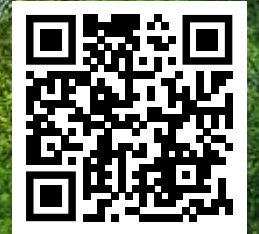


HOPE CAPITAL

Our 2023 Environmental, Social and Governance Report



FIBA | Financial Intermediary
& Broker Association

NACFB
HELPING FUND UK BUSINESS

RELATIONSHIPS
BEYOND LENDING

Introduction

Welcome to our first Environmental, Social and Governance (ESG) report. We consider ESG integral to what we do at Hope Capital and engraved into our DNA.



Contents

- 04** Introduction
- 05** A message from our Chairman
- 06** Our ESG journey
- 08** ESG: At the heart of what we do

Environmental

- 10** Overview
- 12** Metrics
- 14** Aspirations

Social

- 16** Overview
- 18** Metrics
- 22** Aspirations

Governance

- 24** Overview
 - 26** Metrics
 - 30** Aspirations
-
- 33** Moving forward from our CEO



This report is very much an introduction to our ESG story, and it helps to outline our priorities for the next 12 months.



We've set out an ambition to become a truly ESG purpose-driven organisation and are taking steps to embed this at the core of our business, decision making, operations and culture.

For over a decade, we've operated in the short-term finance sector and are proud of our ESG journey, and what we've achieved so far. We're working to support and create long-term sustainable value, that includes transparency about our ambitions and our progress.

Our strategy is directly aligned to our purpose, while making a meaningful and positive difference for all stakeholders. As Chairman of Hope Capital, it's my responsibility to work with the Board to look at our long-term success, set and oversee purpose, culture, values and strategy. Together with the Board and our people it gives me great pleasure to embrace our responsibility to help address some of the biggest economic, social, and environmental challenges that the UK faces.

Our ESG strategy will continue to develop as we respond and deepen our knowledge, resources and understanding of the changing landscape. We will provide further detail and granularity in certain areas as our thinking evolves – most notably, our long-term objectives and priorities under each of the E, S and G dimensions.

We're excited to share our progress, and hope you enjoy reading about it.



Steve

Steve Sealey
Chairman

Our ESG journey



Lender patron
Of the NACFB, a member-run trade
body that accredits, supports, and
represents brokers



Award wins



The average age of our Board members



Est. 2011

With over a decade of experience

78%

Of the Senior
Management Team is
made up of females



Lender partner
Of FIBA trade body,
operating a strict code
of conduct

48%
Of our workforce are
females

Dedicated team members
30+



**HM Treasury's Women
in Finance Charter**
Our workforce reflects the
government's aspiration to see
gender balance at all levels

ESG: At the heart of what we do

We're committed to embedding ESG at all levels of our business. It's why we've been so successful as one of the leading short term finance companies in the UK.

Today, ESG is an essential part of how we operate. It's not only the right thing to do but it makes clear commercial sense. We've always believed investing should be responsible – for over a decade our portfolio has helped to create jobs, develop businesses, help the local economy thrive, and support several charities.

This report is very much an introduction to our ESG story, and it helps to outline our priorities for the next 12 months.

Our three pillars
lay out how we
make it happen

Environmental

- Carbon Footprint & Sustainability
- Stakeholder Commitments
- Colleague Environmental Engagement

Social

- Corporate Social Responsibility
- Culture
- Diversity, Equity & Inclusion

Governance

- Legal & Corporate Governance
- Risk & Compliance
- Ethics & Transparency

Environmental overview:

Carbon Footprint & Sustainability



We measure our carbon footprint, such as adopting energy-efficient practices, minimizing waste, and encouraging the use of public transportation/car sharing/bike 2 work scheme for employees.

We promote sustainability in the office by using eco-friendly materials, reducing paper usage, and encouraging employees to adopt green practices.

Stakeholder Commitments



It's important that our key stakeholders share a similar commitment to working with the environment and not against it.

Through collaboration, we can look to understand their strategy and participate in sharing ideas from stakeholder to stakeholder.

Colleague Environmental Engagement



Our senior management team is responsible for the strategy and vision of Hope Capital, but we all want to be doing our bit for the environment, so we are encouraging accountability, responsibility, and idea generation from all our team.

