Sustainability Report continued

ESG Strategic Pillars

Through our annual materiality assessment we identify, assess and respond to the ESG topics most important to our stakeholders.

The topics that matter most are embodied in our strategic pillars and commitments. In 2024, our assessment included a mapping of our ambitions, commitments and targets to the United Nations Sustainable Development Goals (SDGs) as an important reference point for our activities and impact.[1]

ESG Strategic Pillars

Just Transition	People	Stewardship
Establish our ambitions		
A fair and equitable transition to a low-carbon economy	Delivering on the needs of people now and into the future	Acting responsibly to deliver sustainable value

Identified UN SDGs

Supported by our Strategic Commitments

Customers
The Group's approach will be appropriately inclusive for our customer base, ensuring that the social mobility of our customer base is not compromised through our products or decisions. Thought leadership, education, awareness and products that enable, incentivise and reward our customers to embrace the transition to a low-carbon housing economy will be provided.

Colleagues
We will retain, recruit and train the best talent, enabling all employees to maximise their ambition and seek to embed a diverse, inclusive and equitable culture the Group is proud of; ensuring appropriate ongoing internal communications which drive enthusiasm in proactively supporting the ESG agenda and helping the Group achieve its Purpose and Vision.

Communities
A strategic and coordinated programme will be defined and delivered, supporting our communities and wider social economic environment, through collaboration, partnerships and volunteering. With focus on the United Kingdom and India housing projects, propositions that play a vital role in the lending and savings activities of the Group, including supporting a strong PRS and education of the owner-occupier sector, will be developed.

Net zero
The Group's environmental ambitions and transition plan will align to the Paris Accord on climate change, achieving carbon net zero across our operational emissions by 2030 and our total emissions by 2050.

Supply chain
We will encourage and support our value and supply chain with their transition to an ESG strategy that aligns to the Group's ambitions.

1. The Sustainable Development Goals (SDGs) are a set of 17 non-legally binding global goals established by the UN for countries and governments. Mapping was based on UN Global Compact – Blueprint for Business Leadership on the SDGs. References included are indicative only and OSB Group make no representation, warranty or assurance of any kind, express or implied, or takes no responsibility or liability as to whether the areas of focus further the objective or achieves the purpose of the SDGs.

Sustainability Report continued

Landlord Leaders

At OSB Group, our dedication to sustainability extends beyond financing homes; it encompasses a deep understanding of tenants' needs, behaviours, and aspirations. Thought leadership has been a cornerstone of the Group's approach since 2022, driving research and dialogue to address a pivotal question: what actionable steps can we take to foster a truly sustainable and functional PRS?

In 2023, we launched the Landlord Leaders Community — a membership network uniting individuals and organisations committed to creating a fairer and more sustainable PRS. This initiative serves as a platform for collaboration, enabling stakeholders to share insights, exchange ideas, and drive positive change. The findings from our thought leadership initiatives aim to guide those dedicated to shaping a better future for the sector.

To complement our existing proprietary research initiatives, including Landlord Leaders and the Future Tenant Standard, the Community published its latest thought leadership report in late 2024 'Bricks to Belonging: The Psychology of Home Ownership'. This report explored the factors influencing individual's aspirations for home ownership. Notably, it identified renters' perceptions of their landlords as the fourth most significant predictor of their decision to move. To support landlords in navigating these dynamics, the Community developed the Bricks to Belonging playbook, which distils key findings, offers practical advice, and provides actionable recommendations.

Each year, the Community captures fresh insights through its Landlord Leaders questionnaire, surveying 1,000 UK landlords. The 2024 survey explored critical topics, including challenges landlords face, strategies for success, rising operational costs and the importance of relationships within the PRS value chain. Potential changes to the Minimum Energy Efficiency Standards for the PRS energy efficiency and EPC reform, topics key to both the improvement of UK housing stock and the Group's climate transition strategy, were included. These insights shape the priorities for future research, content, and events, ensuring the Community continues to deliver value while advancing its mission.

In 2024, the Community prioritised broadening representation to reflect the sector's diversity, expanding its reach through new research, digital content, and events. By year-end, membership had grown to 111 members, with over 8,500 visits to the Community's website. Responding to a dynamic landscape, the Community shared timely content on topics such as the General Election, the Budget, and the Renter's Reform Bill. It also hosted four events, including round tables and panel discussions, fostering dialogue on critical issues.

