



Skipton International UN Principles for Responsible Banking Self Assessment 2022



We recognise that our business can have both a positive and negative impact on the Unsustainable Development Goals. Whilst this is our first Principles for Responsible Banking self-assessment report, we anticipate further development and integration of the ability to measure and track progress including impact measurement and target-setting

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Links/references to full response/ relevant information
Principle 1: Alignment - we will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.		
1.1 Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.	<p>Skipton International (Skipton) is established in Guernsey with an office in Jersey and is a bank wholly owned by Skipton Building Society, the fourth largest building society in the UK. Our vision is to be the Channel Islands most recommended bank – we want to help customers achieve their property owning and savings goals, by offering quality products and excellent customer service.</p> <p>Skipton offer a range of residential mortgage options for Guernsey & Jersey residents, UK Buy-To-Let mortgages for non-UK residents and Sterling and US Dollar savings accounts for customers in the Crown Dependencies and across the globe.</p>	Skipton International About US
1.2 Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.	<p>Being a responsible business is part of our parent's mutual heritage, Skipton Building Society, and is core to Skipton's ethos. Skipton always strives to be an effective corporate citizen, doing good in the communities in which we operate. Being fair and open with all of our valued customers is important to us.</p> <p>Skipton's ethos of doing the right things for our customers, colleagues and communities is at the core of our values. Last year Skipton updated its Sustainability Policy and transparently shares its progress against its Being a responsible business is part of our parent's mutual heritage, Skipton Building Society, and is core to Skipton's ethos.</p> <p>Skipton always strives to be an effective corporate citizen, doing good in the communities in which we operate. Being fair and open with all of our valued customers is important to us.</p> <p>Skipton's ethos of doing the right things for our customers, colleagues and communities is at the core of our values. Last year Skipton updated its Sustainability Policy and transparently shares its progress against its Environmental, Social, and corporate Governance (ESG) ambitions.</p> <p>Since 2019 Skipton has set challenging short and long-term targets that are aligned to the United Nations Sustainable Development Goals (SDGs).</p> <p>Skipton identified four SDG goals where it believes it can have the greatest positive impact, and where they support the company's strategy and vision.</p> <p>Goal 8 - Decent Work and Economic Growth Our commitment: we'll be one of the best places to work.</p> <p>Goal 11 - Sustainable Cities and Communities Our commitment: We will help more people into homes and support our local communities.</p> <p>Goal 12 - Responsible Consumption and Production Our commitment: We will give more to the planet than we take.</p> <p>Goal 16 - Peace, Justice and Strong Institutions Our commitment: We will always consider the interests of all stakeholders.</p> <p>We continue to strengthen our commitments and strategic alignment with global and national frameworks as we evolve and continually review our progress throughout this process.</p>	Skipton International Sustainability

2.1 Impact Analysis

Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:

- a) Scope: The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.
- b) Scale of Exposure: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.
- c) Context & Relevance: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.
- d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services. (Your organisation should have engaged with relevant stakeholders to help inform your analysis under elements c and d).

Show that building on this analysis, the organisation has:

- a) Identified and disclosed its areas of most significant (potential) positive and negative impact.
- b) Identified strategic business opportunities in relation to the increase of positive impacts/reduction of negative impacts.

Skipton International is a retail financial services provider operating in the Channel Islands and supporting overseas residents purchasing residential Buy To Let property in the UK. We have worked hard to set targets and reduce our operational impacts. We understand that our main impacts come from the products and services we offer. Our core products and services are savings accounts and mortgages.

Residential households we're responsible for approximately 16% of greenhouse gas emissions in the UK in 2020. We believe we can play a positive role in supporting and educating our customers to improve the energy efficiency of their homes. We also see our role in providing finance and support to facilitate the change needed to green the country's housing stock as the UK transitions to achieving Net Zero by 2050.

Using the UNEP FI context module tool, we're able to determine that the most relevant challenges and priorities in the UK include climate change, the availability accessibility and affordability of housing and food, and circularity.

Our impact analysis helps us understand the most relevant challenges and priorities related to sustainable development. Through it, we've identified that climate change and financial inclusion (ensuring we are accessible and inclusive for all) are our most significant impacts, presenting the areas where we can further make a real positive contribution.

Skipton has further commissioned an external consultancy to complete a greenhouse gas inventory, to better understand the impact of our activities on Climate change. This inventory indicated that 92% of Skipton's Carbon Dioxide emissions related to the emissions from the residential mortgages for customers purchasing homes in the UK and Channel Islands. This further supports the UNEP FI context tool conclusion that climate change should be a priority for Skipton.

Skipton has implemented some initial actions to mitigate Climate impact, such as no longer accepting mortgage applications on properties that are less efficient according to their Energy Performance Certificates, in advance of setting targets.