Environmental metrics:

We're committed to being environmentally responsible in everything we do, and we take our responsibilities seriously. We have a diverse range of environmental initiatives that include energy efficiency, climate impact, waste reduction and community engagement.





Carbon Footprint

Our hybrid model of working has reduced travel to and from the office by allowing our employees to work remotely. This has saved time and costs, as well as reducing our carbon footprint.



Cycle to Work

We are excited to have recently signed up to the cycle to work scheme to encourage our employees to travel to and from work by bike.



Energy-Efficient Practices

We use energy efficient bulbs, and office light sensors, to reduce our power consumption.



Sustainability

In the face of the growing homelessness crisis, we're proud to support The Whitechapel Centre to provide our staff with an opportunity to donate used clothing, footwear, and non-perishable goods.



Minimising Waste

Our recycling collection points, are used to recycle paper, cardboard, plastic bottles, and hard plastics. We also recycle our Nespresso coffee Pods, which are segregated into parts. The remaining coffee grounds are recycled into compost and the pods are melted down into aluminium.



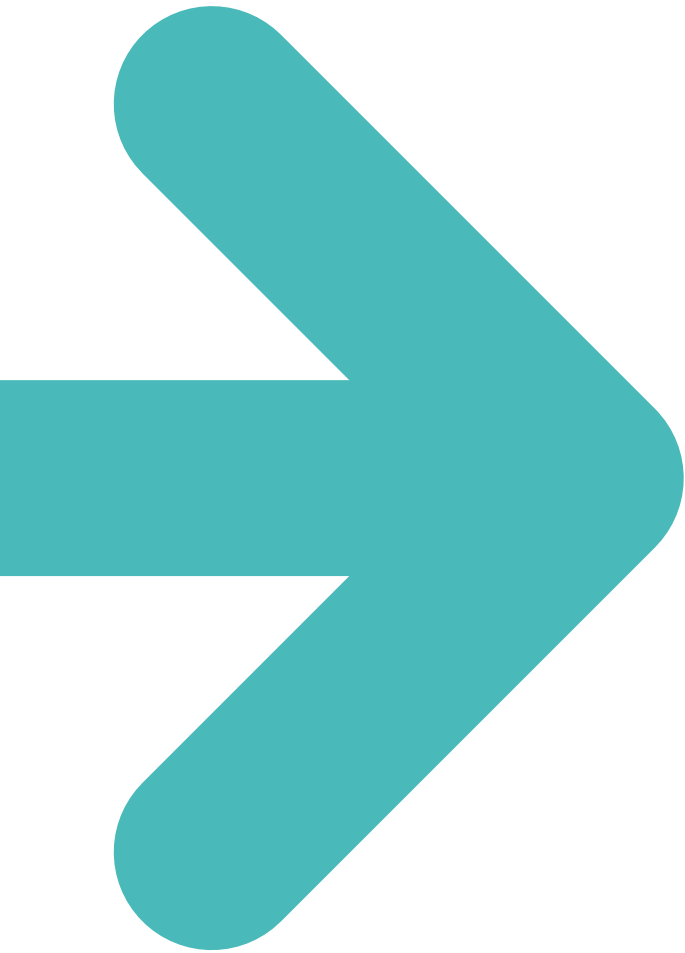
Environmental Footprint

Our electronic devices are serviced and maintained to give greater life.

Our environmental aspirations:

We're committed to reducing our carbon footprint and contributing towards a healthier environment. Our environment pillar sets out our goals for helping to improve the environment. We have identified our next steps:





We will look to set up an Environmental Committee with the purpose to identify and address environmental issues, as well as ways to promote sustainable practices at Hope Capital.

We will explore energy performance products including planting a tree for each deal we receive.

We will introduce a battery recycling collection point within our office.

We will identify a charitable cause to donate used technology and devices.

We will improve internal processes to become more paper-efficient by cutting down on printing, saving money by improving internal processes and systems that are often bogged down by too much paperwork.

We will identify green causes for staff to donate time as part of the volunteering aspect within the social pillar of our ESG strategy.

We will explore our stakeholder's commitment to ESG and share best practice.



Social overview:

Corporate Social Responsibility



We've supported countless charities to help people when they need it most.

From our long-running support of the Sunshine Group breast cancer charity to our work with local food and anti-poverty charities – we're proud to back communities across the UK.

