

Social impact



STV is committed to making a positive social impact which is integral to the delivery of our growth strategy. As a responsible business we provide an inclusive and positive working environment for our people, and use our powerful platform as a force for good.

Our people

We are committed to providing an environment that attracts the best creative talent, enables creativity to flourish, ensures equality of opportunity, and is fun and supportive.

Our priorities in 2021 were the continued support for the wellbeing of colleagues whilst planning for a more flexible way of working in future.

Promoting wellbeing and encouraging colleagues to talk about feelings of isolation and concerns arising from the pandemic were the key themes of our internal communications. A bespoke training programme for managers – Wellbeing & Resilience – was delivered by our partners, SAMH, designed to ensure our managers feel equipped to provide support and tools to improve their mental wellbeing and the wellbeing of their teams.

We extended our network of Mental Health First Aiders as more colleagues sought training to enable them to manage their wellbeing and provide support to colleagues, families and friends.

Improving the support available to our freelance colleagues, whose contribution is key to the success of STV Studios, remains a key aim of our wellbeing strategy. A new framework to ensure our productions provide an inclusive, safe and mentally healthy production environment was developed and introduced. This includes mandatory training covering respect and dignity at work and wellbeing; the appointment of dedicated mental first aiders and safeguarding contacts on every production; and the introduction of exit interviews for freelancers.

Our Gold Award status from the Scottish Government's 'Healthy Working Lives' standard has been retained, providing a benchmark to measure the effectiveness and impact of our programme of wellbeing activities.

↓ Wellbeing from STV provides resources and activities to promote general wellbeing, including mental health awareness to staff.

→ Our network of five peer groups are empowered to effect positive change across the business.



Implementing new ways of working to increase flexibility has been a key organisational objective during 2021. A hybrid pattern has been established as the norm for the majority of roles, supported by an extensive programme of changes to the physical environment of our office spaces and investment in new technology.

Keeping colleagues connected and informed of business progress has continued to be supported by our range of internal communication channels. These include a daily all-colleague e-newsletter, weekly all-colleague video conference briefings hosted by the CEO and a variety of informal engagement sessions structured to facilitate cross-business communications. Additionally, a programme of social events, held over video platforms, has continued during 2021.

Our employee opinion survey, Have Your Say, provides measurement of engagement and the survey is open to all staff and freelancers. In 2021, the survey was focused on monitoring wellbeing and engaging colleagues about future ways of working. Engagement levels remain high at over 80%.



Diversity and inclusion

Our aim is to create an inclusive culture that enables equality of opportunity for all; to reflect the communities we serve both on and off-screen and to drive sustainable change in all areas of the Company.

Achieving diversity in all areas and at every level of the Company through attracting and retaining people from the widest range of backgrounds is vital to our commercial and creative success.

On-screen we are committed to ensuring the content we produce authentically portrays and reflects the diversity of our audiences. These aims are underpinned by targets, set for delivery in 2023.

Six strategic priorities, to support achievement of our ambitious targets, were identified for delivery in 2021 and 2022:

- Increase diversity at all levels, with a particular focus on senior editorial, production, and leadership roles
- Increase representation and portrayal of diverse voices in the content that STV produces, commissions, and acquires for STV and the STV Player
- Develop cultural competence and learning for all to support an inclusive culture
- Diversify our talent networks and pipeline
- Improve access, retention and representation of diverse talent in STV Studios
- Improve diversity and authentic portrayal in the advertising content we produce

The STV Diversity and Inclusion Steering Committee (DISCo) comprises representatives from all areas of the Company and has oversight and a remit to challenge delivery of our D&I strategic priorities. Our D&I advisor, Femi Otitoju, who was appointed in early 2021 and reports to the Chief Executive, also sits on the DISCo, providing insight and a wider industry perspective. To drive delivery of our priorities and targets in 2022, all managers have been assigned targets relating to delivery of our D&I aims.

