce unconscious bias and attract the broadest range of candidates.

During the year, we hired 208 new employees across the organisation. In seeking the best candidates, we are delighted that more than half (53%) of these hires have been female.



Janet Barrett, winner in the CR category at the Brewin Dolphin People Awards, raised thousands of pounds by selling knitted chicks for a cancer charity.

For more information <https://www.brewin.co.uk>

The 'Women @ Brewin' initiative that we announced last year has continued to grow in scale and positive impact. It enables our employees to meet and discuss career issues with successful female role models, both from our Board and from outside the organisation. High-profile external participants in the programme during 2017 included Heather Hanbury, headmistress of the Lady Eleanor Holles School, and Ebru Köksal, a leading figure in global football.

### Learning, development and talent

During 2017, we ran a wide range of internal and external initiatives designed to improve the skills and personal development of our employees, and to identify the best talent of the future. In this way, we aim to attract and retain the best people to achieve competitive advantage by delivering a superior quality of service.

Our internal development programmes addressed every level of the Group. For example, we developed in-house a fully bespoke Executive Leadership Programme that aims to prepare those individuals identified with the appropriate talent to reach and perform strongly at the highest levels of the organisation. This year-long programme took into account our growth strategy and aspirations, using the input of psychologists and one-to-one feedback to ensure it matched our organisational needs as well as the personal requirements of the 13 participants.

At the other end of the scale, we also launched the Financial Planning Academy, a Government-approved apprentice scheme aiming to achieve social good as well as providing us with a sustainable pipeline of planning talent. In this first year, 16 individuals from diverse backgrounds, aged 22 to 47, participated with the aim of becoming para-planners. Encouragingly, half of these were female.

We also continued the programmes mentioned in the 2016 report. These included the business apprenticeship programme we launched in 2016 in our Newcastle-upon-Tyne office. This is now fully embedded, and is operating on a six-month cycle. Our emerging talent programme also continued at the expanded level we announced last year, with 30 graduates participating this time.

### Driving new efficiencies in HR

Our new HR system was fully integrated during the year. It enables our people to find all HR-related materials, from performance management data to holiday dates, more efficiently.

We also introduced the use of LinkedIn to our recruitment programmes, enabling us to develop direct relationships with candidates and drive down our spend with agencies.

### Tax strategy

Our tax strategy, as published on our website, outlines our governance arrangements, our approach to tax risk and tax planning, and how we interact with tax authorities. We manage tax risk within our Group wide risk management and governance framework where we operate an industry standard 'three lines of defence' model. As befits our operating structure and straightforward business model, our appetite for tax risk is low.

While we are mindful to run our business in a cost effective manner in line with our obligations to our shareholders, we do not participate in aggressive tax planning or condone abusive tax practices which would contravene our ethics and culture.

## Corporate Responsibility continued

We use legitimate tax reliefs for the purpose they were intended and aim to pay the right amount of tax in the territories in which we operate. We believe in fostering professional working relationships with HM Revenue & Customs ('HMRC') and other tax authorities and we work with industry bodies and HMRC supporting initiatives to reduce complexity and unintended commercial consequences in the development of tax legislation.

### Our Corporate Responsibility activities

This was an outstanding year for CR at Brewin Dolphin. The further development of our strategy and twice-yearly updates to the Board have ensured that issues involving CR are of increasing importance to our people at every level of the organisation.

As a result, CR activities become more directly connected to our values, particularly the 'genuine' aspect, which is underpinned by the authenticity of our people's commitment to supporting good causes.

