



ESG Target Results – FY 2020/21



Kensington **Environmental**

	TARGET'S AREAS	DEPARTMENT	COMMENTS	TRACKING
ACHIEVED	REDUCE ENERGY CONSUMPTION by 20% by 2025	HR	<ul style="list-style-type: none"> - Electricity consumption only - Exclude water usage given it is done on the basis of premise's apportionment so no data on the actual consumption of water 	<ul style="list-style-type: none"> - FY19-20: Use of 1,684k Kwh - FY20-21: Use of 1,302k Kwh (across both offices) - Reduction by 23% of electricity
ACHIEVED	REDUCE PAPER WASTE BY 20% BY 2025	HR	<ul style="list-style-type: none"> - Paper includes onsite and offsite printings 	<ul style="list-style-type: none"> - FY19-20: total of 6m pages printed // FY20-21: total of 3.8m pages printed - Reduction by 37% of paper generated
ACHIEVED	RECYCLING 30% OF ALL WASTE	HR	<ul style="list-style-type: none"> - Total waste include general waste and confidential waste - Waste data incl. Maidenhead only except confidential paper which is tracked for both offices - The landlord in London manages the general waste so we do not have any data on recycling 	<ul style="list-style-type: none"> - Total waste generated is 18,077 kg - Total recycled waste is 15,229kg - Kensington recycled 84% of its total waste tracked
COVID CHALLENGED	REWARD 30% OF EKO CASHBACK BORROWERS WITH £1,000	PRODUCT	<ul style="list-style-type: none"> - Product relaunched in September (was withdrawn in March-20) 	<ul style="list-style-type: none"> - £19.5m completions (144 loans) - No borrower has claimed the £1,000 cashback yet given current COVID-19 restrictions



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ACHIEVED	LEND 50% OF OO NEW PRODUCTION TO SOCIAL BORROWERS	CAPITAL MARKETS	ISS (third party opinion provider) confirmed Kensington's social bond framework is aligned with the Social bond criteria of ICMA and contributes to the achievement of the UN SDGs	100% of Kensington OO loans originated post-crisis provide clear social benefits for the borrowers that are considered underserved
COVID CHALLENGED	10% OF STAFF TO TAKE UP THE VOLUNTEERING DAY	HR / MARKETING	Given the multiple lockdowns and associated restrictions, several employees had to cancel their planned volunteering day	- 33 employees have completed their volunteering day i.e. total of 6.3% of staff
COVID CHALLENGED	SHORTLIST AN EQUAL PROPORTION OF MALE AND FEMALE FOR BAND D ROLES	HR	<p>Only 2 senior roles were offered since the beginning of the fiscal year: CFO role and Head of Technology Services</p> <p>In Band A, we recruited a total of 67 people since Apr-20 of which 62% are female</p>	<p>2 senior recruitments only</p> <ul style="list-style-type: none"> - CFO role: 4 male candidates shortlisted (no female) - Head of Technology services: 50/50 shortlisted candidates <p>Given the pandemic, the Group froze its recruitment's process during the first 6 months of 20/21</p>
ACHIEVED	WELLBEING	HR	Kensington did 2 pulse surveys in May-20 and Jan-21 where respectively 86% and 83% of employees participated	The agreement score for the wellbeing section was respectively 88% and 86% (>85%) – ETS benchmark is 77%



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Kensington **Governance**

PARTIAL

ACHIEVED

ACHIEVED

TARGET'S AREAS	DEPARTMENT	COMMENTS	TRACKING
DATA PROTECTION	OPERATIONS / IT	Kensington continuously complies with GDPR and DPA2018 regulations (2 satisfactory audits undertaken by BDO in 2019 and 2020 to confirm adherence to data protection legislations)	The ISO27001 certification was last received in Dec 2019 and lasts for 3 years (expiry in Dec-22) – 6 month review in Nov-20 confirming our adherence to the certification We fully align to the Cyber Essentials Plus requirements, however we have implemented alternate compensating controls where there is a clear business rationale or requirement for us to do so
GOVERNANCE STRUCTURE	Legal / Finance (Richard Cull / Alex Filshie)		No unqualified opinions received from auditors in the last 5 yrs Kensington Board consists of independent non-executive directors
CORPORATE RISK MANAGEMENT	RISK (Rupert Carlton)		Kensington has an independent risk function and a 3-line of defence governance model; Kensington complies with the SMCR conduct rules from the FCA