

# BOARD ENVIRONMENTAL AND SOCIAL PURPOSE COMMITTEE REPORT

## A word from the Chair of the Board Environmental and Social Purpose Committee.

I am pleased to present the inaugural Board Environmental and Social Purpose Committee Report, which sets out the role of the Committee and gives an overview of its activity during the year.

The Committee was established during the year to ensure appropriate and robust Board oversight of the Society's approach to Environmental Sustainability and the delivery of our Purpose of helping our Members with Real Help with Real Life.

During 2025, there has been a clear focus on establishing plans to enable the Society to reach Net Zero in its own operations (Scopes 1 & 2) and its Suppliers (Scope 3). The Committee was instrumental in supporting management's efforts in bringing forward the initial date for Net Zero for Scopes 1 & 2 from 2035 to an anticipated 2030 and providing input into the Society's Supplier Management Plan for Scope 3 emissions.

The Society has worked to support its members during the year, providing Real Help with Real Life. The Committee has worked closely with the Chief Strategy and Sustainability Officer and the wider Executive team to oversee the establishment and utilisation of our Purpose in every aspect of the Society's decision making.

The Committee has worked closely with management and with the other Committees of the Board to develop the Sustainability Report for the Society (previously called the ESG Report in 2024). Looking ahead to 2026 and future years, the Society's Sustainability Report will provide members with greater insight into the extremely important initiatives that are ongoing and planned in the Society to achieve its goals.

I am most grateful to my fellow Committee members for their contributions to the discussions held during the Committee meetings during the year and look forward to working closely with them going forward.

**Janet Pope**  
Board Environmental and Social Purpose Committee Chair

25 February 2026

## Board Environmental and Social Purpose Committee membership and meetings

The members of the Board Environmental and Social Purpose Committee are:



**Janet Pope**  
Committee Chair and Independent Non-Executive Director



**Debra Davies**  
Independent Non-Executive Director



**Mark Parsons**  
Senior Independent Director

In line with established practices for more traditional Committees of the Board, all members of the Committee are and will continue to be independent Non-Executive Directors in line with the provisions of the UK Corporate Governance Code 2024.

Only members of the Committee are entitled to attend its meetings, although others may be asked to attend all or part of a meeting. The Committee meetings are attended by the Board Chair and members of the executive team including the Chief Executive, Chief Financial Officer and Chief Strategy and Sustainability Officer.

The Committee held three scheduled meetings in 2025 and expects to meet a minimum of three times during 2026, as well as on an ad-hoc basis if required. Details of the number of scheduled Committee meetings attended by each member is available in the Corporate Governance Report.

## Environmental and Social Purpose Committee responsibilities

The responsibilities of the Board Environmental and Social Purpose Committee include:

- Reviewing the outcomes of the Society's environmental and social purpose work across all activities against any targets and measurable objectives set by the Board.
- Oversight of the Society's environmental sustainability strategy.
- Monitoring emerging environmental issues requiring Board-level oversight.
- Reviewing and oversight of the Society's embedding of its Purpose across its business activities.
- Reviewing the Group's ESG ratings and approach to external reporting requirements, such as TCFD, International Sustainability Standards Board (ISSB) disclosures, working closely with the wider Board and its other Committees.

Further detail on the role and responsibilities of the Committee can be found in the Terms of Reference which are available on our website<sup>43</sup>.

The Committee's Terms of Reference are reviewed annually to ensure that they remain aligned with regulatory requirements and good practice, alongside ensuring the Committee is fulfilling its responsibilities. To incorporate any changes arising from the Board and Committee Effectiveness Reviews, details of which are outlined in the Board Governance and Nominations Committee Report, the approval of the latest Terms of Reference reviews will take place in Quarter 1 of 2026. This timing aligns with the implementation of the current Terms of Reference in January 2025. Throughout 2025, the Committee fulfilled the requirements of its Terms of Reference, with particular emphasis on the areas that are covered in more detail in this report.

<sup>43</sup> <https://www.ybs.co.uk/your-society/inside-your-society/corporate-governance/committees#espc>

The Committee is committed to ongoing learning and development and Committee members also take part in training and receive briefings on areas that concern not only their roles on the Committee, but also their roles on the Board. At the inaugural meeting of the Committee, the Cambridge Institute for Sustainable Leadership (CISL) were invited to present on the current state of Environmental Sustainability throughout the globe. The presentation was attended by various members of the wider Board and Executive team and provided a clear indication of the challenges that climate change provides. Further training on key topics under the Committee's remit are expected during 2026.

Our Chair of the Board oversees the training and development of the full Board and you can find more information on this in the Composition, Succession and Evaluation section of the Corporate Governance Report.

## Board Environmental and Social Purpose Committee effectiveness review

The effectiveness of the Board Environmental and Social Purpose Committee is assessed annually in accordance with its Terms of Reference and in line with the process adopted by the other Committees of the Board. For 2025 the Board Committee evaluations were incorporated into the Board internal evaluation process. A self-assessment exercise was performed, co-ordinated by Group Secretariat, and a summary of the results were reported to the Committee and discussed in January 2026. The 2025 review concluded that the Committee operated effectively during the year and that there were no significant areas for improvement or significant actions arising for the Committee.

Further details on the evaluation process for 2025 can be found in both the Board Governance and Nominations Report and the Corporate Governance Report.

## Board Environmental and Social Purpose Committee training

At the first meeting of the Committee, the Cambridge Institute for Sustainable Leadership (CISL) was invited to provide a briefing on the current global climate challenges and the implications for the Society. The presentation was attended by various members of the wider Board and Executive Team and was the first of a series of ongoing briefings that will be provided during 2026.