Through these initiatives, OSB Group reaffirms its commitment to supporting a sustainable PRS, contributing to a resilient and inclusive housing market for all.

Find out more on our website /
https://landlordleaders.osb.co.uk

Sustainability Report continued

Strategic Pillar – Just Transition

Climate Transition Plan

The Group published its inaugural Climate Transition Plan (the Plan) in 2024, reinforcing our ongoing commitment to addressing climate change within the sector. The Plan prioritises areas where we can deliver tangible value to our stakeholders, leveraging our influence, while seeking cross- sector collaboration. We remain committed to embedding climate change considerations across our business processes, ensuring a just transition that balances environmental stewardship with shared prosperity for our customers, colleagues and communities.

The five pillars of action outlined in the Plan represent a responsible and proportionate strategy, focusing on real economy decarbonisation, footprint reduction, and climate risk management. Our strategy recognises the scale and complexity of the challenge, and our dependence on external stakeholders such as customers and government.

We acknowledge further work is needed to align disclosures with guidance from the Transition Plan Taskforce. We intend to release an updated version of the Plan in 2027, following a comprehensive review of our targets. Material updates will be shared in future Annual Reports until then.

Progress summary

Since the Plan's launch in April 2024, we have made progress in advancing the priority actions that contribute towards our emissions reduction targets for direct operations (see page 77) and financed emissions (see page 78). Our approach to managing the Plan has matured with the introduction of a Climate Transition Dashboard and a gap analysis against Transition Plan Taskforce guidelines.

Our objectives

- We have an ambition to reduce the carbon intensity of our mortgage lending by 25% by 2030 from a 2022 baseline
- We plan to achieve net zero emissions in Scope 1 and Scope 2 by 2030[1]
- We plan to reduce our financed emissions to net zero by 2050

Our pillars for action

Thought leadership, education and awareness	Connecting our customers	Transition-friendly products and services	Greening our offices and branches	Continuing to embed climate thinking
Through research we provide thought leadership, aiming to start a conversation towards creating a fair sector for all, offering education and raising awareness of the issues faced in creating a sustainable sector	Seeking ways to connect customers to the information and services they want and need, creating a positive environment for change	Our approach to transition products and services places priority on delivering on our customers' needs, aligned to increasing energy efficiency and reducing emissions from UK housing	We accept responsibility for ensuring our buildings deliver on our net zero ambition and recognise that we can achieve this earlier than the emissions we finance	Further embedding climate thinking into our management processes, ensuring we have expertise where it is needed to manage risk and deliver on opportunities

1. Scope 2 calculated using Market-based methodology.

Sustainability Report continued

Strategic Pillar – Just Transition continued

Pillars of action

Below and on the following page are summaries of activities completed towards the priority actions identified in the Plan.

Reducing the emissions from our operations (Scope 1 and 2)

Expected impacts are full year estimates of impact, not just those realised in 2024.

Action	Progress	Expected impact on emissions
Removal of gas from our office buildings and branches		
Fit-out of new office location in Wolverhampton and replacement of gas heating system with electric solution	Complete	-34tCO_2e
Removal of gas heating from a KRBS branch	Complete	-1.5tCO_2e
Removal of diesel generator from an office location	Complete	Unknown
Rationalisation of corporate real estate		
Fit-out of new office location in Wolverhampton with consolidation of two existing locations	Complete	-14.45tCO_2e
Potential exit of existing location in Chatham	Pending	
Replacement of fluorinated gases with lower Global Warming Potential (GWP) alternatives		
Continued maintenance of existing assets to limit risk of release	Ongoing	
Fit-our new office location in Wolverhampton with modern cooling technology and lower GWP	Complete	-28tCO_2e (potential avoided)
Continue to purchase electricity from renewable sources		
Continue to purchase electricity from REGO-backed tariffs	Complete	-387tCO_2e
Increased energy efficiency through employee engagement and property management		
Property services implementation of energy savings measures, following energy modelling exercises	Ongoing	Not yet calculated
Our planet – Employee network focus on energy efficiency and raising awareness	Ongoing	n/a
Developing a series of voluntary climate change training modules for employees to access	Ongoing	n/a

