The Dermatology Partnership

Environmental, Social & Governance Policy

This Policy applies to The Dermatology Partnership and associated entities that are considered part of The Dermatology Partnership group of companies.

The Dermatology Partnership is a growing group of private clinics that are trusted experts in dermatology. We provide services ranging from beauty (anti-ageing treatments, skin rejuvenation, etc.) to health (dermatology treatments, skin cancer treatments, etc.). As one of the UK's leading dermatology clinics group, we do not just want to look after the health and wellbeing of our patients; we also want to support the communities we operate within, have a positive impact on the environment and look after the staff that provide the very best care to the people we support.

Our Environment, Social and Governance ("ESG") goals align closely with the UN's Sustainable Development Goals. They have become a guiding force in how we run our business and how we will continue to support people, work with our teams and operate our services in the future. We support and align with:

- Goal 3, Good Health and Wellbeing: Ensure healthy lives and promote wellbeing for all at all ages
- Goal 5, Gender Equality: Achieve gender equality and empower all women and girls
- Goal 13, Climate Action: Take urgent action to combat climate change and its impacts

This ESG policy aims to communicate our approach to ESG and the path we are currently on. We are serious about ESG and have engaged with external ESG specialists to bring best practices from around the world to TDP.

ENVIRONMENTAL

Energy

Our target is that all electricity renewals will be from renewable sources – wind, hydro and solar. It is currently not economically feasible to procure renewable gas as this is 35% more expensive. We will continue to monitor the quantum of this additional cost and switch some gas procurement to renewable gas when viable.

When equipment reaches its end, we will aim to replace these with renewable options, such as replacing fluorescent lighting with LED. We will continue investing in upgrading our boilers to more efficient ones and considering options that use renewable energy sources.

We plan to hire specialist energy consultants to conduct an energy audit and pinpoint which assets and activities account for most of the group's overall energy usage. This map will help us target energy-saving opportunities.

We will also appoint energy champions across the business to educate employees to be more energy conscious and to offer ideas about how energy can be saved.

<u>Waste</u>

We adhere to the waste hierarchy. We also ensure that we adhere to the legal requirements around waste disposal by ensuring that waste produced is disposed of appropriately by a licenced waste carrier to ensure the health and safety of the people we support, our staff and the wider community. We are especially cautious with clinical waste and train our staff annually to dispose of this safely.

Water

We are not large consumers of water within our clinics. However, we know that every drop is precious in a world where water is scarce in many parts. We will track water use closely across our clinics to identify leaks and implement water-saving technologies.

Transport

We do not operate a fleet of company cars and do not plan to do so in the future. Should we require a fleet in the future, these will be electric vehicles.

<u>Carbon</u>

We started calculating our carbon footprint annually. This is crucial as we join other leading organisations worldwide, adhering to the Paris Agreement and using Science-Based Targets to set a course to minimise global warming to under 1.5 degrees Celsius by 2050. The Intergovernmental Panel on Climate Change (IPCC) is an intergovernmental body of the United Nations, mandated to provide objective scientific information relevant to understanding human-induced climate change, its natural, political, and economic impacts and risks, and possible response options. The IPCC has now strongly suggested that we reduce emissions by 50% by 2025 and become Net-Zero by the latest by 2050.

We are committed to reducing our Scopes 1 and 2 by at least 50% by 2030, offsetting them to be Carbon-Neutral by May 2023 and becoming Net-Zero by 2040 by offsetting any residual emissions using high-quality nature-based carbon removal offsets. All offsetting projects will be verified by Verra or the Gold Standard.

SOCIAL

Staff

Our people are at the heart of our organisation, and we want to ensure our staff are fully supported as they advance their skills and careers with us. We will provide training, development, and advancement opportunities to all our staff members across all levels. We will also continuously develop our employment standards and HR policies to achieve consistency and transparency in our working conditions and provide equal opportunities for our employees.

In order to keep our finger on the pulse of how our staff feel about their role and about working for TDP as a whole, we issue staff surveys at least annually with the help of an independent third-party provider. Feedback is provided to clinics, and initiatives have been introduced as a result of the feedback received: e.g. our newly introduced Gem Awards.

Communities and patients

Our service work places us in the heart of many communities, and we desire to be a positive force for them. We will continue to do this by committing financial resources to source key contracted support services in the local economy alongside where feasible products we purchase. In addition, we will be directly dedicating time and funds to chosen charities, which might be external to TDP sphere of engagement. We support our teams and encourage them to involve the people we support in activities aligned with our company's mission, vision and purpose, such as providing free mole checks in GP offices during Cancer Month.

Our patients' feedback is crucial. Through various channels (including satisfaction surveys, google reviews, QR code cards etc.), we can monitor feedback, make improvements, and respond rapidly to any enquiries or concerns. Our clients' grievance policy is clearly visible to patients in all clinics, and we follow a strict procedure involving staff, practice managers and corporate management if needed.

Supply chain

We consistently seek to manage our supply chain effectively. We contract with and build strong relationships with key suppliers who share our aims: carbon emissions and packaging reduction, local procurement, etc. We encourage and support our services to plan procurement to reduce excess deliveries and avoid waste. Our most significant cost is our properties and staff. That said, we seek to work with ESG-like-minded suppliers and have embarked on a process of asking more questions related to current and potential suppliers' ESG goals, actions and aspirations.

GOVERNANCE

We are committed to ensuring that ESG is integrated into our core business and that we are having a positive impact on the communities we serve. We do this by ensuring the above are entrenched across multiple layers of our hierarchy through the efforts of our newly formed ESG committee and other sub-committees.

As we embed sustainability practices into our clinics, operations and services, Clinical Governance and Health and Safety will remain central pillars. Operating in a safe and clean environment is a mandatory requirement in our industry, and our robust H&S policy and system ensure the highest standards are maintained across all clinics. We bring in external advisors and have an Integrated Governance Committee, which brings together our practice managers and H&S advisers regularly.

We know that outstanding policy and procedure are critical and are making significant strides in this area. In 2022, we hired a Quality and Governance Lead to work with our Practice Managers to ensure all policies and procedures are compliant and current. We have recently embarked on a large project to review our 100+ policies and are simultaneously implementing a policy tracker to streamline this process for the future.

Protecting our patients' data is also critical for us in the healthcare sector, and we take this responsibility seriously. Three of our clinics are Cyber Essentials Plus certified, and we intend to roll out the certification to the rest of our clinics throughout 2023.

Approved by: Graham White

Next Review date: 1 January 2023