A strong network of five peer groups has become successfully established as a driving force for positive change across the Company. Each group is sponsored by a member of the Management Board and the groups are responsible for the development of action plans and play a key role in building an inclusive culture. The groups also consider social mobility across their respective agendas, as well as the intersectional and multi-faceted nature of diversity, including the potential impacts on the mental health of people in under-represented groups who feel isolated or socially excluded.

Our people

During 2021 we have continued to broaden our recruitment channels, improve accessibility and create new access paths for current and future talent. To support achievement of our targets, we have introduced changes to our recruitment processes. This includes pausing the selection process if required to ensure every shortlist include candidates from under-represented groups. 27% of appointments in 2021 came from under-represented groups. Our highly sought-after placement opportunities are a key entry route to the industry and we have committed to at least 25% of these being secured by ethnically diverse candidates; at least 25% to candidates living with a disability and 33% to candidates from lower socio-economic backgrounds.

Embedding inclusive leadership and developing cultural competence are the key aims of the next phase of our programme of diversity and inclusion training, delivered by Femi Otitoju. New and developing policies will also be covered, including the Company's Menopause Policy, launched in October 2021, and the introduction of a policy to support trans colleagues. To support an on-air campaign in October 2021 highlighting invisible disabilities, we supported 15 colleagues to complete 'Introduction to BSL' training with further programmes arranged for 2022. In addition to training, we continue to provide opportunities for Company-wide discussions involving guest speakers. Topics have included improving equality and visibility for disabled people in the television industry and off-screen and discussions to mark Black History Month.

Our targets

	Workforce: Our people	On screen contributors: Our audiences			
		STV News at Six	News only	Sport only	Scotland Tonight
Gender	50:50 balance across top 25% of roles by earnings and a balanced gender profile across the rest of the organisation	50:50	50:50	50:50	50:50
Ethnically diverse	8% of colleagues based in Scotland 33% of colleagues based in London	8%	8%	8%	12%
Disability	12% of all colleagues	Target to be confirmed following a review of existing representation levels. Through STV Expert Voices we are working to broaden our network of contributors to increase representation of disabled people across news and current affairs output.			
LGBTQ+	4% of all colleagues	No target set			

On-screen

The STV News team aim to reflect the lives of all the communities that we serve and ensure they are authentically represented. On-screen representation of ethnicity and gender is monitored on a monthly basis against targets and in 2022 this will be extended to include disability monitoring.

Across 2021, targets to increase the number of ethnically diverse contributors on *STV News at Six* (from 4% to 8%) and *Scotland Tonight* (12%) were achieved. Targets have also been set to achieve a gender balance of contributors on both programmes.

'STV Expert Voices' was launched to broaden our network of on-screen contributors and increase representation of diverse views and voices across our news and current affairs output. Through partnerships with equality organisations, including Equate Scotland's Pass the Mic project, Women in Journalism, Inclusion Scotland and Enable Scotland, we are working to increase the number of female contributors and also to increase representation of programme contributors from ethnically diverse backgrounds or those living with a disability. 'STV Expert Voices' delivered five virtual training sessions on media interview skills to

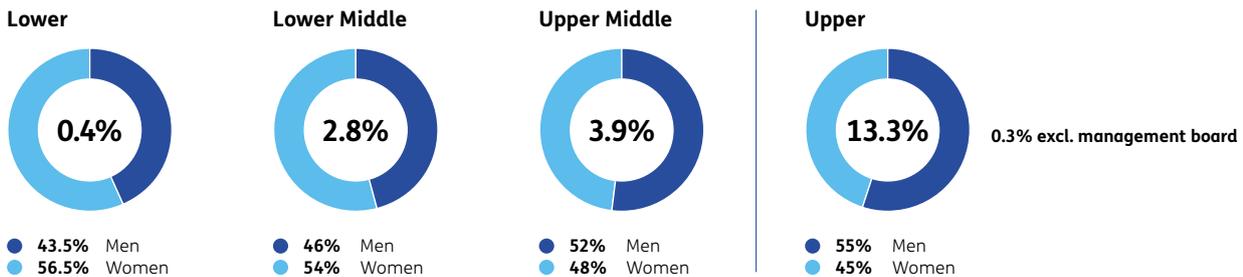
over 400 people from under-represented groups working in healthcare, business, academia, and the third sector, who are experts in their subject matter. These popular sessions have been followed up with one-to-one coaching for new broadcast and digital contributors who have been engaged to support development of digital news articles, long form interviews or recorded pieces related to their experience.

