



Mortgage Advice  
Bureau (Holdings) plc

# Sustainability Report 2025



# A MESSAGE FROM OUR CFO



## Foundations for long term resilience.

2025 marked an important step forward in the Group’s approach to sustainability, with a clear focus on strengthening governance, improving data integrity and aligning disclosures more closely with financial reporting disciplines.

During the year, executive accountability for the sustainability transition was transferred to the Chief Financial Officer. This reflects a deliberate move to embed sustainability within the Group’s financial, risk and control environment, supporting a more consistent, disciplined and auditable approach to ESG reporting.

Over the past three years, the Group has developed its sustainability capabilities from an emerging framework to a more structured and integrated model. This progress is reflected in the publication of the Group’s first standalone Sustainability Report, supporting greater transparency and consistency of disclosures.

In 2025, particular focus was placed on strengthening the methodologies, controls and processes underpinning sustainability reporting. This included formalising key methodologies and enhancing data collection, validation, and review, thereby improving reliability and audit-readiness. These developments also support the future integration of acquisitions and preparation for a potential transition to the Main Market.

The Group recognises that climate-related risks are expected to become increasingly financially relevant over time. While exposure remains predominantly indirect, these considerations are being progressively incorporated within the Group Risk Management Framework to support more informed strategic and financial decision-making.

The progress made in 2025 provides a strong foundation for continued development. Sustainability is increasingly integrated within the Group’s governance, risk and control environment and will continue to evolve in line with the Group’s strategic and financial priorities.

**Emilie McCarthy**  
CGMA, FCMA  
MAB CFO

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A message from our Chair of the Board Sustainability Committee

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# A MESSAGE FROM OUR CHAIR OF THE BOARD SUSTAINABILITY COMMITTEE



## Enhancing Board oversight and accountability for sustainability.

Sustainability has become an increasingly prominent component of the Board’s agenda over the past three years.

What was previously considered periodically is now addressed through regular Board discussions, reflecting its growing relevance to the Group’s long-term resilience, governance and reporting obligations.

During 2025, the Board continued to strengthen its oversight of sustainability and climate-related matters, with particular focus on governance, risk integration and the quality of external disclosures. The Board supported the alignment of sustainability with established financial and control frameworks, recognising the importance of robust, decision-useful reporting.

Sustainability and ESG reporting capability have also been considered by the Board as a principal risk area, in light of increasing expectations from investors and regulators, particularly in the context of the Group’s continued growth and potential transition to the Main Market. This has reinforced the need for a proportionate, well-governed and credible approach to disclosure.

In recognition of the strategic importance of these matters, the Board approved the establishment of a Board Sustainability Committee, effective from 2026. The Committee provides dedicated oversight and challenge regarding sustainability strategy, climate-related risks, and disclosures, ensuring appropriate governance and scrutiny.

The Board is proud to present the Group’s first standalone Sustainability Report and will continue to monitor developments in this area to ensure that the Group’s approach remains aligned with its strategic priorities as set out in the Annual Report.

**Mandy Donald**  
MAB Independent Non-Executive Director,  
Chair of the Board Sustainability Committee

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 <b>GOVERNANCE &amp; STRUCTURE</b>	 <b>CLIMATE &amp; TRANSITION POSITIONING</b>	 <b>OPERATIONAL FOOTPRINT</b>	 <b>PEOPLE &amp; CULTURE</b>	 <b>CUSTOMERS &amp; CONDUCT</b>	 <b>COMMUNITY IMPACT</b>
<p><b>CFO-led executive accountability</b></p> <hr/> <p><b>Double Materiality Methodology formally documented (and independently reviewed)</b></p> <hr/> <p><b>Climate Risk Methodology developed (and independently reviewed)</b></p> <hr/> <p><b>Sustainability Assurance Roadmap approved</b></p> <hr/> <p><b>ISSB-aligned reporting framework developed</b></p>	<p><b>2024 established as formal Net Zero baseline year</b></p> <hr/> <p><b>Started the definition of near term targets for SBTi validation through an external specialist consultancy</b></p> <hr/> <p><b>Climate risk integrated into Group Risk Management</b></p>	<p><b>186 tCO<sub>2</sub>e</b>  <b>Scope 1 &amp; 2 emissions (market basis):</b>                      ↑ 3% due to boundary expansion</p> <hr/> <p><b>0.17 tCO<sub>2</sub>e</b>  <b>Scope 1 &amp; 2 intensity reduced per employee</b>                      ↓ from 0.19</p> <hr/> <p><b>64.66 kWp</b>  <b>Rooftop solar commissioned</b></p> <hr/> <p><b>EPC D→A</b>  <b>Capital House upgraded</b></p> <hr/> <p><b>7.53 kgCO<sub>2</sub>/m<sup>2</sup></b>  <b>Operational intensity reduced from 26.93 → 11.66 → 7.53 kgCO<sub>2</sub>/m<sup>2</sup> at Capital House over 4 years*</b></p>	<p><b>82%</b>  <b>Employee engagement index</b>                      ↑ from 76%</p> <hr/> <p><b>10%</b>  <b>Regretted leavers reduced</b>                      ↓ from 19%</p> <hr/> <p><b>38.7%</b>  <b>Female senior management</b>                      ↑ from 33%</p> <hr/> <p><b>50%</b>  <b>Female representation at Board</b>                      ↑ from 33%</p> <hr/> <p><b>900</b>  <b>Employee volunteering hours</b>                      ↑ from 500</p>	<p><b>5.0</b>  <b>Feefo rating**</b></p> <hr/> <p><b>4.6</b>  <b>Trustpilot rating**</b></p> <hr/> <p><b>0.10%</b>  <b>Complaints upheld, of completed cases</b>                      ↓ from 0.12%</p> <hr/> <p><b>Mortgage Advice Guidance updated with strengthened Consumer Duty alignment</b></p>	<p><b>26</b>  <b>Community projects supported</b>                      ↑ from 17</p> <hr/> <p><b>£98,700</b>  <b>Foundation funding released</b>                      ↑ from £50,000</p> <hr/> <p><b>£239,673</b>  <b>Total charitable contributions</b>                      ↑ 241% from £99,322</p>

\* This operational intensity metric is presented on the basis of the underlying source methodology (EPC assessment), and therefore may not be directly comparable to greenhouse gas metrics reported under the GHG Protocol.  
 \*\* Customer satisfaction metrics relate to MAB branded operations and are presented as at 18 February 2026, where applicable.

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# EXECUTIVE SUMMARY

The Group’s approach to sustainability continued to evolve during 2025, combining strengthened governance, data and reporting frameworks with continued delivery for customers, colleagues and operations.

This report represents the Group’s first standalone Sustainability Report and provides a structured view of the Group’s sustainability governance, risk management and reporting maturity.

During the year, governance and accountability continued to be embedded. Executive accountability for sustainability transitioned to the Chief Financial Officer, and the Group developed and documented its Double Materiality Assessment and Climate Risk methodologies, both subject to independent external review. These developments provide a structured foundation for future application, integration and assurance.

