Environmental, Social & Governance (ESG) Policy

ESG & Sustainability

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Document History

Version	Summary of changes made	Author	Date
2.0	Policy reviewed and updated following merge with healthcare rm and CA Case Management, and corporate re-brand.	Wendy Dickie-Clark	August 2024
3.0	Policy reviewed and updated to include changes to the Governance structure.	Wendy Dickie-Clark	April 2025
4.0	Policy comprehensively reviewed and updated for legal and regulatory compliance, including climate-related reporting, environmental management, employment and equality, data protection, ethical conduct, supply-chain due diligence and substantiation of ESG claims.	Wendy Dickie-Clark	May 2026
4.1	Policy revised to align with the Group's standardised policy framework, including updates to governance arrangements, roles and responsibilities, KPI oversight, ESG reporting, continual improvement provisions and policy review requirements.	Wendy Dickie-Clark	October 2026

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1 Policy Statement

The HCML Group is committed to conducting business responsibly, ethically and sustainably. We recognise that effective management of environmental, social and governance (ESG) matters is essential to delivering long-term value for our customers, clients, employees, business partners and wider stakeholders.

We are committed to minimising our environmental impact, fostering a safe, inclusive and supportive workplace, maintaining high standards of corporate governance, and integrating ESG considerations into strategic decision-making, risk management and operational activities across the Group.

Through this policy, HCML seeks to promote sustainable business practices, continual improvement and transparent reporting, while maintaining compliance with applicable legal, regulatory and contractual requirements.

2 Introduction & Purpose

The HCML Group recognises that environmental, social and governance considerations are fundamental to the long-term sustainability, resilience and success of the organisation.

This policy establishes the Group's commitments, objectives and governance arrangements relating to environmental stewardship, social responsibility and good corporate governance. It provides the overarching framework for managing, monitoring and continually improving ESG performance across all areas of the business. The Environmental Policy defines the environmental management commitments and arrangements, while the Carbon Reduction Plan sets out the carbon reduction targets, delivery priorities and performance monitoring arrangements.

This policy supports the delivery of the Group's wider business strategy and aligns with our commitments relating to carbon reduction, ethical business conduct, employee wellbeing, stakeholder engagement and responsible corporate governance.

3 Scope & Relevant Standards

3.1 Scope

This policy applies across the HCML Group and covers all activities, operations, services, functions, systems, processes and working arrangements undertaken by, or on behalf of, any HCML Group company.

References in this policy to the HCML Group, HCML, we, us or the Group shall be interpreted as applying to Health & Care Management Limited (HCML), Healthcare RM (HCRM), CA Case Management Limited (CACM) and Independent Living Solutions Limited (ILS), unless otherwise stated.

This policy applies to all employees, workers, directors, officers, contractors, consultants, associates, secondees, agency workers, apprentices, volunteers and any other individuals who perform work for, or on behalf of, an HCML Group company (collectively referred to as personnel).

Where relevant, this policy also applies to customers, clients, suppliers, partners, visitors and other third parties who interact with, provide services to, receive services from, or may otherwise be affected by the activities of the HCML Group.

This policy applies to all locations where HCML Group activities are undertaken, including company premises, home-working environments, remote-working locations, client sites and any other locations where work is carried out on behalf of the Group.

All persons within the scope of this policy are required to comply with its requirements and any associated procedures, standards, guidance documents and applicable legal, regulatory and contractual obligations.

Additional role-specific responsibilities and requirements are set out within the relevant sections of this policy.

3.2 Legal and Regulatory Framework

The HCML Group shall operate in accordance with all applicable legal, regulatory and contractual requirements relevant to its activities, including those relating to:

- Environmental protection and climate change;
- Equality, diversity and inclusion;
- Health, safety and wellbeing;
- Employment practices;
- Data protection and information governance;
- Anti-bribery and corruption;
- Modern slavery and human rights;
- Corporate governance and financial accountability; and
- Risk management and business continuity.

3.3 Accountability

Executive Committee

The Executive Committee is responsible for:

- Providing strategic direction, leadership and oversight in relation to ESG matters.
- Approving ESG objectives, commitments, policies and strategic priorities.
- Ensuring appropriate resources are available to support effective implementation.
- Reviewing significant ESG risks, opportunities, performance and emerging issues.
- Maintaining overall accountability for ESG governance and performance across the Group.

Quality Committee

The Quality Committee is responsible for:

- Monitoring ESG performance, objectives, KPIs and improvement initiatives.
- Reviewing progress against ESG commitments and strategic targets.
- Reviewing significant ESG-related risks, opportunities and areas for improvement.
- Providing assurance to the Executive Committee regarding ESG performance, compliance and continual improvement.