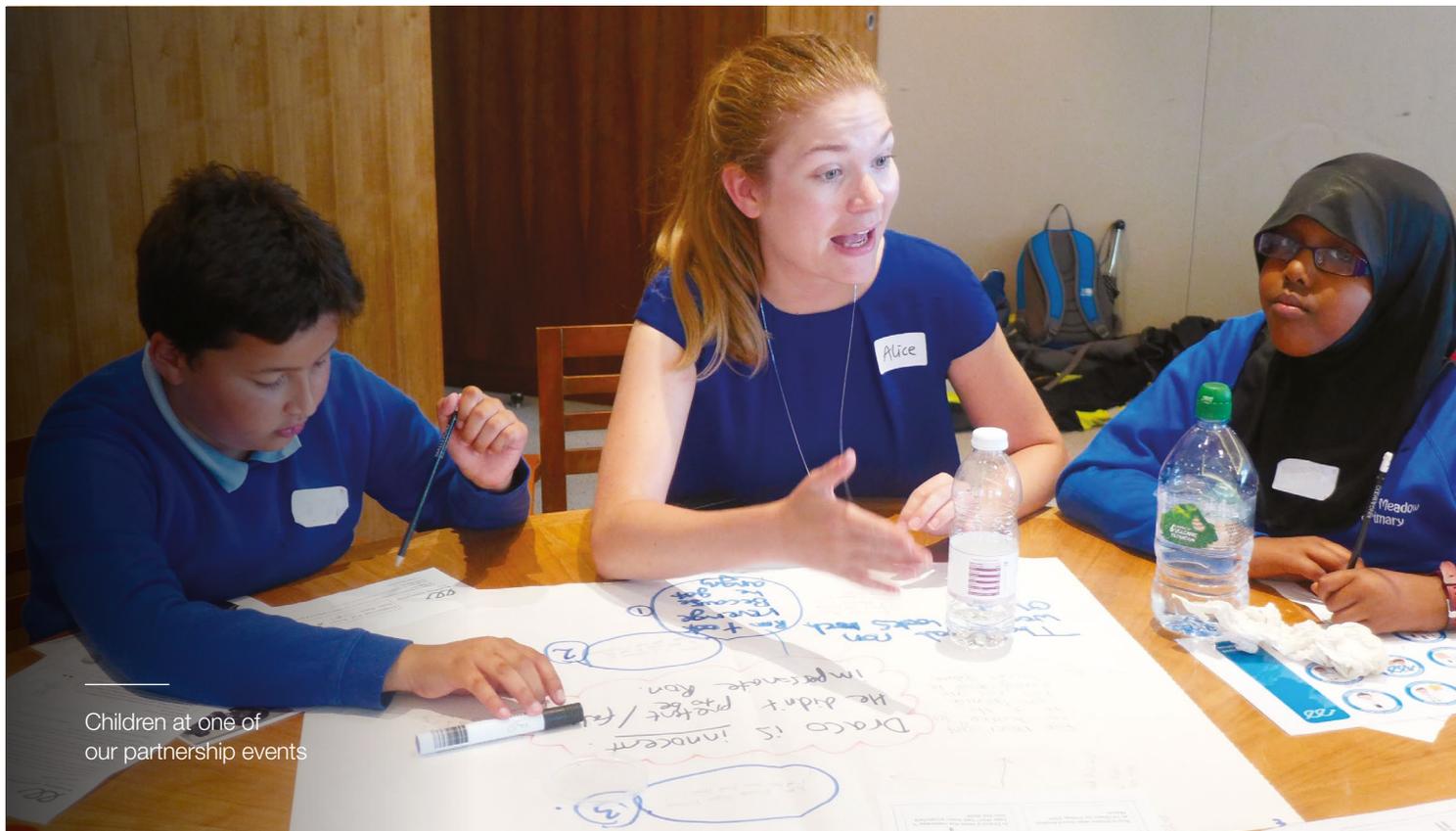
This growing importance is borne out by the findings of our 2017 engagement survey. Last year, we were delighted to be shortlisted for a major national award on the strength of a 34% rise to 78% in the importance of CR to our people. This year, that score rose again to 85% – a full 20 percentage points ahead of the national benchmark for the financial services industry.

Significant progress has been made since 2015, which was when we commenced an intensified strategic focus on CR. This has seen us bring together a number of previously disparate corporate-level initiatives in an integrated fashion under the same management structure.