Sustainability considerations are embedded within the Group’s Enterprise Risk Management framework and reflected in its approach to responsible business, including advice standards, customer outcomes and regulatory conduct. Consistent with the Group’s intermediary model, exposure to climate-related risks remains predominantly indirect and influence-based.

Progress was also made in establishing the foundations for transition planning. A 2024 baseline was defined for target-setting, and a commitment to set science-based targets aligned to net zero by 2050 was submitted to the Science Based Targets initiative (“SBTi”) in Q1 2026.

Looking ahead, the Group’s focus for 2026 is on the application of established methodologies, further development of data and controls, and progression towards assurance, in line with its governance-led and disciplined approach.



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## Purpose and scope

Sustainability is an integral part of MAB's long-term strategy and risk management framework. This report sets out our sustainability approach and our performance for the year ended 31 December 2025.

This Sustainability Report provides additional transparency and depth on the sustainability-related disclosures included within the Group's Annual Report. It complements the Annual Report by providing further detail on:

- Our sustainability governance and oversight
- How we identify, assess and manage sustainability and climate-related risks and opportunities
- Our approach to metrics, data foundations and controls
- Our forward-looking priorities and readiness for future regulatory and assurance requirements

The report is non-statutory and does not replace the disclosures included within the Annual Report, which contains the Group's Non-Financial Information Statement and reporting under the Companies Act 2006. Where relevant, it provides additional explanation and context to support these disclosures.

The content has been informed by the principles set out in IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures).

Consistent with these principles, the focus is on decision-useful information for investors, with particular emphasis on governance, risk management, metrics and preparedness for future reporting developments, rather than on presenting an exhaustive account of all environmental, social and governance (ESG) activity.

This report reflects the evolution of the Group's sustainability strategy, governance arrangements and reporting maturity, and marks a step towards more integrated and assured disclosures over time.

## Reporting period and boundaries

The reporting period for this report is the financial year ended 31 December 2025 and is aligned with the Group's Annual Report.

The reporting boundary is consistent with the Group's financial reporting and SECR disclosures and covers entities within the Group's financial control. This includes subsidiaries and businesses over which the Group exercises direct operational oversight.

In the case of our Appointed Representatives, the Group's influence is exercised through policy, guidance, training and engagement rather than direct operational control.

Unless otherwise stated, environmental metrics are reported on a financial control basis. Selected people, customers, and governance metrics may exclude entities where data and governance alignment remain in progress.

## Terminology

### Sustainability

Sustainability at MAB describes how the Group creates long-term value through responsible and ethical business practices. It reflects what the Group seeks to achieve through its business model, operations and customer propositions, and how environmental and social considerations are reflected in decision-making.

### ESG

ESG refers to the governance structures, frameworks, policies, metrics and disclosures through which the Group oversees, measures and reports its sustainability performance. It includes regulatory compliance, the management of sustainability-related risks and opportunities, and the controls and assurance processes supporting credible reporting.




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# OUR SUSTAINABILITY STRATEGY

## Mission and vision

**MISSION**

We help people fulfil their aspirations by making key financial moments in life a simple, happy and reassuring experience.

**VISION**

To become the leading financial partner through life's key moments.

By being an amazing place to work, providing an outstanding experience for our customers, transforming the industry with the best mortgage journey, and having a positive social and environmental impact.

**STRATEGIC INTENT**

Our Sustainability Strategy translates this vision into a disciplined framework for long-term, sustainable growth, anchored in customer impact, innovation and robust governance. It sets out how MAB's role as a leading mortgage intermediary creates enduring value for customers, colleagues, partners, communities and shareholders.

Given the nature of our business, MAB's direct environmental footprint is modest. The primary opportunity for impact lies in influencing outcomes across the housing ecosystem. By guiding customers towards more energy-efficient, and resilient homes, we extend our impact well beyond our own operations.

Embedding sustainability considerations into our advice, products and processes supports customers' financial wellbeing, contributes to a healthier housing market and supports the Group's strategic positioning and long-term resilience.



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## Our three strategic pillars

The Sustainability Strategy is structured around three strategic pillars. Together, they provide a clear framework for decision-making, prioritisation and governance, ensuring sustainability activity remains focused, proportionate and aligned with long-term value creation.

1

### Environmental leadership and advocacy



This pillar reflects the Group's role in influencing environmental outcomes across the housing ecosystem, rather than focusing solely on its own operational footprint.

The Group seeks to exercise leadership through advocacy, advice and collaboration – supporting greater awareness of energy efficiency, property resilience and environmental performance within the mortgage journey, and working with lenders and partners to help accelerate the transition to a lower-carbon housing stock.

Through its intermediary position, the Group can influence customer choices, product design, and industry standards. Environmental leadership is therefore expressed through credible guidance, transparent communication and disciplined action.

Initiatives such as the Resilient Homes proposition<sup>1</sup> demonstrate the link between environmental and social impact, supporting improved energy performance alongside better long-term affordability for customers.

2

### Social responsibility



This pillar recognises that long-term sustainability depends on engaged colleagues, a strong culture and positive relationships with communities.

The Group aims to be an exceptional place to work, supporting wellbeing, inclusion and development, while fostering a culture that promotes responsible behaviour and long-term decision making. Social impact is also delivered through targeted community investment, primarily via the MAB Foundation, with a focus on locally grounded initiatives aligned to the Group's values and areas of influence.

Together, investment in people and communities supports organisational resilience, reputation and sustained performance.

3

### Strong governance and oversight



This pillar reflects the Group's conviction that sustainability must be underpinned by strong governance, clear accountability and disciplined disclosure.

The focus is on embedding sustainability within existing governance and risk management frameworks, integrating climate and sustainability risks into group risk processes, and ensuring disclosures are accurate, proportionate, and evidence-based. The strategy prioritises clarity over complexity, recognising the importance of sequencing and organisational readiness.

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<sup>1</sup> MAB's customer proposition for energy-efficiency improvements and integrated financial advice.

**OUR SUSTAINABILITY STRATEGY CONTINUED**

**Enabling sustainable growth and long-term value creation**

The Group’s sustainability strategy is designed to align environmental and social outcomes with commercial performance and support sustainable growth over the long term. It reflects how the Group creates value through its business model, operations and customer propositions, and how these considerations are incorporated into decision-making. It is centred on four interdependent ambitions:

- **Empower our people** – fostering an exceptional place to work, embedding sustainability within our culture, and equipping colleagues to contribute to positive change
- **Enhance customer outcomes** – supporting consumers to make informed homeownership and energy-efficiency decisions that reduce costs and strengthen long-term financial resilience
- **Transform the industry** – working with advisers, lenders and partners to support the transition to a greener, more efficient and more resilient housing market
- **Create long-term investor value** – integrating ESG into governance and financial reporting, aligning with Main Market (and towards FTSE 250) standards, and supporting credible, relevant disclosure, as well as long-term investor understanding

These ambitions are delivered through, and reinforced by, the Group’s three strategic pillars, ensuring alignment between purpose, performance and long-term value creation.

