Skipton Group

Group Sustainability Report

2025



Introduction

In 2025, sustainability continued to play an important role across the Skipton Group, grounded in our purpose and considered through our overall strategy as we delivered for members, customers and communities.

With our purpose as the anchor, we focused on where we could make a difference. We know where we can have the biggest environmental and societal impact – from helping more people have a home to improving financial wellbeing. These are major challenges. But we don't shy away from our responsibility to help our members and customers achieve their goals in a sustainable-driven way. We've also continued our commitment to donate 1% of annual Skipton Group profit before tax to charitable causes that align to our purpose.

The strength of the Skipton Group gives us a unique platform and we've started using it to influence the national conversation and drive meaningful change. Whether it's publishing detailed retrofit research, shining a spotlight on home affordability, to speaking directly with politicians and policymakers – when we have something valuable to contribute, we've said it louder than ever.

Just as importantly, we're focusing on our own impact. As a Group we have developed a deeper understanding of our carbon footprint and, during 2025, set our first near term emissions reduction target. We have made progress on the overall way we're operating, but we're honest about where further work is needed. With stronger sustainability governance in place, we're facing into our collective responsibilities across the Group.

Our 2025 Group Sustainability Report outlines the goals we've set and how we're measuring up against them. It is a story of progress – and a clear statement that our sustainable strategy is here for the long-term.

For information on our climate-related disclosures and further details around our broader business performance, please see our 2025 Annual Report and Accounts and 2025 Climate-related Financial Disclosures.

By clicking on the tabs at the top of each page, you can quickly and easily navigate to the beginning of each key section within this report. References and footnotes are numbered in the order they appear throughout the report and are listed in full on page 47.

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Our Purpose

Our core purpose is to help more people have a home, help people save for life ahead and support long-term financial wellbeing. We know that the role we play matters now more than ever.



Staying true to our purpose



Climate events are not theoretical anymore. The 2025 Californian fires and the terrible floods in East Asia are just the latest examples. At the same time, the debate around net zero is becoming increasingly polarised, with differing views emerging on the pace and approach to climate action. Additionally, the discussion now includes a wider mix of perspectives, with some questioning how environmental action fits alongside other societal priorities.

At Skipton Group we are fully committed to operating as a sustainable, successful and resilient organisation. I think it is important we stick to our core purpose that has served us since we were established.

From a sustainability and societal point of view, it is crucial we help more people into homes, and we are pleased we have been able to do that, often when there would be no other options for them.

As part of this important goal, I am proud of the work we completed in 2025 to show how we can retrofit a home. We learned many lessons from our experience that can hopefully be shared more widely. We want people to have straightforward, reliable information about sustainable technologies, so they can see how these solutions can help make their homes more energy efficient. By sharing clear facts and teaming up with trusted partners, we're helping cut through the noise and make things easier to understand.

The primary societal challenge we were created to serve is giving people access to homeownership and this purpose drives us to explore new ways of helping first time buyers to get onto the property ladder. Innovation can play a huge role in how we develop solutions that help more people into homes, and we are ambitious to innovate further in 2026.

The second area where I believe we can make a difference is helping people make the most of their financial resources, so they are better prepared for later life events like retirement. I think the financial education and advice we can offer to our members and customers is a vital service. It could help them become more financially resilient and support them to make more informed decisions.

I believe many people in the UK are poorly served in this space. Research from the Financial Conduct Authority shows that one in four UK adults have low financial resilience[1]. Until recently, financial education has not even been on the primary school curriculum. When more complex financial decisions are required, people need advice – but they have not been able to access it. We are working hard to create our own solutions and guiding regulators on industry solutions. On that note, we are pleased to see the regulatory changes proposed by the Financial Conduct Authority around targeted support.

It is not just about what we can do for our members and customers, but how we as a Group operate. We have over 1,200 branches. We have operations across the country and overseas, with multiple different operating models. Therefore, our carbon footprint is complex, which means there is not one solution that solves the problem. It is about every part of the Group leaning into the challenge, co-ordinating efforts – and making sure our individual and collective actions make a difference.

Over a number of years, we have sought to reduce our carbon footprint. However, we need to be more thoughtful in our approach. In 2024 we set a Group net zero target, and in 2025 we established a near-term emissions reduction target to guide our progress. These milestones are important, but we also know there is more to do. That is why we remain focused on turning our commitments into meaningful action.

In our operations, we still use too much paper. Our energy consumption could be improved. These things will not be solved by just wishing them away. It is about using technology, innovation, digitisation, data and processes to improve.

Creating an inclusive workplace, to reflect our customer and membership base, is one of our most important tasks. Not for the sake of it, but because diverse backgrounds, skills and understanding add to the collective knowledge and capability of any organisation.

When you represent the society you operate within, you bring insights and wisdom that make us a stronger and more capable organisation. If you create an environment where everyone feels included, everyone benefits and is able to contribute their best, you are left with an organisation that thrives. In addition, we continue to support the causes that are linked to our purpose, in our local communities, through our commitment to donating 1% of Skipton Group profit before tax to charitable giving.

I do not want to create new initiatives every year. This is not about pointing to new green virtue. I want to help more people into homes. I want them to be better served at planning their life ahead. And I want to make sure we are leading voice in helping to build solutions to decarbonising homes across the UK.

There is uncertainty in the world around sustainability matters, but there is hope too. I see a lot of progress going on behind the scenes that shows technological solutions are not only advancing rapidly but are now providing cost-effective alternatives to our high carbon economies of the past.

It is just one of many reasons why, at Skipton Group, I will make sure we keep playing our part by being a society-led, sustainable organisation.

S Haire

Stuart Haire
Chief Executive Officer, Skipton Group

Staying true to our purpose (continued)

Collectively across our Skipton Group we have a common purpose – to help more people have a home, help people save for life ahead and support long-term financial wellbeing. As societal and economic conditions continue to evolve, our purpose remains as relevant today as it has been since Skipton Building Society was founded back in 1853.

Today, against a backdrop of ongoing cost-of-living pressures, affordability challenges and the impacts of climate change, the role we play in society has never felt more important. Throughout 2025, our three key strategic priorities continue to keep us focused on delivering purposeful change - to help give more aspiring homeowners the chance to own their own home, improving access to financial advice to help members plan their financial futures, and to make membership matter more.

Alongside these priorities, we recognise our responsibility to act on the environmental and social challenges that matter most to our members, customers, colleagues and communities. This includes educating homeowners to improve the energy efficiency of their homes. By embedding sustainability into our decision-making and operations, we aim to balance long-term financial strength with positive outcomes for people, homes and the environment.

We are here because of – and for – our members

We are member-owned, and we have a responsibility to our members to remain financially sustainable, generating profit to invest back into our businesses for the future benefit of members.

This means we reinvest our profits to support sustainable growth, to modernise and remain relevant with new capabilities and propositions, and to preserve a strong capital position, supporting and protecting our members, customers and creditors today and in the future.

To help us deliver our purpose, we have three strategic priorities:



Helping More People Have a Home

We will continue to strive to make homeownership a reality for more people, with a keen focus on first-time buyers.



Making Money Work Harder

We will invest more to ensure our members receive above-market average interest rates for their savings and have access to free financial advice to help them plan their financial futures.



Making Membership Matter

Our members will see and feel the value of Skipton membership, being rewarded for their loyalty and tenure and having more of a voice in the running of their Society.

Introducing the Skipton Group

The Skipton Group primarily comprises:

- Mortgage lending and deposit taking by Skipton Building Society and Skipton International; and
- Buying, selling and renting homes through Connells group.

These key business lines support delivery of our purpose, to help more people have a home, help people save for life ahead and support long-term financial wellbeing.

Alongside our primary businesses and supporting a sustainable business model, the Group also includes other business lines.

Skipton Building Society

Skipton Building Society (the Society) is the UK's fourth largest building society, offering mortgages through our Homes business, and savings and financial advice through our Money business, with a national presence represented by a network of 82 branches. The Society is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA.

Connells group

Connells group (Connells) is the UK's largest high street estate agency and property services group with a c.10% market share in its estate agency arm. Across its 80+ brands and over 1,200+ branches nationwide, Connells combines residential sales and lettings with a range of consumer and corporate services including land and new homes, mortgage services, conveyancing, auctions, surveying and valuations, commercial property services, Energy Performance Certificate (EPC) provision and asset management. Connells is authorised and regulated by the Financial Conduct Authority (FCA) for activities relating to regulated mortgages and non-investment insurance contracts.

Skipton International

Skipton International (SIL) carries out mortgage lending in the Channel Islands and buy-to-let lending in the UK and accepts deposits in Guernsey from an international customer base. SIL is licensed under the Banking Supervision (Bailiwick of Guernsey) Law 2020, as amended, and regulated by the Guernsey Financial Services Commission.

Other Business Lines

We have other smaller business interests that are not separately reportable, primarily concerned with income generation and enabling capability to support delivery of our collective Group purpose. These include:

- Skipton Business Finance (SBF) – providing invoice financing and bad debt protection to small and medium-sized enterprises.
- Jade Software Corporation (Jade) – based in New Zealand, specialising in digital and large IT enterprise solutions globally. Jade provides the Society's core database and software development language.

Together, we are stronger than the sum of our individual parts, and all our business lines play an integral part in delivering our purpose and making membership matter.

Introducing the Skipton Group (continued)

Our Group business areas

A look at the Group's primary business areas – that helped us support our members and customers in 2025.



Financing homes

We provide residential and buy-to-let mortgage lending.

- Group mortgage balances of £33.3bn.
- The Society helped over 45,700 customers secure a mortgage, including supporting over 26,000 first-time buyers to take their first step onto the property ladder.
- In 2025, we completed 1,577 free EPC Plus Reports.
- The commercial lending portfolio stands at £92.2m. It has been closed to new business since 2008.



Savings and advice

We provide retail savings products, financial advice and free savings reviews.

- Savings balances in our Society money business of £30.5bn and £2.4bn in SIL's savings book.
- £5.3bn Funds Under Management.
- We provide partnership products, including home and life insurance.
- We sold 2,221 home policies and 199 life policies.



Arranging the buying/selling of homes

We facilitate buying, selling and renting homes and a range of property services.

- We helped around one in 10 people who bought/sold a home.
- We exchanged contracts on 85,982 properties for sale.
- 128,396 letting properties under management.
- Connells provide energy reports and energy efficiency advice to clients.

Smaller business interests include providing working capital facilities to SMEs and a software solutions provider through SBF. In 2025, there were 887 SME clients, with £200.6m total drawn funds.

In addition, we provide commercial real estate advisory services through Lambert Smith Hampton (a Connells group company).

Engaging with key stakeholders

By regularly engaging with key stakeholders, we're able to develop and adapt our sustainability approach. Examples of our stakeholder engagement can be found in the Annual Report and Accounts (pages 79-81) and below.

Key stakeholders	Who are they?	Why do they matter to us?	Examples of the Group's engagement in 2025
Members and customers*	The Society's membership comprises its savers, borrowers, holders of its Permanent Interest-Bearing Shares (PIBS) and non-corporate borrowers. Our customers are those who buy products or services from a Skipton Group business.	With no shareholders, we're focused on the needs of our members. We reinvest our profits into the business for their benefit.	SIL tracks customer satisfaction through an independent feedback provider (Feefo), earning a score of 4.6/5 stars for our service in 2025.
Our people*	Anyone who is employed by a Skipton Group business.	We owe the success of our businesses to our colleagues, who work hard to support our members and customers.	We use team meetings, surveys, employer review websites, listening sessions and independent assessments to continually listen to our colleagues' views across the Group.
Suppliers*	Organisations which supply Skipton Group businesses with products or services.	Strong working relationships with suppliers means we can run our business effectively and continue to provide products and services to our members and customers.	The Society closely monitors all its business relationships with suppliers on an ongoing basis. This includes using EcoVadis, a sustainability assessment tool. Society suppliers also annually assess our performance by completing an online anonymous questionnaire.
Banking counterparties*	Institutional investors which hold investments, such as bonds, in Skipton Building Society.	Alongside our savings members, investors provide the funding we need to run our business. This is so we can continue lending to help people to buy homes.	Senior executives and our Treasury team hold regular meetings with banks and debt investors to update them on the Group's performance and respond to any ESG questions.
Regulators*	Our regulators including the Financial Conduct Authority (FCA), Prudential Regulation Authority (PRA) and the Guernsey Financial Services Commission.	Regulators set the laws and rules which we follow and strictly adhere to.	Fostering a positive relationship with our regulators is a key priority for the Board and senior management team, who provide relevant reports and updates related to ESG, to maintain ongoing confidence in our strategy and operations.
Mortgage brokers	Businesses or individuals who help arrange mortgages between members, customers and the Society and SIL.	Our brokers provide the Society and SIL with business and help our members and customers to select the right mortgage options for their circumstances.	One of our National Account leaders coordinates a working group with the industry trade body, Association of Mortgage Intermediaries (aimed at building mortgage brokers' knowledge in sustainability, green finance and retrofitting).
Industry bodies	Industry-focused organisations who progress conversations on behalf of their members regarding political, regulatory and consumer engagement issues.	They give us an opportunity to connect with industry peers on relevant housing and financial topics.	Society colleagues presented at the BSA's Mortgage Meet Up to share thought leadership and engage with peers on the topics of retrofit finance and proposition.
Communities and Non-Governmental Organisations (NGOs)	Those who live in proximity to our offices and branches and the Non-Governmental Organisations who support them.	Our communities are where our members, customers, colleagues and suppliers live and work. It's in our mutual interest for them to thrive. This can be achieved in partnership with NGOs.	The Society has partnered with the Business Disability Forum to analyse and strengthen accessibility across the business.
ESG Ratings agencies	Independent third-party organisations that assess, rate and provide a score on the Group's environmental, social and governance (ESG) performance.	ESG ratings help external stakeholders understand how the Group manages sustainability-related risks and opportunities. Their assessments are used by investors, lenders and other counterparties, and support transparency, comparability and accountability in our disclosures.	The Society engages with ESG ratings providers by responding to information requests and reviewing assessments to support accurate and transparent ESG disclosures. During 2025, the Society received a low risk ESG risk rating from Sustainalytics, reflecting its approach to managing environmental, social and governance risks.

