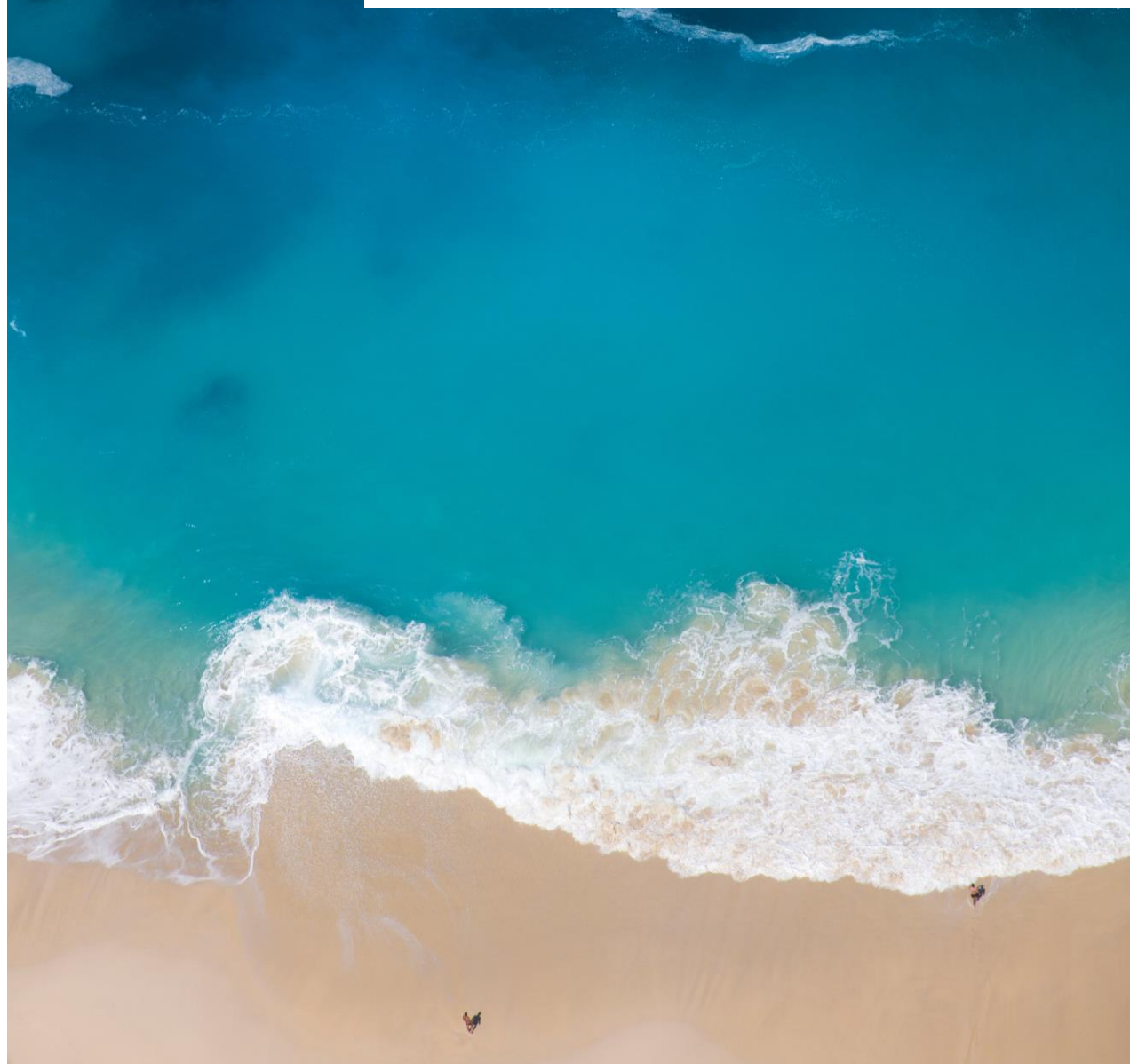


Police & Nurses Limited

CLIMATE ACTION PLAN

2024 - 2026



MESSAGE FROM OUR CEO AND CHAIR



Andrew Hadley
Chief Executive Officer



Gary Humphreys
Chair

We are pleased to present P&N Group's first Climate Action Plan. Our Plan demonstrates our commitment to ensuring we are a sustainable organisation for our customers into the future. Our commitments extend to support our customers as they too face into climate change risks and events which may impact their ability to own, insure, and remain comfortable in their homes.