[Skipton International Sustainability](#)

Conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.		
Skipton International has fulfilled the requirements regarding impact analysis. We've identified the significant impacts associated with our products and services and will continue to develop our impact analysis. We'll keep our significant impacts under continuous review for all our ongoing and future reporting.		
<p>2.2 Target Setting</p> <p>Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.</p> <p>Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.</p> <p>Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</p>	<p>Prior to becoming a signatory of the PRBs, in 2019, we first developed our Sustainability Strategy, aligning it to the UN Sustainable Development Goals. Each year we review our strategy and the progress we've made, strengthening our ambitions and commitments.</p> <p>Our 2022 Environmental, Social and Governance (ESG) targets remain aligned to the SDGs, providing stretch and challenge over the short and longer term. As we continue to increase our understanding and progress, our next ambition is to set ourselves science-based targets aligned to the objectives of the 2015 Paris Climate Agreement.</p> <p>As we continue implementing the principles, we will look to set at least two targets which address the areas of most significant impact and drive a greater contribution to the SDGs. We will develop an action plan with milestones. All of our progress will follow strong governance, being regularly reported through our Senior Management Team and Board.</p>	<p>Skipton International Sustainability</p>

Conclusion/statement if it has fulfilled the requirements regarding Target Setting.		
Skipton International has not fulfilled the requirements regarding target setting. In 2023 we will develop targets, along with an action plan and milestones and provide an update in our 2024 report.		
Principle 3: Clients and Customers - we will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.		
<p>3.1 Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</p>	<p>Skipton International has a range of policies in place to support responsible relationships; these include:</p> <ul style="list-style-type: none"> • Sustainability Policy • Diversity Policy • Equal Opportunities Policy • Supplier Management Policy • Vulnerable Customer Policy • Complaints Policy <p>Skipton uses the Feefo online feedback platform to continually monitor customer satisfaction with Skipton services and uses this feedback to continually improve services, processes and documentation, etc. Skipton has received a 'Platinum Trusted Service Provider' award (their highest award) for the last three years.</p> <p>Skipton's sustainability objectives are</p> <ul style="list-style-type: none"> • to ensure that employees adhere to applicable legal and regulatory requirements; • to ensure there are robust procedures in place that appropriately consider sustainability considerations; • to ensure that sustainability considerations are determined, monitored and reported appropriately; • to ensure that all employees receive ongoing training, as required to ensure climate related risks are identified, analysed and mitigated. <p>Skipton's sustainability aims are:</p> <ul style="list-style-type: none"> • reduce Skipton's impact on the environment mitigate risks arising from current and projected changes to the environment. • Positively contribute to the societies in which Skipton operates. • Support diversity and inclusion. <p>We are also committed to deliver fair customer experience and outcomes and taking account of individual circumstances is a key element of this.</p> <p>We ensure colleagues are fully aware of this and are appropriately trained to recognise signs of actual or potential vulnerability. Our Vulnerable Customer Policy is in place to ensure that we provide good customer outcomes throughout the whole customer lifecycle, regardless of their circumstances or characteristics of vulnerability.</p>	<p>Diversity and Inclusion</p> <p>Skipton International Sustainability</p> <p>Skipton International Feefo Reviews</p>
<p>3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.</p>	<p>Skipton is part of the Support the Goals network; an initiative to share the stories and journeys of businesses supporting the UN Sustainable Development Goals. It aims to raise awareness of the goals in the business community, and to encourage support through positive publicity and gentle competition.</p> <p>Skipton International's Support the Goals rating is the maximum 5 stars. Skipton worked with Support the Goals to educate and encourage suppliers to support the STGs.</p> <p>At Skipton we are working with our customers in a range of ways to encourage sustainable practices.</p> <p>Skipton no longer accepts mortgage applications for properties in the UK with Energy Performance Certificates (EPCs) below a D Grade and only accepts applications for D grades providing the EPC indicates the property can be improved to at least a C grade.</p> <p>Skipton plans to launch 'Green Further Advance' mortgage offering to support customers to improve the energy efficiency of homes.</p> <p>Skipton plans to continue to educate its customers about sustainable practices, an example would be informing all mortgage customers of the upcoming EPC regulations in the UK (for buy-to-let property owners).</p> <p>Skipton is currently working with a third-party Energy & Carbon Consultants to better understands its impact on the planet and what it can do to reduce its carbon footprint. Skipton plans to put in place a Net Zero Strategy.</p> <p>Skipton has also recently launched an Online Mortgage Portal and has plans to improve customer communications to reduce paper and postal delivery greenhouse gas consumption.</p>	<p>Support The Goals</p> <p>Skipton International Sustainability</p> <p>2022 Sustainability Report</p>

Principle 4: Stakeholders - we will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