Quality & Compliance Coordinator

The Quality & Compliance Coordinator, on behalf of the Quality & Compliance Team, is responsible for:

- Coordinating the implementation, maintenance and review of the ESG framework, objectives and supporting documentation.
- Coordinating ESG data collection, performance monitoring, reporting and KPI management.
- Monitoring progress against ESG objectives and improvement plans, escalating significant issues where appropriate.
- Coordinating ESG-related audits, assessments and reporting activities.
- Supporting the management of ESG-related risks, opportunities and compliance obligations.

Managers

Managers are responsible for implementing this policy within their areas of responsibility, promoting ESG principles and supporting the achievement of ESG objectives. This includes managing relevant ESG risks and opportunities, delivering agreed improvement actions, and providing the performance information required for coordinated ESG reporting. Relevant risks, performance issues and delivery barriers shall be escalated through the Group's governance arrangements where necessary.

All Employees

All employees are responsible for supporting the objectives of this policy by conducting their activities in a manner consistent with the organisation's ESG commitments, complying with relevant policies and procedures, and reporting ESG-related concerns, risks, incidents or improvement opportunities through the appropriate channels.

4 Objectives

The HCML Group seeks to:

4.1 Environmental Sustainability

Reduce environmental impacts through responsible resource use, carbon reduction and sustainable business practices.

4.2 Social Responsibility

Provide a safe, inclusive and supportive working environment that promotes wellbeing, development and engagement.

4.3 Governance & Ethics

Maintain high standards of corporate governance, integrity, accountability and legal compliance.

4.4 Sustainable Growth

Embed ESG considerations within business planning, decision-making, risk management and continuous improvement activities.

5 Key Commitments & Practices

5.1 Environmental Commitments

The HCML Group will:

- Maintain an Environmental Policy and Carbon Reduction Plan;
- Measure and monitor its corporate carbon footprint;
- Support its Science Based Targets initiative (SBTi) commitments;
- Work towards reducing greenhouse gas emissions across its operations;
- Promote energy efficiency and responsible resource use;
- Reduce waste generation and encourage recycling;
- Consider environmental factors within procurement and supplier selection processes; and
- Promote environmentally responsible behaviours throughout the organisation.

5.2 Social Commitments

The HCML Group will:

- Provide a safe and healthy working environment;
- Promote equality, diversity and inclusion;
- Support employee wellbeing and mental health;
- Encourage learning, development and professional growth;
- Respect human rights and ethical employment practices;
- Maintain effective safeguarding arrangements where relevant; and
- Engage positively with customers, clients, communities and stakeholders.

5.3 Governance Commitments

The HCML Group will:

- Act honestly, ethically and transparently;
- Maintain effective governance and accountability arrangements;
- Comply with applicable laws, regulations and contractual obligations;
- Operate effective risk management processes;
- Protect confidential information and personal data;
- Maintain arrangements for reporting concerns and protected disclosures; and
- Promote a culture of integrity across all areas of the business.

6 Metrics, Reporting & Continuous Improvement

The HCML Group shall establish, monitor and review appropriate Environmental, Social and Governance (ESG) objectives, targets and key performance indicators (KPIs) to support effective performance management, informed decision-making and continual improvement.

6.1 ESG Performance Measures

Environmental Metrics

- Corporate carbon footprint;
- Scope 1, Scope 2 and Scope 3 greenhouse gas emissions;
- Energy consumption and efficiency;
- Business travel emissions;
- Water consumption;
- Waste generation and recycling performance;
- Supplier sustainability performance and sustainable procurement initiatives; and
- Progress against carbon reduction commitments and environmental objectives.

Social Metrics

- Employee engagement and feedback;
- Employee wellbeing initiatives and participation;
- Learning, training and professional development activities;
- Equality, diversity and inclusion measures;
- Health and safety performance;
- Employee retention and turnover; and
- Stakeholder and community engagement activities.

Governance Metrics

- Policy review and governance programme completion;
- Compliance audit and assurance activities;
- Risk management and mitigation actions;
- Information governance and data protection performance;
- Regulatory and contractual compliance measures;
- Whistleblowing, complaints and incident trends; and
- Completion of mandatory training and governance requirements.

6.2 Reporting

For each agreed ESG objective and KPI, supporting records shall identify the responsible owner, measure and unit, data source, baseline where applicable, target, reporting frequency and progress against the target. Data limitations and corrective actions shall be recorded and reported alongside performance results.

ESG performance shall be monitored through appropriate management information, audits, assessments, management reviews, risk management activities and performance reporting arrangements.

Environmental performance monitoring shall include annual corporate carbon footprint assessments, with 2022 as the Group's approved baseline year for carbon reporting and target-setting purposes. The reporting year of each assessment shall be distinguished from the baseline year used to measure progress.

ESG claims and disclosures shall be accurate, clear, evidence-based and proportionate. Supporting records shall identify the reporting period, organisational boundary, source data, calculation methodology and material limitations. Commitments, implemented measures and achieved results shall be distinguished, and external disclosures shall be subject to appropriate review and approval.

Performance information shall be reviewed periodically to identify trends, evaluate progress against objectives, assess risks and opportunities, and support evidence-based decision-making.