*Our sustainability stakeholders were identified by the Society's board of directors (the Board).

Climate and Energy Efficiency

It’s no secret that climate change is a serious threat to the future. But by working together, we have the chance to make a difference. Here’s what we’re doing to reduce our own impact on the planet and support members, too.



Managing our impact

The impacts of climate change are already being felt, including the increasing frequency and severity of extreme weather events. Without urgent action, these impacts will intensify over time. In response, the UK has made a commitment: to reach net zero by 2050.

As a Group, we recognise both the need to reduce the environmental impact of our own operations and the role we can play in supporting wider decarbonisation. In particular emissions from homes remain a significant contributor to the UK's carbon footprint. We therefore aim to raise awareness and support our members and customers in improving the energy efficiency of their homes, alongside reducing emissions across our own estate and operations.

Our footprint

We're conscious of the environmental footprint we create as a Group – with over 18,000 colleagues operating throughout our offices, from over 1,200 branches, and managing a fleet of more than 2,400 vehicles.

The majority of our operations are based in the UK, with smaller facilities and offices at locations including Australia, Guernsey, Jersey and New Zealand.

We measure our greenhouse gas (GHG) emissions across the whole Group value chain (scope 1, 2 and 3). During 2025, we continued to improve the granularity and consistency of reporting across the Group. By understanding more about our climate impact, we can establish measures to help reduce future emissions.

Managing our impact (scope 1 and 2)

The majority of our own environmental impacts are from office-based and branch operations.

Our scope 1 emissions – are from fuel use for heating and hot water production in our offices, combustion engine vehicles owned and operated by the Group companies and fugitive emissions from refrigerant added to air conditioning and refrigeration equipment.

Our scope 2 emissions – include the purchase of electricity to power, heat and cool our office and branch facilities, and for use in electric vehicles. We report our Group scope 2 emissions using both a location-based and market-based method.

In 2025, our scope 1 and 2 location-based emissions have reduced by 12% compared to the 2024 financial year, due to a reduction in our energy consumption (down 3%), a lower-emission fleet and a less carbon-intensive UK electricity grid. Our market-based emissions have reduced by 15% compared to 2024, due to a reduction in our electricity consumption and increased purchasing of electricity backed with a Renewable Energy Guarantee of Origin (REGO), now at 91% (2024: 86%).

Group GHG emissions and energy data (note 1)				
Scope 1 and 2 (note 2)	Metric detail	**2025**	2024	2023 (base year)
Scope 1 — offices, branches and company vehicles	tCO_2e	**3,155**	3,380	4,023
Scope 2 (location-based) electricity	tCO_2e	**4,523**	5,343	5,772
Scope 2 (market-based) electricity	tCO_2e	**771**	1,231	4,618
Scope 1 & 2 energy usage (inc. vehicles)	kWh	**41,155,847**	42,501,013	46,851,915
Total scope 1 & 2 emissions (location-based)	tCO_2e	**7,678**	8,723	9,794
Scope 1 & 2 emissions from UK operations (location-based)		**99%**	99%	99%
Total scope 1 & 2 emissions (market-based)	tCO_2e	**3,925**	4,611	8,640
Scope 1 & 2 location-based emissions intensity ratio	tCO_2e / £m turnover	**4.49**	5.39	6.30

Notes

1. Where scope 1 and 2 actuals data was not available, consumption was estimated using average or proxy data. Data for the Connells group acquisition of Ryden and Stiles Harold Williams is for 1 April 2024 to 31 March 2025. Data for the Jade acquisition of Contec Group International Limited will be included from 1 January 2026.
2. For market-based emissions where consumption was not REGO-backed, a residual or location-based factor has been applied. Our renewable gas certificates are not used towards emission reductions.

Managing our impact (continued)

Working towards net zero

As a Group we aim to reduce the impact our operations have on the environment so that we can play our part in achieving the UK's net zero target by 2050.

We have a Group-wide approach to reduce our scope 1 and 2, and selected categories of scope 3 value chain emissions, in line with net zero by 2050 or earlier. The Board has approved a science-aligned near term 2030 target for the Group and we've agreed the actions required to reduce our gross scope 1 emissions by 42%, against a 2023 base year. For scope 2, we aim to source 100% REGO-backed electricity.

The chart opposite illustrates the Group's near term scope 1 emissions reduction pathway to 2030, showing the expected contribution from agreed action plans, including fleet changes, removal of gas from branches, and other operational efficiencies, relative to a business-as-usual scenario.

Fleet reduction and electrification

Connells have the largest fleet in the Group, comprising over 2,400 vehicles. To reduce fleet related emissions out to 2030, they have a plan to replace high emission vehicles with lower emission alternatives, including hybrid and electric options. At the end of 2025, over 43% of vehicles were hybrid or electric (2024: 20%), contributing to a reduction in overall Skipton Group fleet emissions by 23%.

The Society plan is for 100% electric vehicles (EV) by the end of 2026.

The Society, Skipton Business Finance (SBF) and Connells offer a colleague benefit for employees to lease an electric or hybrid car via a salary sacrifice scheme. This enables us to reduce emissions from business use.

Gas reduction and removal

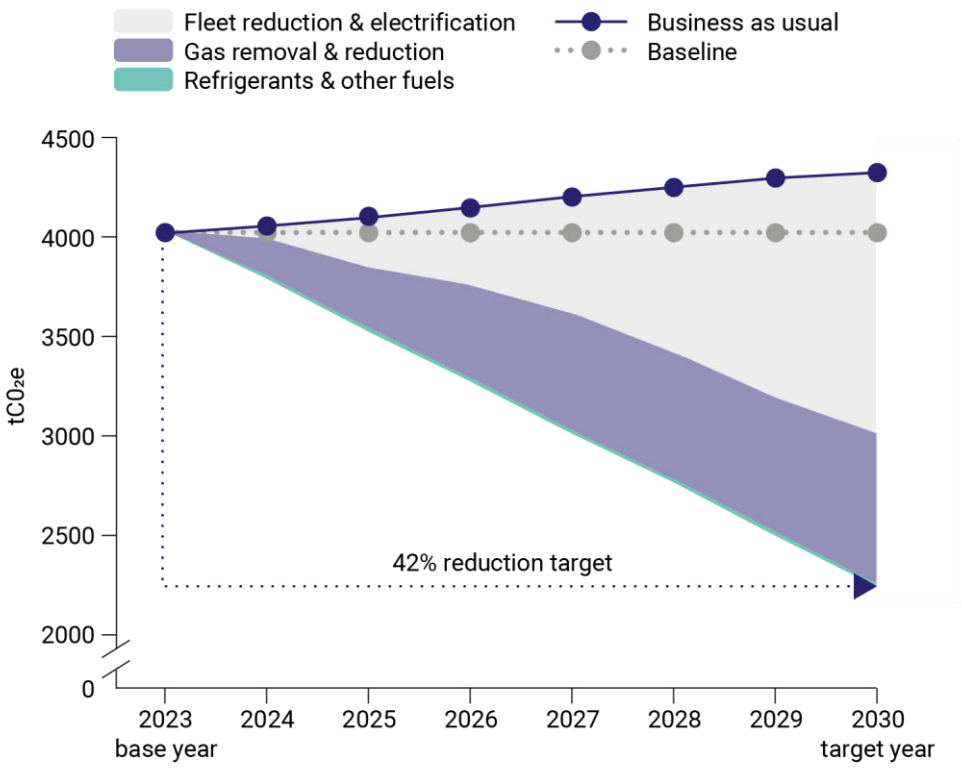
The near term reduction plan is to reduce gas consumption for heating, and move to electric alternatives where feasible. The transition will require collaboration with landlords and where practical will also address the improvement of thermal building performance, including floor, wall and roof insulation, higher-efficiency glazing and doors.

In 2025, Connells removed gas boilers from three branches and the Society removed gas at five branches. The Society plan is to remove the remaining gas boilers across its branch estate by 2030.

Energy efficiency

Throughout 2025, we continued to invest in energy efficiency measures across our premises. This included optimising office space usage, the continued rollout of LED lighting, and the installation of occupancy sensors, smart electricity and gas meters, supporting improved monitoring and reduced energy use.

Scope 1 Near Term 2030 Target Pathway



Sourcing renewable energy

We aim, where practical, to purchase electricity tariffs with a REGO certificate. In 2025, we have increased the proportion of purchased REGO-backed electricity to 91% (2024: 86%). This is reflected in the reduction of our market-based scope 2 emissions. The Society currently purchases 100% electricity with REGOs, where it is under direct control, and also purchases a green gas tariff, with a Renewable Gas Guarantee of Origin certification (RGGO). Our renewable gas certificates are not used towards any emission reductions.

Emissions we can influence

Emissions we can influence (scope 3)

Scope 3 emissions tend to form a large part of any organisation's total emissions. For us as a Group, our scope 3 emissions include those generated from our mortgage lending activity (financed emissions) and from those generated through our value chain activity. Skipton Group does not invest in any corporate bonds, and we have no listed equity.

Collecting data on scope 3 emissions can be particularly challenging as we are required to obtain information from third parties, which may not have such well-established data collection or reporting processes and rely on information which is outside of our direct control.

Estimates of scope 3 value chain emissions

The Group's estimation of scope 3 value chain emissions includes the following upstream GHG Protocol categories: Purchased goods and services (1), Capital goods (2), Fuel- and energy-related activities (3), Waste generated in operations (5), Business travel (6), and Employee commuting (7).

Categories not relevant or significant to the overall Group scope 3 footprint are not included (4 and 8-14). Please note that scope 3 value chain emissions have in part been calculated using financial spend data.

Scope 3 estimated upstream value chain GHG emissions - Group (note 1)	Metric detail	2025	2024
Emissions from categories 1, 2, 3, 5, 6 and 7	tCO_2e	**72,421**	62,729

Note

1. Calculated on a Q3 to Q3 basis, from 1 November to 31 October.

Purchasing goods and services

We estimate the emissions from our purchased goods and services across the Group, using spend data. Purchased goods and services accounts for the largest proportion of the Skipton Group's upstream value chain emissions, at 62%.

The Society works in partnership and closely monitors relationships with key suppliers and requests them to agree to the Society's Code of Conduct as part of the onboarding process. This includes a commitment to the SDGs Goal 13: Climate Action, where suppliers should make efforts to reduce greenhouse gas emissions.

As part of our ongoing assessments to ensure a supplier's service is of an acceptable Standard, the Society are working with EcoVadis, a sustainability ratings provider, to assess sustainability practices in our supply chain. In 2025, we worked more closely with our most critical Society suppliers through development of a supplier engagement plan.

Employee commuting and business travel

Employee commuting and business travel equate to the second and third largest scope 3 value chain emissions in 2025, at 25% and 9% respectively.

During the year, the Society continued to support lower-carbon travel choices by providing 20 electric vehicle (EV) chargers in the head office main colleague car park and four fast EV chargers for visitors in the head office visitor car park. We continue to see an increase in the demand for EV chargers at head office, where the electricity delivered increased by 37% in 2025, compared with 2024. In addition, Connells continued to provide EV charging at selected office locations throughout 2025. This service remained available for both company-owned and privately-owned electric or hybrid vehicles. In addition, the Society, SBF and some of the Connells group companies continue to offer the cycle to work scheme benefit.

Waste, water and recycling

The Society monitors waste and water usage and in 2025 continued to divert over 99% of waste from landfill. In 2025, the Society saw a 9% increase in the use of disposable cups and containers compared with 2024. While overall consumption remains below 2023 levels, this may reflect changes in customer behaviour at the Society's head office on-site café, including increased use of takeaway containers. The Society will continue to monitor usage trends and consider opportunities to further reduce reliance on disposable items.

Water usage at the Society's head office increased by 5% in 2025, reflecting a higher number of colleagues working on-site. Despite this, we continue to prioritise water efficiency through rainwater harvesting and auto-sensor tap installations.

In 2025, the UK Government introduced the 'Simpler Recycling' legislation to improve recycling consistency across business premises. During the year, both the Society and Connells have initiated the roll-out of enhanced waste segregation across their sites to meet the new requirements. This included putting appropriate processes in place to support improved recycling outcomes and ongoing compliance.

Our approach to financed emissions

Scope 3 financed emissions

A key area of focus for us as a Group is understanding the financed emissions arising from our Group residential and legacy commercial mortgage book lending (Society and SIL). Scope 3 is 98% of total emissions, with the majority, 78%, from our mortgage lending.

To estimate financed emissions, we base our calculations on the Partnership for Carbon Accounting Financials (PCAF 2019) methodology using Energy Performance Certificate (EPC) data, where available. The PCAF method is widely considered to be the financial services industry standard for calculating scope 3 financed emissions.

We report scope 3 data covering financed emissions arising from our lending activity for our residential (including buy-to-let) and commercial mortgage portfolios. Our assessment is based on a 30 September snapshot for both EPC data and the mortgage balances for each reporting year. For further details on our commercial mortgage portfolio and financed emissions reporting, please see our 2025 Climate-related Financial Disclosures on our Sustainability webpage.

Scope 3 financed emissions – Group residential mortgages (notes 1 & 2)	Metric detail	2025	2024
Emissions intensity for residential mortgages	$kgCO_2e/m^2$	**23.8**	23.9
Residential financed emissions based on LTV attribution	tCO_2e	**250,855**	245,833

Notes

1. Calculated based on an annual 30 September snapshot basis, using Partnership for Carbon Accounting Financials emission factors. The LTV attribution ratio applied is based on the original valuation.
2. The figures for 2024 has been restated due to application of an improved LTV attribution methodology for floor area.

As of September 2025, 84% of properties in the residential mortgage book had an EPC (2024: 82%). We are continuously improving the accuracy of our estimated financed emissions data. After reviewing the use of attributed floor area data, we have restated our financed emissions and intensity metric for 2024.

In line with our overall approach to net zero, we are tracking the financed emissions intensity ($kgCO_2e/m^2$) of our residential mortgage lending. In 2025, our emissions intensity remained relatively flat at 23.8 $kgCO_2e/m^2$ (2024: 23.9 $kgCO_2e/m^2$) reflecting a very slight improvement in EPC values across the residential mortgage book.

