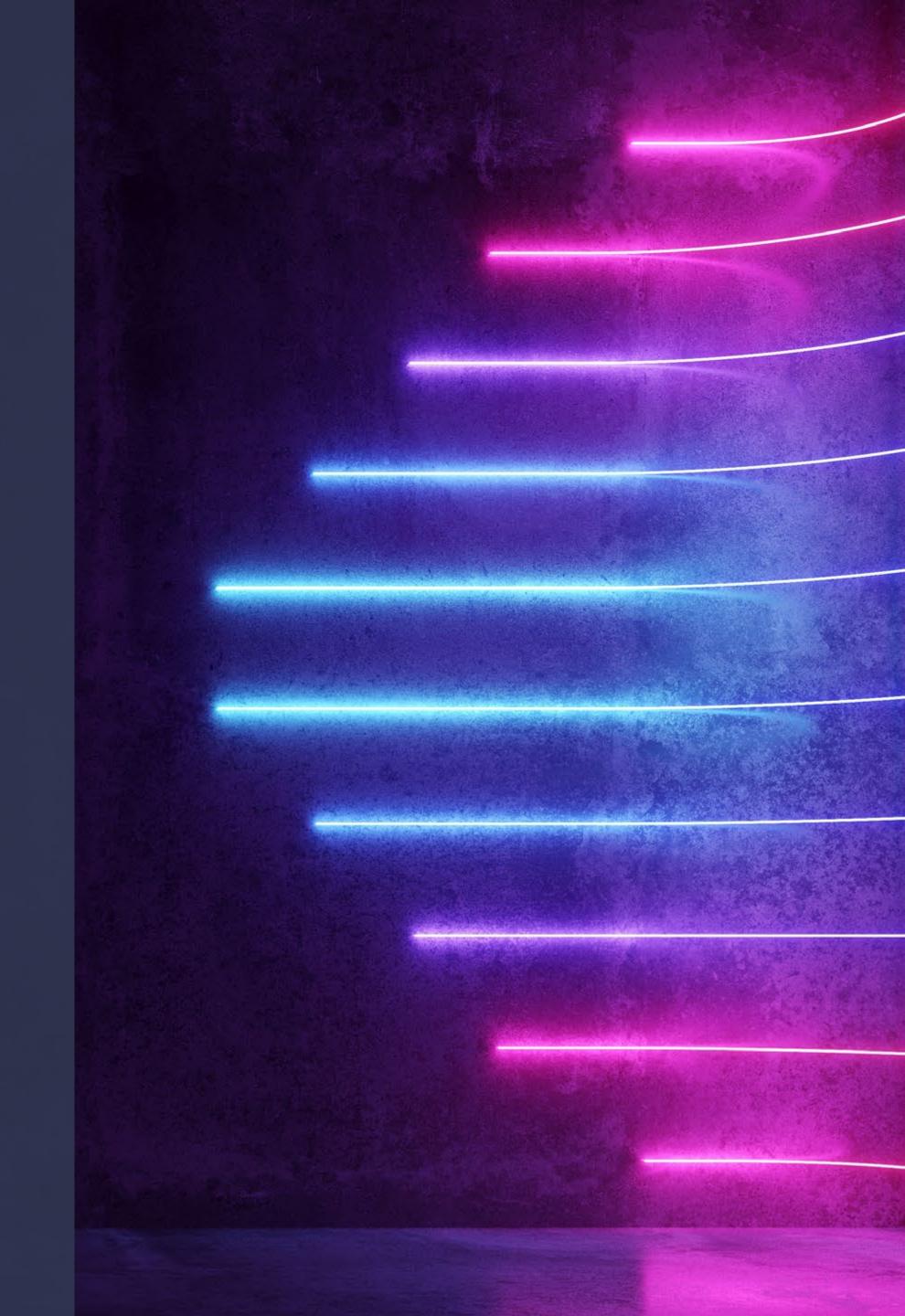
GROWING RESPONSIBLY AND SUSTAINABLY

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE 2022

babington



Babington is a UK-based learning provider of apprenticeships, short courses, and professional qualifications. We help **organisations** solve challenges around talent acquisition, upskilling, and reskilling to support organisational outcomes and drive performance.

We help individuals discover and realise their dream careers: from matching entry level roles with the right candidates, to providing routeways to career progression for those right the way up at the top of their profession.

In the wake of an extraordinary year, we have decided to formalise and strengthen our commitment to growing a sustainable and responsible business that puts benefit to people and society at the heart of its operation.