The STV Inclusion Fund was launched in 2021, providing Scottish businesses demonstrating a commitment to inclusive growth and championing diversity access to advertising to support their growth.

Through a competition process, four businesses have received awards from the fund: Social Stories Club; Daisy Tree Baby Boutique; Deaf Action; and Women's Enterprise Scotland (WES).

On STV Player, we have partnered with the Digital Accessibility Centre, to audit user accessibility. This has identified improvements for implementation by our in-house software development team whilst providing the team with insights to inform future platform development activities. During 2022, the audit will review access service provision, including the availability of subtitles, audio description and signed content.

Our gender pay profile*



The mean gender pay gap is 5.7% across 75% of all roles (2020: 7.7%).

* Figures are based on all permanent and fixed term STV employees

Gender pay gap

The mean gender pay gap continued to reduce at 15.3%, with the median at 8.3%. The mean and median gender bonus pay gap increased in 2021 to 66.0% and 80.0% respectively as a result of several factors. Gender bonus pay gap reporting is prone to volatility when making year on year comparisons due to various factors that impact bonus payments, including bonus payment dates. This impacted the 2021 bonus pay gap. One of a number of adjustments made to remuneration in response to the financial implications arising from Covid-19 was the deferral of bonuses earned by the management board in 2019 which fell into the 2021 gender bonus pay reporting period. Excluding the deferred bonuses awarded at management board level, the mean and median 2021 gender bonus gap figures were 23.6% and 68.4% respectively.

Gender balance

Overall, across the Company our gender profile is balanced, 51% women: 49% men. We have set a target to achieve gender balance at all levels of the organisation, with a particular focus on closing the gap across roles in the upper earnings quartile. We continue to make progress with 45% of roles in this quartile held by women, an increase from 30% in 2017. At board level (PLC and management board), 33% of roles are held by women. We are seeing evidence of the impact of measures to support women to progress through the organisation into senior roles – including regular succession planning to assess and strengthen our talent pipeline for senior roles and development programmes

to support career progression – with 71% of promotions in 2020/21 secured by women. Our internal career development programmes have a target to achieve a 50:50 gender balance of participants.

As a result of these measures, the Company's gender pay gap continues to narrow year on year, reducing by 33% over four years since 2017 when reporting started.

Gender pay gap 2021*

15.3%
mean

2020: 15.6%

8.3%
median

2020: 14.6%

66.0%
mean bonus pay

2020: 44.6%

80.0%
median bonus pay

2020: 46.4%

*Based on the Gender Pay Reporting date of 5 April 2021



Sustainability

Aims

- Net zero carbon by 2030
- Zero waste business by 2030
- Sustainable supply chain by 2030
- All STV and STV Studios programming carbon neutral by 2022
- Use STV’s reach to promote sustainability

Since the launch of our sustainability strategy, STV Zero, in early 2021, we are making progress towards our long-term aim of becoming a net zero carbon business by 2030.

We have a wide-ranging framework of targets to reduce our carbon impact and use STV’s audience reach and pre-eminent marketing platform to promote sustainability by raising awareness of environmental issues and positively influencing consumer behaviour.

We achieved all targets set for delivery in 2021, including becoming a carbon neutral business. A total of 412 tCO_{2e} has been offset from our business operations (Scope 1) and energy use (Scope 2). A further 1,221 tCO_{2e} incurred through programme making activities and other business travel has been offset by our production teams as they have secured industry-recognised Project albert environmental certification.

In June we became consortium members of Project albert, providing access to an industry network, insights and advice and support with training. STV Creative, our successful commercial production business, joined Ad Net Zero, the advertising industry’s response to the climate crisis, and is working in partnership to implement a carbon impact calculator for use on all advertisements and promotions we produce.