Supporting our members to take steps to decarbonise their homes remains a priority and we continue to explore propositions to help, although customers are not required to implement energy efficiency improvements at the properties they own. Equally, we recognise action will also be driven by customer demand and consistent input from policy makers.

Invoice finance and asset-based lending

Our invoice finance and asset-based lending business, Skipton Business Finance (SBF), supports UK SMEs by providing working capital to a variety of industry sectors. These include transport and distribution, manufacturing, recruitment, and commercial services provision.

SBF continues to monitor developments in industry guidance and methodologies, as part of this, SBF continues to have an active role in the UK Finance working group on PCAF, contributing to the development of sector-wide reporting standards for financed emissions.

In 2025, SBF launched a collaboration with Cogo, a provider of carbon management software, enabling its client base to report on their carbon emissions, discover practical solutions to reduce them as well as enabling them to report on their scope 3 value chain emissions. The service is provided free of charge as part of SBF's commitment to supporting SME customers. By the end of 2025, over 4% of SBF clients have expressed interest in using Cogo, with promotion continuing into 2026 to increase these numbers.

Supporting our members and customers

We have an ambition to reduce the emissions intensity of our residential mortgage lending in line with a net zero pathway and continue to support our members, customers and clients to help decarbonise their properties.

In partnership with Vibrant Energy (a Connells group company) we offer a free EPC Plus report to homeowning members (with a property 10 years or older), with recommendations for energy efficient improvement opportunities and funding options where available.

The private rental sector plays a significant role in the UK housing mix, so we extend this free offer to our Society buy-to-let landlord customers, available for up to 10 properties in a portfolio. Please see our website for further details.

As a financial services provider, the Society strives to provide finance to our members to enable the financing of retrofit activity in their properties. Our financial product range includes additional borrowing products specifically for existing members looking to make energy efficient home improvements. These are available to both owner occupiers and private landlords. However, with demand for energy efficiency finance in the market still quite low, we will track volumes of lending for energy efficiency improvements as external factors like the government's policy decisions and regulatory clarity around regulations such as the Minimum Energy Efficiency Standards in private renting come into play.

To support transparency around existing lending volumes, in 2025 the Society received 38 (2024: 26) applications for residential energy efficiency additional borrowing, and 1 (2024: 3) applications for residential buy-to-let energy efficiency additional borrowing. This was a modest increase for residential energy efficiency lending, and we will continue to monitor demand and opportunities for innovation around our energy efficiency finance products and propositions. Beyond this, we have undertaken wider research and engagement activity.

39 applications for energy efficiency additional borrowing across residential and residential buy-to-let properties

(2024: 29 applications)

Understanding member attitudes towards energy efficient homes

Improving the energy performance of homes is a really important part of the UK's move towards net zero. As a mortgage lender, we know we have a role to play – but to do that effectively, we first need to understand where our members are today.

To help us do this, in 2025 we carried out two surveys:

- The first survey, ran by One Poll (survey of 2,000 UK homeowners), explored consumer attitudes around instant gratification towards home energy efficiency improvements.
- The second survey (ran by the Society, surveying 3,245 members) looked at our own members' knowledge, motivations and barriers when it comes to adopting energy efficiency measures.

Together, these studies give us a clearer view of where progress is being made and where meaningful gaps remain. We'll use these insights and the UK Government's policies (including the Warm Homes Plan published in 2026) to shape how we continue to support members– helping make energy-efficient homes feel more achievable, not overwhelming.

Supporting our members and customers (continued)



The Big Retrofit

Retrofitting will become a big talking point over the next few years. To meet the UK government's net zero target by 2050, some 29 million homes need upgrading, according to the UK Green Building Council[2]. It's an ambitious target. Especially as almost two in three UK homeowners believe the cost of retrofitting is a big barrier[3].

The organisations that make up Skipton Group bring a unique perspective to this challenge.

- The Group includes the UK's largest estate agency, Connells group, which owns Vibrant (supplier of EPC Plus reports and retrofit project management), and retrofit specialists Harvey, Donaldson and Gibson.
- Eligible Skipton Building Society members can get a free EPC Plus home energy report on the energy efficiency of their home.
- When it comes to our members using the EPC Plus report information to retrofit their home, we found there were obstacles stopping many from taking the next step.

In short, millions of homeowners need to upgrade their homes in the next 10 years, yet progress continues to be held back by uncertainty, affordability constraints and fragmented delivery. The UK Government's Warm Homes Plan sets out a commitment of £15 billion of public investment to upgrade up to five million homes by 2030. Recognising that success depends on system-level change, from clear guidance and trusted pathways for households to sufficient skills and delivery capacity across the sector.

Introducing The Big Retrofit

We own a house opposite our Skipton Building Society head office that we were able to use to learn about retrofitting. It's a great example of one of the 14.3 million homes that need upgrading. A mid-size, 1930s detached property. It had an EPC rating of 'D', right in line with the UK average.

Harnessing the expertise of the Skipton Group, and working with other external specialists, over 12 weeks, we transformed the home to see if we could make it more energy-efficient and reduce its carbon footprint. We wanted to educate ourselves as much as we could about retrofitting – and share what we learned.

Supporting our members and customers (continued)

By being open and honest about our experiences, we hope to help our members consider retrofitting – and support policymakers trying to make sure the government hits its 2035 target. It's also helping us to shape the Society's overall sustainable housing strategy, and the ways we can help our members.

What we did

Working with other Skipton Group organisations, we transformed the property, including:

- Upgrading the property's heating system to an air source heat pump system.
- Installing solar panels and battery storage for on-site renewable electricity generation and storage.
- Improving heat retention by adding extensive insulation under the floorboards, inside cavity walls and between loft joists.
- Developing a ventilation strategy for the full property, so air flows better into and out of the house.
- Adding triple glazing and replacement doors to better insulate the home.
- Installing new radiators, an electric vehicle charging point, and LED lights.

As a result of the retrofit works, the property's EPC rating went from a 'D' to a 'B'.

Sharing what we've learned

To understand the impact of each retrofit measure, we worked closely with Leeds Beckett University and the University of Leeds. They did before and after testing on heat loss, airtightness, and air leakage. They also interviewed supply chain stakeholders about their retrofit experiences.

We've been open and shared everything we've learned. You can find detailed reports and videos on our website by visiting www.skipton.co.uk/mortgages/existing-customers/additional-borrowing/retrofitting-regent-road.

Here, you can also take a virtual tour of the retrofitted property to see what we did, and the difference it made.

Shaping the conversation

Going through a retrofit journey taught us a lot about the benefits of transitioning a home in preparation for net zero. It also highlighted how challenging it is likely to prove for millions of homeowners.

These insights led to us developing a number of policy recommendations that we've put forward to the government, industry organisations, policymakers, members and brokers.

You can read all about them by visiting www.skipton.co.uk/content/dam/sbs-sites/skipton-co-uk/documents/mortgages/regents-road/policy-recommendations-report.pdf

The legacy

We're proud of the role The Big Retrofit has played in moving the national conversation forward, recognised in being shortlisted at the 2025 Unlock Net Zero Awards in four categories[4]. We're hopeful it can shape practical progress towards the UK's net zero targets.

Annie Heaton, Skipton Building Society Group Sustainability Homes Senior Lead, concludes, "With millions of homeowners needing to consider retrofitting in the coming years, we hope this project can help people make more informed decisions on upgrading their homes to be more energy efficient. But we know that much of the drive for this will come from future policy decisions and regulation.

In the meantime, the best advice I can give homeowners is that even small steps are better than no action. We naturally want to keep improving, maintaining, and renovating our homes. By adding retrofitting into the equation, you're taking steps to future-proof your property as part of those plans."

Supporting our members and customers (continued)

Shaping the future of sustainable housing

There's no doubt many homeowners will need significant support as they adapt their properties for the future. Mortgage brokers will play a vital role in that transition, by introducing borrowers to green finance solutions.

In 2025, Skipton Building Society took steps to build brokers' understanding of topics like retrofitting and green finance, to grow their confidence when supporting their clients.

Exploring the future of sustainable housing – together

In October, we held a Sustainable Homes Event for brokers at our Skipton head office. The event gave brokers the opportunity to learn and ask questions about retrofitting from sustainability experts, national developers and industry partners.

The day was interactive – we asked brokers to share ideas on how sustainability and innovation could drive the intermediary market. We've shared these insights with the Green Mortgage Advice Initiative (GMAI), to help inform ongoing efforts and future developments in the green mortgage space.

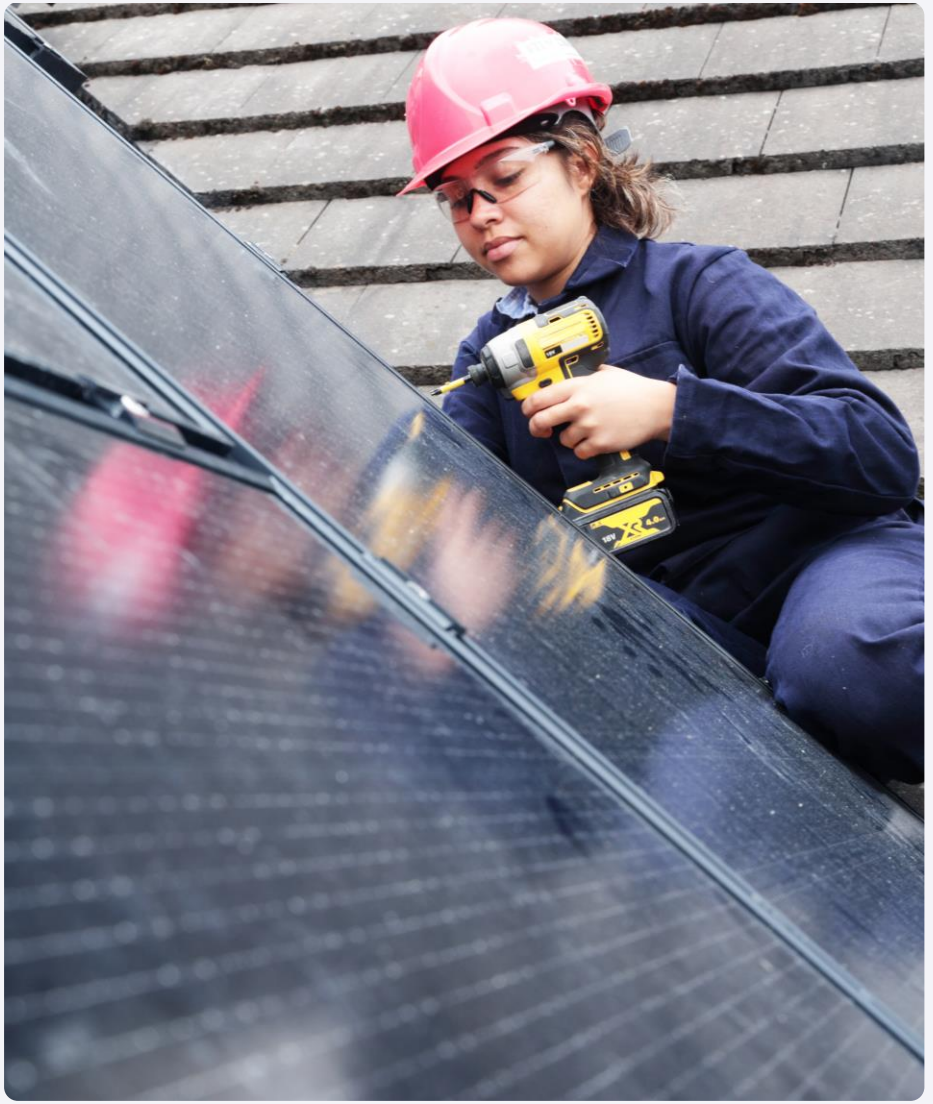
Jonathan Evans, New Build Lead at Skipton Building Society explains, "Sustainability in housing isn't just about policy. It's about collaboration, innovation, and shared learning. Events like this help our broker partners gain practical insight into the challenges and opportunities of the green transition. We're proud to be leading that conversation.

"Feedback from attendees was overwhelmingly positive, with many describing the day as insightful, thought-provoking, and full of practical actions to take back to their businesses."

Sharing expertise with those shaping homeowner decisions

As they were in town, we also invited brokers to tour our nearby Big Retrofit house. It gave them the chance to see first-hand the changes we've made and the impact it's had (see page 15 for more about The Big Retrofit).

Jonathan concludes, "We recognise brokers are not retrofit experts themselves. By helping them to understand the challenges and opportunities of retrofitting, we hope more brokers will be able to signpost clients towards taking practical steps through secured borrowing."



Supporting our members and customers (continued)



Collaborating for a more sustainable future

The Skipton Group brings a unique combination of insight and experience – and we want to use them to make a bigger difference. So, over the year, we actively sought out opportunities to collaborate with others. This included the UK government. In July, we attended a Department for Energy Security & Net Zero (DESNZ) roundtable with other lenders. The focus was exploring options for a standardised consumer duty to help more people retrofit their home. We shared our perspectives to help the government in shaping their policies.

Lender collaboration

As members of working groups with UK Finance and the Green Finance Institute, these connections allow us to collaborate on sustainable matters for lenders. Over 2025 we contributed to consultations on minimum energy efficiency standards (MEES) and reforms to the energy performance of buildings regime. We were also acknowledged for our involvement in UK Finance's Greening Homes, Creating Growth report which recommended government actions to encourage homeowners to make energy efficient improvements.

From discussion to action

We joined other lenders – Lloyds Banking Group, NatWest Group, Coventry Building Society and Leeds Building Society – to work with Wates and the Sustainable Business Consortium. We collectively shortlisted innovation pilots with small and medium businesses in the sustainability space. This included funding practical initiatives like how to heat our branches more efficiently to reduce running costs and our carbon footprint.

Speaking up to influence change

Over 2025, our Public Affairs and Sustainability teams worked closely with other organisations to engage with the government and policy makers to influence policies and campaign for meaningful change.