CONTENTS

PURPOSE, VALUES, STAKEHOLDERS

STATEMENT FROM DAVID MARSH CEO

BABINGTON AT A GLANCE

THE 5 PILLARS OF ESG — SUMMARY

PROGRESS TO DATE

OBJECTIVES AND TARGETS

ADDITIONAL DISCLOSURES

OUR PURPOSE

Developing better futures – for individuals, for organisations, for society

We believe in the right to lifelong learning and education for all.

We believe in building the skills and knowledge for sustainable organisational performance. We believe in creating a meaningful legacy and a better, more sustainable future for all the communities we touch.

OUR VALUES

BRAVE: We are brave and challenge the status quo,

embracing difference and change.

CARING: We do the right thing. We work collaboratively,

consistently doing what we commit to.

CURIOUS: We are constantly curious, actively finding

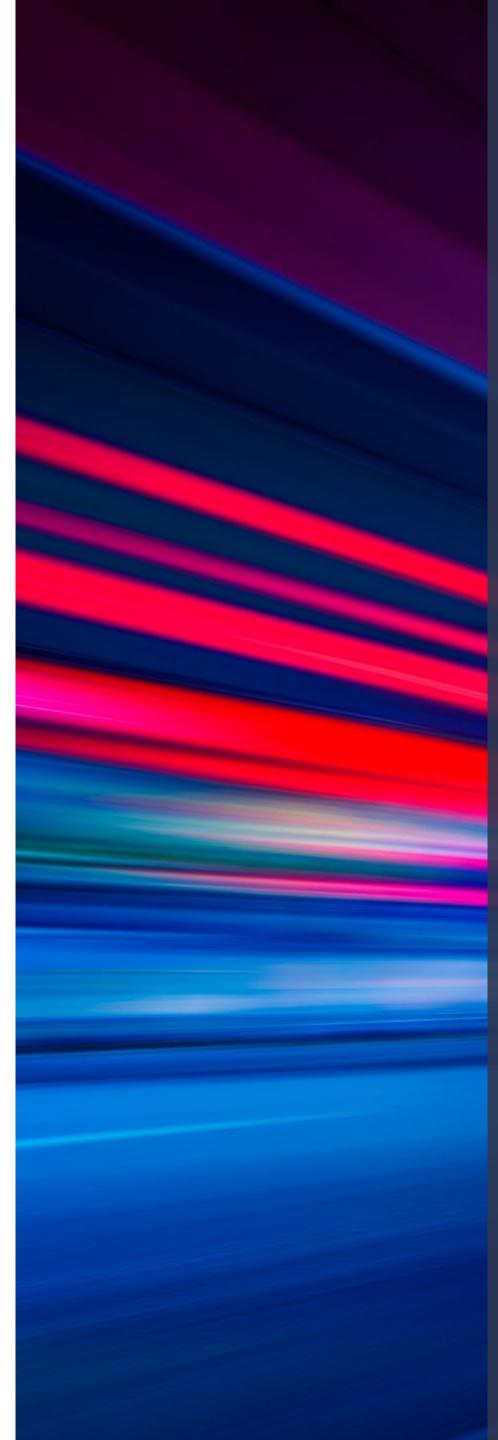
out how things work and why, exploring how we may do things differently to succeed.

DETERMINED: We are driven to ensure we achieve and take

accountability for our results.

PASSIONATE: We are passionate about delivering the highest

quality of service to build a legacy of excellence.



OUR STAKEHOLDERS



LEARNERS:

At the heart of what we do – we believe in inclusive and fair access to education.



CUSTOMERS:

We will work hard to partner with all of our employer customers to develop their people and their organisational drivers around the skills and sustainability agenda.



EMPLOYEES:

We are a business that relies on the people who we employ, and a key focus for us is to build a great place to work for all, through development, job satisfaction, recognition, reward and career opportunity. Our company culture supports and celebrates diversity and inclusion at all levels.



SOCIETY:

Our choices and our actions are mindful, measured, and considerate of the progression of our society and the protection of our environment.



INVESTORS:

We endeavour to build a strong and successful business that delivers value to our stakeholders.

AN EXTRAORDINARY YEAR, AND A PLATFORM FOR CHANGE



David Marsh
Chief Executive Officer

There is no doubt that the past couple of years have challenged us all to think and act differently. Whether that manifests in the way we do business, or in the way we conduct ourselves as a society, the pandemic catalysed change on an unprecedented scale.

Yet amidst the challenge and uncertainty we witnessed an almost incredible ability to adapt and innovate that was considered impossible pre-pandemic. Now, as we look to recovery, it's this innovation, resilience, and increased social and environmental conscience that we want to preserve and grow.