Sustainability Report continued

Strategic Pillar – Just Transition

Reduce emissions from mortgage lending (Scope 3 – category 15)

Action	2024 Priorities	Progress
Transition-friendly products and services		
Providing products and services that contribute to greater energy efficiency and/or decarbonisation – existing products	See below	See below
Providing products and services that contribute to greater energy efficiency and/or decarbonisation – new product development	Development and launch of a suite of products aligned to the Group's transition priorities	A range of product concepts supported by market research were designed in 2024 and presented to the Customer and Product Committee. Progress paused as resource was prioritised towards alternative activities in the second half of the year. The transformation programme will enable the development and implementation of transition products in the future.
Connecting our customers		
Providing accurate, reliable and actionable information to support retrofit decision-making and action	Continuing to explore solutions that provide information that customers will value and trust Continue to consider data and information requirements in new process design	Internal stakeholders met with several potential solution providers during the year maintaining awareness of market maturity and product capabilities. Additional property criteria (e.g. EPC ratings), have been considered in the requirements of the transformation programme.
Improving data – access and quality, to support the product strategy and customer journey	Continue working with third-party provider to develop solution	Transition risk project completed with a third-party data provider to benchmark transition risk and identify potential steps towards net zero. Key outcomes included: property-level insight into actions to improve energy efficiency and the costs of retrofit; data on drivers for energy efficiency; EPC profile of the OSB Group lending book versus national average by segment (e.g. Buy-to-Let, Owner-occupier); modelling of macroeconomic factors such as grid decarbonisation on the lending book.
Connecting customers to the retrofit supply-chain	Continue working with third-party provider to develop solution	Workshops took place to understand the capabilities of potential solutions with a set of OSB Group-specific use cases developed to support a proof of concept in 2025 for one potential solution.
Thought leadership, education and awareness		
Landlord Leaders Community – focused on creating a fairer and more sustainable Private Rented Sector	The community defined its mission statement in 2023, and in 2024 will look to make progress under four pillars: 1) Communication 2) Education and training 3) Collaboration 4) Positive industry perception	The Community continued to deliver member-led educational content relevant to the Private Rented Sector, placing content in the places people are looking. Topics included the psychology of home ownership, a political pulse event in advance of the General Election and the annual Landlord Leaders questionnaire.
Thought leadership – commissioned research to inform the work of the Landlord Leaders Community	Quarterly meetings were planned for 2024 including refreshed research findings to further inform the focus and work of the community	Four events took place in 2024 as planned, comprising three round table events and one panel discussion. Bricks to Belonging – The Psychology of Home Ownership was commissioned to understand what influences people's thinking when they talk about wanting to buy a home compared to wanting or needing to rent, and to understand what drives their decision-making.

Sustainability Report continued

Strategic Pillar – Just Transition continued

Thought leadership, education and awareness

The Landlord Leaders Community, convened by OSB Group, continued its growth in 2024, reaching 111 members. The Community engaged on a variety of issues, including home ownership psychology, policy landscape changes, and updated research on the evolving PRS from an ESG perspective. Our findings suggested that while landlords and tenants were increasingly interested in energy efficiency and heating decarbonisation, these were not yet prioritised.

Connecting our customers

In 2024, we explored solutions to connect customers to the retrofit journey, including workshops with internal and external technology solution stakeholders. These sessions, alongside insights gained during the year into the energy efficiency of our mortgage lending book, will help inform future product and technology offerings aimed at supporting customers in their transition.

Providing customers with transition-friendly products

We continued to offer products to support energy efficiency in property refurbishments for our Buy-to-Let customers under the Precise brand, however, uptake remained limited. Through our InterBay brand, we offered reduced rates for properties with an Energy Performance Certificate (EPC) rating of C or higher.

The Product Team developed new product concepts in 2024 to help customers navigate a number of the reported barriers to retrofit such as the initial cost of work, awareness of energy efficiency and benefits, and ongoing affordability. Looking ahead, our transformation programme will allow us to offer more tailored energy efficiency products. The Group recognise the importance of providing customers with supportive financing options for energy-efficiency and retrofit works in order to deliver progress towards our 2030 interim target.