These include:

- Volunteering Day: every employee is entitled to one paid day each year to volunteer for a good cause in the community, either singly or as part of a team. In the year 2016/17, our people had volunteered for more than 3,000 hours. With around 25% of employees participating, this is gathering momentum from a standing start in 2015. Looking ahead to 2020, our target is for 40% of employees to volunteer each year for the cause of their choice.
- Payroll Giving: all of our employees get the chance to contribute to charity directly from their pre-tax salary. The numbers choosing to do so increased by a third this year. Brewin Dolphin matches donations by up to £20 every month. As a result of our people's efforts, we received the government-supported Payroll Giving Quality Mark Gold Award for the second successive year.
- Fundraising Matching: every employee can claim a £100 donation from Brewin Dolphin for their chosen cause if they raise over £100, or £200 if they raise more than £1,000. In 2017, 170 employees collectively raised £136,000, with £19,500 in match-funding.
- Small Grants: employees can nominate a small local charity for a grant of up to £1,000. In the year 2016/17 over £20,000 was donated to 25 charities.

Our offices have continued to be active in their communities through sponsorship of events such as local literary and flower festivals as well as charitable sporting events.



Children at one of our partnership events

These initiatives are complemented by a number of key corporate partnerships with charities or non-profit social enterprises whose work is aligned with our purpose of creating access to opportunity. We have deliberately selected small-to-medium-sized partners so that our input and financial support can make an important positive difference to them.

These partnerships are with Enabling Enterprise and Dress for Success Dublin, which promotes economic independence for women.

## Preparing for the world of work

We believe that providing work experience is a highly effective way of improving opportunities for young people, and this belief drove much of our CR activity during the year.

For example, we participated alongside other employers in the 'Capital Experience' initiative, run by the national Career Ready charity which prepares young people for a life in work. We ran networking and Q&A sessions for groups of participating school students from across the UK, many of whom were visiting London for the first time.

We further developed our Brewin Dolphin Career Workshops during 2017, in which 18 school students aged 16 – 18 joined us for a week-long programme designed to help them experience the reality of office life. This included a series of seminars and presentations on areas ranging from marketing to HR. Participants included pupils from an inner-city school in London, as well as several young people who applied via the Brewin Dolphin website.

We have also become the first business partner for the Winning Scotland Foundation, an independent charity that uses the inspiration of successful sportspeople to help children and young people learn important life skills. With a particular focus on the 'growth mindset', it aims to create a generation of young people who can achieve their personal best. Our focus in this first year was on identifying where we can best support the charity's goals.

We are always keen to look for opportunities to work with young people across our wide network of offices, and this year we ran a series of day-long sessions on career preparation for sixth form students from Gateshead.

## Environmental activities

At Brewin Dolphin, our main environmental impacts are through largely UK-based travel and the consumption of resources and emissions at the buildings in our branch network. We do all we can to reduce any such impacts through sensible policies and initiatives including Green IT and recycling programmes. Please see page 72 for our full environmental statement.

## Supplier initiatives

Even though we are largely UK based, we are aware of the risks associated with a supply chain that crosses borders, potentially into nations where employee rights do not match our own standards. We take our responsibilities very seriously in this area and are taking those actions necessary to understand our supply-chain and carry out any required remedial activities that we identify.

## Skills, experience and aspirations for success

Our national partnership with Enabling Enterprise has developed further this year.

We have hosted students taking part in their school programmes at a growing number of offices, including those in Nottingham, Leeds, Birmingham, Manchester and London. Over the course of the year, 375 students worked with over 50 of our employee volunteers.

Enabling Enterprise's vision is that one day every student will leave school equipped with the skills, workplace experience and aspirations they need to succeed. From a single classroom in 2009, Enabling Enterprise now works with over 85,000 students each year and provides training and support to more than 3,400 teachers.

One school, Gilbertstone Primary in Yardley, Birmingham is starting its fourth year of working with Enabling Enterprise. In June 2017, 20 Year 5 students visited Brewin Dolphin's office in the city as part of their Enabling Enterprise programme.

"A fantastic Enabling Enterprise day, when the children thoroughly enjoyed using their problem-solving skills to trade on the stock market! All of the children shared ideas effectively and demonstrated great teamwork skills throughout the day."  
*Teacher, Gilbertstone Primary School*

"A great day! The children were fantastic; they had such good questions and worked really well in their teams to achieve a great outcome for their client."  
*Volunteer, Brewin Dolphin*

"I have enjoyed learning about the stock market – something we have never done before."  
*Student, Gilbertstone Primary School*