As UK Government continues to shape plans and ambition for levelling up, people, talent, and skills rightfully take a leading role in national recovery, and in building a better, brighter future.

And with all of this as a fitting backdrop,

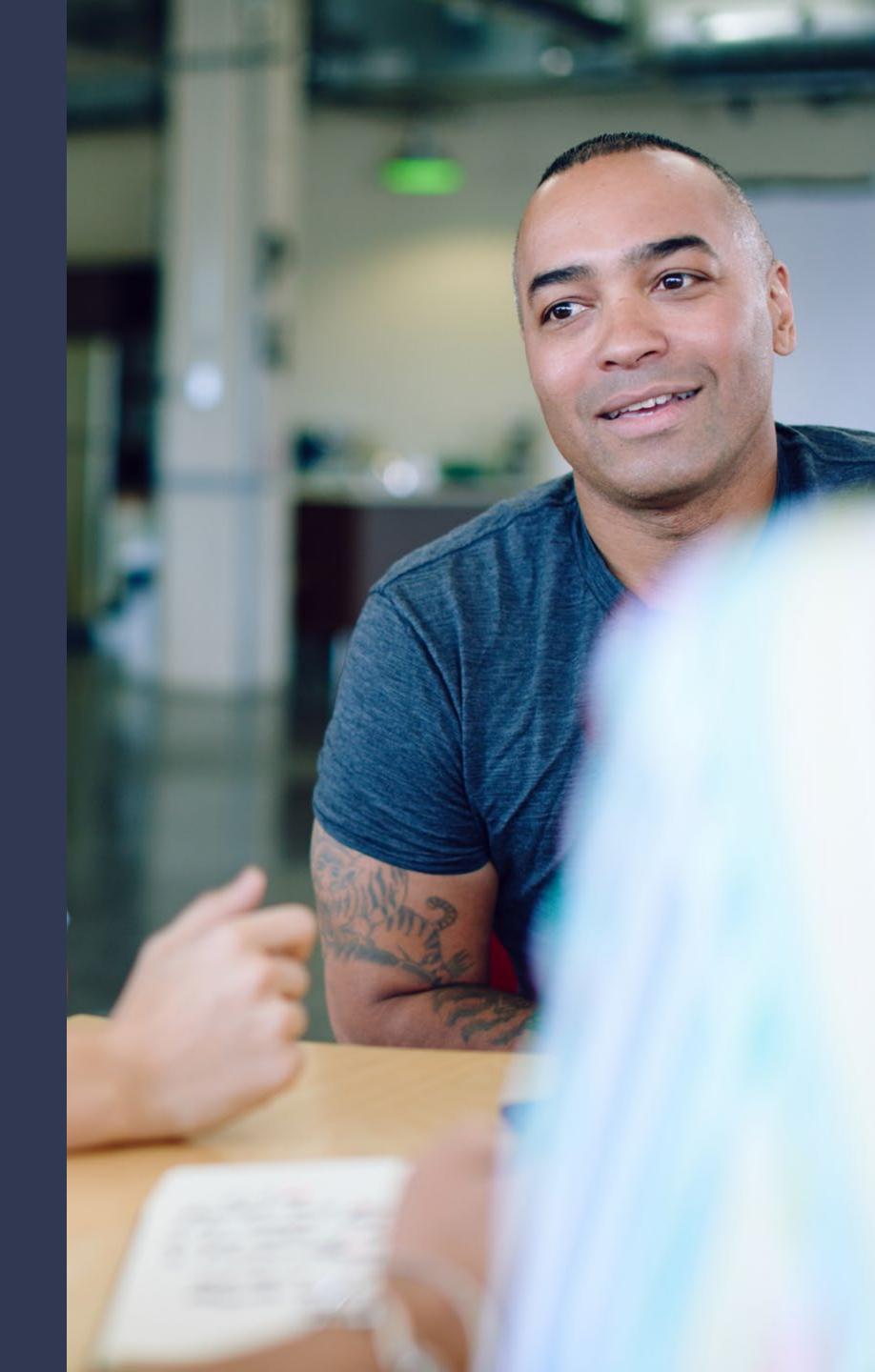
Babington has a renewed ambition of its own

– to continue to develop better futures for all,
but in a way that is ever more sustainable,
environmentally conscious, and purpose-led.

To this end, I am delighted to be championing an organisational strategy that encompasses Environment, Social, and Governance (ESG) measures in its future milestones and outcomes over the next five years.

This report provides an overview as to how we continue to adapt our approach to ensure positive outcomes for our people, our communities, and our planet. It also provides insight into how we will measure success and implement both strategic and practical actions that will positively impact ESG in the long term.