Our approach to climate change aligns with our purpose to enrich the lives of our members and their communities, and as a Customer-owned bank, we have a history of serving the members and communities in which we operate. We acknowledge that we have a part to play in addressing the Environmental and Social issues that these communities are facing.

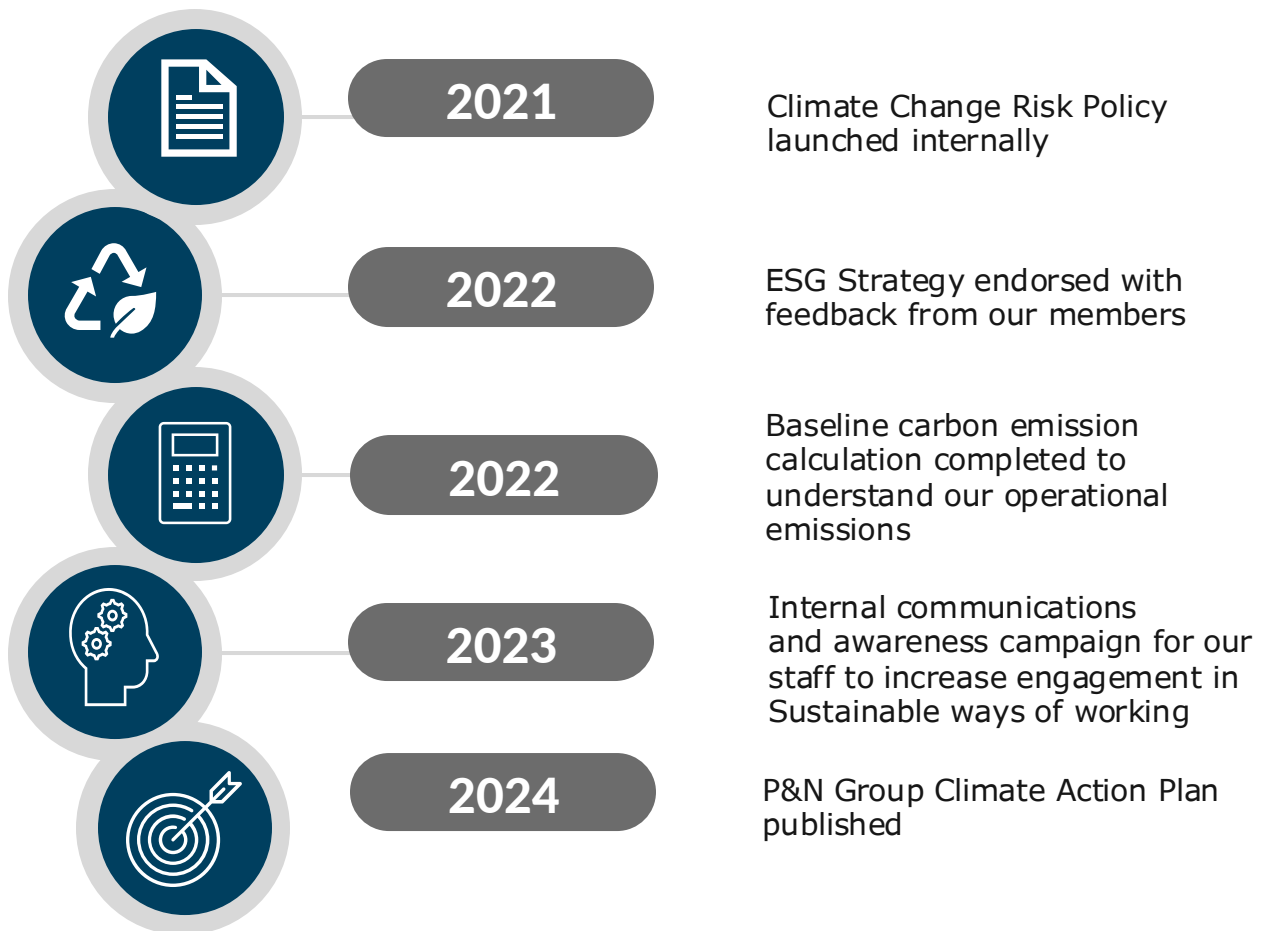
Our customers, communities, and regulatory bodies increasingly expect greater action from companies, including banks, on sustainability issues. We look forward to continuing to understand our impact and setting reduction targets in the future. We support the goal of the Paris Agreement to limit global warming to 1.5 degrees Celsius this century and net zero emissions by 2050.

