

Strategic Report (continued)

Foreign currency risk

The Group applies foreign currency matching principles to reduce foreign currency exposure. Where a sale results in an associated external creditor denominated in foreign currency, the Group purchases the foreign currency the day after the sale and holds this for future settlement.

Other general factors

The Group is also exposed to other factors common to the majority of businesses such as the need to recruit and retain suitable colleagues, an increasing reliance on computer systems and technology, and the protection of the reputation and good name of the business. Significant adverse experience or events in relation to any of these factors could impact upon the Group's trading performance and financial position.

Streamlined Energy and Carbon Reporting (SECR)

The Group meets the qualifying conditions to report their carbon emissions and energy usage. The GHG Protocol Corporate Standard classifies a company's GHG emissions into three scopes:

- Scope 1 emissions are direct emissions from owned or controlled sources
- Scope 2 emissions are indirect emissions from the generation of purchased energy
- Scope 3 emissions includes all other indirect emissions that occur at sources which Hays Travel do not own or control.

SECR requires that all scope 1 and 2 emissions are reported. Inclusion of Scope 3 emissions is voluntary and due to a variety of factors including the impact of Coronavirus COVID-19, these have been excluded from this baseline submission. Nevertheless, the Group are committed to investigating the merit of including Scope 3 emissions in future submissions.

An intensity ratio is used to determine the carbon emissions relative to a single common business metric and allows the Group's carbon footprint to be compared over time or allow comparison with similar organisations.

An analysis of Group's operations was completed for the reporting period running 1 November 2019 to 31 October 2020 and the total energy consumption (scope 1 and 2) across all sites and activities over this period was 6,754,985 kWh. Corresponding total emissions emitted by the Group were calculated to be 1,563.4 tCO₂e (tonnes of carbon dioxide equivalent) with an intensity ratio of 2.53 tCO₂e per million £ turnover and 0.22 tCO₂e per FTE. The GHG emissions and energy reported are shown in the table below.

Energy Source	Consumption (kWh)	Emissions (tCO ₂ e)
Non-HH Electricity	5,895,607	1,374.5
Gas	380,049	69.9
Transport	479,329	119.0
Total	6,754,985	1,563.4

Intensity Metric Calculation based on revenue

Turnover/Revenue (£)	£616.75m
Emissions (tCO ₂ e)	1,563.4
Metric (tCO ₂ e /£m)	2.53

Intensity Metric Calculation based on head count

Head Count	7205
Emissions (tCO ₂ e)	1,563.4
Metric (tCO ₂ e /£m)	0.22