Our mission is to develop better futures in a way that contributes to society, improves livelihoods, and solves UK talent shortages for our employer partners – and myself and our Leadership Team are all personally committed to delivering these ambitions. As we look to the future, we continue to recognise the hard work of all our employees, and welcome feedback and ideas to further develop Babington itself as a force for good.

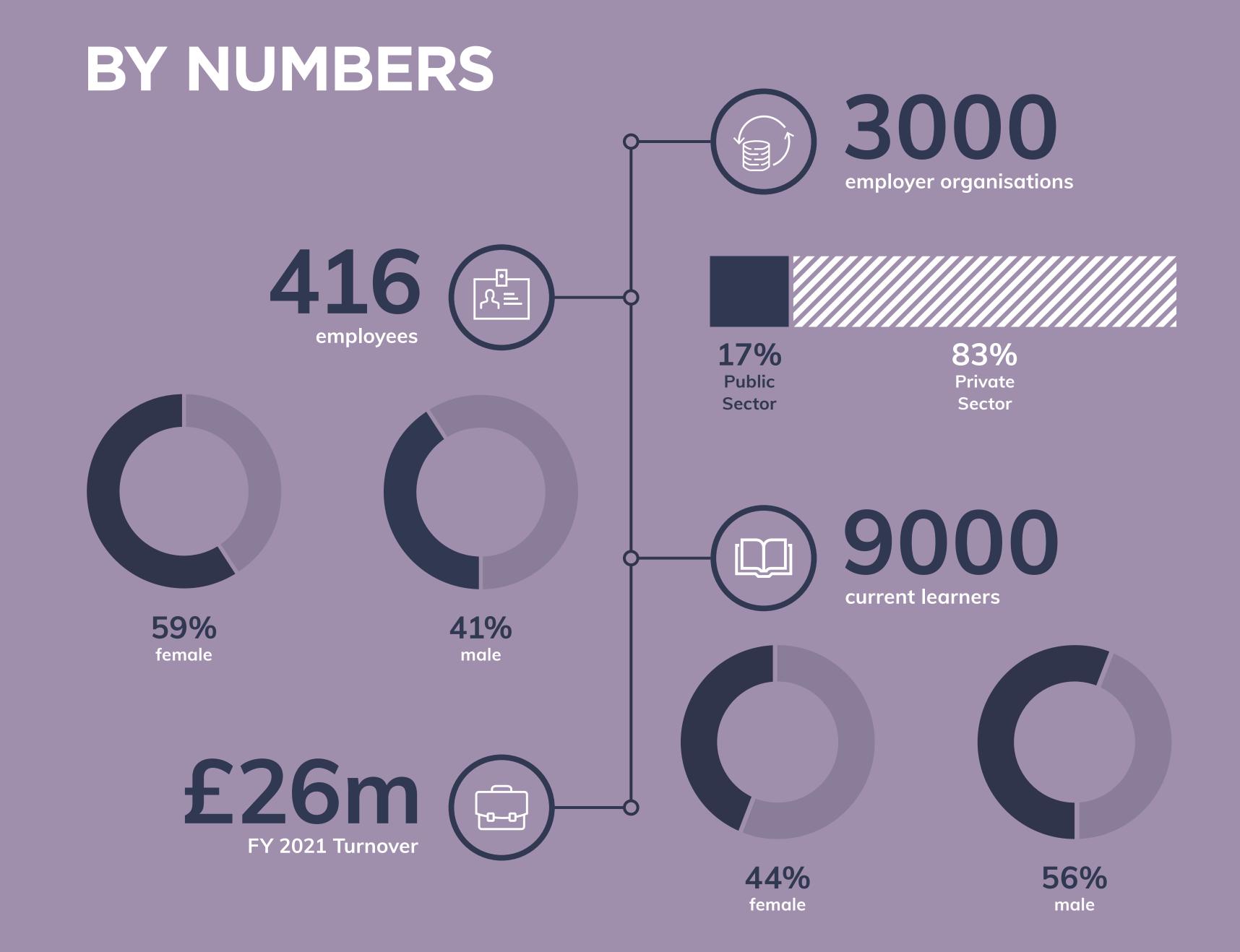


BABINGTON AT A GLANCE

Babington employs over 400 people across the UK, working remotely to deliver training interventions to over 7000 learners every year.

Our mission of developing better futures is reflected in our learner outcomes, with over 7000 learners achieving their apprenticeship over the last five years, placed over 900 young people not in education employment or training (NEETs) into work across over 3000 employers.