As STV’s home city of Glasgow hosted COP26 in late 2021, we collaborated with our industry peers and participated in an exciting programme of events co-ordinated by BAFTA to highlight the unique role of the television industry in response to the climate crisis. Along with other UK broadcasters and streaming services, we signed the Climate Content Pledge, committing to using our content to help audiences understand solutions to tackle climate change.

Encouraging colleagues to adopt more sustainable behaviours and lifestyles has been supported through the roll-out of a training programme, Climate Fundamentals, delivered by the Project albert team. We will build on this with the further sustainability training during 2022.

A new governance structure has been introduced to embed STV Zero into all areas of the business, setting clear responsibilities and enabling fuller disclosure of our performance against our targets in future. For further details, refer to our report under the TCFD Framework on pages 45 to 49. With all targets set to date achieved, new interim targets have been agreed for 2022. These have been introduced to maintain momentum and further embed sustainability across the business, creating a visible roadmap to support achievement of our long-term goals. Additionally, emission reduction action plans are being introduced into all divisions and will be monitored and reported on a regular basis through divisional boards.

We have committed to ensuring our targets are science based and in early 2022, applied to the Science Based Targets initiative (SBTi) for verification of our targets to evidence the impact of our strategy in reducing the Company’s carbon impact.

Our targets

Energy consumption

- Net zero by 2030
- 100% of directly procured electrical energy from renewable sources
- Halve business travel by end of 2022

Becoming a carbon neutral business by the end of 2021 is the first significant milestone toward net zero.

Ahead of target, we secured all electrical energy from renewable source in our office locations where we control the energy supply contracts. These locations represent 97% of our total consumption of electrical energy.

Further energy efficiency measures were introduced including continued installation of LED lighting and the implementation of new technology and IT equipment to support colleagues to work in a more flexible and sustainable way in future.

In 2022, we will begin to move to renewable gas at our sites where our gas supply contracts are under our control.

The transition to move our vehicle fleet and all leased cars to hybrid has also been completed in 2021.

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STV Zero targets.

ZERO

ENERGY CONSUMPTION
 Achieve 100% of electrical energy used from renewable sources by the end of 2022
 Reduce business travel by 50% by the end of 2022

SUPPLY CHAIN
 Our supply chain will be 100% sustainable by 2030

PROGRAMME MAKING
 STV will continue to albert certification for all of its programming, including news and current affairs, by 2022

CARBON NET ZERO BUSINESS BY 2030
 Use promotional efforts to educate STV’s commitment to environmental sustainability and encourage positive behavioural change from our viewers and advertisers

PROMOTING SUSTAINABILITY
 Launch of the STV Green Fund in 2022 to support advertisers

FOR VIEWERS:
 Ensure environmental sustainability is represented in the content of our programming

CARBON NEUTRAL SINCE 2021
 Achieve net zero carbon emissions on all programming, including commercial production, produced by STV and STV Studios by 2022

WASTE REDUCTION
 STV will become a zero-waste business by 2030 via its programme of work, re-use and recycle and the removal of single use plastics

REDUCE. REUSE. RECYCLE.

Business travel generates a significant proportion of our carbon impact. Recognising the opportunities for more sustainable ways of working that have been proven to be effective during the pandemic, we have brought forward the target date to significantly reduce business travel, aiming to halve this by the end of 2022, an accelerated target date from the original plan to achieve this by 2025.

Waste reduction

- Zero waste business by 2030

The first target set as part of our zero waste strategy was the immediate removal of single use plastics from the Company's catering suppliers from early 2021. This was extended to hired catering used on all of the Company's productions as carbon impact measurement was introduced on all programming. The removal of single use plastics from all operations and our supply chain is a long term aim and will be a priority as we work with our suppliers.

As colleagues return to the office in early 2022, a behaviour change campaign has been introduced to encourage all colleagues to 'reduce, reuse, recycle' and become a 'STV Zero Hero'. As we have prepared our offices to enable more flexible working, we have taken the opportunity to make changes in support of our sustainability goals. Wastepaper bins have been removed from desk areas and we have invested in new printing equipment designed to encourage a reduction in paper consumption.