Championing retrofit

Our Big Retrofit project Recommendations Report sets out evidence-based proposals for the government and policymakers on whole house retrofitting. We're pleased that some of these recommendations, such as a call for energy price rebalancing, have started to be addressed in the UK Government's recent Warm Homes Plan, reflecting growing momentum behind whole house retrofit.

Social Impact

As a mutual, Skipton Building Society doesn't have shareholders and so doesn't pay out dividends. This allows us to reinvest Skipton Group profits in a way that enables us to do more for our members, their financial needs, and causes that are important to them.



Helping people have a home

Supporting the change to meet social challenges

As one of the biggest players in the UK housing market, we want to help tackle the current challenges impacting our members, customers and wider society. That's why we continue to develop innovative products designed to support people in buying a home and saving for their future. We also want to help members and customers feel more secure over their finances – and recognise that there are even more ways we can provide access to financial products.

Supporting local communities and delivering positive social impact remains a core priority of membership. The Skipton Group continues to donate 1% of its pre-tax profit to charity each year and we have developed targeted strategic partnerships with charities whose goals and purposes align closely to our own:

- Helping people have a home.
- Championing warm and efficient homes.
- Supporting better financial wellbeing.

We want our members and colleagues to have their say in which strategic charity partner we donate a proportion of our profits to. At our AGM in April 2025, our members voted to support Refuge with our 2025 donation (see page 27 for further detail), helping the organisation continue its vital work of empowering survivors of domestic abuse to regain control of their finances and build confidence in managing their money.

Helping people have a home

We recognise the increasing challenges faced by first-time buyers, particularly those without access to intergenerational or family wealth. As affordability pressures continue, we aim to play a leading role in supporting more people to take their first steps onto the property ladder.

Through continued innovation, we have helped over 26,000 first-time buyers access home ownership. Our Track Record mortgages, designed for first-time buyers and requiring little to no deposit (5% or less), has continued to evolve, with Track Record lending doubling year on-year since it launched in 2023.

In addition, our Delayed Start mortgages, which allow first-time buyers to defer repayments for the first three months, has supported a further 670 first-time buyers since it launched earlier this year, helping to ease the upfront costs of moving into a new home.

We have also enhanced our affordability policies, including changes to loan-to-income limits, enabling us to support more first-time buyers while maintaining a responsible approach to lending. Alongside this, we continue to engage and educate aspiring homeowners through initiatives such as the First Home Focus series, providing practical guidance to help people navigate the home-buying journey with greater confidence.

Reflecting this focus, 50% of new lending in 2025 was to first-time buyers (2024: 44%).

We continue to engage constructively with policymakers and industry stakeholders, including contributing evidence to the Treasury Select Committee, to help shape solutions that improve access to home ownership for future generations.



Helping people have a home (continued)

Putting the spotlight on home affordability

The ability to afford to buy a home is one of the defining societal issues of our time and one where Skipton Group believes it has a role to play. Over 2025, Skipton Group's research informed national media coverage and parliamentary discussion, highlighting the challenges faced by aspiring homeowners.

It's all part of the Skipton Group Home Affordability Index. First launched in July 2024, the index measures home buying affordability and living affordability across Great Britain. We aim to better understand and highlight the barriers preventing people from owning a safe, affordable home – so we can work together with industry and government to dismantle those barriers.

Over 2025, we went deeper with our research to reveal further insight into the scale of the problem. This included analysing affordability across each of the UK's 363 local authority areas. Overall, the Index draws on a unique data set provided by different sources – including Skipton Group organisations like Connells, and Oxford Economics' Global Economic Model.

In 2025, we published two Skipton Group Home Affordability Index reports that outline the scale of the challenge:

February 2025

- Almost 90% of potential first-time buyers can't afford to buy a first-time buyer home in their local authority area.
- Just 11.5% could realistically get onto the property ladder based on their own financial situation.
- Nearly 40% of all potential first-time buyers find themselves in an unaffordable housing situation. That's because they're spending more than 45% of their household income on essential housing costs.

September 2025

- Around five million adults in Great Britain still live with their parents[5].
- And 98% of them can't afford to buy an average first-time buyer home in their local area based on their financial situation.
- Even removing the barrier of a deposit barely moves the needle – 97% would still face unaffordable essential housing costs if they were to move out.



The findings highlight significant affordability pressures across the UK. However, evidence alone is not sufficient to address these challenges. We want the Home Affordability Index to act as a catalyst for real change.

In April 2025 we held our first-ever Parliamentary Reception in Westminster[6]. It brought together politicians, policymakers and key figures from across the housing sector to discuss the issues highlighted by the Skipton Group Home Affordability Index.

In May 2025, the Treasury Select Committee invited Skipton Group CEO, Stuart Haire to provide evidence about the challenges of homeownership in the UK[7]. Stuart has also attended a reception at 10 Downing Street to press further for meaningful change[8].

The findings of the Skipton Group Home Affordability Index are also used to inform product development across the Skipton Group, new mortgage options designed to support aspiring homeowners. This includes our Track Record mortgages, where renters or those who haven't owned a property in the UK in the last three years, with a proven payment history, could apply for a mortgage with less than a 5% deposit – and, in some cases, no deposit at all.

The Skipton Group Home Affordability Index highlights a number of challenging messages, but they are ones we think are important to talk about. The problems are getting worse, and they'll keep going that way unless we as a nation start to make changes.

At Skipton Group, our purpose is clear. As long as renters and buyers face substantial barriers to purchasing a property, we will continue to highlight these challenges, innovate where we can, and engage with industry and policymakers to support improved outcomes.

Helping people have a home (continued)

Age UK – *A place to call home*

At our 2024 AGM, our members voted to make Age UK one of our charity partners, pledging £2 million over three years to help more older people live independently in safe, secure and warm homes. Age UK believes every older person should be included and valued. They work locally, nationally and internationally to change the way we age, through campaigning, local support, advice and friendship.

Delivering holistic support

With Skipton's funding, trained Age UK advisers are providing holistic advice sessions to older people in 11 communities across the UK. These advisers take the time to listen and understand the needs of each individual, identifying what support is needed and providing suitable solutions. Support has been delivered through home visits (37%), telephone-based assessments (43%), and face-to-face sessions in community settings (18%). As one older person shared: "We struggled for a couple of years and then suddenly it was like a light came on when the adviser came along. He was so gentle and kind with the advice he gave us."

Since the start of the partnership, 2,570 older people have received personalised support from the 11 local Age UKs funded through A Place to Call Home. These local Age UKs were selected because they serve communities with some of the highest levels of deprivation among people aged 65+, stretching from County Durham to Norwich, and Wakefield to Southampton. Of all individuals supported, 70% fall into the top five deciles of deprivation as measured by the UK Index of Multiple Deprivation.

Most people sought help with more than one issue, generating 13,566 enquiries in total. The most common areas of support included benefits and income maximisation (56%), care and support provision (10%), accessing aids and home adaptations (6%), and home improvements and energy efficiency (4%).

For many older people, unclaimed benefits are a major barrier to meeting essential costs such as food, heating and home repairs. Advisers have so far helped to identify £8.63 million in unclaimed annual benefits, plus £1.1 million in arrears. This is an average of £5,681 in annual benefits per older person where benefits were identified. In one notable case, an older person supported received a £90,000 lump sum after discovering they had never claimed their State Pension.

Support with aids and adaptations has also had a significant impact, with 841 people receiving dedicated advice in this area. 87 of these older people have been surveyed six months later, finding that 62% have since had home adaptations installed through their local authority, including stair rails, grab rails, key safes, stairlifts and bathroom aids, helping them stay safe and independent for longer.

Responding to the cost-of-living crisis

Rising costs continue to disproportionately affect older people. An Age UK report* in 2023 found that 70% of older adults were deeply worried about finances due to soaring energy bills, and 1.3 million over 50s had recently missed a bill payment.

With so many people finding it so difficult to make ends meet, maximising income is absolutely crucial for huge numbers of older people.

Throughout the cost-of-living crisis, it has been a changing picture, so to strengthen national understanding of these pressures, Skipton funded Age UK's 2025 Cost of Living research. A representative sample of 4,202 people aged 50+ shared their experiences, providing essential evidence that contributed to national campaigning efforts. This research played an important role in the successful campaign to reinstate the Winter Fuel Payment for more than 9 million pensioners, safeguarding crucial support at a time of exceptional cost pressures.

Following this research Age UK published two key reports:

- Back to cutbacks: How older people are managing the cost of living in a time of rising energy prices (March 2025)
- Late movers: How the shortage of suitable housing affects our ageing population (October 2025)

*Tackling the cost-of-living crisis - July 2023

Jo, 72, has lived in Barnsley with her husband since 2024. She was referred to Age UK Barnsley for help claiming Attendance Allowance (a type of welfare benefit for older people who need support because of an illness or disability), however they also identified that she would benefit from advice on aids and adaptations.

Although she was currently managing in her home, she felt she would be in need of support in the future following an upcoming knee replacement surgery.

Jo was given in depth information and advice on aids and adaptations, including a number of free Age UK guides and details of local support. Since having her knee surgery, she has contacted the Aids and Adaptations team at the local council for further support.

Jo was grateful that Age UK Barnsley could offer support, as she felt there is a general lack of support for older people and that most organisations assume every older person has family to help them.

Jo said: "Age UK Barnsley have been brilliant and I will tell anyone to use the service. It's good to know that there are services out there to support older people."

Championing warm and efficient homes

National Energy Action (NEA) – *Community retrofit hubs*

National Energy Action is the UK's national fuel poverty charity, working to ensure everyone can afford to live in a warm, healthy home. With energy bills still over 50% higher than before the energy crisis, millions of people are spending more than 10% of their income on heating, leaving many in cold, unsafe homes and falling into debt. In 2024, our colleagues voted to partner with National Energy Action, committing £1.2 million to support their work.

Community Retrofit Hubs

Skipton's funding is enabling National Energy Action to deliver its Community Retrofit Hub project in Burnley, Sheffield and Oldham – areas which experience high levels of deprivation and fuel poverty. Each Hub is staffed by Home Retrofit Consultants, working closely with local authorities, health networks and community organisations to help households reduce energy bills, improve home comfort and prepare for the transition to net zero.

The teams provide one-to-one support to identify suitable energy efficiency measures, help households apply for grants, access other forms of help, and guide them through installation. They also raise awareness across their communities by attending local events, building partnerships and contributing to regional fuel poverty forums.

In Oldham, the Hub has become a valued member of local networks, co-hosting events with the council, NHS and community organisations to strengthen support for vulnerable households.

Since the project began, 2,654 people have received direct support, 58% through community events, 28% through advice sessions, 7% through home visits, and 7% through help with grant applications. Nearly 80% (79%) of those supported reported a better understanding of how to improve their home's energy efficiency, and 343 retrofit measures have already been installed.

The ability to visit households has been particularly important, allowing National Energy Action to identify additional issues like essential appliances not working meaning increased damp and condensation, and health conditions that are being exacerbated by poor living conditions. Home visits have given us the opportunity to see this and refer clients to organisations who can support them. Skipton's funding has enabled remedial works that households could not otherwise afford, ensuring they can access government retrofit schemes and benefit from future energy bill and carbon reduction initiatives.

Warmer homes also directly support better health. National Energy Action's work helps people adopt safer, more efficient habits and provides small but effective measures like draughtproofing, ventilation improvements and energy efficient lighting that make a meaningful difference to day-to-day comfort.

Using insights to influence policy

The Hubs offer valuable insight into the practical barriers households face when trying to improve energy efficiency. National Energy Action uses this evidence to shape national and local policy, responding to government consultations and advocating for a Warm Homes Plan that delivers maximum social value. Findings are also shared with local authorities, mayoral offices and housing providers to help them design more effective support for vulnerable residents.

A retired woman living alone contacted the Burnley Hub after meeting National Energy Action at a community coffee morning. Her boiler, installed in 1994, was no longer working, and she was anxious about carbon monoxide risk. She also had COPD, a low income and mobility challenges.

During a home visit, the team provided a Winter Warmth Support Pack and a carbon monoxide alarm and referred her to an installer for the ECO4 grant scheme. They identified damp and unsafe flooring and supported her to access a Disability Assistance Grant for bathroom handrails and floor repairs. Through the ECO4 health route, she received a new combi boiler and modern heating controls – reducing her energy bills and giving her confidence and peace of mind.

Championing warm and efficient homes (continued)

Raising awareness of winter fuel poverty

This winter, we ran our Frozen Homes PR campaign to support Skipton's wider Winter Warmth initiative. The aim was simple: shine a light on the vital work of our charity partners Age UK and National Energy Action (NEA).

We also wanted to remind people that these partnerships exist because our members and colleagues chose them. The support we've been able to give is a direct result of their decisions.

The campaign focused on fuel poverty and the reality millions of people face during the winter months: rising energy costs, colder homes, and difficult choices between heating and other essentials. To help strengthen their vital support for people most affected this winter, we contributed an additional £25,000 to each of the two charities.

What our research told us

To shape the campaign, we surveyed 1,500 UK residents aged 65+. The findings were stark and highlighted the growing pressure caused by rising energy prices:

- 42% of over-65s are worried about the coming winter
- 86% said heating and energy bills are their top concern
- 56% expect energy costs to put significant pressure on their finances

Launching at a crucial moment

The campaign went live on the same morning that Ofgem announced an increase to the energy price cap, giving our story immediate relevance.

To bring the issue to life – and make sure the campaign got the attention it deserved – we unveiled a large-scale ice sculpture of a row of terraced houses at Borough Yards in London, representing homes "frozen" by rising energy costs.

Around the sculpture, we included key stats from our research, charity leaflets, and QR codes linking to our donation page, which raised over £4,000. We also created a short film about the sculpture being made, featuring soundbites from Skipton Building Society, Age UK, and NEA.

People stopped, asked questions, and spoke with the team – giving us a chance to raise awareness through real, face-to-face conversations.



"Spending time with our charity partners and chatting to people passing by really brought the community spirit to life – someone even asked if we were carol singers. The cold snap couldn't have been better timed to shine a light on the reality of winter fuel poverty – a challenge that's hitting so many households hard. Hopefully, the coverage will help raise awareness and encourage more people to donate and support."