Greening our offices and branches

Significant progress was made in 2024. Two main office locations and two KRBS branches transitioned to electric heating, which is expected to result in a Scope 1 emissions reduction of 63.3tCO_2e versus 2023. Our net zero targets were considered as part of refurbishment works and we continued sourcing 100% renewable electricity from REGO-backed tariffs, ensuring zero market-based emissions from purchased electricity.

Continue to embed climate thinking

We strengthened our Climate Risk team to further our climate strategy and evolved the Climate Risk Appetite to align with our net zero target trajectory and expected Minimum Energy Efficiency Regulations for the Private Rented Sector. The Climate Transition Working Group met five times in 2024, overseeing progress and planning. A Climate Transition Dashboard was also developed to track progress against our targets, key performance indicators and priority actions.

Sustainability Report continued

Strategic Pillar – Just Transition continued

Emissions reduction targets

Our 2030 emissions reduction targets, established in 2023, align with our commitment to the Net Zero Banking Alliance (NZBA). We continue to await clarification on the SBTi Financial Institutions Net Zero Standard to ensure interoperability with our NZBA commitments.

Approximately 96% of our total emissions stem from financed emissions, which arise from the properties we finance. These emissions are a key focus of our climate strategy. While our direct emissions are smaller, they remain critical to achieving our 2030 net zero target for Scope 1 and Scope 2 emissions.

Financed emissions – reduce the emissions intensity ($kgCO_2e/m^2$) of our mortgage lending by 25% by 2030 from a 2022 baseline.

Operations – reduce Scope 1 and Scope 2 emissions to net zero by 2030 from a 2022 baseline.

Renewable electricity – Source 100% of electricity from renewable sources where OSB Group have operational control.

For further information on our targets, see Net Zero Banking Alliance Intermediate Targets – Basis of Preparation – Basis of Preparation.

Both emissions reduction targets use 2022 as a baseline from which reduction trajectories were calculated and progress is reported. Progress against the baseline (2022) and against the previous year (2023) are reported here to demonstrate performance over time.

Reducing the emissions from our mortgage lending – financed emissions

Over 97% of the Group's 2024 lending was secured against residential, Buy-to-Let, semi-commercial and commercial properties. Our financed emissions (see page 85) are calculated using the Partnership for Carbon Accounting Financials (PCAF) methodology, and we track progress through emissions intensity per square metre ($kgCO_2e/m^2$).

In 2024, we saw a 19% reduction in financed emissions (tCO_2e) and a 18% reduction in emissions intensity ($kgCO_2e/m^2$) compared to the 2022 baseline. This was primarily due to improved data quality and the exclusion of erroneous data included in the initial baseline.

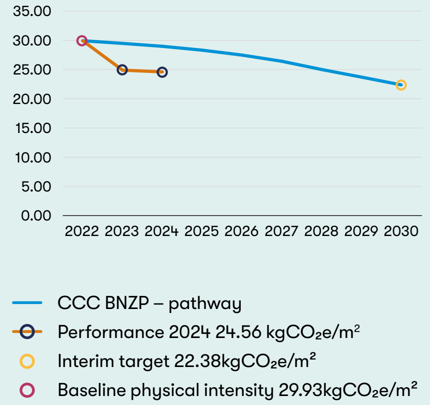
As of 2025, we will review our targets to ensure they remain relevant, incorporating insights from the Climate Change Committee's Seventh Carbon Budget and the Beyond Net Zero Pathway which was used to set the existing target. This review will allow the Group to assess progress towards its ambition and interim target, beyond the gains made through data improvements.

Estimates of financed emissions continue to rely on external data sources, primarily Energy Performance Certificates (EPCs), which assess and estimate the emissions of properties. In 2024, 83% of properties (2023: 83%) were matched to a valid EPC, while 16% (2023: 17%) were either modelled or estimated using postcode or national averages. The remaining properties, representing less than 1% (by number), were assigned a D rating.

The Group identified a number of external dependencies that impact our progress, including energy grid decarbonisation, pace of retrofitting, heat pump roll-out, government policy, education and cost. More information can be found in the Climate Transition Plan.