Babington partners with employers to deliver innovative learning solutions, using the latest learning technologies across a multitude of sectors, from Financial Services, Accountancy, and Public Sector, to Retail, Logistics, and UK infrastructure.



THE 5 PILLARS OF ESG

It is our goal to establish Babington as a responsible and sustainable company that parallels the quality of our reputation as a leading training provider and demonstrates sustainable best practice.

In December 2021, Babington engaged sustainability consultants Rawstone to complete a materiality analysis which helped us define the most important ESG-related issues that apply to our business.

As a result, we have established a Sustainability and ESG Committee responsible for programme governance, approved a 5-year sustainability strategy with targets across all priority areas, and developed a comprehensive delivery plan.

We have produced a new Sustainability & Social Value

Policy which outlines our commitment, governance
approach and strategy towards all areas of sustainability.

5 PILLARS

1. GOVERNANCE:

Ensuring we are meeting all regulatory compliance requirements and have a structured approach to managing and reporting our impacts.

- + ESG policies
- + Business ethics
- Regulatory compliance
- + ESG reporting



2. CUSTOMERS & LEARNERS:

Learner education and welfare, including embedding sustainability into our core course curriculum.

- + Providing quality training and further education for all
- + Embedding sustainability into training

3. ENVIRONMENT & CLIMATE CHANGE:

To minimise our operational impacts on the environment and educate our staff and learners on how they can personally make a difference.

- + Energy & carbon
- + Waste and resources

4. EMPLOYEE ENGAGEMENT:

With a focus on diversity, inclusion, and wellness.

- + Employee Engagement
- + Diversity & Inclusion
- Wellbeing
- Flexible Working

5. COMMUNITIES:

Positively contributing to our local communities and wider society.

- + National Charity Partnerships
- + Local Community Engagement
- + Creating jobs

WHAT HAVE WE ACHIEVED TO DATE?

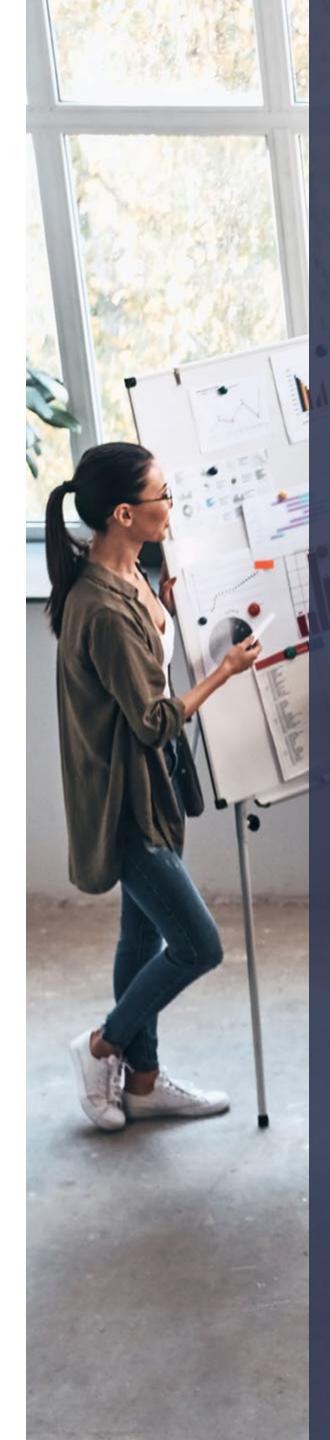
Learnings through Covid

Throughout the Covid-19 pandemic, Babington made positive changes that we now intend to build on.

We successfully moved to a remote working model, ensuring our learners continue to progress on their programmes, and attain their qualifications.

We switched to fully blended learning models that enhanced digital delivery and resulted in learner achievement despite the disruption of the pandemic. Babington continues to strengthen its digital channels, putting positive learner experience and community-building at the heart of our new and emerging technology strategy.

We are using our learnings from this new way of working to ensure a hybrid model continues to achieve the positive environmental results we have seen to date, by reducing our physical footprint, and all unnecessary travel.



ENVIRONMENT

Part of Babington's materiality report included measurements of the company's 2020 carbon footprint for Energy Saving Opportunity Scheme (ESOS) compliance.

While the second phase of these regulations is now closed, Babington will be disclosing its carbon emissions in ESOS phase two in December 2023.

- During this interim period, Babington is measuring emissions from business travel and making changes to ensure a positive environmental impact
- + While measuring takes place, current plans will ensure carbon neutrality is achieved by the end of 2022.
- In 2023 plans will be developed to move to carbon net zero, and will include membership of Race to Zero in 2022.