Michaela Wright
Group Head of Sustainability

Supporting better financial wellbeing

Supporting financial security through accessible savings

One in four UK adults have low financial resilience, according to the Financial Conduct Authority (FCA)[9].

It's a societal challenge where Skipton Building Society can play a role. We offer a broad and inclusive range of savings accounts – from children's products to easy access, regular savers and fixed-rate options. You can open many of our accounts with as little as £1.

This support helps people build positive savings habits at every life stage and income levels. And it ensures we serve members and non-members with fair, accessible options tailored to different needs.

Strengthening our approach

In 2025, we signed the Money and Pensions Service (MAPS) Savings Charter, further strengthening our dedication to improving financial wellbeing across the UK.

The Charter aligns closely with the Society's purpose and our long-standing savings philosophy. And we continue to embed its principles across our products, services, and community initiatives.

Fair access to savings when needed

Financial resilience includes being able to access money in tough times. We offer a range of variable-rate accounts with flexible access.

Most of our savings accounts are now available across branch, online, mobile and telephone channels making it easier for members to manage their savings in a way that suits them.

Supporting communities through education and outreach

Our commitment extends beyond products. We deliver financial education in schools and support local communities through branch led donations and outreach programmes.

Through all of this, we continue to demonstrate a socially responsible approach to savings – and strong alignment with the MAPS Savings Charter ambitions.

Helping people feel more money confident

2025 also saw us continue to help members and customers by sharing our savings expertise. We provide free money advice through our My Money Review (MMR) service, which is available in our branches or online through our Skipton Link video service.

Our product range includes specialist accounts, such as the Cash Lifetime ISA, which helps members save for their first home or retirement. For longer-term needs, we also offer regulated financial advice covering investments, retirement and inheritance tax planning[+]. In 2025, 5,836 customers received support through our Regulated advice service (2024: 5,385).

[+] The Financial Conduct Authority does not regulate most forms of inheritance tax planning.

Members and customers can access free educational online content on our website via our 'Life & Money' articles. Our website also features tools such as our online Personal Savings Allowance calculator.

Member exclusive savings products

With the base rate falling during 2025, we stayed committed to paying attractive savings rates and enhancing our offering with member exclusive products. By December, our minimum variable savings rate was 2.05% (2024: 2.80%).

In 2025, members opened over 90,000 exclusive member savings accounts – like the 'Save More' Member Bond, Member Bonus Saver and our Member Regular Saver accounts. We also gave eligible members a little extra thank you. If they moved £10,000 or more from a Cash ISA with another provider into one of our fixed rate ISAs, they received a £50 John Lewis voucher.

Our Money business delivered 7.8% growth in our savings book and maintained our high net customer satisfaction of 90% from 2024, reinforcing the quality of service we provide.

Supporting better financial wellbeing (continued)

Addressing the advice gap

The government has been clear – it wants more people to invest[10]. Financial advice can play a crucial role in changing that. But the latest Financial Conduct Authority (FCA) data[11] shows just how low take up is:

- Around 7 million UK adults have more than £10,000 in cash savings who may not have received regulated advice in the last year.
- Of those, 24% say they don't invest because they don't know enough about it. 12% feel overwhelmed by the choices. 8% want to invest but need support to start.

Evidence suggests that when people do seek advice, it can have a positive impact. 91% say advice helped them manage their money[12].

This gap, between those who could benefit from financial advice and those who access it, is a recognised challenge in financial services in the UK today.

It's what's known as the 'advice gap'. And at a time when interest rates are going down and confidence in achieving major life goals like retiring is "critically low "[13] – it's a gap that needs addressing.

What we're doing about it

At the Society we've offered a financial advice service for more than 35 years, helping thousands of people make meaningful long-term plans to help them achieve their goals. But we know we can do more to support our members.

In 2025, the Society introduced a free Stocks and Shares ISA advice service. It allows eligible members to get tailored advice on investing as little as £25 a month – and up to £20,000 a year – into a Stocks and Shares ISA. The initial advice is free but there are fund and platform charges to pay if a recommendation is taken.

We believe this service could be suitable for people who want to dip their toe into investing. And who need personalised advice that factors in their circumstances and appetite to risk and reward.

Why this matters

Changes to ISA rules announced during the Autumn Budget 2025 highlighted the evolving policy context for savings and investments decisions.

- As it stands, UK adults can put up to £20,000 each tax year into an ISA.
- But from April 2027, adults aged 18-64 will have a reduced Cash ISA allowance of £12,000 each tax year. They can still invest £20,000 each tax year into a Stock and Shares ISA.
- If you're 65 or over, your Cash ISA allowance stays at £20,000.
- It's all part of the government belief that more people should invest rather than save.

Alongside this, the FCA is rolling out new rules to offer people targeted advice support[14], which should make it easier for more people to access some level of guidance. We're currently assessing what those changes will mean for our members.

Alongside these developments, the Society continues to offer support through existing services. With our free Stocks and Shares ISA advice service, we're closing the advice gap for our eligible members by helping them invest for their future in a tax-efficient, supported way.

Free Pension Health Check

Amongst the advice we provide, we are here to help people save for their pension and help them understand when the right time to retire is.

Skipton Building Society members can benefit from a free Pension Health Check, to help them see if they are on track for the retirement they want. It's a quick, 30-minute conversation with an experienced colleague.

It helps members understand:

- How much they may need for the retirement they want
- How their current pension plans compare
- What options they have if there's a gap

If further support is needed, we can introduce them to one of our financial advisers.

Investment options that reflect personal values

Feedback indicates that many members and customers want investment choices that align with their values.

To better support them, we provide a set of third-party investment options which integrate environmental, social and governance criteria. These screen out certain products or industries, such as those which produce tobacco, controversial weapons, and thermal coal.

Supporting better financial wellbeing (continued)

Refuge – *Towards Financial Freedom*

At our AGM in April 2025, members were invited to vote for our next charity partner aligned with improving financial wellbeing. With more than 32,000 votes, Refuge was selected, receiving £1.8 million over three years.

Refuge is the UK's largest specialist domestic abuse charity, providing life-saving support to thousands of women and their children every day so they can escape abuse and rebuild their lives – free from fear.

Towards Financial Freedom

Launched in September, our partnership exists to ensure that every woman who turns to Refuge has the support she needs to rebuild financial independence. The programme has three core aims:

- **Specialist support for complex cases:** expanding Refuge's expert team to provide long-term support for up to 2,160 survivors, helping them address the most complex forms of economic abuse.
- **National access to one-to-one economic abuse support:** equipping more National Domestic Abuse Helpline advisors with specialist training which could help reach 120,000 survivors over three years.
- **Greater awareness and understanding:** creating digital content, podcasts and national campaigns to broaden understanding of economic abuse and improve access to the right financial support.

Strengthening Specialist Support

Newly recruited Economic Leads support survivors navigating the highly complex impacts of economic abuse. They have received 81 referrals so far, with many cases remaining open for several months due to their complexity.

Support typically includes managing debt and credit issues, working with banks and building societies to open or close accounts, assisting with mortgage and rent arrangements, and liaising with utility companies and debt collectors.

Advisers can also support with benefit applications and income maximisation, help survivors distinguish between coerced debt, fraud, and criminal matters, and work to address the financial, digital, and administrative barriers created by perpetrators. Among the 23 completed cases, 96% of survivors reported feeling more in control of their finances, 74% felt more confident reporting economic abuse, and 62% felt safer using technology.

Expanding Nationwide Access to Support

Refuge has developed new training for staff and volunteers on the National Domestic Abuse Helpline. So far, 58 team members have received this training, with ongoing monthly sessions planned throughout 2026.

Improvements are also being made to the National Domestic Abuse website and chatbot, which will help survivors quickly find relevant financial information within their safe browsing window. Between July and December 2025, the website saw 260,300 unique visitors, highlighting its critical role in reaching people discreetly.

Refuge is also working with specialist and by-and-for organisations to create resources that reflect the unique experiences of different communities where language barriers, family dynamics or cultural expectations shape how economic abuse is experienced.

Driving Awareness and System-Level Change

Refuge contributed to Skipton's Vulnerable Customer event in November, deepening colleagues' understanding of economic and technology-facilitated- abuse, and how it affects survivors' decision making.

Across the wider financial sector, Refuge hosted its annual Tech Safety Summit, supported by the newly recruited Economic Leads. Sessions focused on systemic improvements, from safer financial product design to vital access to cash grants. The programme team, funded by Skipton, also attended the first Global Summit on Economic Abuse, gaining insight into international approaches to preventing abuse and supporting survivors.

Emma Pickering, Head of Technology-Facilitated Abuse and Economic Empowerment at Refuge, said:

"Every year, thousands of survivors of economic abuse turn to Refuge for safety and support, which is why our partnership with Skipton is so crucial. Their commitment has allowed us to train more National Domestic Abuse Helpline Advisors and recruit specialist Economic Leads, who deal with the most complex of cases. These include survivors dealing with coerced debt, significant council tax arrears incurred after fleeing domestic abuse, and fraudulent debts recorded on the land registry. With Skipton's support, we can offer a lifeline to more survivors than ever before – empowering them to rebuild both their financial independence and their lives."

Supporting our communities

Supporting our communities is central to our purpose as a mutual organisation. Each year, the Skipton Group commits to donating 1% of annual profit before tax to charitable causes that align to our purpose. Alongside this commitment, colleagues across the Group support local communities through fundraising, volunteering and targeted initiatives.

We donated 1% of pre-tax 2024 Group profits to charity which equated to £3.1 million

271 charities across the UK	supported by the Skipton Building Society Charitable Foundation (see page 30 for more information).
13 Star Award winners	donated to charities they care about in recognition of the outstanding achievements of our award-winning colleagues.
3 national charity partners	supported through multiyear partnerships aligned to our purpose and strategic priorities.
246 local charities	supported through Community Giving and delivered by our Society branch network to support causes chosen by our members.
£35, 000 to the Disasters Emergency Committee	in support of international disasters including Middle East Humanitarian Appeal and Myanmar Earthquake.
£11,622 fundraised	by our Society colleagues for a number of charities both local and national.
3 volunteering days	our Society and SBF colleagues can take every year to support our communities.
£55, 000 in grants	made up of £5,000 donations from each of our 11 Society Employee Resource Group's to causes linked to their purpose.
Over 90 laptops donated	by the Society to local schools and charities.
Over 60,000 AGM members votes	each generating a 50p donation to Age UK.

Supporting our communities (continued)

Across the Skipton Group, our businesses support local communities through charitable partnerships, volunteering and targeted initiatives that reflect the needs of the people and places we serve. These activities are delivered in addition to the Group's commitment to donate 1% pre-tax profits to charitable causes aligned to our purpose. While each business focuses on different priorities, together these activities aim to deliver positive social impact across the UK and beyond.

Connells – supporting people affected by dementia

In 2025, Connells launched a partnership with Dementia UK. The specialist dementia nursing charity provides advice, solutions and support to families affected by dementia. Colleagues across Connells have embraced the partnership wholeheartedly and by the end of 2025, they had raised more than £10,000 for the charity, through a range of activities, including challenge events and a dedicated Christmas Jumper Day, which alone raised more than £3,000. Connells colleagues also supported Dementia UK's "Remember a Star" campaign – recognised and celebrating the lives of people affected by dementia.

In addition to colleague-led fundraising, Connells made charitable donations totalling £79,000 in 2025, contributing to a range of causes across the communities they serve.

Making a meaningful difference

In 2026, a key priority for Connells is measuring and understanding the social impact they create. Through initiatives like their annual Employee Engagement Survey, Connells is seeking to better understand the difference their social impact strategy is making – and where they can do more.

Skipton Business Finance – supporting local community projects

Skipton Business Finance supports local communities through its Communities Matters scheme, providing £250 grants to local community projects and good causes across the UK. In addition, the business made charitable donations totalling £4,194 in 2025 to organisations including Macmillan, local food banks and WizeUp Financial Education, reflecting a focus on practical, community-led support.

Skipton International – Supporting island communities

SIL continued to support communities across the Channel Islands through a combination of fundraising, volunteering and charitable giving. In 2025, colleagues in Guernsey and Jersey took part in the Big Skipton Sleep Out, raising funds for local homelessness charities.

Through the Skipton Community Fund, which provides donations of up to £5,000 to Channel Islands-based charities and non-profit organisations, SIL supported a wide range of initiatives focused on wellbeing and accessibility. In 2025, the Skipton Community Fund distributed £100,000 to local causes, including funding to improve access to blue spaces by supporting the provision of wheelchairs, enabling residents and visitors with mobility challenges to enjoy local beaches.

Since the Skipton Community Fund was established in 2018, SIL has donated almost £380,000.

Jade - Bridging the digital divide

In New Zealand – the home of Jade Software Corporation – many lower income households struggle to afford internet and devices[15]. Jade focused its community activity on addressing the digital divide, in partnership with local charity TechMate. In June 2025, Jade colleagues volunteered time to support TechMate's work. Putting their technological expertise to use, assisting with checking and rebuilding laptops donated for recycling. This included taking apart the devices to check the internals, installing fresh software, and cleaning up the devices.

These recycled laptops were ultimately handed out to people who can't afford to buy a device, so they can use it to study, search for a job or find work experience.

Alongside this, Jade colleagues also took part in conservation volunteering at Orana Wildlife Park supporting local environmental initiatives and reflecting Jade's broader contribution to the communities in which it operates.

Supporting our communities (continued)

Skipton Charitable Foundation

The Skipton Charitable Foundation ("the Charitable Foundation") plays an important role in how the Society supports communities across the UK. Established in 2000, the Charitable Foundation provides grant funding to UK charities working with people who may be experiencing hardship or facing barriers to secure housing and financial wellbeing.

While the Charitable Foundation is supported by the Society, it operates independently, with funding decisions made by a Board of Trustees. This provides clear oversight of how grants are awarded and supports a transparent approach to charitable giving.

The Charitable Foundation focuses on two areas that closely reflect the Society's purpose:

- **Helping people access a place to call home**, including support for permanent or temporary accommodation and help for people to live independently; and
- **Improving financial wellbeing**, including support for people experiencing financial difficulty and initiatives that build financial resilience and independence.