Mortgages – financed emissions

Physical intensity ($kgCO_2e/m^2$)



Financed emissions intensity

-18% vs 2022

2024: 24.56 $kgCO_2e/m2$
2023: 24.89 $kgCO_2e/m2$
2022: 29.88 $kgCO_2e/m2$

PCAF data quality score

3.14

2023: 3.15

Scale is 1–5 with 1 being the highest quality

Sustainability Report continued

Strategic Pillar – Just Transition continued

There are inherent limitations in using EPCs for calculating financed emissions. These include delays in updating external data sources, the age of certificates which may be up to ten years old, and the fact that EPCs do not prioritise carbon-neutral technologies over fossil fuel-based alternatives. For further details on our calculation methodologies, please refer to our Basis of Reporting. In 2024, the Group engaged a third-party environmental data specialist to assess the Group's mortgage portfolio and identify potential actions customers could take to improve energy efficiency and reduce emissions. This data will inform our future customer engagement strategies, ongoing product development and the consideration of technology solutions.

Despite the challenges and dependencies outlined in our Climate Transition Plan which remain relevant, internal analysis revealed that 66% of properties have the potential to achieve an EPC rating of B, and 96% have the potential for an EPC rating of C or better. Less than 4% of properties would not be able to achieve an EPC rating of C. The project also quantified the costs associated with retrofit activity to achieve an EPC C for each property the Group provides finance for.

The UK Government has committed to further consultation on Minimum Energy Efficiency Standards for the Private and Social Rented Sectors, which may require rental properties to meet a minimum EPC rating of C by 2030. While many details remain to be clarified, we will continue to monitor these developments to ensure our climate strategy remains aligned with emerging requirements.

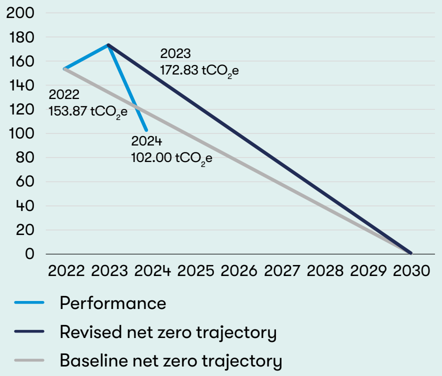
Greening our offices and branches – direct operational emissions

Our transition to net zero emissions by 2030 continues with tangible progress in Scope 1 and Scope 2 emissions. In 2024, we reduced operational emissions by 41% compared to 2023 and 34% from the baseline of 2022.

Notable achievements include the new Wolverhampton office design and fit-out, which integrates energy-efficient technologies powered by renewable electricity, that contain lower Global Warming Potential fluorinated gases in cooling systems than the previous systems, LED lighting throughout, and sustainable materials such as carpets made from 75% recycled materials. Four additional locations also moved to electric heating solutions, eliminating old gas boilers.

While direct emissions are a smaller element of our total inventory, we continue to seek reductions in this area.

Operational emissions Scope 1 and Scope 2 (Market-based) tCO_2e



Additional Scope 3 emissions

Given the complexity of Scope 3 emissions (categories 1-14) we continue to refine our understanding and actions. 75% of the top 20 vendors (Categories 1 and 2) by spend have set net zero targets of some kind. These categories contribute over 10,000tCO_2e per year to our inventory, so we have expanded our Scope 3 reporting to include them, showing our ongoing commitment to transparency and accuracy in emissions measurement.

Engagement

The Group continued to collaborate with organisations and initiatives to advance our climate goals, enhance knowledge, and benefit from shared insights. We contributed to activities through UK Finance such as a net zero homes policy paper which accompanied a welcome letter sent from UK Finance to Ed Miliband – Secretary of State for Energy Security and Net Zero. The policy paper outlined the opportunity of upgrading the UK's most energy-inefficient homes, four requests to unlock potential and the role UK banks can play in the transition.

Organisations we belong to and associations that support our climate work include:

- UN Environment Finance Initiative – Net Zero Banking Alliance (Member)
- Science Based Targets Initiative (Committed)
- United Nations Global Compact (Signatory)
- UN Finance Sustainability Committee (Participant)
- Partnership for Carbon Accounting Financials (Member)

Raising awareness and developing climate competence among our colleagues is a vital part of embedding climate thinking throughout the business. In 2024, this was supported by the following initiatives:

- ESG Roadshows across offices and branches, focusing on the Climate Transition Plan
- Our Planet Employee Engagement Network, which included articles, office events, and 'lunch and learn' sessions
- The development of a series of employee e-learning modules on climate change, set to launch in 2025.