Culture



We understand that the health and wellbeing of our colleagues is fundamental to their performance, so we do all we can to ensure positive mental and physical health.

This includes offering extensive wellbeing & benefits, promoting work-life balance, and providing a safe and healthy work environment.

Diversity, Equity & Inclusion



We strive towards a more inclusive workforce and recognise the positive value a diverse workforce brings. We're proud of our equal job opportunities and fairness for existing employees and future team members.

Our inclusive practices ensure everyone feels valued at work.



Social metrics:

We believe that healthy employees are happier and more productive, so we're committed to creating a sustainable working environment. This includes providing a safe and healthy work environment, promoting work-life balance, providing wellness programs, supporting local initiatives, charities, and events, and much more!



Recruitment

All our roles are advertised with flexible working arrangements, which has helped to attract the right talent within our growing business.



Promoting within

In the last half of 2022, we created 6 new positions that have brought both new talent from the local area and invested within our current workforce.



Remuneration

In addition to our competitive reward package, and annual pay review, we gave all our colleagues a pay rise in November 2022 to help with living costs. We also made information and resources available through our #myHOPE hub and our employee assistance programme.



Benefits

In November 2022 we launched myHOPE our wellbeing & benefits portal. In addition to our amplified benefits, we listened to our team and introduced:

- Enhanced hybrid working;
- Birthday day off;
- Buy or sell annual leave;
- Generous recruitment referral scheme;
- Increased reward for long service awards.



Group Pension Scheme

We launched our workplace pension in June 2022. Nest online pension scheme also shares our ESG commitment to reduce carbon emissions by at least 50 per cent of its c.£35 billion investments by 2030, and net zero by 2050. 98% of our employees opted to join our workplace pension. We recognise the importance of planning for retirement and our pension scheme is currently under review.



Employee Engagement

We want our people to love working here and welcome their views and opinions on a range of topics. In 2022 we refreshed how we listen to our colleagues by providing several feedback mechanisms. Our annual 'Shape our Future' survey asked our employees 'Would they recommend Hope Capital as an employer?' 100% agreed.



First Aiders

We always take necessary measures for the welfare of our employees. As a minimum, a low-risk workplace such as Hope Capital office should have a first-aid box and one appointed person. But thanks to our commitment we have three qualified first aiders.



Charitable Giving

We regularly donate to charitable causes and participate in fundraising events so that our employees can get involved. By making a difference in the lives of those around us, we make a difference in our own lives as well.



Festive Giving

Each year, we donate £2,000 between 8 local charities selected by our team. It's a great way to celebrate the holidays together and make an impact in our community.



Mental Health First Aiders

All our people managers and Chairman have achieved the FFA Award in First Aid for Mental Health (Level 2 RQF). This award is designed to train our managers and support staff in recognising, preventing, and acting on specific mental health issues.



Social Committee

We've always loved a social and the chance to spend time with our colleagues away from our desks. Our dedicated social committee, organise activities and events inside and outside of work.



Proud Sponsor

We have proudly supported the Sunshine Group since 2016. This North West breast cancer charity relies on the support of like-minded companies, who provide financial and marketing support. Together, we're raising the profile of this incredible organisation in our community.