Funding is provided to UK registered charities with priority given to organisations working in communities experiencing higher levels of deprivation.

The Charitable Foundation's impact in 2025

In 2025, the Charitable Foundation donated over £944,000 to 271 charities across the UK, supporting organisations aligned to its focus on housing and financial wellbeing.

The case studies opposite highlight examples of charities supported by the Charitable Foundation in 2025 and the difference this funding helped to make.

Looking ahead

The Charitable Foundation will continue to support charities whose work aligns with its focus on housing and financial wellbeing in 2026. As needs within our communities evolve, the Foundation remains focused on providing funding where it can make a meaningful difference for people and communities across the UK.

Further information about the Charitable Foundation, including the types of organisations it supports and how funding is awarded, is available of the Charitable Foundation's website.

Citizens Advice Braintree & South Essex provide high quality and timely information, advice and guidance to some of the more vulnerable local residents. Funding from the Charitable Foundation enabled the team to support 167 housing clients over a four-month period, addressing 360 housing issues ranging from rent arrears to essential repairs.

Examples of this support include helping a Housing Association client resolve financial difficulties linked to their service charge, and assisting another client who was repeatedly told they were in arrears due to a change in Housing Association policy, when in fact the issue was a timing delay between the automated message and the receipt of their housing benefit.

This support and advice helped clients remain in their home and addressed their financial problems.

Spitalfields Crypt Trust (SCT) has supported people affected by homelessness and addiction for 60 years. They provide a residential addiction recovery programme, counselling, a training and development service, supported housing, and a Housing First service.

St Leonard's Church Garden sits at the heart of SCT, where our students gain access to horticultural skills. The garden also acts as a space for people to slow down, reflect, and focus on something other than recovery.

With the support of the Charitable Foundation, SCT was able to purchase a new greenhouse, greatly increasing their capacity to grow edible produce and for gardening sessions to continue all year-round. The benefits extended beyond the gardening students, as produce is shared with residents for use in communal meals.

An SCT Gardening student said, *"There are only positive thoughts in the garden."*

Supporting our members and customers

Protecting members and customers from financial crime

We take the security of our members and customers very seriously. Whether it's online, over the phone, in branch or in person, we're committed to helping members and customers protect themselves against fraud.

The "Fraud and Security" pages on skipton.co.uk provide ways to recognise financial scams and what members and customers should do if they think they've been affected. Our colleagues also receive regular updates on the latest industry scams, and have annual training to help them protect members, customers, themselves, and their families.

With new cyber threats emerging across the globe all the time, we're constantly improving our well-established financial crime, fraud monitoring and management processes. By remaining vigilant and keeping on top of the changing landscape, we can protect our members, customers and colleagues from financial crime.

Jade Software, our software solutions provider, has developed software (Jade Third Eye) to detect and respond to fraud, money laundering and the financing of terrorism. Jade sells this product into the UK, Australia, and New Zealand. This software is trusted across financial services, including by many of the building societies in the UK and monitors hundreds of thousands of transactions daily.

Fraud is now the most common type of crime in the UK. Figures up to September 2024 show it accounts for 41% of all recorded crimes[16].

It's a trend that sadly continued over 2025. In the first half of the year alone, there were some 2.09 million confirmed cases of fraud – a 17% increase on the same period in 2024[17].

As a building society with more than 1.3 million members, we take financial crime extremely seriously. We have a clear duty of care to protect and educate our members and customers from the risk of experiencing a scam.

This includes spotting signs of financial scams and stopping their success. Over 2025, our actions helped prevent £1.39m from being collectively lost by our members and customers.

Understanding the potential ways fraudsters might target you is hugely important

- During 2025 we held a series of roadshows across our national branch network.
- Members and customers got to hear about different types of scams, the warning signs to look out for, and what to do if they think they might be the target of a scam.
- Specialists from our Financial Crime Team were on hand to answer questions, offer practice guidance and provide reassurance.

We recognise that protecting our members, customers and the business cannot be a solo activity. So, over 2025 we collaborated closely with UK Finance, the Financial Conduct Authority and other building societies (through the Building Societies Association). Together, we thwarted an investment fraud ring which was targeting people with cryptocurrency-based scams.

As part of this activity, we issued guidance on our website, app and member portal to warn our members and customers – and to explain that the Society doesn't recommend cryptocurrency investments.

Customer relations

In 2025, the Society continued to achieve high levels of net customer satisfaction, scoring 90%. And SIL received a Feefo Platinum Service Provider award for the seventh year running, the customer satisfaction score was 4.6/5.0 for 2025.

We aim to get things right for our members and customers first time. However, we recognise that, on occasion, things may not go as expected and members and customers may need to raise a complaint.

When this happens, we are committed to handling complaints fairly, efficiently and with empathy, focusing on understanding what has gone wrong and putting things right wherever possible. Complaints are an important source of feedback on customer experience and help us identify areas where processes, communications or services can be improved.

Supporting our members and customers (continued)

Looking after our vulnerable members and customers

According to the latest research from the Financial Conduct Authority (FCA), 26.4 million UK adults show characteristics of vulnerability[18]. The FCA separately found only four in 10 vulnerable customers have disclosed their needs to their financial services provider[19].

That means millions of people who could benefit from extra support may not feel able – or ready – to tell us what they need.

At Skipton Building Society, we take that responsibility seriously. That's why our colleagues receive regular training on how to better support members and customers with additional needs. In 2025, 98.7% of colleagues completed their annual Good Outcomes for Vulnerable Customers training.

Our colleagues complete annual training to recognise when a member or customer may be experiencing vulnerability – whether permanent, temporary, or situational. We aim for members and customers to only have to tell us once about their needs. Then, every future conversation can have the right care and support.

To help more members and customers feel comfortable sharing their needs, we've added messages to our webchat and telephone systems explaining that they can let us know at any time. This means we can offer tailored support from the very start of the interaction.

Supporting individual circumstances

Members and customers can choose to interact with us in the way that best suits them – phone, branch, webchat, secure message, email or post. We're further improving our video chat service, Skipton Link, to support members and customers who prefer talking to us face-to-face online.

We have partnered with AccessAble to create detailed guides of just how accessible each branch is, and we are proud to have been the first building society to offer this service. In our branches, members and customers can benefit from practical support tools such as easy-grip pens for those with limited dexterity, coloured transparencies to support reading documents, and signature stamps, which help members and customers whose signature may vary due to conditions like arthritis or sight loss. In 2025 alone, we provided 339 signature stamps to members and customers.

2025 also saw a strong increase in the number of members and customers using our SignVideo support service. SignVideo enables British Sign Language (BSL) users to communicate with the Society through a Video Relay Service and the help of a trained BSL interpreter. Since launching the service in 2024, usage has grown rapidly — rising from 45 interactions in 2024 to 152 in 2025.

Our Skipton Building Society website, skipton.co.uk, now offers expanded support for vulnerable members and customers. This includes a dedicated section for those experiencing domestic, economic, or financial abuse. This area provides guidance on how the Society and other organisations can help survivors regain control of their finances. Members and customers can also request a safe-time callback from our specialist colleagues. We are proud to be signatories to the Financial Abuse Code, and we continue to review and enhance the support we provide to victim-survivors of economic and domestic abuse.

Vulnerability can also be temporary. For example, members and customers struggling with mortgage payments may experience financial stress. To support them further, our Credit Management Team can now make direct referrals to Mental Health UK and PayPlan. In 2025, 117 members were referred to PayPlan and 24 to Mental Health UK for specialist help.

A team effort

We have a dedicated Vulnerable Customer Team who ensure we continue improving our approach. They consider where extra support may be needed across our services and help colleagues by:

- Running monthly learning events on different aspects of vulnerability
- Supporting more complex cases
- Delivering training and maintaining colleague guidance
- Ensuring teams have the tools, knowledge and confidence to offer meaningful support

Vulnerable customer support sits firmly at the heart of our culture. Leaders of customer-facing teams receive extra training. They also take on greater accountability for making sure supportive, high-quality conversations happen consistently.

We're mindful to bring the outside in and to learn from others. In 2025, we invited guest speakers from Age UK and Refuge to share the support they provide to vulnerable people – and how we can signpost members and customers who may benefit from specialist help.

Supporting our people

Diversity and inclusion

Across the Skipton Group, fairness, belonging and opportunity underpin how we support our people and serve members, customers and communities. We recognise that diverse perspectives and inclusive practices strengthen decision-making, support sustainable long-term performance, and help colleagues feel valued and able to contribute at their best.

In 2025, the Society launched its Inclusion and Wellbeing strategy, shaped by colleague insight and lived experience gathered through engagement surveys, focus groups and internal networks. The strategy focuses on creating an environment that is safe, accessible and inclusive, and where colleagues have fair access to learning, development and progression. This approach continues to be informed by data and colleague feedback to help ensure our people practices remain fair and equitable.

Employee Resource Groups (ERGs) continue to play an important role across the Group, providing peer support, raising awareness and acting as critical friends on inclusion-related policies and practices. At the Society, 43 accredited Diversity Allies support inclusive behaviours, alongside 11 ERGs with executive sponsorship. ERGs also support charitable activity, with each Society ERG donating £5,000 to a charity of their choice during the year. Some of these donations included, the Gender Equity ERG donating to PANDAS Foundation (Pre and Postnatal Depression Advice and Support), the Menopause ERG donating to The Menopause Research and Education Fund and the Pride Alliance ERG donating to Switchboard LGBT+.

Beyond fundraising, ERGs have helped progress inclusion activity across the Group. In particular, the Society's Armed Forces ERG led the work to secure Skipton's Gold Award status under the Armed Forces Covenant in 2025, building on the Silver Award achieved previously. During the same period, Connells progressed from Bronze to Silver status, reflecting Group-wide support for current and former service personnel and their families.

Achieving the Gold Award under the Armed Forces Covenant recognises the Society's sustained commitment to serving personnel, veterans, reservists and their families. It reflects embedded Armed Forces friendly people policies, visible senior leadership advocacy, and the provision of tailored products and services, confirming meaningful, long term support for the Armed Forces community.

ARMED FORCES COVENANT

EMPLOYER RECOGNITION SCHEME

GOLD AWARD

Learning and awareness activity continued throughout 2025, with targeted sessions delivered across inclusion and wellbeing topics. These sessions helped build understanding across a range of perspectives and provided practical tools to support inclusive behaviours in the workplace.

We also draw on external insight to help inform and strengthen inclusive practices. During the year, we externally benchmarked progress by sharing data with Progress Together (a membership organisation focused on socio-economic background at senior levels in the financial sector). We worked with the Business Disability Forum to analyse and strengthen accessibility across the business, alongside engagement with partners including Women in Science and Engineering (WISE), Inclusive Employers and Right2Work. This has included offering internship opportunities and workplace experiences, including for young people with Education, Health and Care Plans (EHCPs) who are leaving education.

Across the wider Group, businesses continue to develop their approaches to diversity, equity and inclusion in ways that reflect their local workforce and businesses. In 2025, Connells completed an independent assessment of its Diversity, Equity and Inclusion maturity with Women in Hospitality, Travel and Leisure (WiHTL), which provided insight to inform future priorities, alongside continued participation in leadership and development programmes. In addition, SIL continues to support disability awareness training for colleagues as part of its inclusive employment practices.

Gender balance remains an important area of focus. In line with the HM Treasury Women in Finance Charter, the Society achieved gender parity in senior roles in 2024 and maintained this position throughout 2025.

Across the Group, representation varies by role and business. While there have been encouraging signs in some areas, differences in representation at more senior levels can influence pay and bonus outcomes. Further detail is provided in the Society's Gender Pay Report, with Connells publishing gender pay reports for its relevant businesses. Our subsidiary, Jade, voluntarily reports on gender pay in New Zealand, working in partnership with Mind the Gap.

Looking ahead, inclusion activity across the Group will continue to be informed by colleague insight, data and external expertise, supporting accessible workplaces, inclusive recruitment and development practices, and a culture where colleagues across all Group businesses can thrive.

The following page provides a breakdown of colleagues across the Skipton Group by role and gender, as at 31 December 2025.

Supporting our people (continued)

Breakdown of colleagues in the Group as at 31 December 2025 (note 1):

Group	Male	Female	Total	Percentage male	Percentage female
Executive directors (note 2)	2	-	**2**	100.0%	0.0%
Senior leaders (note 3)	43	40	**83**	51.8%	48.2%
	45	**40**	**85**	**52.9%**	**47.1%**
Non-executive directors (note 2)	4	3	**7**	57.1%	42.9%
Other employees (note 4)	8,811	9,945	**18,756**	47.0%	53.0%
	8,860	**9,988**	**18,848**	**47.0%**	**53.0%**

Notes
1. Gender voluntarily declared by colleagues
2. Society Board directors only
3. Comprises Society's senior leaders (other than executive directors) and executive directors of other Group businesses
4. Includes senior leaders of other Group businesses

Wellbeing

Inclusion and Wellbeing are a core element of our culture and are woven into every aspect of the colleague experience, ensuring that all colleagues feel supported, valued, and empowered to thrive.

Our approach integrates physical, mental, and financial wellbeing through inclusive programmes tailored to diverse needs, fostering a sense of belonging and purpose. Our colleagues have access to internal and external resources. At the Society, this includes resources for a range of wellbeing support such as menopause support and training and financial wellbeing guidance. We have trained mental health first aiders (MHFAs) supporting colleagues and we continue to invest in training to ensure our MHFAs are supported in their roles and new MHFAs are trained. We continue to listen to colleagues and adapt the support regularly.

Training and development

The Society continues to provide a single, integrated learning experience through its learning platform within Workday, bringing together mandatory, role-specific and personal development learning in one place, with access to LinkedIn Learning's extensive digital library of expert-led content. This approach supports continuous learning and long-term capability building across the Society. In addition, the Society continues to support external training and professional qualifications where these align to role requirements and future capability needs.

During previous years, the Society delivered a targeted leadership development programme focused on building advanced conversation and people management skills. This programme has now concluded, supporting colleagues to strengthen leadership capability and embed consistent, people practices across the organisation. Learning and development continues to evolve, with a focus on ensuring colleagues have access to development opportunities that support both individual growth and the Society's strategic priorities.

