



SKIPTON INTERNATIONAL

Sustainability Policy

Board Approved: 17 February 2022

Background:

The Board of Skipton International Limited (“Skipton”) recognises that Skipton does not exist in isolation and is part of the communities we serve. This policy recognises that Skipton is part of a bigger system of people, other organisations the natural environment and society as a whole and it is our responsibility to maintain a sustainable business model to preserve our natural environment including mitigating the effects of climate change, to positively impact the communities we work in and to maintain high standards of integrity and governance in our operation and dealings.

The board fully recognises its moral obligation to ensure that Skipton is actively managing its activities by maintaining sustainable practices in all areas, where the impact may be negative to minimise that impact and also where it can be a positive force for good to take that positive action when we can. The three main pillars are as follows:

- Environment: Skipton’s impact on our community, the wider world and our commitment to future generations
- Social: Skipton’s contribution to local communities and how returns are shared
- Governance: Skipton’s way of conducting itself and our licence to operate

The Board intends to develop Skipton as a business that is sustainable. The Board is committed to embed sustainability practices into business strategy and operations and cultivating sustainability awareness and responsibility among our internal and external stakeholders.

Purpose:

This policy provides the framework and guidelines within which Skipton will manage sustainably. It defines the role and objectives of managing societal and environmental impacts in a sustainable manner within the business, details Skipton’s approach and the control and governance framework in place.

We want to be a responsible business with high ethical and professional standards. Our aim is to meet our responsibilities through a commitment to relevant laws and regulations by ensuring we don’t risk the health and safety of our colleagues and community; avoiding harm to those we encounter, supporting diversity and inclusion and being aware of and mitigating where possible our impact on the environment at large.

Users:

The Skipton Board uses this policy to set the framework for sustainability objectives and within which sustainability is considered.

The Managing Director and Management Committee (“MC”) at Skipton use this policy to ensure that sustainability objectives are being met, in line with overall business strategies.

The Operational departments at Skipton use this policy to manage sustainability impacts.

Review and Control:

The Sustainability Policy is reviewed biannually by the Managing Director to ensure Skipton conducts its activities in compliance with all applicable laws and regulations, supports best practice and develops in accordance with business requirements being fully integrated within the business plan. The Policy is then considered and agreed by the MC before approval by the Skipton Board.

Policy Statement

Section 1: Roles and Objectives

Business Context:

Consideration of sustainability impacts has a role in the management of Skipton.

All employees are required to consider the sustainability implications of their actions and whether these support Skipton's sustainability objectives.

This policy applies to all employees of Skipton.

Objectives:

The objectives of the Sustainability Policy are:

- 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.

Aims:

The aims of the Sustainability Policy are to: -

- 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.

Section 2: Broad Approach to Sustainability Management

Structure:

Sustainability is managed at Skipton throughout the organisation.

Control Framework and Governance:

Sustainability objectives are delivered under policies and guidelines established by the Skipton Board of Directors with operational delegation to the Managing Director. The MC act as an oversight committee.

Operational Authorities:

The Board has delegated authority to the Managing Director and through him to senior management to operate on a daily basis, the Sustainability Policy in a prudent, efficient and secure manner by:

- Adhering to relevant legislation and regulations.
- Monitoring external developments and considering good practice.
- Embedding consideration of sustainability practices into business operations.

Reporting:

Management information relevant to this policy will be provided to the Board on a periodic basis allowing the Board to monitor adherence.

Section 3: Sustainability Policy Statements

Business Context:

To help us develop our targets and ambitions we use the United Nations Sustainable Development Goals (UN SDGs) framework. The UN SDG's are a globally recognised plan to end poverty, fight inequality and stop climate change by 2030. As part of Skipton's commitment to contribute to the UN SDGs, a series of targets will be maintained to hold us accountable to improving Skipton's sustainability against 4 of the UN SDG goals, as follows:

- Goal 12: Responsible Consumption and Production, where Skipton commits to "give back more to the planet than we take". This will be achieved by reducing Skipton's own impact on the environment as well as offsetting through activities such as planting trees.
- Goal 8: Decent Work and Economic Growth where Skipton commits to "be one of the best places to work".
- Goal 11: Sustainable Cities and Communities where Skipton commits to "help more people into homes and support our local communities".
- Goal 16: Peace, Justice and Strong Institutions where Skipton commits to "always consider the interest of all stakeholders".

Skipton review progress against these targets annually and performance will be publicly shared at least once a year.

In 2021 Skipton became a signatory of the UN Principles of Responsible Banking (PRBs). The PRBs provide the framework for a sustainable banking system. There are six principles: Alignment; Impact & Target Setting; Clients & Customers; Stakeholders; Governance & Culture; Transparency & Accountability. By committing to these principles and undertaking an impact analysis to understand the positive and negative impacts of our products, services, procedures and policies, we will identify where we can have the most impact, further embed sustainability throughout Skipton, and continue to deliver best sustainable practice for our customers and wider society.

Objectives:

The primary objective of this policy statement is to ensure that Skipton maintains a sustainable

business model to preserve our natural environment including mitigating the effects of climate change, to positively impact the communities we work in and to maintain high standards of integrity and governance in our operation and dealings and thereby ensure that Skipton's UN SDG and PRB Targets and obligations are delivered.

A secondary objective of this policy is the embedding of Sustainability Impact consideration into business operations at all levels.

Policy Provisions and Guidelines:

Reducing our impact

We aim to reduce Skipton's impact, for example by:

- Minimising our carbon footprint
 - Keeping travel to a minimum. Encourage collaboration technologies that minimise environmental impact from business travel.
 - Helping our employees to reduce the impact of commuting to our offices.

Reduce postal communication.

- At least offsetting Skipton's Scope 1 & 2 Carbon emissions annually.
- Minimising energy use
 - Using energy efficient technology and promoting energy efficient behaviour.
 - Consider environmental issues and energy performance in the procurement, design, refurbishment and management of our buildings.
 - Consider renewable energy sources where feasible.
 - Identify opportunities to launch mortgage products that facilitate reduced energy consumption in secured properties.
- Minimising waste
 - Reducing material consumption - e.g. minimising paper for printing and using rechargeable devices
 - Reusing materials where possible - e.g. reconditioning PC and IT peripherals
 - Recycling products and waste (where possible) when they need to be disposed of.
 - Striving to reduce waste we send to landfill from our operations
- Supporting diversity and inclusion

Making a positive impact

- The Skipton Community Fund funding good causes that improve the societies in which Skipton operates or have a positive environmental impact.
- Utilising Skipton's resources to assist first time buyers
- Increasing volunteering by the Skipton team

Involving our employees

We will:-

- Educate our employees and provide opportunities for them to engage with sustainability initiatives at Skipton and in the wider community.
- Communicate the importance of sustainability issues as they relate to Skipton and our employees.
- Provide information, support and tools for our people.
- Offer opportunities to harness employee enthusiasm, and to raise and encourage awareness and embed sustainability into the way we do business.

Working with our suppliers

We will:-

- Promote the importance of sustainability to our suppliers.
- Consider sustainability factors when procuring goods and services.
- Work to embed sustainability performance as a component of our Procurement and Material Outsourcing Policy and engage our major suppliers on their own sustainability performance.

Section 4: And here's the housekeeping bit

Policy Owner

- Managing Director

Approved by

- Skipton International Board of Directors

Frequency of Review/Approval

- Annual

Last Approved

- 17 February 2022