

# Environmental, Social and Governance (ESG) Policy Statement

## SUSTAINABLE BUSINESS PRACTICES

Founded in 1994, National Coastwatch Institution (NCI) is a respected part of the Search and Rescue (SAR) organisation with a proven track record as an asset of Her Majesty's Coastguard (HMCG). In addition to delivering an important service to our communities, we're committed to incorporating sustainability as a core value within our organization.

We believe our commitment to pursuing ESG initiatives can be achieved in parallel with building the long-term interests of our members, our partners, and the public. The integration of sustainable business practices creates lasting results in the communities in which we live and operate.

NCI Board of Trustees is responsible for reviewing and overseeing corporate responsibility policies and programs. Our Management Executive, including the Chief Executive Officer, oversees the implementation of these policies and coordinates our efforts to identify, address, train, and report on our ESG risks and opportunities and foster a dialogue on these issues with ESG experts, our members and other stakeholders.

The Trustees play a vital role in providing leadership to define NCI's strategic orientation and overall risk governance. It is the Trustee's duty to identify the most important risks that affect NCI's activities, operations, and ability to achieve its objectives. The Trustees recognise that they have a legal responsibility to prioritise risks which can affect NCI's resilience and viability in the future.

The Trustees have the key role in ensuring the integration of ESG matters within core strategy, business operations, supply chains and enterprise risk management; in essence within all procedures and decision- making processes. Thus, they are supported by an appropriate governance structure.

## ESG POLICY STATEMENT

NCI is committed to building environmental sustainability, social responsibility, and effective corporate governance into all aspects of our business. This ESG policy statement reflects our commitment to improving how our business decisions and policies address opportunities for sustainability. We expect this policy statement to be upheld by all members of the organisation, including Trustees, members of the Management Executive and National Officers. As we look ahead to the future, we will continue to be transparent and remain focused on expanding our sustainability efforts.

## ENVIRONMENTAL SUSTAINABILITY

NCI is committed to operating in an environmentally responsible manner to reduce our impact on climate change, conserve natural resources and operate in compliance with environmental regulations.

## SOCIAL RESPONSIBILITY

NCI is committed to being a socially responsible organisation by fostering an environment within our membership of diversity and inclusion across our business, with a focus on empowering all regardless of any factor other than ability, operating ethically and supporting our local communities.

#### **CORPORATE GOVERNANCE**

We are committed to building a culture dedicated to ethical business behaviour and responsible corporate activity. We believe strong corporate governance is the foundation to delivering on our commitments.

#### STATEMENT ON CLIMATE CHANGE

NCI is committed to protecting the earth's vital natural resources and reducing its environmental impact by operating in an ethical and responsible manner. We recognize that climate change is a global issue that requires the cooperation and contributions of all citizens, organisations, and governments, nationally and globally.

Reducing greenhouse gas emissions, switching to renewable energy sources when possible and taking other actions to mitigate the effects of climate change are necessary to help protect our future.

We are in support of the 2015 Paris Climate Accord, which aims to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius.

We believe we have an opportunity to further address climate change by making our own organisation more sustainable and by implementing effective solutions across our organization, supply chain, and business partners.

#### SUSTAINABLE FUTURE

As a national charity, we believe we play an important role in building a sustainable future for our members, our environment, and the communities in which we live and operate. Specific to our activity, we are focused on the following opportunities related to climate change and sustainability:

- Reducing the organisations carbon footprint by tackling low carbon opportunities such as reducing waste and conserving natural resources throughout our organization
- Helping create happy, healthy communities in part by educating our members, business partners and other stakeholders on environmentally sustainable practices
- Complying with all relevant and applicable local, and national environmental laws, policies, and regulations

To this end Trustees, and those of the Management Executive of NCI, are encouraged to expand their knowledge on ESG matters through continuous learning. This includes calling on external experts when relevant. It is seen to be important to ensure, through proper due diligence, that any external experts used meet independence requirements. Further, Trustees, and those of the Management Executive of NCI, and others within the organisation, are encouraged to review initiatives, such as <u>Chapter Zero</u> or <u>Climate Governance Initiative</u>, which may help such key individuals to enhance their skills to lead discussions on the impact of climate change on NCI.

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