Across Connells, colleagues continued to access a range of development opportunities during 2025, with a focus on strengthening leadership capability and supporting career progression. In total, 958 colleagues have participated in leadership development activity, including programmes focused on mindset, people leadership, and performance. Learning covered topics such as growth mindset, leadership pillars, people development and building a high performing environment. In addition, Connells also delivered targeted leadership development sessions, including programmes for area directors and senior leaders and a dedicated leadership session for the Marketing team. These initiatives support consistent leadership capability across the business.

SIL continued to support colleague development through its talent management programme, including rotational placements and access to professional training and qualifications. During the year, core learning and mandatory training were delivered through SIL's new learning and development platform 'Thrive@Skipton', with leadership and specialist training tailored to business needs.

Supporting our people (continued)

Apprenticeships

Apprenticeships continue to support internal development and skills growth across the Group. Programmes are in places across enabling and operational functions, supporting upskilling, reskilling and career progression.

Across Connells, 197 colleagues were engaged in apprenticeship programmes during 2025, covering a range of disciplines and career pathways.

Within the Society, around 40 colleagues were engaged in apprenticeship programmes during the year, primarily supporting enabling functions including Legal, Finance, Risk and Audit, with apprenticeship levy funding used to support internal upskilling and career progression. In 2025, two colleagues were enrolled on the MSc Strategic Leadership programme, supporting the development of future leadership capability. The Society continues to review its approach to ensure apprenticeship investment delivers long-term value for colleagues and the business.

SIL has a talent development scheme to support the development of young adults in the finance sector. Training places are provided for school leavers where they rotate through three different departments over a year (Commercial, Finance and Operations) to learn skills and help determine where they might like to continue their career.

Culture

The Board has an agreed clear purpose, behaviours, and culture statements for how the Society operates and clear expectations of how we wish our colleagues to behave.

Culture is monitored through a range of qualitative and quantitative measures, including colleague insight, member and customer feedback, and independent assurance activity. Peakon, the Society's colleague engagement tool, is now embedded and is run three times a year, providing regular insight into colleague sentiment and enabling timely action at both local and organisational levels.

To further strengthen oversight of culture and colleague engagement, a Non-Executive Director of the Society has been appointed as the Board's Workforce Engagement Lead. The role provides a direct connection between colleagues of the Society and the Board, ensuring workforce insights help inform discussions on culture, wellbeing and organisational change, while supporting a purpose-led culture aligned with our values and regulatory expectations.

During 2025, Connells focused on listening to colleagues, using a range of engagement activities including people focus groups and culture champions. Insights gathered during the year helped inform leadership understanding of colleague experience and supported the development of Connells' new group values. Building on this work, Connells plans to further evolve its employee listening strategy in 2026 through the introduction of a new engagement survey to track sentiment and feedback, with insights reported to leadership to support ongoing improvement.

In 2025, SBF undertook its first Peakon colleague engagement survey, providing valuable insight into colleague experience and engagement. During the year, SBF also introduced their Colleague Recognition Scheme and began the process of aligning their performance management, review and development processes with those of the Society, for rollout in early 2026.

The Group Chief People Officer formally reports to the Board on Society culture, including insights from colleague data, engagement activity and broader people initiatives. Culture remains a standing agenda item and continues to evolve in line with the Society's purpose, values and strategic direction. Rather than periodic culture progress reviews, the Society now uses ongoing insight from colleague data to track progress against its desired target culture and inform People Plans and priorities for the year ahead.

During 2025, SIL focused on its culture journey, communicating its cultural priorities and monitoring progress through a Board culture dashboard, informed by employee engagement surveys and management information.

We recognise that not all colleagues will have taken part in the colleague surveys carried out in the different Group businesses, but we are committed to making sure that every voice is heard.

Being accountable

Across the Skipton Group, we fully believe in doing the right thing for our members and customers. We know there’s more we can do to strengthen our corporate governance. So, we're developing new, robust structures to help us to run even more ethically, lawfully, and responsibly.



Governing sustainability

Strong corporate governance is sometimes the unsung hero of being a responsible business. But across the Skipton Group, we know how important it is to long-term success, and we strive to hold ourselves to high governance standards.

Trust is essential to our reputation and our long-term success, and we remain committed to ensuring that our organisation operates ethically, lawfully, and responsibly.

We're focused on building a strategy for the longer-term. Part of effective governance also means having the right expertise, including at board level, and being able to take constructive challenge against your plans so you can improve. Our responsible business practices continue to mature and we continue to review the way we govern across our Group to ensure the right level of check and challenge. That way, we can keep doing things even better.

The Group's governance arrangements are designed to meet the requirements and expectations of our members, customers, colleagues, and regulators.

The Group is headed by Skipton Building Society (the Society), which is regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA). We have direct and indirect holdings in a number of legal entities, some of which are also regulated by the FCA. Connells is authorised and regulated by the Financial Conduct Authority (FCA) for activities relating to regulated mortgages and non-investment insurance contracts. In addition, SIL based in Guernsey, is regulated by the Guernsey Financial Services Commission.

Each Group subsidiary is governed by a board. Each subsidiary board is responsible for the prudent management of the subsidiary's businesses (including proactive management of sustainability-related initiatives), operating within the Board's risk appetite and delegated authorities from the Board, to deliver agreed corporate plan objectives.

Most of our operations are based in the UK, with smaller locations in Guernsey and Jersey (SIL), and Australia and New Zealand (Jade).

To read more on the Group's governance, please see the Corporate Governance Report in our 2025 Annual Report and Accounts.

Management responsibility for sustainability

The Group Executive Committee is responsible for the management of sustainability matters through oversight of the Group Sustainability Committee. The Group Secretary and General Counsel is designated as the executive responsible for sustainability matters, with the Group Sustainability Team reporting into this role. Connells also operates an ESG steering committee which reports directly to the Connells group executive committee, and ultimately, the Connells Limited Board. For the other main subsidiaries, management responsibility sits with the relevant CEO.

Group Sustainability Committee (Group SusCo)

The Group SusCo, chaired by the Group Secretary and General Counsel, meets on a quarterly basis and provides a central point of formal governance and communication for executive oversight and monitoring of the delivery of the Group's approach to sustainability (including its approach to achieving net zero).

During the year, we further embedded the role of the Group SusCo within the Group's governance framework and expanded its remit to strengthen the integration of climate-related risk governance within our wider sustainability approach. This has supported a more centralised and holistic view of how sustainability and climate-related risks and opportunities align with the Group's strategic objectives.

In 2025, the Group SusCo:

- Reviewed and provided input into the Group net zero near term 2030 target
- Reviewed and approved the Group Sustainability Governance Framework
- Reviewed and approved the Sustainable Development Goals for reporting in the 2025 UN Principles for Responsible Banking (PRB) Report and the Group Sustainability Report
- Reviewed and provided input into the Society's climate risk appetite statement
- Reviewed the annual Group climate risk assessment
- Reviewed a gap analysis against a PRA climate-related risk consultation paper.

Governing sustainability (continued)

The governance model for oversight and management of sustainability continues to be embedded within the Group's governance framework. Set out below is the governance structure for the key committee and working groups involved in the oversight and management of sustainability matters.



Governing sustainability (continued)

Climate-related risks

Climate change is recognised as a principal risk for the Group in its Risk Management Framework. The Society's Board has delegated the oversight of climate-related risk for the Society and its subsidiary companies to the Board Risk Committee. However, ultimate oversight continues to reside with the Society's Board of directors.

The Group's approach to identifying, assessing and managing climate-related financial risks is set out in detail in our 2025 Climate-related Financial Disclosures, prepared in line with the four pillars of the Taskforce on Climate-related Financial Disclosures framework and aligned to the structure adopted by the International Sustainability Standards Board and the proposed UK Sustainability Reporting Standards. These disclosures cover governance, strategy, risk management, and metrics and targets.

The Society has continued to embed capabilities to prepare for evolving regulatory expectations on climate-related financial risks, including the Prudential Regulation Authority's (PRA's) Supervisory Statement 5/25 (SS5/25) "Enhancing banks' and insurers' approaches to managing climate-related risks". Responsibility for the identification and management of financial risks from climate change continues to be held by the Group Chief Financial Officer as the designated Senior Management Function in line with the SS5/25.

The Group Climate Change Risk Forum (CCRF) includes senior representation from around the Group and provides informal support to executive committees with coordinating activity associated with the identification, assessment, and monitoring of climate risk. This informal forum provides updates to the Group Sustainability Committee as required.

In addition, the Stress Testing Steering Committee, reporting into ERC, is responsible for review and challenge of the design of the climate-related stress scenarios, the assumptions applied and the resulting outputs, prior to submission to the ERC. The Board Risk Committee provides final approval of the climate scenario analysis outputs. The Group uses climate risk scenario analysis to assess the potential impact of climate-related risks under a range of plausible future pathways and to inform our strategy, risk appetite and ongoing enhancements to risk management practices.

Climate risk is recognised as a principal risk within the Group risk management framework (GRMF) and is assessed alongside other principal risks through established risk identification, assessment and monitoring processes. For the Group, the most material potential climate risk impact continues to relate to credit risk in our residential mortgage portfolio.

Climate-related considerations are incorporated into relevant first-line processes, risk appetites and control frameworks. With respect to mortgage credit risk, identified as our key climate-related risk, controls for managing new lending include physical property inspections for higher loan to value lending, assessment of any known flood risk and consideration of coastal erosion risk where relevant. These considerations are reflected in property valuations and lending decisions, supported by requirements for buildings insurance at completion. In addition, any postcode identified as potentially at risk of future coastal erosion requires a desktop or physical survey to capture local knowledge of the risks to each property

The Group continues to enhance its data, modelling capabilities and understanding of climate-related risks as industry practice, regulatory expectations and data availability evolve.

Nature-related risks

At Skipton Group, we recognise the growing importance of understanding nature-related risks, their potential impact on our business, and the impact our business has on nature. During 2025, the Group has increased its focus on understanding nature-related risks and dependencies, initially by assessing the Society's nature-related risk exposures across operations and our most material suppliers by spend. We applied robust risk models, with early analysis indicating that the Society has Low to Very Low nature risk exposures. We will continue to explore and undertake further analysis of our exposures, and those of the wider Skipton Group, in line with the principles of the Taskforce for Nature-related Finance's 'LEAP' (Locate, Evaluate, Assess, Prepare) assessment framework.

A paper was presented to the Group Sustainability Committee in October 2025 to build awareness of nature-related risks and their potential relevance across the Group. The Group will continue to monitor developments in emerging nature-related risk frameworks and consider how these may be reflected within future disclosures.

Ethics, whistleblowing and data protection

Anti-bribery and corruption

The Group does not tolerate any instances of bribery or corruption across any area of our business. We have anti-corruption and anti-bribery policies in place in each business line, which are readily available. The policies provide guidance about what constitutes a bribe and prohibits offering, giving or accepting any bribe. They also outline clear guidance for acceptable corporate entertainment, gifts, hospitality and promotional expenditure. We ensure all our colleagues complete annual training to refresh their knowledge.

Empowering colleagues to speak up

Colleagues are often the first to know when someone inside or connected with an organisation is acting illegally or improperly. We have whistleblowing arrangements in place across the Group so that colleagues can raise concerns in confidence and anonymously, and that these can be investigated and properly dealt with. Allegations of malpractice or wrongdoing of any kind are taken seriously, whether by senior managers, colleagues, suppliers or contractors. We remain committed to maintaining the highest possible standards of accountability and recognise that individual colleagues have an important role to play in achieving this goal.

Working with like-minded organisations

The Society and Connells monitor their relationships with suppliers, supported by established Codes of Conduct that set out the standards we expect suppliers to follow. We continually assess the potential risk of adverse impacts on our members, customers, colleagues, and the environment that may arise from these relationships. All suppliers are required to align with our core values, operate ethically, and demonstrate integrity in all aspects of their business. As part of our supplier management framework, we also evaluate our own performance to ensure that we meet the same high standards we expect of others.

Sustainability remains a key focus for the Group. We are committed to ensuring that newly appointed suppliers align with our expectations and sustainability objectives, while also supporting our existing supply chain to enhance their ESG outcomes. In 2025, we assessed 50% of the Society's critical ("material") suppliers on their net zero and energy reduction strategies. Building on this, in 2026, this approach will be extended to Connells, enabling a more comprehensive analysis to inform our strategy for reducing supply chain emissions.

We recognise that this relies on the cooperation of our suppliers, and there is a risk that some may choose not to participate. As a result, the data available to us may be limited; however, we remain committed to driving continuous improvement across our supply chain.

Human rights and modern slavery

In 2015, the UK government introduced legislation requiring all UK companies to make a public statement regarding the measures they take to address the risk of forced, bonded or compulsory labour and human trafficking in their businesses and supply chains.

The Society's Board fully supports the objectives of the Modern Slavery Act 2015. We have a position of zero tolerance of modern slavery and human trafficking in any form in our UK business and supply chains. Suppliers to our UK-based business lines must comply with the Modern Slavery Act 2015, where applicable, and ensure their supply chain is transparent about the process through which employees are managed.

The Society and Connells tender requirements include a provision for supplier compliance with all relevant legislation and regulatory requirements, including the modern slavery regulations. In New Zealand and Australia, where there is no local legislation, Jade has approved its own Modern Slavery Policy. Read more on our disclosures here: Modern Slavery Statement for the Society and Modern Slavery Statement for Connells.

Protecting customer and colleague data

Data protection and compliance with related legal and regulatory obligations is important across the Group. This includes respecting the rights of our members, customers and colleagues and keeping their personal data safe.

Where required, Group businesses have appointed Data Protection Officers to provide specialist support and oversight. This includes their involvement in key change initiatives and in the design and delivery of our products and services.

The Society's Privacy Pledge and Data Privacy Notice outlines how it takes care of your personal details and how that data is being used.

We're committed to helping protect members, customers and colleagues against fraud. Accounts are protected by several layers of authentication. Strict security procedures are followed whenever information is obtained and stored. All colleagues complete annual training on data protection and information security to refresh their knowledge.

