

ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG)

What is ESG?

ESG refers to the Environmental, Social and Governance (ESG) and governance risks and opportunities which extend beyond traditional financial considerations.

ESG topics include the environment and climate change, human rights, impacts on local communities and the wellbeing of our workforce.

If they are not properly identified and managed, ESG risks can have significant repercussions for businesses. Managing ESG risks can also represent opportunities, such as insuring and investing in renewable energy.

Our approach

The Exeter is committed to doing all we can to make a positive impact for society. As a mutual, we exist for the benefit of our members and it's our responsibility to be the Society they would like us to be.

Being a responsible business means identifying and actively managing the ESG risks and opportunities we face as a society. Our key priorities are:



Operating our business responsibly and protecting the environment



Valuing our colleagues



Being there for our members



Supporting our communities

This sets out our ESG framework for establishing objectives and targets against which we monitor and report publicly on our performance.

We have an ESG Management Committee, which comprises members of the Executive Committee, who each have relevant experience in the business. Our policy is reviewed annually and approved by the Board.

We understand that ESG is a journey and not a destination. ESG will always evolve and we are committed to continually reviewing and developing our approaches further.

Environment

Alongside our members and stakeholders we understand there is an urgent need for action on climate change and recognise that environmental sustainability is a critical factor in the wellbeing of society.

We strive to:

- operate in an environmentally sustainable manner and minimise the impact of our operations, including on climate change
- look to progress towards a fully sustainable Investment Policy
- establish annual targets and encourage continual improvement in environmental performance
- monitor our performance and investigate any incidents that occur
- facilitate 'whistleblowing' by colleagues and other stakeholders

Social

We believe that it is important for the Society to act in a way that means we are a responsible corporate citizen. This is what we want and what we believe our members would expect from us.

Our focus areas:

- **Our members** - We care about health and wellbeing of our members. This membership represents a commitment from the Board that every decision made will always be in the members' best interest.
- **Our communities** - We believe The Exeter should create and retain close relationships between our business and the communities where we live and work. This means sharing our time, knowledge and expertise through

fundraising and colleagues providing actual hands-on support.

- **Our colleagues** - The Exeter works hard to create an environment where our colleagues can feel included, valued and engaged. One of our objectives is to become a more inclusive company and break down all barriers to employment, making sure all of our colleagues feel at home, share in the success of the business and build great skills.

We strive to:

- increase member engagement through direct communication, media, website and the Annual General Meeting (AGM)
- establish measurements and increase charitable support, outlining additional charitable work supported
- improve our community commitment by increasing our support for local ventures
- support an apprentice scheme or local education scheme
- create a fair, supportive and inclusive company for colleagues to unleash their potential and realise their ambitions
- continue to ensure our employees are safe and protect their general wellbeing in the work environment, both physically and mentally

Governance

Governance is not an exercise in compliance, nor is it a specific form of management. Good governance relies on accuracy and transparency from the structure of our business to our policies, compliance and audits. Our governance approach focuses on achieving the highest standards of ethical conduct.

We strive to:

- conduct our business with integrity and in an open and ethical manner and require the same standards throughout our supply chain
- obey all relevant laws and regulations
- monitor our performance and investigate any incidents that occur

- facilitate 'whistleblowing' by colleagues and other stakeholders
- declare any potential conflicts of interest which may compromise our business dealings
- continue our commitment to the elimination of all forms of modern slavery
- not give or receive illegal or inappropriate inducements in order to retain or bestow business or financial advantages or provide facilitation payments to promote business advantage

Approved by the Board

This policy statement has been approved by the Board in December 2023.

Isobel Langton
Chief Executive
The Exeter
December 2023