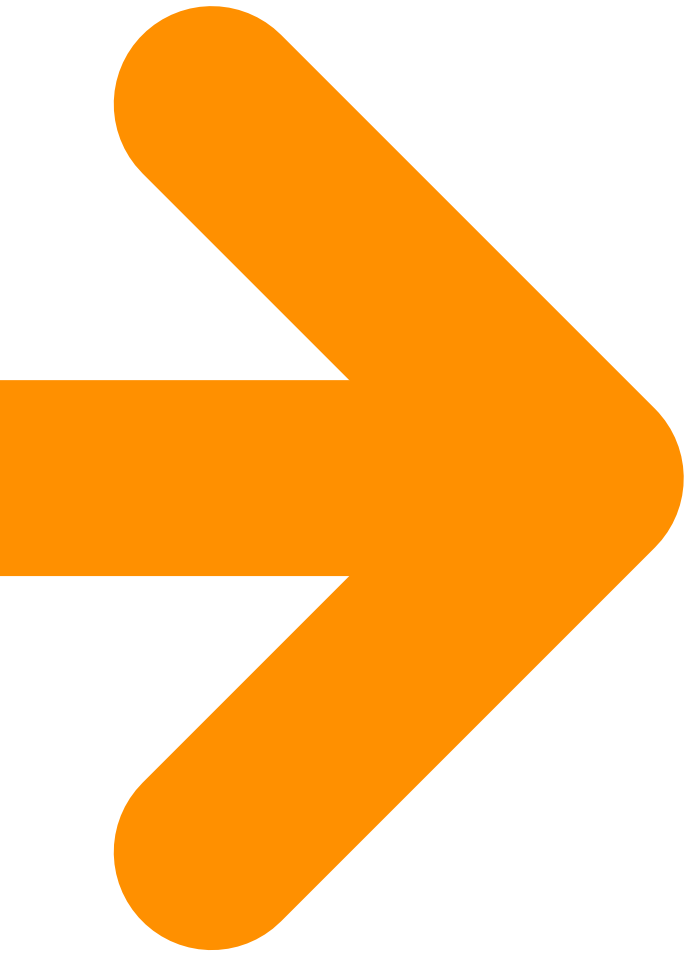
Community Giving

As a purpose-driven company, we strive to create impact beyond lending! We're proud to support local talent and value the importance our support makes. From inspiring football teams to supporting professional MMA fighters, we love sharing in other people's success!



Our social aspirations:

Our passion for ESG also covers our social landscape. Our social pillar sets out our goals for helping to improve the environment, influence positive change in society and engage with industry partners to achieve this. We have identified our next steps:



We'll identify green causes for staff to donate time as part of our community volunteering programme.

We will introduce match funding opportunities to help our staff raise money for worthy causes that they care about and give back.

We'll develop our career progression framework to help our people benefit from a more structured approach and help them to self-define their future within the business.

We will expand our social community to develop inclusion champions.

We'll work with The Prince's Trust and Women in Finance Charter to host a Brilliant Breakfast event to support disadvantaged young women.

Governance overview:

Legal & Corporate Governance



We focus on every aspect of responsible governance, whether the issue is legal and regulatory standards, assessments of environmental impact or reputational risk, or internal policies.

Our commitment to effective oversight is evident in all we do.

Risk & Compliance



In an uncertain world, we make sure that all operations and lending activities comply with regulatory requirements.

We also use our experience and expertise to develop effective compliance systems that identify and mitigate potential risks.

Ethics & Transparency



We ensure that all lending activities are conducted ethically, fairly and with transparency to borrowers.

This includes providing clear and understandable loan terms and conditions and promoting responsible borrowing practices.



Governance metrics:

We're committed to our corporate governance practices by ensuring leadership's incentives are aligned with stakeholder expectations, shareholder rights are viewed and honoured, and internal controls promote transparency and accountability on part of leadership.



Governance

We have a clear management constitution in place, that sets out rules, processes and structures that guides Hope Capital and determines how it is run. It involves the specific roles and responsibilities of directors, Board committees and individual managers.



Procedures

We have written procedures for most aspects of our business. We update these regularly so that everyone is following the same rules, creating consistency and efficiency.



Accountability

We provide regular dashboards, companywide financial forecasts and departmental budgets cultivated through collaboration with our senior management team. This is shared through our annual accounts and quarterly updates with our stakeholders.



Communication

We value the importance of transparent communication and have created high-integrity relationships with our stakeholders through it. We utilise various methods of communication to engage with our various stakeholders, to keep them involved and included on ideas, challenges, and growth.



Policies

Our extensive policies provide clarity, consistency, and continuity. They are an essential part of our culture by helping to ensure that our team know what is expected of them and how they can show their value.



Employee Handbook

Our employee handbook is an opportunity to welcome new employees, provide information about the company and affirm company culture. We want our employees to feel comfortable in their roles, knowing what to expect while they are part of our team.



Women in Finance Charter

We're proud to have pledged our support to the HM Treasury's Women in Finance Charter since 2018. The Charter reflects the government's aspiration and our commitment to see gender balance at all levels across financial services firms.



The Prince's Trust

Our Chairman, Steve Sealey, is a Regional Committee Member for The Prince's Trust. Steve is a passionate and committed advocate and fundraiser for the Prince's Trust, sitting on both the Trust's North West Development Committee and its Liverpool Sub-Committee. He plays an integral role in raising funds and awareness to help the Trust expand their support for disadvantaged young people across the region.