As a result of the Covid-19 pandemic, Babington has seen a reduction in carbon by over 33% and we will continue to encourage colleagues to think carefully about their need to travel.

Further support in this regard is taking place with a change in our property strategy.

PROPERTY STRATEGY

In 2021 Babington has reduced its office floor space by 47%.

As hybrid working is launched, new property plans will encompass smaller properties that support the hybrid approach of home working and less frequent face to face meetings.

All future property leases will be procured based on the following principles

- Mandated renewable electricity
- Prioritisation of property with renewable heating/cooling systems
- + Detailed energy and waste assessment scoring



CODE OF CONDUCT

The Babington code of conduct applies to everyone who works at Babington, summarising the key standards of behaviour and values expected of all employees.

The code is supported through mandatory training delivered at induction, and refreshed annually.

This policy reiterates core standards within other Babington policies, supporting employees in the maintenance of standards, and their ability to raise concerns and utilise confidential whistleblowing where required.

Other policies that support Babington standards of behaviour and values include Code of Conduct, Bribery and Corruption, Health & Safety, Environment & Climate Change Policy, Whistleblowing, Equality, Diversity & Inclusion, Safeguarding and Information Security.

EXTERNAL PARTNERSHIPS / ACCREDITATIONS

CURRENT

- Investors In People Gold (2022 award)
- + Association of Apprenticeships (Founding Partner)
- + Society of Education and Training (Corporate Patron)
- + Disability Confident
- + 5% Club
- + St Martins Group (Chair) driving the sustainability of employee development
- + ISO 27001:2013

ASPIRATIONAL

We are looking to form these partnerships in the near future.

- + Race to Zero
- + UN Global Compact
- + Inclusive employers
- + Mental Health at Work Commitment

UN Global Compact Signatory

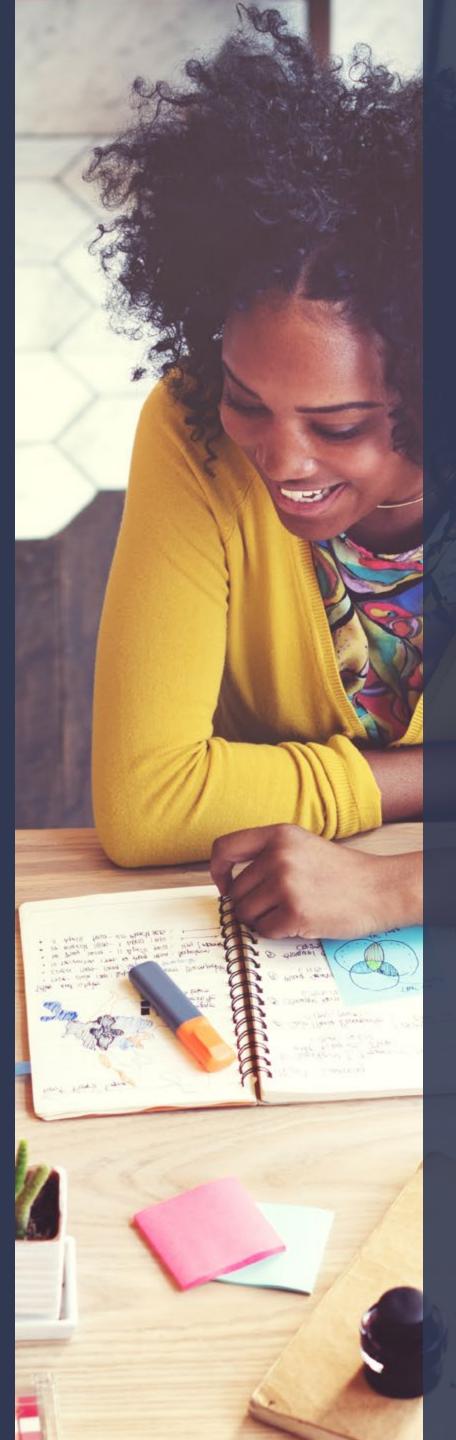
Babington is currently applying to become a UN Global Compact Signatory, meeting the 10 principles of the International Labour Organisation (ILO). The Global Compact is the world's largest responsible business initiative connecting UK companies and other organisations in a global movement dedicated to driving sustainable growth through practical sustainability leadership and knowledge sharing.

The UN Global Compact's universally recognised Principles, rooted in UN treaties, provide a robust foundation from which we lead UK business action on the Sustainable Development Goals.



UN SUSTAINABLE DEVELOPMENT GOALS

Babington manages and reports on ESG performance through the UN Sustainable Development Goals:



ESG STRATEGY PILLARS



CUSTOMERS / LEARNERS

SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

The purpose of our business is to deliver quality further education courses and better futures for all our learners.