In practice, this approach creates tangible benefits across the Group’s key stakeholders:

**Table 1: Stakeholder Value Matrix**

HOW THE GROUP CREATES VALUE
<p><b>Customers</b></p> <p>Integrating energy-efficiency and resilience considerations into the mortgage journey to reduce household costs, improve affordability and protect long-term asset values.</p>
<p><b>Colleagues</b></p> <p>Developing an inclusive, skilled and engaged workforce through targeted learning, wellbeing support and participation in sustainability initiatives.</p>
<p><b>Lenders and partners</b></p> <p>Enhancing collaboration through the Resilient Homes proposition, data-led insight and evidence-based support for sustainable mortgage innovation.</p>
<p><b>Communities</b></p> <p>Delivering social and environmental benefits through the MAB Foundation and locally focused partnerships.</p>
<p><b>Investors and shareholders</b></p> <p>Strengthening ESG performance and disclosures through alignment with ISSB, TCFD and SBTi, supporting governance maturity, reducing perceived risk and reinforcing long-term value.</p>

**Business model and sustainability**

MAB operates as a regulated mortgage and protection intermediary, supporting customers in making key financial decisions while working with a broad network of advisers, lenders and partners. This business model shapes both the opportunities and constraints of the Group’s sustainability strategy.

The Group has limited balance sheet exposure to environmental risk compared with asset-owning businesses. However, it exercises considerable influence across the UK housing market through advice, propositions and governance standards. A clear distinction is therefore made between areas of direct operational control and areas of indirect influence, ensuring sustainability activity and disclosure remain credible and balanced.

Sustainability is embedded within governance, risk management and long-term resilience. Environmental and social factors increasingly influence customer affordability, conduct risk and regulatory expectations, making them increasingly relevant to strategic decision-making.

By integrating sustainability within governance structures, customer propositions and people practices, the Group supports good customer outcomes under Consumer Duty, strengthens organisational resilience and enhances readiness for evolving Main Market requirements and investor expectations.

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# GOVERNANCE, OVERSIGHT AND ACCOUNTABILITY

## Board oversight

The Board has ultimate responsibility for oversight of sustainability and climate-related matters, including their implications for strategy, risk management, disclosures and long-term value creation.

During 2025, sustainability oversight was exercised through existing Board and committee structures. Sustainability and climate-related considerations were incorporated into routine discussions on strategy, risk, financial performance and investor communications, reflecting the Group’s approach of embedding sustainability within core governance processes.

As described in the 2025 Annual Report, the Board had resolved by year-end to establish a dedicated Board-level Sustainability Committee. This committee was formally constituted in January 2026 and is chaired by a Non-Executive Director. The creation of this committee represents a further step in strengthening governance arrangements, recognising the increasing strategic and regulatory importance of climate risk, ESG disclosures and sustainability performance.

The Board Sustainability Committee provides focused oversight of:

- Delivery of the Group Sustainability Strategy and key priorities
- Sustainability and climate-related performance, including selected KPIs
- Disclosure readiness and alignment with ISSB and future UK sustainability reporting requirements; and
- Significant sustainability matters escalated by management

Although formally constituted in January 2026, the Committee builds on governance structures and oversight mechanisms developed and embedded during 2025. Its inclusion in this report provides transparency regarding the Group’s evolving governance arrangements.

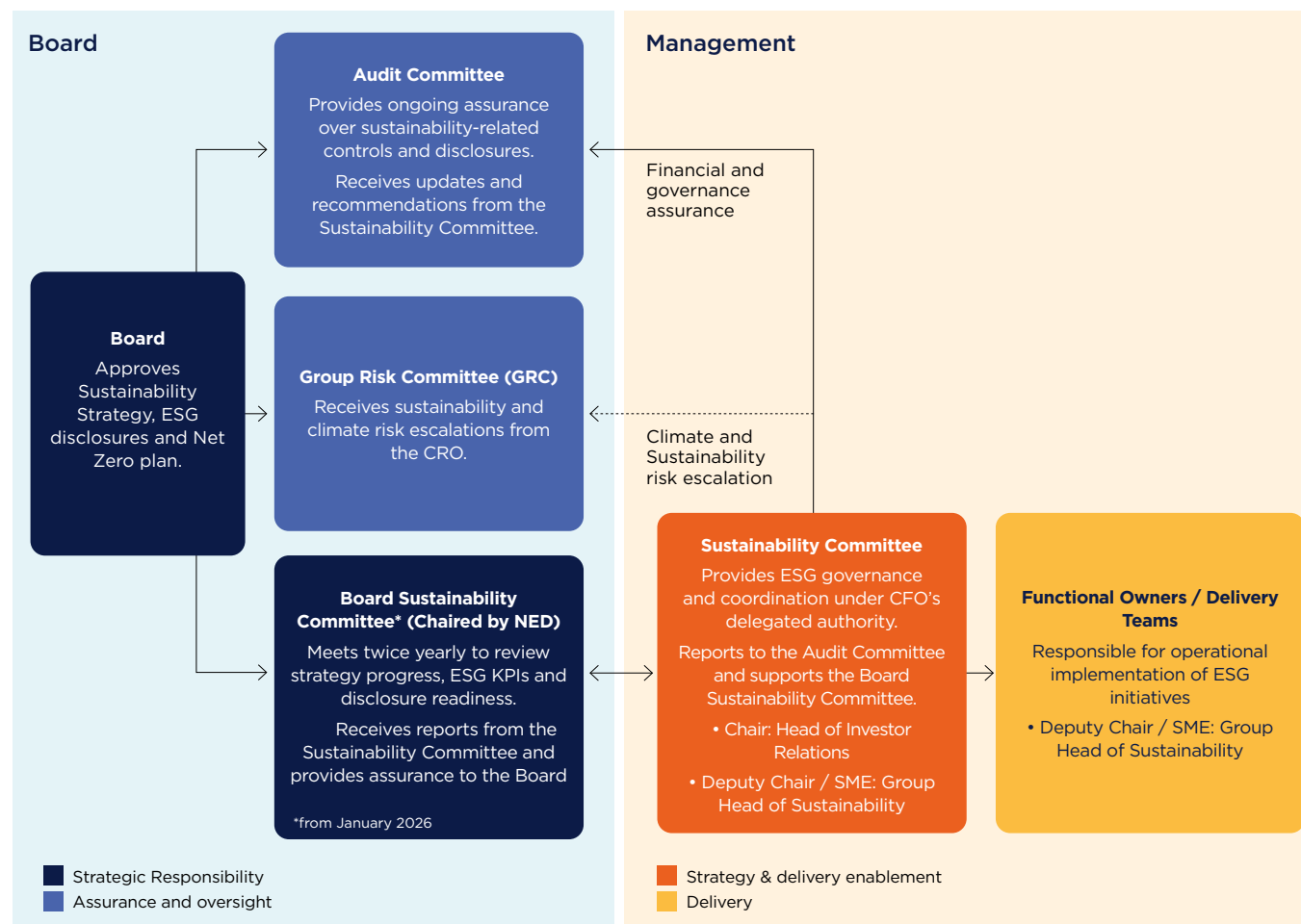


Figure 1: Sustainability Governance and Escalation (2025 Arrangements with 2026 Enhancements)

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## Audit Committee oversight

The Audit Committee plays a key role in overseeing the quality, integrity and assurance-readiness of sustainability-related disclosures.