Programme making

- All programmes produced by STV and STV Studios to receive Project albert certification by the end of 2022
- All STV and STV Studios' productions to be carbon neutral by the end of 2022

During 2021, all STV Studios' programming was registered with Project albert and four productions were albert certified, including drama series, *Screw*; *Celebrity Catchphrase*; *Inside Central Station* and *British as Folk*.

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STV Zero activity touches all areas of the business.



All STV (non-news) programming is registered with Project albert, with three-part mini-series, *Don't Waste Scotland*, and the *STV Leaders' Debate* awarded albert certification.

Sustainable supply chain

- 100% sustainable supply chain by 2030

Achieving a sustainable supply chain is our primary route to reduce the Company's Scope 3 GHG emissions. Preliminary work has identified that approximately 80% of our supplier base (by value of procured goods and services) have sustainability commitments consistent with the achievement of our long-term aim. During 2022, an audit of the remaining constituent of our supplier base will be undertaken to identify opportunities to work with our suppliers towards increased sustainability.

Improving our understanding of the carbon impact of the distribution of our content has been identified as a priority for 2022 and we will engage with our peers in the industry on the development of measurement tools.

On screen – audience and advertisers

- Using STV's reach to promote sustainability

STV's close and trusted relationship with the audience and our position as the biggest channel in Scotland presents an opportunity to bring the complex to life in an accessible, practical and uplifting way. In the run-up to COP26 in October we broadcast our first dedicated sustainability focused programme. Peak-time three-part series, *Don't Waste Scotland*, was specially commissioned to coincide with COP26 and outperformed several national environmental programmes in terms of audience share.

This coincided with the launch of an on-air campaign, *Small Changes Big Differences*, featuring STV's weather team which also generated a positive audience and media reaction. The team were aged by 40 years and delivered weather forecasts from the future, highlighting the importance of making small changes everyday to live more sustainably.

The STV Player has also featured environmentally friendly focused shows on the 'Green Hub', which was sponsored by Smart Meters.

Through the STV Green fund we are supporting Scottish businesses in becoming more sustainable. This £1m investment fund, launched in March 2021, offers match funded advertising support for Scottish businesses who provide or promote sustainable products and services. The launch partner was the Edinburgh Boiler Company, who committed to plant a tree for every boiler they installed, offsetting an estimated 450 tonnes of carbon emissions in 2021.



FTSE4Good

FTSE Russell

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that STV Group has been independently assessed according to the FTSE4Good criteria and has satisfied the requirements to become a constituent of the FTSE4Good Index Series.

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Children performing at Centrestage during this year's annual telefundraiser.

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STV stars jumping for joy at the prospect of starting the Virtual Kiltwalk.



Contributing to our communities

The STV Children's Appeal was launched in 2011 and uses the power of STV to shine a light on the issue of child poverty, raise funds and drive positive change.

STV Children's Appeal in 2021

With new lockdown measures brought back into force, Scotland's most vulnerable and disadvantaged children, young people and families began 2021 with renewed pressures. Once again, the STV Children's Appeal was well placed to provide urgent and timely support to those who needed it most.

A record breaking year

In 2021, a record £4.4 million was raised to help the 1 in 4 children in communities across Scotland affected by poverty. This brings the total amount raised by the STV Children's Appeal since its formation to almost £29 million.

Fundraising campaigns

Our longstanding relationship with Scottish Government enabled us to distribute £1.6m of additional Government funding to help vulnerable families cope with the effects of winter. Funds were used to help people pay for food, heating, warm clothing and shelter.

Between December 2020 and March 2021, 317 grants were made to 327 community groups and voluntary organisations in every local authority area of Scotland. In total, 7,516 families and 11,844 children received funding and support.