We acknowledge the urgency of climate change and the importance of taking meaningful action now. We will continue to review, adapt and refine our approach to climate action over time to ensure our commitments remain aligned with best practice and are customer focused.

**“ We acknowledge
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OUR JOURNEY SO FAR

We started our Climate Action Journey back in 2021 when we started to understand and assess the key risks that Climate Change poses to our business.

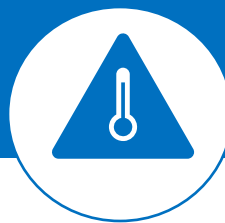


OUR CLIMATE ACTION PLAN

Our Climate Action Plan is underpinned by four focus areas which represent our holistic commitment to climate action.



**Operational
Climate
Action**



**Managing
Climate
Risk**



**Supporting our
customers,
their homes &
businesses**



**Collaborate
with our
Partners**

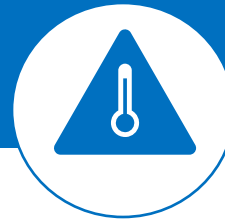


Operational Climate Action

We understand that to make meaningful change we need to reduce the impact of our operations and lending activity on the environment as we transition to a more sustainable organisation.

OUR COMMITMENTS

1. No lending to large-scale activities, projects and industries involved in exploration, extraction or production of fossil fuels or in electricity generation from fossil fuels.
2. Transition our owned properties to solar power **by the end of 2025**.
3. Become carbon neutral certified under the Climate Active Carbon Neutral Standard for Organisations for operational emissions **by the end of 2025**.
4. Initiate Emissions Reduction Targets setting **by the end of 2026** in line with the Science-Based Targets Initiative (SBTi).
5. Source 100% renewable energy for our offices and branches **by the end of 2027**.
6. Transition our motor fleet to hybrid, plug in hybrid and battery electric vehicles **by the end of 2030**.
7. Educate our passionate people on the impacts of climate change and how they can embed our commitments into our operations, their own homes and communities to accelerate change.



Managing Climate Risk

In recent years we have seen the risk that Climate Change poses to our members and their communities as well as the impacts on our own business operations and assets from climate change events. We make the below commitments to understand, act and report on these risks.

OUR COMMITMENTS

1. Continue to embed Climate Change risk assessments into our Risk Management Framework (RMF), governance processes and reporting models.
2. Understand our key Climate risks and Opportunities and ensure they are considered as part of our Strategy setting process.
3. For the period beginning 1 July 2025, we will include Climate Related Financial Disclosures within our Annual report as required by ASRS 1 *General Requirements for Disclosure of Climate-related Financial Information* and ASRS 2 *Climate-related Financial Disclosures*.



Supporting our customers, their homes and businesses

We acknowledge that our members are also facing into potential climate change risks with increased extreme weather events and the need for their homes to become more sustainable. We also want to be here to help as our Business customers become more sustainable.

OUR COMMITMENTS

1. Support our Business customers to understand their climate change risks and opportunities through education and partnerships and investigate how we might assist customers to transition to more sustainable practices.
2. Continue to adapt to the needs of our customers by investigating products and services that could unlock the environmental and financial benefits of upgrading their homes to renewable energy and their motor vehicles to electric vehicles.
3. Continue to support members during disaster events such as fire, flood and drought by offering assistance packages and streamlining the hardship process.



**Collaborate
with our
partners**

We understand that we are not the experts on climate action and will need to partner with Specialists and Subject Matter Experts to ensure we continue to evolve and mature and can empower others to do the same.

OUR COMMITMENTS

1. Become a signatory of the Business council of Co-Operatives and Mutuals (BCCM) Climate Declaration **by the end of 2024.**
2. Collaborate with the Customer Owned Banking Association (COBA) and other customer owned banks to share ideas and collaborate on contemporary practice.
3. Engage with our Suppliers to encourage greater transparency on emissions and agree on emissions reductions strategies.
4. Work with our insurance partners to keep across current issues and advocate for our customers' needs.