Ethics, whistleblowing and data protection (continued)

Paying our fair share of tax

The Group understands the responsibility it holds towards members, customers, colleagues and wider society. Our approach to tax affairs is driven by this understanding and is consistent with a commitment to building a more sustainable society.

The activities of the Group are largely UK-based. The Group's tax teams are responsible for managing tax on its UK operations. Where the Group operates in overseas jurisdictions (including Guernsey, Jersey, Australia and New Zealand) it's purely for commercial reasons and isn't tax driven.

The Society has signed up to the Code of Practice on Taxation for Banks and our strategy is aligned with its requirements. We publish a Tax Strategy on an annual basis outlining our approach. Tax disclosures are provided in the Annual Report and Accounts, including the Country-by-Country Reporting section.

Transparency over remuneration

Environmental, Social and Governance (ESG) performance is linked to remuneration through the Society's new Group Long-term Incentive Plan (LTIP), which includes an ESG measure aligned to our strategic priorities. The LTIP applies to the Society's executive directors and other selected Group Executive Committee members. Further information on the Group's remuneration arrangements can be found in the Group's 2025 Annual Report and Accounts.

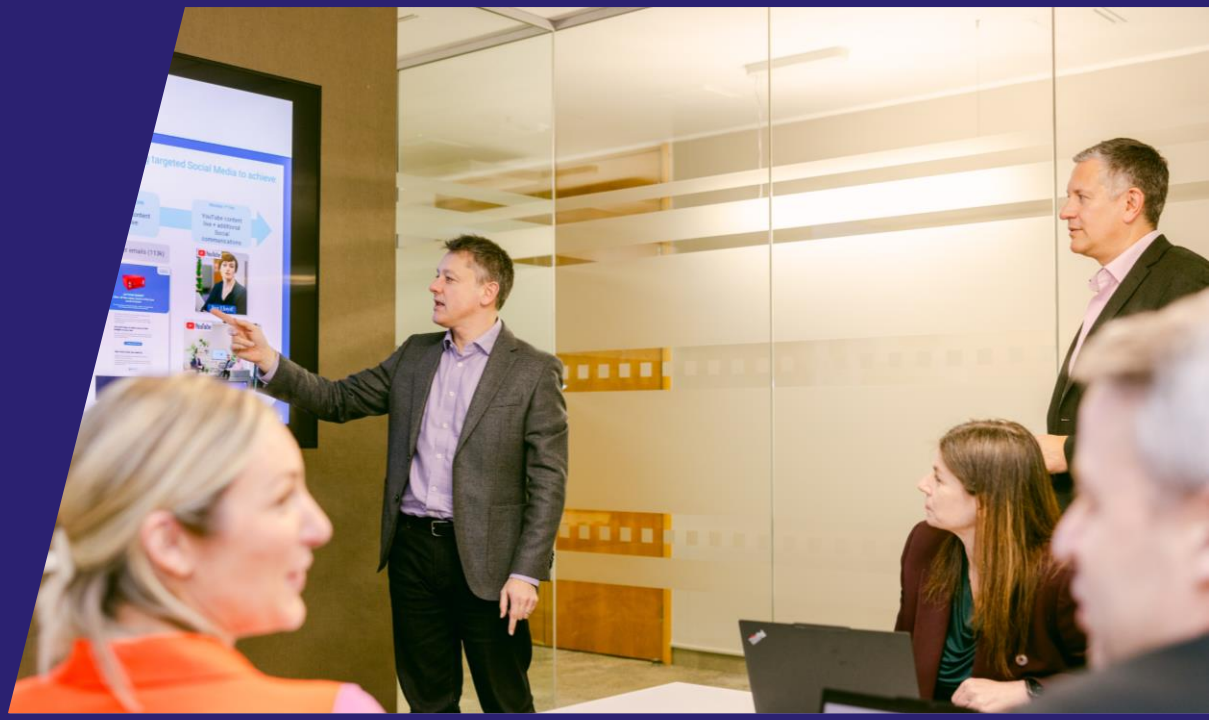
Responsible banking

Both the Society and SIL are signatories to the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking. Information against the five responsible banking principles are reported annually. In 2025, we published for the first time, a joint Principles for Responsible Banking Self-Assessment Report for the Society and SIL, rather than separate disclosures reported in the prior two years for each business. The joint report is available on our website.



Other information

This section brings together additional information that supports the report. It includes further detail on data limitations, our approach to materiality, our disclaimers and a glossary.



Our stakeholders

Understanding the sustainability issues that matter most to our stakeholders

The views of our members, along with other stakeholders, play an important role in how we understand and respond to sustainability-related risks and opportunities.

In 2023, the Group carried out a sustainability materiality assessment to gain insight into the issues that mattered most to our stakeholders and those most relevant to the long term success of our Group. The assessment helped inform our sustainability priorities and supported alignment with our purpose. In our last materiality assessment:

- We engaged with over 1,500 members and customers, 300 colleagues, 30 brokers, 10 of our key investors, our executive committee and risk experts across the Skipton Group. And overall, 19 key issues were identified across the Group.
- We found that stakeholders placed significant focus on factors such as maintaining our business resilience as well as employment conditions, pay, and diversity of our colleagues.
- We also noticed a strong sentiment towards issues relating to the products and services we provide, and how members and customers are supported and treated. This includes areas like responsible lending and lettings, financial wellbeing support, and provision of decent and affordable homes.

We followed double materiality principles, so we considered both how the Skipton Group could be impacted by sustainability issues and how our activities can impact society and the environment. For further information on the materiality methodology used in our assessment, please see the 2023 Group Sustainability Report Appendix.

Evolving our approach to materiality

Our materiality approach continues to evolve in line with regulatory developments, stakeholder expectations and the maturity of sustainability data and risk management practices.

We will enhance our materiality approach by conducting more detailed, risk-focused assessments of climate-relate risks, aligned with the PRA's Supervisory Statement SS5/25. Over time, we will broaden this work to cover a wider range of sustainability-related risks and impacts, supporting our preparedness for the UK Sustainability Reporting Standards (UK SRS).

This section is therefore included as contextual information, reflecting our most recent Group-wide sustainability materiality assessment, while our approach continues to develop.



Disclaimers

- This report has been prepared for information and reference purposes only; it does not provide any form of legal, tax, investment, accounting, financial or other advice.
- The preparation of this report requires the application of several key judgements, assumptions and estimates to be made. There is a risk that the judgement exercised, or the estimates or assumptions used, may subsequently be inaccurate.
- This report uses models, external data and other sources/methodologies, each of which are subject to ongoing adjustment and modifications beyond our control. The outputs of these sources can be materially affected by the quality of the underlying data used and the availability of high-quality historical and current data on emissions is currently a challenge. They may therefore be subject to uncertainties affecting the accuracy of their outputs.
- Reasonable care has been taken in the preparation of this report. However, to the extent permitted by law, Skipton Group does not guarantee and has not independently verified for fairness, accuracy, reliability, reasonableness or completeness the information from third party or public sources. Any opinions or conclusions from third parties in this report are their own and do not necessarily reflect Skipton Group's views.
- The quality of the data relied upon in ESG reporting is often not yet of the same standard as more traditional financial reporting and therefore presents an inherent limitation to the ESG performance reported in this report.
- This report and the information contained within it is unaudited.
- This report and any information contained or otherwise accessible through the websites mentioned in this report are historical and only speak as of their respective date. Except to the extent legally required, Skipton Group is under no obligation to update these materials.
- Reported numbers and projections reflect the best estimates and judgements made in good faith at the date of this report and forward-looking metrics will be inherently uncertain and subject to external factors.
- Forward-looking statements, particularly those regarding ambitions, metrics, targets, goals, strategy, scenario analysis and estimated climate projections and emissions, are generally not based on historical facts, but instead represent management's beliefs at the date prepared regarding future events, current plans, expectations and projections, and are subject to significant inherent risks, uncertainties and other factors which may result in Skipton being unable to achieve the current ambitions implied by such forward looking statements.
- There is a risk that the outputs may be misinterpreted or misused when dealing with concepts which are being developed and updated by regulators, governments and industry bodies, such as climate-related disclosures and other sustainability-related matters. This is due to the lack of established market standards, historical data/ reference points and benchmark data, particularly as is the case for climate change and how it is developing.
- Changes and the development of accounting and/or reporting standards could materially impact the performance metrics, data points and targets contained in this report. We expect policies, regulatory requirements, standards and definitions to be developed and evolve. Regular review of the available data sources will be conducted to enhance our methodology and processes to improve the robustness of the performance disclosed over time.
- As standards and practices evolve, it may mean subsequent reports do not allow a reader to compare performance metrics, data points or targets from one reporting period to another, on a direct like-by-like basis.

Limitations on data

The following notes on data assumptions apply:

- The following third parties provide energy consumption data across the Group: Envantage and Catalyst Digital Energy, for the period from 1 January to 31 December 2025. Whilst reasonable steps have been taken to ensure that the information provided is correct, their information may be incomplete, inaccurate or may have become out of date.
- Envantage independently calculate our Group scope 1 & 2 emissions. GHG emissions reporting is based on the principles of the GHG Protocol methodology.
- Envantage and Catalyst Digital Energy independently calculate our scope 3 value chain emissions, for the period 1 October 2024 to 30 September 2025.
- Envantage independently calculate the Society and SIL financed emissions from their mortgage portfolios as at 30 September snapshot, based on the PCAF 2019 standard and applying the PCAF emission factors.
- Where metered or invoiced data was unavailable at the time of reporting, consumption for missing periods was estimated or proxy data used. For properties where we do not hold the direct contract with utility suppliers (landlord sites) we often do not have visibility of electricity and gas consumption data. Here an estimation based on an average kWh consumption per square meter is applied. Actuals data on fugitive emissions is not available across the whole Group.
- The availability of accurate, verifiable, reliable, consistent and comparable climate data is crucial to our climate journey, including modelling our carbon emissions, setting our strategy, metrics and targets and monitoring progress. It is important to recognise the current limitations in the climate data available to inform these decisions and processes, and therefore our reliance on several assumptions, judgements and projections as a result.
- We continue to review available data sources and enhance our methodology and processes to improve the robustness of our sustainability reporting over time, aligned with emerging developments.

Addressing the climate crisis is not something the Skipton Group or any individual organisation can do on its own. Being clear about the risks in achieving our ambitions is important to us. There are many factors and uncertainties beyond our control. These include the macroeconomic environment, the extent and pace of climate change, and the effectiveness of the actions of others, including policy makers. These uncertainties will make it challenging for the Group to meet its climate ambitions and targets, so there is a risk that all or some of them will not be achieved.

Glossary

Climate-related risk	Climate-related risk refers to the potential negative impact that climate and environmental changes present to our business model.
Double materiality	Considering both how the Skipton Group is impacted by sustainability issues and how our activities can impact people and the environment.
EPC	Stands for Energy Performance Certificate. It is related to an energy rating scheme which identifies a household's energy efficiency level and potential energy efficiency level if improvements were to be made. EPC scores range from least efficient (G) to most efficient (A) on a scale.
EPC Plus Report	The Society's product for members and colleagues in partnership with Vibrant Energy. The service provides an EPC report with recommendations of energy-efficient improvements you could make to your home, the cost of carrying them out, and the potential savings that each one could generate.
Financed emissions	These are the greenhouse gas emissions associated with the investments and lending activities of an organisation (Scope 3 Category 15).
Greenhouse Gases (GHG)	Gases which absorb and re-emit infrared radiation, thereby trapping it in Earth's atmosphere. It includes carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3). These emissions add to the greenhouse effect — a contributor to climate change.
Materiality assessment	A materiality assessment is a structured process to gain insight into the sustainability topics that matter most to stakeholders of an organisation.
Net zero	Net zero is where the amount of greenhouse gases (GHGs) released into the earth's atmosphere is balanced by the amount of GHGs removed.
Retrofit	To add new energy efficiency technology or features to a property where these might not have been available at the time it was built. This can include solar panels, cavity wall insulation and improved glazing.
Scope 1 emissions	Under the Greenhouse Gas Protocol, scope 1 emissions include under the direct control of an organisation.
Scope 2 emissions	Under the Greenhouse Gas Protocol, scope 2 emissions include those generated from the purchase of electricity.
Scope 3 emissions	Under the Greenhouse Gas Protocol, scope 3 emissions result from the activities of the organisation, but not in their direct control. This includes areas like leased assets, suppliers and colleague commuting.
Stakeholder	A person, group or organisation with an interest in the decision-making and activities of an organisation.
tCO_2e	This stands for metric tonnes of carbon dioxide equivalent. It is a standard unit for measuring greenhouse gas emissions, accounting for the different Global Warming Potential that exists between greenhouse gases.

Report references and footnotes

1. FCA research shows that one in four UK adults have low financial resilience
2. Around 29 million UK homes need retrofitting
3. Almost two in three UK homeowners believe the cost of retrofitting is a big barrier
4. The Big Retrofit shortlisted at the 2025 Unlock Net Zero Awards in four categories
5. Around five million adults in Great Britain still live with their parents
6. Skipton Group's parliamentary reception on home affordability
7. The Treasury Select Committee's invitation to Skipton Group CEO
8. Building Society CEOs attended a Downing Street reception
9. One in four UK adults have low financial resilience, according to the FCA
10. Why the government wants you to invest
11. FCA data on UK adult's savings and their financial lives
12. The advice gap report - 91% say they found advice helpful
13. UK savers' confidence in retirement remains 'critically low'
14. FCA rolling out new rules to offer people targeted advice support
15. New Zealand research on internet and devices affordability
16. Fraud remains the most prevalent crime against individuals in England and Wales
17. Over £600 million stolen by fraudsters in first half of 2025
18. 26.4 million UK adults show characteristics of vulnerability
19. Vulnerable customers disclosing their needs to their financial services provider

We continue to review available data sources and enhance our methodology and processes to improve the robustness of our sustainability reporting over time, aligned with emerging developments.

Skipton Group



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Skipton Building Society is a member of the Building Societies Association. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, under registration number 153706, for accepting deposits, advising on and arranging mortgages and providing restricted financial advice.

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