Environmental, Social and Governance Policy

This Policy sets out the Company's commitment to responsible ethical, social, and environmental considerations. ESG (Environmental, Social, and Governance) is a framework used by Compass to ensure responsible business practices, that create long term value for stakeholders while promoting sustainability and ethical governance.

As a responsible organisation with 'care' at the core of our values, and in recognising our responsibilities to operate in a sustainable way, Compass seeks to ensure it is providing environmental stewardship so this and future generations can enjoy a good quality of life. In working together as a community, we wish to instil an ethos of environmental and social responsibility to our young people, colleagues and stakeholders.

Compass works with Sustainable Advantage, our ESG partner whom annually, produce an ESG Impact Report which is based on our progress over the year, which is widely shared and can be found on our website. This document reflects how we have performed against set annual targets such as reducing average waste per home, increasing recycling rates, training colleagues on sustainable practice, launching Grace groups, partnering with charities and working with communities, to name a few. We work all year round to create an impact from our environment, social and governance actions, creating alignment with and contributing to global change that is desperately needed.

Our ESG strategy is led by a board of Senior Leaders who set the direction for the forthcoming year. These are supported by our Green Champions group, who meet at regular intervals throughout the year. This group focuses on the Environment, discussing issues and ideas and influencing change at Compass.

The Compass Community ESG statement demonstrates our commitment to action, to integrate wellbeing, sustainability, and ethics into the culture and day-to-day activities of running the business. This is key to our success and is a focus for all employees.

Our Policy defines improvements we will make to drive standards in three areas:

Environment (E): How we impact the environment (e.g., carbon emissions, waste management, energy use)

Social (S): How we treat people (e.g., employee rights diversity and inclusivity, impact on community and wider society

Governance (G): How our company is managed (e.g., Leadership ethics, transparency, shareholder rights

Environmental Commitment

- **Sustainability & Resource Management**
    - Reduce carbon footprint by optimising energy consumption and utilising renewable energy sources where possible
    - Implement waste reduction, recycling and responsible disposal programs
    - Encourage sustainable sourcing and procurement practices

- **Climate change and carbon reduction**
  - Set measurable goals to lower greenhouse gas emissions
  - Support innovation and investment in eco-friendly technologies
  - Promote environmental awareness and training amongst employees

- **Biodiversity & Conservation**
  - Protect and enhance biodiversity in operational areas
  - Minimise negative environmental impacts of business activities
  - Promote conservation initiatives

Social Commitment

- **Diversity, Equity & Inclusion (DEI)**
  - Foster a diverse and inclusive workplace that values equal opportunities and where diversity and inclusivity thrive. A culture where everyone feels safe and there is zero tolerance for hate of any kind.
  - Promote fair recruitment practices and equal pay policies.
  - Encourage an inclusive company culture through training and awareness.

- **Employee Wellbeing and Development**
  - Provide a safe, healthy, and supportive work environment.
  - Offer continuous learning and professional development opportunities'
  - Encourage work-life balance and mental health support initiatives.

- **Community Engagement and Social Responsibility**
  - Support local communities through charitable initiatives and volunteer programmes and opportunities.
  - Ensure responsible supply chain management, prioritising ethical labour practices.

Governance Commitment

- **Corporate Ethics and integrity**
  - Uphold transparency, accountability and ethical decision making in all business activities.
  - Enforce the zero tolerance policy for bribery, corruption and fraud.
  - Maintain compliance with all relevant laws and regulations.

- **Board Oversight and Risk Management**
  - Implement strong governance structures, ensuring independent board oversight.
  - Identify, assess, and mitigate business risks, including ESG related risks.
  - Promote responsible corporate policies aligned with stakeholder interests.

- **Data Privacy and Cybersecurity**
  - Safeguard customer and employee data with robust security measures.
  - Ensure compliance with data protection regulations.
  - Regularly review cybersecurity protocols and best practices.

Reporting and Continuous Improvement

- Monitor and report ESG performance through measurable targets and regular disclosures.
- Engage with stakeholders to ensure alignment with ESG goals.
- Continuously refine policies and strategies to improve EGS outcomes.

Review and amendments – This policy will be reviewed regularly to ensure it remains aligned with evolving ESG standards and business priorities

Updated Feb 2025