The Audit Committee's responsibilities include:

- Oversight of sustainability and climate-related disclosures within the Annual Report and this Sustainability Report
- Review of data governance, controls and documentation supporting sustainability metrics
- Consideration of assurance sequencing, including internal reviews and the planned progression towards limited external assurance; and
- Oversight of the interface between sustainability reporting, financial reporting and risk governance

Updates on sustainability disclosures, methodologies and data quality are provided to the Audit Committee through the Chief Financial Officer, supported by reporting from the Management Sustainability Committee. This approach ensures that sustainability information is subject to scrutiny consistent with financial reporting discipline, aligning with investor expectations and emerging regulatory standards.

Where sustainability-related matters intersect with group risk, the Audit Committee works in coordination with the Group Risk Committee to ensure appropriate escalation and oversight.

## Executive accountability

Executive accountability for sustainability transitioned during 2025 to a finance-led governance model, with the Chief Financial Officer assuming overall executive accountability.

This transition reflects:

- the increasing convergence between sustainability disclosures and financial reporting;
- the importance of robust data governance, controls and assurance;
- investor expectations that ESG information is prepared with financial-grade rigour; and
- the Group's ambition to align with ISSB requirements and Main Market governance standards.

Under this model:

- the Chief Financial Officer is accountable for sustainability governance, disclosure quality and assurance readiness;
- the Head of Investor Relations and Sustainability oversees investor-facing sustainability disclosures and chairs the Management Sustainability Committee; and
- the Group Head of Sustainability leads day-to-day coordination across defined sustainability domains, including climate risk, data, methodologies and propositions such as Resilient Homes.

The Group Head of Sustainability is responsible for the design, coordination, and ongoing evolution of the Group's sustainability architecture, including climate risk and double-materiality methodologies, data frameworks, and sustainability-related propositions. The role operates across Finance, Risk, and business functions to ensure consistency, proportionality, and integration, with strategic oversight provided by the Management Sustainability Committee and Board-level governance forums.

This structure provides clear ownership and accountability while embedding sustainability oversight within established executive governance processes.

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## Management Sustainability Committee

The Management Sustainability Committee operates as the Group's primary management-level forum for sustainability governance and coordination.

The Committee's remit includes:

- oversight of delivery against the Group Sustainability Strategy;
- review of sustainability KPIs, metrics and performance;
- development and review of methodologies, including climate risk and double materiality;
- monitoring of disclosure readiness and regulatory developments; and
- escalation of material risks, issues or recommendations to the Audit Committee, Group Risk Committee or Board, as appropriate.

The Committee is chaired by the Head of Investor Relations and Sustainability, with the Group Head of Sustainability acting as Deputy Chair. Membership includes senior representatives from Finance, Risk, Legal, People, Sales and Distribution, supporting cross-functional coordination and challenge.

During 2025, the Management Sustainability Committee met nine times. Its focus included:

- establishing governance frameworks and delegated authority;
- developing and documenting methodologies;
- stabilising sustainability metrics and baselines; and
- preparing for ISSB-aligned disclosures and future assurance.

The Committee formally reports to the Audit Committee on governance, data quality and disclosure matters. Following the establishment of the Board Sustainability Committee in January 2026, it also provides structured updates and recommendations to that Committee.



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**Governance integration, sequencing and strategic relevance**

Sustainability governance is embedded within the Group’s governance framework and is progressively being integrated into routine risk management, reporting and assurance processes.

Climate and sustainability-related risks are incorporated within the Group Risk Management Framework and are treated as cross-cutting considerations across existing risk categories. During 2025, climate risk began to be assessed and escalated through established risk governance forums, with further embedding planned as methodologies, data quality and management information mature.

The Group applies the Three lines of defence model:

- **First line:** business functions own and manage sustainability-related risks and controls within their activities
- **Second line:** Sustainability and Risk functions provide oversight, challenge and framework development; and
- **Third line:** Internal Audit provides independent assurance over governance, controls and data processes, in line with the phased assurance approach

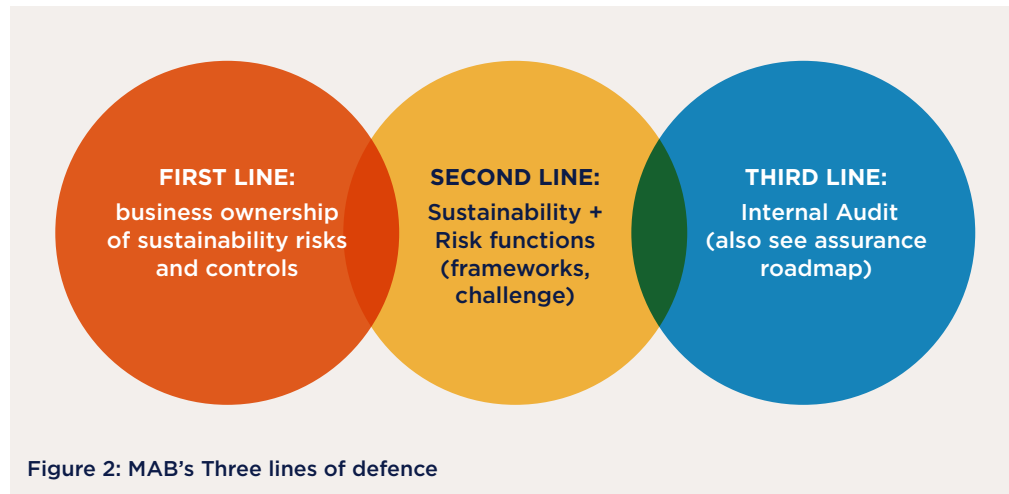


Figure 2: MAB’s Three lines of defence

This approach embeds sustainability within existing governance structures while maintaining proportionality and data discipline.

The Group’s approach to integrating sustainability into strategy follows a staged governance sequence, as set out in Figure 3.

The Group has formalised its Double Materiality Assessment (“DMA”) methodology to provide a structured basis for identifying and prioritising sustainability-related impacts, risks and opportunities. Climate risk analysis has been developed in parallel, with qualitative and quantitative assessment approaches defined within the documented methodology.

Outputs from these processes are subject to governance review and validation prior to use within broader strategic alignment and prioritisation. This reflects the Board’s approach that integration follows methodological discipline.

During 2025, sustainability considerations informed Board discussions on risk and market developments, consistent with their treatment as cross-cutting risk factors within existing governance processes.