Operational emissions
-34% vs 2022
2024: 101.83 tCO_2e
2023: 172.83 tCO_2e
2022: 153.87 tCO_2e

Sustainability Report continued

Strategic Pillar – Just Transition continued

Environmental and energy management

The Group has established comprehensive environmental policies to ensure compliance with all relevant environmental obligations and to mitigate negative impacts on the environment. Our Environmental Management System (EMS), is ISO 14001:2015 certified and covers 100% of our UK corporate real estate, including the KRBS branch network.

In 2024, we achieved a reduction in energy consumption (purchased electricity and natural gas) of 15% compared to 2023. These reductions were realised through the successful implementation of our Energy Policy focusing on continuous improvements in energy management practices. The policy is aligned with our commitment to reach operational net zero by 2030, with a strong emphasis on emission reductions, energy efficiency, responsible consumption, and minimising environmental impact during refurbishment of buildings.

To meet Energy Saving Opportunity Scheme (ESOS) legislation, we conducted energy audits that provided valuable insights into our energy consumption. This helped us identify opportunities for reducing unnecessary energy use by improving control within our building management systems. Our office buildings now have optimised temperature set-point controls, which help to ensure energy is not wasted when buildings are unoccupied. We estimate these measures could reduce energy usage by 90,765kWh.

Transitioning to net zero emissions will not result in consistent year-on-year reductions. Some actions require time before their full benefits are realised. For example, in October 2023, we replaced end-of-life boilers at one of our office buildings with energy-efficient electric alternatives. The energy savings from this initiative became evident throughout 2024, resulting in an annual natural gas saving of approximately 123,950.73 kWh. We expect further reductions in emissions in 2025 due to continued investment and action taken in 2024.

Electricity and gas

In 2024, the Group reduced its natural gas consumption by 386,634kWh (-45%) compared to 2023. This was primarily due to the replacement of gas heating at Exchange Court and the KRBS Chatham branch, as well as the move of KRBS Gravesend to a new location, which is exclusively heated and cooled by renewable electricity.

We maintained our commitment to purchasing 100% renewable electricity. As a result, 2024 Scope 2 emissions using the market-based methodology were zero tCO_2e, reflecting that all electricity purchased for our offices and branches within our operational boundary came from renewable sources. Emissions from purchased electricity reported using the location-based methodology were 386.91 tCO_2e (2023: 396.95 tCO_2e).

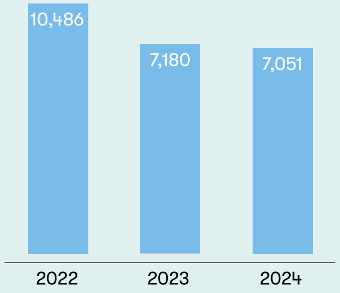
We will continue to seek greater energy efficiency through enhanced energy management and by replacing outdated equipment with more energy-efficient alternatives. While future energy savings are expected to be smaller incremental gains, our Our Planet Employee Engagement Network implemented several initiatives in 2024, including lunch and learn sessions, sharing case studies on reducing carbon footprints, and conducting office audits.

Both absolute and intensity metrics (tCO_2e per m^2 and per FTE) are used to track and report our progress against our 2030 target for Scope 1 and Scope 2 emissions (see page 80).

Water

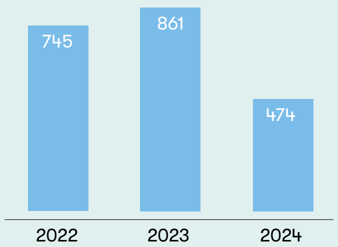
Water is used responsibly with 7051m^3 used in 2024 (2023: 7180m^3). This consumption is for hygiene and drinking purposes only. All water used is potable.