EMPLOYEES / LEARNERS

SDG 5: Achieve Gender Equality and Empower all women and girls.

Embedding the principle of gender equality in all training materials to ensure they are gender neutral/fair; providing flexible delivery times and distance learning for many of our courses. Applying the principle of gender equality to our employee policies and processes and offering flexible working.



CUSTOMERS / LEARNERS

SDG 8 – Decent Work and Economic Growth.

As a further education provider including apprenticeships, by nature of our business and what we do, we contribute to the goal to substantially reduce the proportion of youth not in employment, education, or training (NEETs).

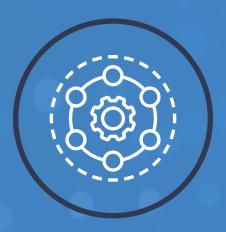


CLIMATE CHANGE

SDG 13 - The urgent action to combat climate change and its impacts.

Babington is committed to reducing their carbon emissions and supporting the global efforts to achieve net zero.

OBJECTIVES



GOVERNANCE

+ Babington will have an industry-leading governance structure, utilising both an internal board and external consultants over the next five years, leading sector, and industry best practice events in 2023 and 2024.



CUSTOMERS& LEARNERS

- + Babington will support over 50,000 learners in the achievement of their chosen qualifications by the end of 2027
- + All Babington
 programmes will have
 sustainability modules
 embedded by the end of
 2023, bringing the latest
 sustainability information
 to our learners



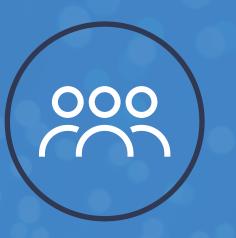
ENVIRONMENT & CLIMATE CHANGE

- + Babington will have a carbon neutral operation by the end of 2022, and a long-term environmental policy that supports net zero emissions
- + Babington will have net zero emissions by 2040



EMPLOYEE ENGAGEMENT

+ Babington will have year-round wellbeing and employee engagement activities from 2022 onwards, with guest speakers who are experts in their field, together with a business wide flexible working model



COMMUNITIES

+ Babington will raise
over £250,000 for
our chosen charity
partner by the end of
2027, with charitable
activity forming
part of our people
development framework

5 PILLARS: BABINGTON ESG TARGETS

- 1. GOVERNANCE: ENSURING WE ARE MEETING ALL REGULATORY COMPLIANCE REQUIREMENTS AND HAVE A STRUCTURED APPROACH TO MANAGING AND REPORTING OUR IMPACTS.
 - + Become a member of the UN Global Impact in 2023
 - + Embed our policies into business operations throughout 2022, with further ESG reporting in 2023, publicised in a 2023 annual report

2. CUSTOMERS & LEARNERS: LEARNER EDUCATION AND WELFARE, INCLUDING EMBEDDING SUSTAINABILITY INTO OUR CORE COURSE CURRICULUM.

- Deliver sustainability modules in all our programmes of learning by 2023
- + Enhance learner wellbeing and welfare content by 2024, utilising new application-based technologies, learning content and coaching

3. ENVIRONMENT & CLIMATE CHANGE:

TO MINIMISE OUR OPERATIONAL IMPACTS ON THE ENVIRONMENT AND EDUCATE OUR STAFF AND LEARNERS ON HOW THEY CAN PERSONALLY MAKE A DIFFERENCE.

- + Have carbon neutral operations by 2022
- Enhance further innovative ways of working that utilise home working and remote technologies, including our 2022 flexible and hybrid working models
- Maintain a reduced property footprint ensuring all leased property uses renewable electricity, and wherever possible renewable heating and cooling
- + To have a full energy assessed property footprint published in the Babington 2023 annual report
- Sign up to race to zero in 2023 to support out net zero goals
- + To implement a carbon offset plan in 2024 that supports net zero by 2040
- + Reduce scope 1 and 2 carbon emissions by 95% by 2025
- + Reduce scope 1,2 and 3 carbon emissions by 95% by 2040
- + Net Zero emissions by 2040

4. EMPLOYEE ENGAGEMENT: WITH A FOCUS ON DIVERSITY, INCLUSION, AND WELLNESS.

- + Sign up to the mental health at work commitment in 2022, shaping our future plans through partnerships and networking
- Launch Wellbeing Representatives across Babington in 2022,
 qualified in mental health training for employee support
- + Offer all operational trainers and coaches mental health awareness training for learner support by the end of 2022
- Become members of Inclusive Employers in 2022 and launch a five-year plan to enhance applications from underrepresented minorities by 10% over the next three years, through recruitment campaigns targeting under-represented minorities, the utilisation of specialist publications and our existing membership with Disability Confident
- Become a Sunday Times top 100 employer by 2024, with hybrid working models that ensure inclusivity, people development, and progression