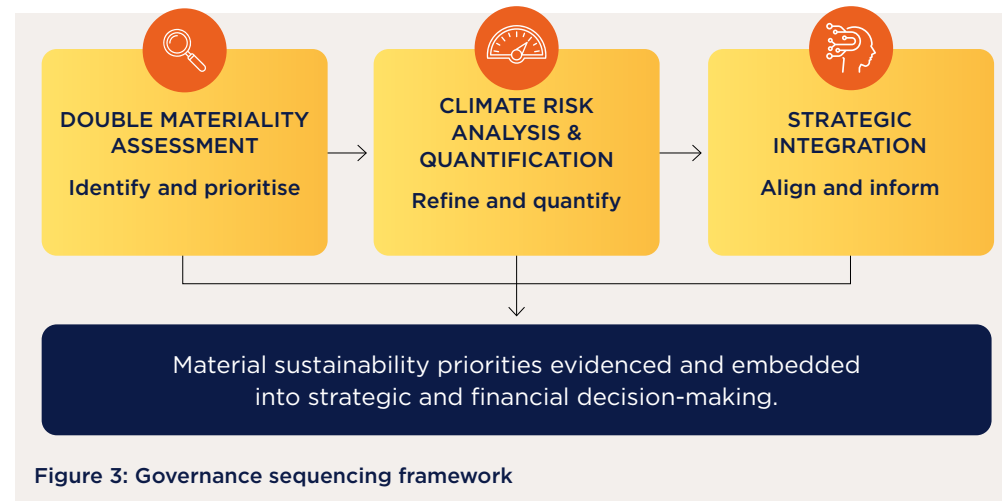


Figure 3: Governance sequencing framework

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### Sustainability disclosure and governance alignment

The Group's approach to sustainability-related disclosure is aligned with its existing governance framework, with oversight exercised by the Board and its committees. The Group applies applicable AIM requirements and continues to develop its governance, risk management and reporting capabilities in line with evolving regulatory and investor expectations.

The table below summarises relevant sustainability-related requirements, distinguishing between those applicable in 2025 and those expected to inform governance and disclosure expectations in the event of a transition to the Main Market. Statutory disclosures are contained within the Annual Report; this Sustainability Report provides supplementary detail and forward-looking context.

Table 2: Sustainability Disclosure Index

CATEGORY	FRAMEWORK	APPLICABILITY	GROUP POSITIONING
Statutory requirements	UK Companies Act 2006 (including SECR and NFSI)	Mandatory (2025)	Statutory non-financial, energy and emissions disclosures provided in the Annual Report, with supplementary detail in this Sustainability Report
Regulatory and governance frameworks	AIM Rule 26 and QCA Corporate Governance Code	Mandatory (2025)	Corporate governance applied in line with the QCA Code, supported by an effective Board and committee structure, with sustainability oversight embedded within existing governance arrangements
Regulatory and governance frameworks	FCA Consumer Duty and Anti-Greenwashing Rule	Mandatory (2025)	Sustainability considerations reflected within conduct, governance and risk management processes, supporting good customer outcomes and disciplined, evidence-based disclosures
Statutory requirements	UK Modern Slavery Act 2015	Mandatory (2025)	Annual statement approved by the Board and published on the Group's website
Statutory requirements	ESOS (where applicable)	Mandatory (2025, where in scope)	Energy Savings Opportunity Scheme assessment completed, with identified efficiency opportunities incorporated into operational planning
Methodologies and standards	GHG Protocol	Applied (2025)	Used as the underlying methodology for greenhouse gas emissions measurement and SECR disclosures, with consistent application across reporting periods
Regulatory and governance frameworks	UK Listing Rules (climate-related disclosures)	Not applicable (2025)	Governance, risk management and disclosure structures developed in anticipation of potential transition to the Main Market, aligned to emerging climate-related reporting expectations
Regulatory and governance frameworks	UK Corporate Governance Code	Not applicable (2025)	Governance arrangements strengthened during the year, including the establishment of a Board-level Sustainability Committee in January 2026, supporting progression towards Main Market expectations
Sustainability reporting frameworks	IFRS S1	Not mandatory (2025)	Reporting architecture developed with reference to IFRS S1 principles, supporting consistency between sustainability and financial reporting
Sustainability reporting frameworks	IFRS S2	Not mandatory (2025)	Climate risk methodology developed with reference to IFRS S2 principles, with integration into the Group Risk Management Framework progressing
Sustainability reporting frameworks	TCFD	Applied (2025)	Disclosures structured around governance, strategy, risk management and metrics, consistent with TCFD recommendations and forming the basis for ISSB alignment
Sustainability reporting frameworks	Transition Plan Taskforce (TPT)	Applied (2025)	Transition planning approach informed by TPT guidance, supporting the development of a structured and proportionate climate transition framework
Methodologies and standards	Science-Based Targets initiative (SBTi)	Not yet adopted (2025)	Near-term operational targets under development for SBTi validation, with a commitment to set science-based targets and achieve net-zero emissions by 2050
Sustainability reporting frameworks	CSRD / ESRS	Not applicable (2025)	Double Materiality Assessment reflects ESRS concepts where appropriate, supporting alignment with evolving international reporting expectations
Methodologies and standards	PCAF (financed emissions)	Not applicable (2025)	Financed emissions methodology not applicable given the Group's intermediary business model

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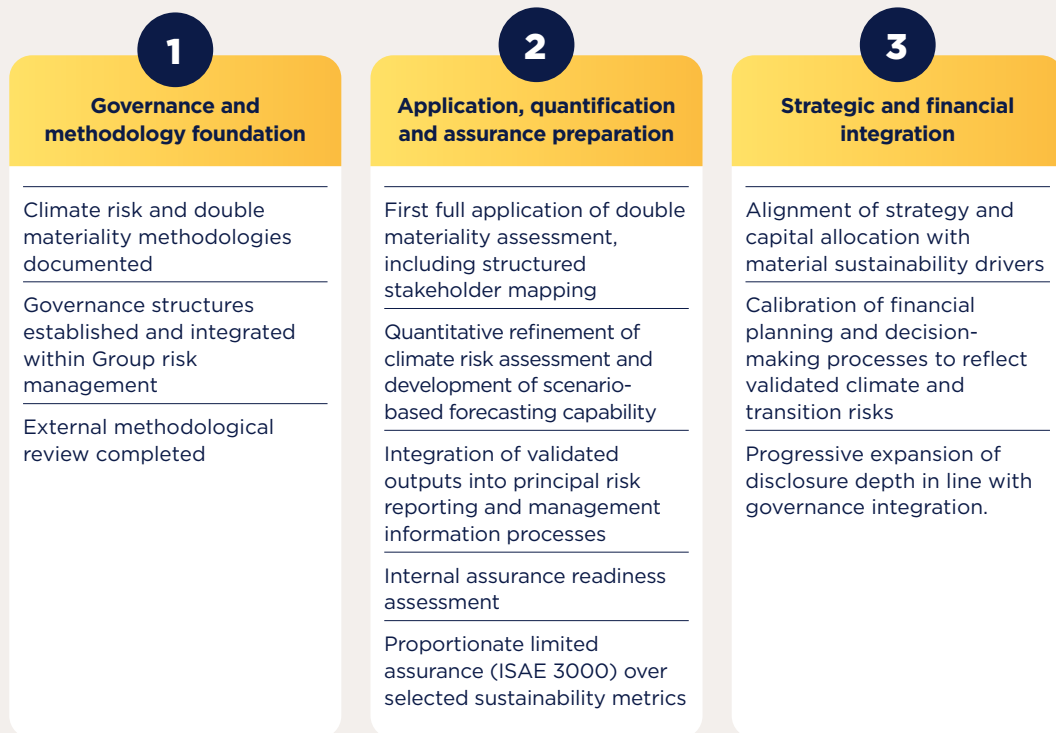
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**GOVERNANCE, OVERSIGHT AND ACCOUNTABILITY  
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**Disclosure and integration pathway**

The Group’s sustainability development follows a structured integration sequence rather than a calendar-based roadmap. Progression aligns with the maturation of governance structures and the integration of control frameworks.