Water (m^3)

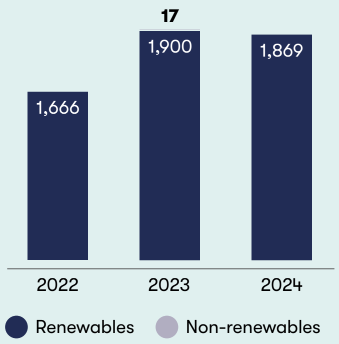


Consumption data is based on estimates taken from invoices

Gas (MWh)



Electricity (MWh)



Waste (tonnes)

Sustainability Report continued

Strategic Pillar – Just Transition continued

Waste

In the UK, the Group manages waste contracts at certain locations, ensuring that waste is diverted from landfill in accordance with the waste hierarchy and legislation. Non-recyclable materials are sent to an energy-from-waste facility.

In 2024, we generated 259 tonnes of waste (2023: 280 tonnes). Recycling and waste segregation (recyclables and food waste) stations are available at all our offices and branch locations.

Our operational processes do not generate hazardous waste or pollutants beyond those typically found in an office environment. All hazardous waste, such as batteries and electrical equipment, is stored and disposed of in accordance with UK regulations.

Carbon mitigation

To offset emissions directly associated with our business activities in 2024, the Group purchased and retired 3800 tonnes of carbon credits. These credits were selected based on the principles outlined in our offsetting strategy, which adopts a structured, proportionate, and adaptable approach to carbon offsetting, following the Oxford Principles for Net Zero-Aligned Carbon Offsetting. All offsetting projects are verified and certified under reputable standards such as the Gold Standard or Verified Carbon Standard. The projects supported are a combination of avoidance, reduction, and removal efforts. The use of carbon credits do not contribute towards the Group's emissions reduction targets.

Nature

The Group is in the early stages of understanding the UK Government's approach to the voluntary Taskforce on Nature-Related Financial Disclosures. We are evaluating how these systems will evolve and assessing the extent to which our activities impact nature and biodiversity. We will continue to monitor developments in this area as they emerge.

Greenhouse gas emissions

The Group follows the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard for all GHG accounting across Scopes 1, 2 and 3. By obtaining a comprehensive view of our greenhouse gas emissions (GHG) inventory we can have greater control of (or over) emissions.

We have reported on all emissions sources in accordance with The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 – also known as Streamlined Energy and Carbon Reporting. As part of these regulations, we provide annual reports on greenhouse gas emissions from Scope 1 and 2, covering electricity, gas and transport. All emissions are reported in tonnes of carbon dioxide equivalent (CO_2e).

The Group's 2024 Greenhouse Gas emissions basis for reporting are publicly available on our corporate website: https://www.osb.co.uk/sustainability/our-environment/

Verification and assurance

Deloitte LLP provided independent limited assurance over the following metrics and ESG information for the year ending 31 December 2024 [1]:

Greenhouse gas (GHG) emissions
- Total direct (Scope 1) emissions – tCO_2e
- Total indirect (Scope 2) emissions – market-based – tCO_2e
- Total indirect (Scope 2) emissions – location-based – tCO_2e

GHG intensity
- Scope 1 and 2 metric tonnes of CO_2e per full-time employee (FTE)
- Scope 1 and 2 metric tonnes of CO_2e per £m turnover

TCFD
- The description of activities undertaken to meet the recommendations of the TCFD

Deloitte's assurance statement can be found on page 268.

In accordance with ISO 14064-1:2018 requirements, Categories 3, 5, 6, 7, and 8 within Scope 3 were verified to a limited level of assurance by Interface-NRM, an ISO 14064-1 accredited verification and certification body. The third-party verification was conducted in compliance with ISO 14064-3:2019 standard.

1. Under the International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised)) and the International Standard on Assurance Engagements 3410 Assurance Engagements on Greenhouse Gas Statements (ISAE 3410).