<p>4.1 Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.</p>	<p>Our main stakeholders are our customers; colleagues; suppliers; our parent company (Skipton Building Society) and regulators.</p> <p>Skipton is working closely with its parent company to implement the Principles of Responsible Banking and regular updates are shared with the Skipton Group Sustainability Steering Group.</p> <p>Inviting and acting upon customer feedback continues to be essential in meeting our customers evolving needs impacted by the developing world around them and the pace of transformation displayed by other organisations they interact with. Examples of how their feedback has driven improvements to our service offering or impact strategy include:</p> <ul style="list-style-type: none">• We've enhanced our accessibility section on the website to include comprehensive information on all the support we offer to people with varying access needs• We will launch green additional borrowing mortgage products to supporting our customers in reducing their carbon footprint• Information will be shared more widely on how we're planning to minimise our impact on the environment in the here and now <p>We closely monitor all our business relationships with suppliers, on an ongoing basis. This sees us assessing any risk of an adverse impact on our customers, our people and the environment in which we operate as a result of these relationships, or as a result of our policies.</p> <p>Through Skipton's relationship with Support the Goals, Skipton is encouraging its suppliers to support the UN Sustainable Development Goals.</p>	<p>skiptoninternational.com</p> <p>Skipton Building Society Environment</p>
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Principle 5: Governance & Culture - we will implement our commitment to these Principles through effective governance and a culture of responsible banking

<p>5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>Ultimate accountability for how we move and respond to climate-related risk and opportunities resides with the Board. In 2019 Skipton's Board approved the bank's Sustainability Policy and has since provided oversight of climate-related and sustainability-related risks and opportunities, including annual public reporting through Skipton's Sustainability Report, made available on the bank's website.</p> <p>Skipton's parent, Skipton Building Society has a Sustainability Governance Group (SGG) which provides a central point of governance for setting and monitoring delivery of our sustainability strategy. The group drives governance and oversight of strategic, commercial and policy-based sustainable decision making within the business. The SGG has responsibility over the implementation of our commitments to the Principles for Responsible Banking at Group level.</p>	
<p>5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>Skipton's Board and Senior Management Team encourage and challenge colleagues to deliver responsible and sustainable products and services. It is important to us that we have a strong understanding of our colleagues' views of their experience of working at Skipton and we do this in a number of ways – including team meetings, colleague surveys and monthly colleague suggestions. Colleagues with more serious concerns have ready access to an established and internally well publicised whistleblowing process which protects their identity.</p> <p>Diversity within the current team, applicants and job offers are reported to the board annually, along with the results of diversity based questions from an annual staff survey, to ensure that the objectives of Skipton's Diversity Policy continue to be met. Also, gender pay gaps and resulting plans are reported annually to the Board Remuneration Committee for similar consideration.</p> <p>Skipton operates a Talent Development Programme to understand each colleague's capability and aspirations which then influences each colleagues Personal Development Plan to equip them with the skills to progress within the company or improve skills in their current roles.</p> <p>In 2022 a Talent Development Scheme was launched for school leavers to provide structured experience across a number of roles within the bank before deciding upon their long-term role. Skipton has also for a number of years provided bursary's to support local students attending university and providing paid work experience in vacations or gap years.</p> <p>We encourage all our colleagues to get out into their communities and make a difference through volunteering. Everyone can take one working day every year to volunteer for a cause of their choice.</p> <p>Skipton has also created a Community Fund Committee which supports local charities with financial support and expertise. The Committee is made up of colleagues who have volunteered from across the business.</p> <p>Skipton has committed to Guernsey's Employer's Disability Charter. Skipton is encouraging job applications from those with disabilities, taking a practical approach to adjusting allow a disabled person to perform their job within the bank and providing work experience opportunities for clients of the Guernsey Employment Trust.</p>	<p>Skipton International Careers</p>
<p>5.3 Governance Structure for Implementation of the Principles Show that your bank has a governance structure in place for the implementation of the PRB, including:</p> <p>a) target-setting and actions to achieve targets set</p> <p>b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</p>	<p>The Board of Skipton has delegated to the Managing Director the ultimate responsibility for the implementation of the Principles. The Managing Director is obligated to report progress to the board. The Senior Management Team and Senior Commercial Manager are responsible for developing the targets and creating the action plan, for board approval.</p> <p>Our Senior Management Team review and suggest the targets for board approval and continue to monitor progress made against them. ESG is a standing agenda item at weekly Management Committee meetings where the Senior Commercial Manager reports progress, and should a shortfall potentially occur remedial plans can be considered and enacted in a timely manner. The Commercial Team will provide support and guidance.</p>	<p>Sustainability Policy</p>

Conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.		
Skipton International has established a strong governance structure for ensuring that the principles are implemented and monitored effectively.		
Principle 6: Transparency & Accountability - we will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.		
<p>6.1 Progress on Implementing the Principles Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1–2.4).</p> <p>Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.</p> <p>Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.</p>	<p>Skipton became a signatory to the Principles for Responsible Banking in 2021. Since then we have made meaningful progress strategically integrating and implementing the principles across the business. We've identified the significant impact areas and our next steps are to set a minimum of two targets.</p> <p>Our Sustainability Report details our current strategy and progress in becoming a more responsible and sustainable business. We will continue to participate in UNEP FI initiatives and collective progress survey, we will look to join the dedicated working groups. We will further improve the transparency and accountability of implementing principles in future reporting.</p> <p>Skipton has been gathering evidence to support these activities included commissioning external consultants to complete a greenhouse gas inventory, to better understand the impact of our activities on Climate change and better inform out planning.</p>	Skipton International Sustainability
Conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking		
Skipton International have demonstrated commitment and provided our first report against the principles. We will continue to advance our reporting to ensure we are transparent and accountable.		