**Figure 4: Anticipated disclosure sequence**

This capability-led progression supports disciplined development of sustainability reporting, including progressive alignment with ISSB requirements, without reliance on fixed external timelines.



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# PEOPLE AND CULTURE AS DRIVERS OF SUSTAINABLE OUTCOMES

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The Group's long-term success is underpinned by the strength, capability and engagement of its people, alongside the well-being of the communities and customers it serves.

As a people-led business operating in a regulated environment, social sustainability is closely linked to organisational resilience, conduct and consistent delivery of good outcomes at scale.

The Group has clearly defined People Strategy that focuses on building the organisational structure, capabilities, and culture required to support long-term performance and good customer outcomes.

Our approach recognises the diversity of the Group's operating model and governance arrangements. Social priorities are addressed in ways that are proportionate, focused on areas of direct operational influence, and designed to build enduring capability over time rather than short-term activity.

## Our approach to social sustainability

Social considerations are integrated into decision-making through established People & Culture, governance and community engagement frameworks. Rather than treating people, culture and communities as discrete topics, the Group focuses on how these elements interact to support long-term value. This includes:

- fostering a consistent, values-led culture as the Group grows and evolves;
- supporting colleague wellbeing, engagement and development; and
- contributing positively to communities through targeted, credible social investment.

This approach builds on previous disclosures and reflects a deliberate shift from initiative-led reporting towards outcomes, resilience and maturity.




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**PEOPLE AND CULTURE AS DRIVERS OF SUSTAINABLE OUTCOMES CONTINUED**

**Supporting colleague wellbeing and sustainable behaviours**

Alongside formal governance and regulatory frameworks, the Group supports colleague wellbeing and financial resilience through structured initiatives designed to align culture with long-term sustainability.

**WELLBEING AND INCLUSION**



- Trained Mental Health First Aiders across the Group
- Menopause Champions supporting inclusive workplace practices
- CPR and health awareness training
- Structured wellbeing calendar aligned to national awareness campaigns

These initiatives are designed to support adviser resilience and psychological safety within a regulated and performance-focused environment.

**COMMUNITY ENGAGEMENT**



- Adviser-led financial literacy sessions in schools and disadvantaged communities
- Volunteering initiatives supporting local causes

These programmes support social mobility and improved understanding of housing finance within the communities in which the Group operates.

**FINANCIAL RESILIENCE AND CAPABILITY**



- Mortgage advice and guidance available to colleagues
- Internal financial literacy training available
- Career support initiatives, including mentoring, structured Learning & Development

This reflects the Group's belief that financial wellbeing should begin within its own workforce.

**ENABLING LOWER-CARBON CHOICES**



- Salary sacrifice electric vehicle scheme supporting lower-carbon commuting
- Access to discounted renewable energy solutions through the Group's Resilient Homes partnership

These initiatives reinforce alignment between the Group's environmental ambitions and colleague behaviour.

**Colleague experience and organisational resilience**

As the Group continues to scale, maintaining a positive and consistent colleague experience is increasingly important to organisational resilience and performance. During the year, further work was undertaken to develop a lifecycle-based view of the colleague experience, mapping key stages from recruitment through to exit and alumni engagement.

This work is designed to identify the "moments that matter" most to colleagues, recognising that positive experiences at these points support engagement, productivity and retention. In contrast, poor experiences can introduce operational and conduct risk. The focus is on improving clarity, consistency and accountability across the colleague journey, rather than expanding policies or processes.

Insights from engagement activities, colleague forums, and feedback mechanisms continue to inform priorities, including leadership capability, development pathways, and communication. These insights are considered alongside wider business needs to ensure that people-related decisions support sustainable growth and effective execution of the Group's strategy.

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### Workforce development and oversight

In addition to engagement monitoring, the Group tracks colleague retention and voluntary turnover as indicators of organisational stability and the continuity of capability. Structured development centres for Business Leaders and People Managers have been introduced to assess leadership capability, identify future talent and support succession planning across key roles. Workforce matters are overseen at the Board level through the Workforce Engagement Director, ensuring that insights from engagement, retention and development activity inform strategic decision-making and risk oversight. Together, these arrangements support a disciplined approach to talent pipeline development, mitigating attrition risk and strengthening long-term organisational resilience.

### Leadership, behaviours and development

Leadership capability and behavioural consistency play a critical role in supporting a high-performing, inclusive culture. As outlined in previous disclosures, the Group continues to invest in leadership development and to evolve its behaviours framework to ensure it remains aligned with strategic priorities and future growth.

The emphasis is on enabling leaders to role-model expected behaviours, support high standards of performance and engagement, and navigate change effectively. This is particularly important in a distributed operating model, where consistency of decision-making and experience underpins trust, collaboration and long-term performance.

### Fairness, inclusion and well-being

The Group is committed to creating a fair and inclusive working environment where colleagues feel supported, valued and able to succeed. Wellbeing remains a core focus, informed by colleague feedback and evolving expectations, and supported through benefits and initiatives designed to promote physical, mental and financial wellbeing.

Gender pay gap reporting currently applies at the Group level, reflecting the scope of central People & Culture governance and data consistency. The Group recognises that gender pay outcomes are influenced by structural factors, including role distribution and progression pathways, and continues to focus on building a diverse and inclusive pipeline of talent over the medium to long term.

Inclusion is further supported through colleague networks and ongoing engagement, helping to ensure that different perspectives are heard and considered as the business continues to evolve.

### Supporting good customer outcomes

The Group's social responsibilities extend beyond colleagues and communities to include customers, particularly in the context of Consumer Duty. Delivering good customer outcomes depends not only on policies and controls, but on culture, behaviours and professional judgement exercised across the business.

Investment in leadership capability, colleague engagement, and behavioural expectations supports advisers and support teams in acting in customers' best interests, including when supporting individuals

facing affordability pressures, vulnerability, or complex personal circumstances. Consumer Duty considerations are reflected in training, governance and decision-making frameworks, reinforcing the expectation that foreseeable harm is identified and mitigated and that fair value and suitability remain central to customer interactions.