Sustainability Report continued

Greenhouse gas emissions continued

Greenhouse gas (GHG) emissions

Direct and indirect GHG emissions (Scopes 1, 2 and 3)	Further description	Specific fuels where applicable	2022	2023	2024
Amounts in metric tonnes CO_2 equivalent					
Scope 1					
Stationary combustion	Combustion of fuel on-site	On-site: natural gas, diesel for generators	138.22	157.10	86.86
Fugitive emissions	Fugitive emissions	Leaks and other irregular releases of gases or vapours from a pressurised containment: air-conditioning units	15.65	14.34	14.97
Total Scope 1 direct emissions			**153.87**	**171.44**	**101.83** ◆
Scope 2					
Purchased electricity					
Total Scope 2 location-based		Electricity – location-based	**322.13**	**396.95**	**386.91** ◆
Total Scope 2 market-based		Electricity – market-based	**0.00**	**1.39**	**0.00** ◆
Total Scope 1 and 2 direct emissions	Combustion of fuel on-site, fugitive emissions, electricity – market-based		**153.87**	**172.83**	**101.83**
Scope 3					
Purchased goods and services	Products and services purchased		–[2]	–[2]	8,582.04
Capital goods	Fixed assets, plant, property and equipment		–[2]	–[2]	2,651.86
Business travel	Unknown vehicle fuel, rail, bus, taxi, hotel stays	Unknown vehicle fuel	193.00	256.67	466.43
Employee commuting	Rail, bus, taxi, hotel stays, home working	Unknown vehicle fuel	–[1]	2,021.06	2139.71
Fuel and energy-related activities (not included in Scope 1 or 2)	Well-to-tank (WTT) emissions for fuel use, upstream emissions for non-renewable electricity generation, transmission and distribution losses in the electricity network		136.71	155.95	141.69
Water	Water use		0.78	1.27	1.08
Waste	Waste from operations		4.20	5.95	1.67
Leased assets	Combustion of fuel on-site, fugitive emissions, electricity – market-based		–	55.95	50.38
Total indirect Scope 3 emissions (Category 1, 2, 3, 5, 6, 7 and 8)		Unknown vehicle fuel, water, waste, home working, energy-related activities	**334.69**	**2,496.85**	**14,034.06**
Total operational emissions (location-based)			**810.69**	**3,065.24**	**14,552.80**

Sustainability Report continued

Greenhouse gas emissions continued

Direct and indirect GHG emissions (Scopes 1, 2 and 3)	Further description	Specific fuels where applicable	2022	2023	2024
Total operational emissions (market-based)			**488.56**	**2,669.68**	**14,135.89**
Total indirect Scope 3 – financed emissions (Category 15)	Category 15 Investments (financed emissions). Calculated by multiplying an attribution factor (outstanding amount of loan divided by the property value at origination) by the emissions associated with the property taken from EPC. Calculated for Buy-to-Let and residential lending	Gas & Electricity for heating, hot water and lighting only	**363,680.00**	**314,413.00**	**294,137.00**
Total GHG emissions (location-based)	All measured emissions for the year		**364,490.69**	**317,479.24**	**308,659.80**

GHG intensity

GHG intensity ratio	Description	2022	2023	2024
Full Time Equivalent (FTE) employees (UK)	full-time equivalent (FTE) is a unit of measurement equal to one full-time employee	1,237	1,427	1,530
Annual turnover	£million	775	658	667
Scope 1 and Scope 2 location-based	metric tonnes of CO_2 equivalent per full time equivalent	0.38	0.40	**0.32** ◆
Scope 1 and Scope 2 location-based	metric tonnes of CO_2 equivalent per £million total income	0.61	0.86	**0.73** ◆
Scope 3 financed emissions – physical emissions intensity	kgs of CO_2 equivalent per square metre*	29.9	24.9	**24.6**

Energy consumption

Energy usage kWh		2022	2023	2024
Electricity		1,665,812.80	1,916,950.94	1,868,449.85
Gas		744,504.18	860,512.00	473,877.66
Total kWh	Electricity; natural gas	**2,410,316.98**	**2,777,462.94**	**2,342,327.51**

N/M = not measured

1. 2023 was the first year of reporting emissions from employee commuting and leased assets.
2. 2024 is the first year of reporting Scope 3 category 1 and 2 emissions.

* Financed emissions physical intensity ratio is calculated by multiplying the total estimated attributable financed emissions in tCO_2e for 2024 (294,137 tCO_2e) by 1,000 to give kgC02e (294,137,000 $kgCO_2e$). This is divided by the total floor area in m^2 of the properties taken from the Energy Performance Certificate (11,974,297m). Estimated absolute financed emissions were 470,596 tCO_2e for 2024. Financed emissions estimates are for the mortgage portfolio as the largest asset class. It does not cover non-modelled book or securitised loans.