Equal and Fair Pay

We fully evaluate job roles and align pay to ensure its fair for all. All our roles pay over the real living wage. We have a number of reward initiatives to incentivise our team and make them feel valued whilst driving outstanding performance.

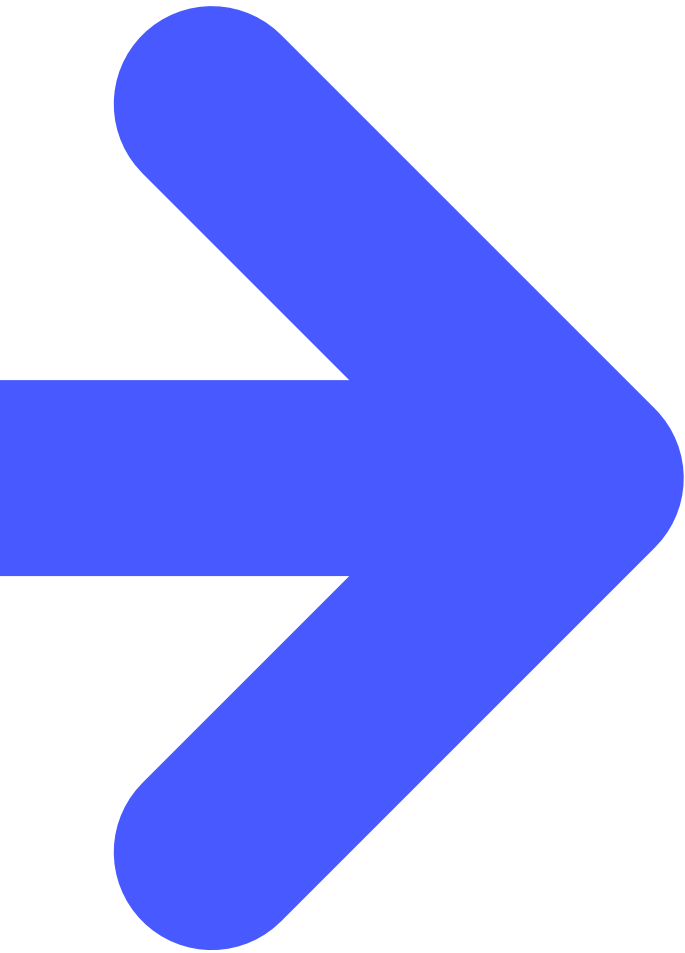
A 3D letter sign for 'HOPE CAPITAL' is mounted on a light-colored wall. The word 'HOPE' is in dark blue letters, and 'CAPITAL' is in light green letters. The letters are thick and have a slight shadow on the wall behind them. To the right of the sign is a vertical wooden beam and a white shelving unit with some items on it.

HOPE CAPITAL

Our governance aspirations:

We are dedicated to maintaining accurate and transparent governance methods that govern our structure. We have identified our next steps:





We'll continue to report on our ESG progress and achievements.

We will undertake a full appraisal of policies and procedures.

We'll provide a framework of Diversity, Equity, and Inclusion in the Hope Capital workplace.

We'll finalise and publish our risk register.

We will expand our policies to embed an Anti-Sexual Harassment & Anti Bullying Policy.

To support our high standards of sustainable and ethical business practices we'll draft and publish our first Modern Slavery Act Statement.



Our future commitments

This year marks a step change in the way we think about ESG and our commitment. We're striving towards a sustainable and equitable business aligned to our growing company.

We have put our values at the heart of everything we do, championing sustainable business and giving a voice to those who don't have one. Working together, we can make sure that's the case moving forward - not just for our people and investors, but for everyone who supports us. We're looking forward to another busy year ahead.

Throughout the coming year, we'll work to achieve our aspirations and report back on the progress in next year's report. Until then, we'd like to thank you for reading this year's ESG report. We hope you found it insightful.



Jonathan Sealey
Chief Executive Officer

HOPE CAPITAL



FIBA

Financial Intermediary
& Broker Association

NACFB

HELPING FUND UK BUSINESS

www.hope-capital.co.uk | hello@hope-capital.co.uk | 0151 523 5998
Alaska House, No.1 Atlantic Park, Dunnings Bridge Road, Liverpool L30 4AB



RELATIONSHIPS
BEYOND LENDING