The Group views the link between culture, conduct and customer outcomes as fundamental to social sustainability, regulatory compliance and long-term trust.

### Communities and social contribution

The Group primarily supports communities through the Mortgage Advice Bureau Foundation, which provides targeted funding and volunteering opportunities with a local impact. The Foundation's strategy centres on three core pillars: health and wellbeing, poverty prevention, and environmental protection.

The Foundation is intentionally designed to remain locally grounded and colleague-led. All funding applications are sponsored by colleagues or business partners, ensuring that support is directed towards genuine community needs. Governance arrangements, including an independent Board of Trustees and structured grant cycles, help ensure that activities remain transparent, balanced and focused on meaningful outcomes rather than scale for its own sake.

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**PEOPLE AND CULTURE AS DRIVERS OF SUSTAINABLE OUTCOMES CONTINUED**

**Community impact in practice**

Volunteering is encouraged as a practical way for colleagues to engage with and support their communities, reinforcing connection, wellbeing and shared purpose across the Group.



**MENTAL WELLBEING**

Supporting individuals and families experiencing isolation, anxiety and emotional distress through community-based counselling, peer networks and structured therapeutic interventions.

**Forever Stars - Nottingham**

Grant + match funding enabled rapid access to play therapy (appointments within two weeks vs NHS waits of up to five years), delivering a guaranteed 15-week structured support programme for bereaved families.



**PREVENTING POVERTY**

Providing emergency financial assistance and income-maximisation support to prevent families from falling into crisis during periods of acute hardship.

**Exeter Leukaemia Fund - Devon**

Rapid nurse-led referrals enabled emergency hardship grants and specialist welfare advice, unlocking over £600,000 in entitled support and helping families maintain housing and financial stability during treatment.



**ENVIRONMENTAL ACTION**

Investing in community-led environmental regeneration projects that enhance biodiversity, promote low-carbon living and strengthen local climate resilience.

**Down to Earth - Derby**

Funding supported the transformation of neglected urban spaces into biodiverse gardens, enabling local food growing, sustainable cooking workshops and reduced food miles within the city centre.

**Building on strong foundations**

The Group's priority over the coming year is to deepen and embed existing approaches rather than expand commitments. Focus areas include:

- strengthening leadership capability and behavioural consistency as the business continues to scale;
- further developing understanding of the colleague experience across key lifecycle stages; and
- maintaining a disciplined, impact-led approach to community engagement.

Through this measured and disciplined approach, the Group aims to strengthen its social foundations in support of long-term value creation for colleagues, customers, communities and shareholders.

Figure 5: Some of the projects the MAB Foundation has supported in 2025

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# STAKEHOLDER ENGAGEMENT AND THE HOUSING ECOSYSTEM

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## Housing ecosystem context and MAB's position

Climate-related risks and opportunities in the UK housing market are system-wide and arise from interactions between policy, regulation, lenders, insurers, advisers and consumers. As a mortgage and protection intermediary, the Group does not originate or hold mortgage assets, does not set lending criteria and does not undertake underwriting or pricing decisions. Accordingly, the Group's exposure to climate-related risks and opportunities is predominantly indirect and influence-based.

The nature and implications of these indirect exposures are explored further in the climate risk section of this report.

In this context, the Group's approach to climate-related matters focuses on understanding how risks and opportunities are transmitted through the mortgage value chain and on supporting informed decision-making across the customer journey. This is undertaken while maintaining a clear distinction between areas of direct control — including governance, data, disclosures and operational footprint — and areas of indirect influence, such as adviser enablement, customer education and industry engagement.

This framing underpins the Group's stakeholder engagement approach and informs how climate-related risks and opportunities are identified, assessed and managed within the Group's governance framework.

## Boundaries of responsibility and influence

The Group's stakeholder engagement activities are undertaken within clearly defined boundaries. Engagement:

- supports understanding, preparedness and informed decision-making;
- informs governance, risk management and disclosures; and
- enables development of propositions and appropriate adviser capability.

Engagement does not:

- determine lender underwriting, pricing or capital allocation decisions;
- substitute for government policy or regulatory action; or
- imply responsibility for customer retrofit outcomes or emissions reductions beyond the Group's operational footprint.

This disciplined approach supports disclosures aligned to IFRS S2 and investor expectations, while avoiding overstatement of influence or maturity.

## Role of stakeholders in climate and sustainability outcomes

The table below summarises the roles of key stakeholder groups in shaping climate- and sustainability-related outcomes within the housing ecosystem, along with the nature of MAB's engagement. These roles reflect interaction, facilitation and influence, and do not imply ownership of lending decisions, underwriting standards, capital allocation, or public policy.

### Climate risk in housing is a sequencing challenge, not just a policy one

Many climate-related risks in housing arise not from policy ambition but from timing mismatches between regulation, delivery capacity, refinancing cycles and household affordability. The Group's climate risk approach explicitly considers these transition dynamics, recognising that risk often emerges during periods of partial implementation rather than at stated end-points.

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**STAKEHOLDER ENGAGEMENT AND THE HOUSING ECOSYSTEM CONTINUED**

**Table 3: Stakeholder roles and engagement across the housing value chain**

STAKEHOLDER	ROLE IN THE CLIMATE AND SUSTAINABILITY CONTEXT	MAB ENGAGEMENT APPROACH
<b>Lenders and banks</b>	Incorporate climate-related considerations into lending criteria, product design and portfolio-level risk approaches, including property energy efficiency and resilience factors.	Engagement through commercial relationships, industry forums and consultations to support product innovation, data consistency and shared understanding of housing transition considerations.
<b>Insurers</b>	Assess and price climate-related property risks, including physical risk exposure and resilience characteristics.	Engagement focused on understanding insurer perspectives, supporting data dialogue and informing proposition development where relevant.
<b>Regulators (including FCA and PRA)</b>	Set supervisory expectations, conduct standards and disclosure requirements relating to climate-related risks and sustainability.	Participation in regulatory engagement and consultations; proactive alignment of governance, methodologies and disclosures with evolving expectations.
<b>Government (including UK Treasury, DEFRA and DESNZ)</b>	Establish housing and climate policy frameworks, incentives, and regulatory interventions that influence market transition.	Engagement through industry discussions to support practical implementation and highlight customer affordability and delivery considerations.
<b>Homeowners and buyers</b>	Make property purchase, refinancing and improvement decisions influenced by affordability, incentives and available information.	Customer education throughout the mortgage journey, including the appropriate use of EPCs and energy efficiency considerations.
<b>MAB advisers and brokers</b>	Provide mortgage and protection guidance and serve as a key point of contact for customer outcomes and conduct expectations.	Training, tools, and guidance to support consistent customer conversations, the use of EPC information, and alignment with Consumer Duty.