5. COMMUNITIES: POSITIVELY CONTRIBUTING TO OUR LOCAL COMMUNITIES AND WIDER SOCIETY.

- + Launch a national charity partnership that is aligned to Babington values in 2022, with a five-year plan of support both practically, financially, and publicly
- To engage with local communities through an innovative management and leadership scheme which encompasses social impact in 2023
- + Create jobs in communities of social deprivation through both the support of employers through our service provision, our own job opportunities through targeted advertising and through social enterprise support

EMPLOYEE ENGAGEMENT

An inclusive organisation

Babington aims to provide an environment that values individuals equally; where all are able to learn and work free from discrimination, harassment and victimisation on any grounds including the protected characteristics. Babington aims to ensure an environment which is inclusive and where differences are celebrated. We aim to foster good relationships between all members of our diverse community. Babington is committed to embedding our company values throughout everything we do as detailed in our EDI Policy.

As a business, we capture diversity metrics for both learners and employees, including gender, age, disability and ethnicity. We commit to strengthening the collection and validity of our EDI data in 2023 and publishing expanded metrics in the near future.

We will form a D&I Committee and undertake an D&I benchmarking audit of Babington and its current employee policies, procedures, leadership, culture, data and protocols to understand and expose the businesses strengths and limitations to enable us to formalise and publish new D&I targets and goals.



Wellbeing

Babington recognises the importance of supporting positive wellbeing for both its staff and learners. Wellbeing is more than being 'healthy' it's keeping a balance of the physical, psychological, social, environmental and economic factors which affect all of us. If one of these areas is out of balance, then our overall wellbeing is affected.

Babington has piloted multiple wellbeing activities for its employees in 2021, considering feedback before a full eight month wellbeing programme in 2022, including the launch of wellbeing representatives across the business. Some wellbeing data is captured through weekly employee feedback surveys.

Babington also provides employees access to a confidential Employee Assistance Programme.



PARTNERSHIPS & SUBCONTRACTORS

Babington procures supply chain partners within a procurement framework and subsequent supply chain management process which includes Babingtons ESG standards.

- Babington procures supply chain partners through a
 procurement process that encompasses sustainability goals
 and measures, with environmental best practice in place
 around waste management and carbon emissions
- 2. Babington ensure supply chain partners support our sustainable commitments and have policy and management tools in place to do so
- 3. Supply chain partners must dispose of waste using a registered waste collector
- 4. Supply chain partners must comply with waste electrical and electronic equipment (WEEE) regulations
- 5. Babingtons ESG model is shared with supply chain partners, and subsequent developments are made in accordance with any improvements identified
- 6. Subcontractors ESG and carbon reduction plans are assessed annually

ESG GOVERNANCE STRUCTURE



GOVERNANCE BOARDS

The following summarises Babington's internal governance boards, all of which report back monthly on their respective areas of focus.

GROUP BOARD

MONTHLY REPORTING
WITH EXTERNAL CHAIR

EXECUTIVE COMMITTEE

CHIEF EXECUTIVE OFFICER

CHIEF FINANCE OFFICER

CHIEF GROWTH OFFICER

CHIEF OPERATING OFFICER

CHIEF LEARNING OFFICER

PERFORMANCE BOARD

QUALITY BOARD

PRODUCT BOARD

TRANSFORMATION BOARD

INFORMATION SECURITY BOARD

PEOPLE'S FORUM

SUSTAINABILITY & ESG COMMITTEE

We are accountable for our ESG commitments across all levels of our organisation.



Adrian Fantham
Chief Finance
Officer



Jonathan Gallie
People and Talent
Director



Jennifer Bramley
Chief Operating
Officer



Rachel Kay
Chief Learning
Officer



Sandra Waistnidge
Corporate Services
Director

Employee representatives from the People Forum invited quarterly.

We are committed to having good management and governance structures in place to manage our environmental, social and governance (ESG) programmes. We have formed a Sustainability & ESG Committee that is responsible for overseeing environmental, social and governance matters as they relate to Babington's business and long-term strategy. This includes evaluation of ESG risks and monitoring execution of various approved projects, programmes and activities.



ADDITIONAL DISCLOSURES

This document should be read in conjunction with the following:

- + Our code of conduct
- + Our carbon reduction plan

CONTACT US

Babington.co.uk
esg@babington.co.uk
0333 323 4050