STV uses its platform as Scotland's commercial public service broadcaster to shine a light on the issues faced by so many people across Scotland. In support of the STV Children's Appeal, it seeks to shine a light on the issues faced by children and their families who are affected by poverty, encourage donations from viewers, and enable young people to tell their stories to the widest possible audience to drive positive change.

By Spring, our focus concentrated on the mental health impact Covid-19 was having on young people. Starting in May, the STV Children's Appeal ran regular adverts on STV's broadcast channel and social media platforms to highlight the impact of a year of lockdowns on our young people's mental health, to encourage donations from viewers to support the recovery phase. The campaign received celebrity backing from a number of famous Scots, including actor James McAvoy, TV personality Gail Porter and author Douglas Stuart.

The proceeds of this campaign were distributed to 50 projects across Scotland to improve young people's mental health through initiatives such as counselling sessions, peer support groups and leisure activities.

In addition to our Mental Health campaign, large scale community and corporate fundraising initiatives took place during 2021. To mark the Appeal's 10th birthday, fundraisers were asked to take part in the 10xChallenge: use the number 10 to create an engaging fundraising event such as walking 10 miles, running 10k's or cycling for 10 days. The campaign was generously sponsored by long-term supporter Tunnock's.

Meanwhile the successful Kiltwalk event returned in 2021 in two formats - a virtual event in Spring and a live event in Autumn - with hundreds of people taking part.

In addition, scores of dedicated individuals, community groups, corporates and schools have undertaken their own fundraising events or made donations for which we are extremely grateful. Without this support, the work of the Appeal simply could not happen.

Employee engagement

STV employees continued to be great ambassadors for the Appeal in 2021 by organising and taking part in fundraising activities, raffles, quizzes, the 10xChallenge and Kiltwalk events. The total raised was match-funded by STV to ensure even more children and young people can be helped.

Programming

A special documentary was commissioned to examine the impact of Covid on young people's mental health. *Where's Your Head At?* enabled several young people to tell their stories, their struggles, and how support from Appeal-funded projects has helped them through this difficult period.

The main telethon programme hosted by Lorraine Kelly aired in October and featured an exciting blend of entertainment and powerful case studies of children and families affected by poverty. The programme reached 1.7 million Scots.

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Some of the famous faces who supported this year's mental health fundraising campaign.



Spotlight

Marking 10 years of STV Children's Appeal

The STV Children's Appeal celebrated its 10th birthday in 2021 and marked a decade of supporting young people affected by poverty in Scotland. But despite raising over £24 million in the previous nine years, the Appeal's vital work continued apace in 2021, with a major new fundraiser being launched to help raise funds at a time when support was needed more than ever.

STV's Weatherman Sean Batty and journalist Sophie Wallace were joined by a group of 10-year-olds for a joint birthday celebration and to announce the 10xChallenge, with each party-goer vowing to take on their own fundraising challenge to support the charity.

The 10xChallenge gave the nation one simple mission: to take part in their own challenge or event inspired by the number '10' across a ten-day period in September. And just as they had continually wowed us with their creativity and generosity in previous years, the Scottish public pulled it out the bag yet again.

One Glasgow schoolboy swam ten 200m lengths of his local pool in one session, whilst a daredevil from Stirling took on a 10,000ft skydive. Even world record-holding cyclist Mark Beaumont got involved, switching sports to set himself a running challenge alongside daughter Harriet.

Continuing the 10-year celebrations, the Appeal's annual telefundraiser was broadcast, for the first time, from one of the charities that has benefited from its support over the last 10 years. Kilmarnock-based performing arts charity CentreStage welcomed Lorraine Kelly for an evening of music, fun and important real-life stories – showing viewers at home why the work of the Appeal to tackle child poverty continues to be so crucial.

The incredible response from the public throughout the Appeal's milestone birthday year resulted in £4.4 million being raised, pushing the total amount raised since 2011 to almost £29 million, and setting the Appeal up for another decade of critical fundraising for the children and young people in Scotland who need it most.

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Andrea Brymer hosts a special documentary on the impact of Covid on young people's mental health.
←
STV Children's Appeal 10th birthday celebrations.