

Davy Sustainability Commitments

27th of July, 2023

Context

As one of Ireland's leading capital markets and wealth manager provider, Davy is committed to supporting global and national efforts to build a more sustainable and equal society.

This commitment is embedded across our purpose, values and strategic priorities.

It also now embeds in our governance and risk processes, and across all our client propositions.

Davy can play a substantial role in our transition to a green economy, sitting as it does at the heart of wealth and capital in Ireland. We are investing to deliver on this potential, in line with the expectations of our stakeholders.

Governance

To prioritise sustainability in our business and assure delivery of our strategy, we established our Sustainability Executive Committee (SEC) as a sub-committee of our Executive Committee in 2022.

Chaired by our Head of Strategy, Brand and Marketing, it includes executive decision makers from across all our main business and support functions. The committee meets monthly, working to a defined agenda. It is supported in its activity by Davy's specialist sustainability advisory team – Davy Horizons.

Baseline Review

To provide the foundations for our sustainability programme, we conducted a baseline sustainability review of our activities, products, services and operations across all our locations in 2022.

The review assessed all our material environmental and social impacts, and benchmarked Davy's current performance versus best practice as defined by policy, law and standards. This included measuring our energy consumption, Greenhouse Gas emissions, water, waste, procurement and diversity performance, among others.

Based on this review, we developed a five-year roadmap, which is now in its first year of implementation. While we are early stage in strategy execution, we are committed to continuous improvement in all aspects.

Priorities

We have aligned our strategy and action plan with the [UN Sustainable Development Goals](https://sdgs.un.org/goals)¹, focused on those goals most relevant to our activities as follows:

- Good Health & Wellbeing (Goal #3)
- Gender Equality (Goal #5)
- Decent Work & Economic Growth (Goal #8)
- Industry Innovation & Infrastructure (Goal #9)

¹ <https://sdgs.un.org/goals> as at 3rd August 2023.

- Responsible Production & Consumption (Goal #12)
- Climate Action (Goal #13);
- Partnerships for the Goals (Goal #17).

As a subsidiary of the Bank of Ireland Group, we align with their Responsible and Sustainable Business Programme as directly relevant to our business activities.

We have also committed to the UN Global Compact and its ten framework principles.

We are also organised to ensure a comprehensive compliance with all relevant regulatory obligations.

Commitments

Support Sustainable Market Transition (Goals 8, 9, 12, 13 & 17):

- Support clients meet stakeholder sustainability demands across ESG through our specialist ESG advisory team (Davy Horizons), responsible investment (RI) funds, specialist decarbonisation team, renewables and general research activity, and our services to investors in commercial real estate.
- Become a signatory to UN Principles for Responsible Investment by end-2023.
- Engage our clients and stakeholders through relevant thought leadership events and publications
- Support capacity building on sustainability in business and financial services through our role on the Central Bank of Ireland (CBI) Climate Forum and support to International Sustainable Finance Centre of Excellence.

Davy Operations (Goal 13):

- By end 2025, Davy Group is committed to significantly reducing its Scope 1 and 2 Greenhouse Gas emissions across all its office locations. This will be achieved by:
 - switching to 100% renewable energy targets with verified certificates of origin by end 2023.
 - eliminating natural gas use and switching to heat pumps at our largest office.
- By end 2023, we will monitor the financed emissions associated with our products and services where we have ability to do so, and develop a client-led strategy for reducing their carbon intensity.

Davy Operations (Goal 12):

- Engage our people to improve waste segregation across our offices.
- Reduce waste to landfill in our Dublin office (within constraints of building ownership).
- Significantly reduce staff availability of single-use products and car parking.
- Incorporate sustainability criteria into procurement practices.

Social (Goals 3 & 5)

- Sustain Respect & Inclusion programme of activity.
- Achieve bronze accreditation for Irish Centre for Diversity (end 2023).

- Diversity proof our key HR processes (end 2023).
- Implement a development programme for female talent (end-2023).
- Sustain charitable investment and levels of staff supports.
- Engage Davy staff through events and training on sustainability.
- Sustain Davy staff wellness programme.

Reporting & Partnerships (Goal 17)

- By end 2023 we will prepare our first communication on Progress, the annual reporting requirement of the UN Global Compact. We will also report as part of Bank of Ireland requirements.
- To fast track our progress, we have become a member of the Task Force on Climate Related Financial Disclosures (TCFD) Supporter group.