6.3 Continuous Improvement

The HCML Group is committed to the continual improvement of its ESG performance. Objectives, targets and performance measures shall be reviewed periodically to ensure they remain relevant, proportionate and aligned with strategic priorities, stakeholder expectations, legal and regulatory requirements, and recognised good practice.

Where opportunities for improvement are identified, appropriate actions shall be implemented, monitored and reviewed through the Group's governance and management arrangements.

7 Environmental Responsibility

The HCML Group is committed to responsible environmental stewardship.

Environmental priorities include:

- Carbon reduction and climate action;
- Energy efficiency;
- Waste reduction and recycling;
- Responsible consumption of resources;
- Sustainable procurement;
- Pollution prevention; and
- Continual improvement of environmental performance.

Detailed environmental commitments and operational arrangements are defined within the Environmental Policy and Carbon Reduction Plan.

8 Social Responsibility

The HCML Group recognises that its people are fundamental to its success.

We are committed to:

- Providing fair and equitable employment opportunities;
- Promoting diversity, equality and inclusion;
- Supporting physical and mental wellbeing;
- Providing safe systems of work;
- Encouraging employee engagement and participation;
- Supporting learning and professional development; and
- Treating all individuals with dignity, fairness and respect.

9 Governance & Ethical Business Conduct

The HCML Group maintains governance arrangements designed to support accountability, transparency and responsible decision-making.

This includes:

- Effective leadership and oversight;
- Compliance with legal and regulatory requirements;
- Ethical business conduct;
- Information governance and data protection;
- Financial accountability;
- Risk management;
- Anti-bribery and anti-corruption controls;
- Modern slavery prevention; and
- Protected disclosure and whistleblowing arrangements.

10 Stakeholder Engagement

The HCML Group recognises the importance of meaningful engagement with stakeholders.

We will seek to understand stakeholder expectations and material ESG issues and will consider these within decision-making, risk management and continual improvement activities.

Key stakeholders may include:

- Employees;
- Customers and clients;
- Commissioners and insurers;
- Suppliers and business partners;
- Regulators and industry bodies;
- Local communities; and
- Shareholders and investors.

11 Monitoring, Measurement & Reporting

ESG performance shall be monitored through the objectives, targets, key performance indicators (KPIs), reporting arrangements and performance measures defined within Section 6 of this policy.

The Quality Committee shall review ESG performance information at planned intervals and provide assurance to the Executive Committee regarding progress against ESG objectives, commitments and improvement initiatives.

Where performance issues, emerging risks, non-conformities or opportunities for improvement are identified, appropriate corrective actions shall be implemented and monitored through the Group's governance arrangements.

Environmental performance monitoring shall include annual corporate carbon footprint assessments using 2022 as the approved baseline year for Science Based Targets initiative (SBTi) reporting and target-setting purposes.

12 Policy Review

This policy shall be reviewed at planned intervals to ensure it remains current, effective, proportionate and aligned with the HCML Group's strategic objectives, legal and regulatory obligations, contractual requirements and recognised good practice.

This policy shall be reviewed at least annually, or sooner where required as a result of:

- Changes in applicable legislation, regulation or regulatory guidance;
- Changes to organisational structure, business activities, services, systems or processes;
- Findings arising from audits, assessments, inspections or management reviews;
- Changes in strategic objectives, ESG-related risks, stakeholder expectations or sustainability commitments, or
- Any other circumstance that may affect the suitability, adequacy or effectiveness of this policy.

The Quality & Compliance Coordinator, on behalf of the Quality Team, shall coordinate the review, maintenance and periodic update of this policy and ensure that any proposed amendments are appropriately consulted upon, documented and communicated.

The Quality Committee shall:

- Review ESG performance, objectives and associated Key Performance Indicators (KPIs) at least annually.
- Monitor progress against ESG commitments, improvement objectives and strategic sustainability targets, including relevant environmental, social and governance priorities.
- Review the implementation, effectiveness and continued suitability of this policy.
- Provide appropriate assurance to the Executive Committee regarding ESG performance, compliance, risk management and continual improvement activities.

The Executive Committee retains overall accountability for approval of this policy and for ensuring that appropriate governance arrangements, resources and oversight mechanisms remain in place to support its effective implementation.

Superseded versions of this policy shall be retained and managed in accordance with the Group's document control and records management requirements.

13 Relevant Documentation

This policy should be read in conjunction with HCML's wider governance framework, including:

- Environmental Policy
- Corporate Social Responsibility (CSR) Policy
- Equality, Diversity & Inclusion Policy
- Health & Safety Policy
- Modern Slavery Statement
- Anti-Bribery & Corruption Policy
- Information Governance and Data Protection Policies
- Business Continuity Policy
- Clinical Governance Policy
- Risk Management Framework
- Carbon Reduction Plan
- Other ESG-related strategies, commitments, procedures and governance documents as applicable.