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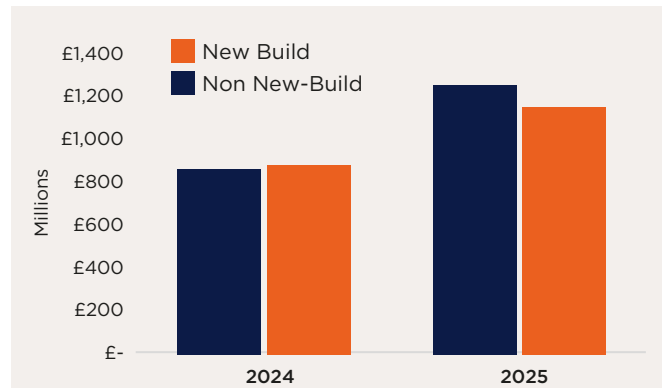
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**STAKEHOLDER ENGAGEMENT AND THE HOUSING ECOSYSTEM  
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**Market context: EPC distribution and green lending dynamics**

Drawing on 2025 transaction data, advised mortgage activity remains concentrated within EPC bands C and D, consistent with the broader characteristics of the UK housing stock. Higher-rated properties (A and B) represent a smaller proportion of overall activity, while exposure to E and below is limited but present. This distribution reflects structural realities of the existing housing stock and aligns with the analysis presented in the Group’s broader housing market research.

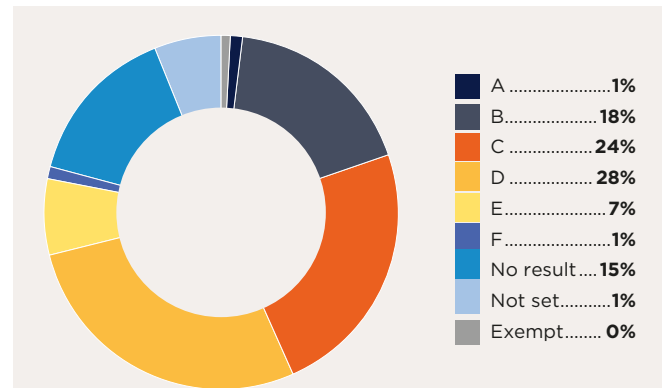
Green mortgage lending continues to develop across both new build and existing stock cases, with cumulative volumes increasing since 2023. However, green lending remains a subset of overall activity and is disproportionately associated with higher EPC-rated properties. The majority of advised transactions continue to relate to mid-band existing homes.



**Figure 6: Value of green mortgages placed through MAB, split into new build and non-new build**

This profile is relevant from a transition perspective. Internal analysis indicates that the concentration of activity within EPC bands C and D reflects the scale of incremental improvement required across the existing housing stock, particularly given delivery capacity constraints and the uneven pace of electrification and fabric upgrades. Policy evolution, regulatory standards and energy affordability pressures may therefore have differential impacts across segments of the advised portfolio.

At the current stage of methodology development, these data points are treated as directional indicators rather than quantified risk drivers<sup>2</sup>. Following full application of the Climate Risk Assessment Methodology, portfolio characteristics such as EPC distribution and green lending trends will inform further consideration of transition sensitivity and integration within risk governance processes.



**Figure 7: EPC distribution across all mortgages placed in 2025**

**MAB’s engagement approach**

The Group’s stakeholder engagement approach is designed to be practical, measured and relevant. It supports governance, risk management, proposition development and disclosure readiness, rather than advocacy or delivery responsibility.

Engagement activity is overseen through established governance arrangements and focuses on four core areas:

**Policy and regulatory engagement**

The Group monitors and contributes to relevant consultations, working groups and industry discussions to understand the implications of housing, energy efficiency, and climate-related policy for customer outcomes, adviser conduct, and market dynamics. This engagement supports forward-looking readiness for regulatory developments while maintaining clear boundaries between policy-setting and market facilitation.

<sup>2</sup> Note on EPC data availability: While EPCs are generally required for property sales, a proportion of valid properties do not have a retrievable or current certificate within available data sources. This can arise where new build EPCs are still pending completion, properties have not changed ownership since EPC requirements were introduced, certificates are excluded from public registers, or prior EPCs have expired. In addition, during 2025, EPC data for Scottish properties could not be sourced. Together, these factors mean that EPC information was not recorded for approximately 21% of mortgages.

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### Industry collaboration

The Group actively participates in industry-led initiatives to improve the practical delivery of sustainable mortgage advice and green home finance.

During 2025, the Group Head of Sustainability sat on the steering committee of the Green Mortgage Advice Initiative (“GMAI”), a cross-industry collaboration led by the Association of Mortgage Intermediaries (“AMI”). GMAI brings together intermediaries, lenders and industry bodies to improve consistency, capability and customer outcomes in relation to green mortgage advice. Participation supports the Group’s understanding of emerging market practice, operational constraints, and adviser-specific considerations across the intermediary sector.

In addition, the Group contributed to a range of industry forums and roundtables during 2025, including the Green Mortgage Summit, the Green Finance Summit Scotland, and lender- and industry-led discussions on housing transition, energy efficiency and customer affordability. These engagements help ensure that the intermediary perspective is appropriately represented and inform the Group’s approach to governance, risk identification and proposition development.

Following publication of the UK Government’s Warm Homes Plan, the Group has also volunteered to participate in the Green Home Finance Strategic Partnership, a government- and industry-led initiative convened by the Department for Energy Security and Net Zero (“DESNZ”) and the Green Finance Institute (“GFI”). The Partnership aims to support the

development of a scalable, consumer-focused green home finance market. At the time of publication, participation is subject to confirmation and would be undertaken in line with the Group’s governance framework and defined boundaries of responsibility.

### Adviser enablement

Insights from policy and industry engagement are translated into adviser-facing guidance, tools and training designed to support consistent and appropriate customer conversations. This includes the use of EPC information and discussion of energy efficiency considerations, aligned with Consumer Duty expectations, without implying responsibility for retrofit delivery, product selection, or customer outcomes beyond the scope of regulated advice.

### Customer education

The Group supports customer understanding of property characteristics, energy efficiency considerations and relevant financing options within the mortgage journey. Customer engagement is designed to enhance informed decision-making and long-term affordability.

Insights from stakeholder engagement inform:

- the development and refinement of climate risk and double materiality methodologies;
- the evolution of propositions such as Resilient Homes, and
- sustainability disclosure readiness and narrative coherence.

Where engagement identifies matters relevant to Group risk, these are captured through management processes and escalated via the Management Sustainability Committee and existing risk governance forums as appropriate.

### Engagement as an input to climate risk assessment

Stakeholder engagement provides important context for understanding how climate-related risks and opportunities may emerge unevenly across the housing market, particularly where policy ambition, delivery capacity and household affordability do not fully align.

This perspective has informed the Group’s decision to carefully sequence climate risk assessment activities, prioritising governance and methodology development ahead of qualitative and quantitative assessments. Engagement insights are used to:

- Identify potential transmission pathways for physical, transition and conduct risks
- Contextualise uncertainty and data limitations across the housing value chain; and
- Avoid over-precision or unsupported assumptions in early-stage analysis

Engagement outcomes are therefore treated as inputs to risk identification and methodology design, rather than as determinants of risk outcomes or financial impacts.

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# DOUBLE MATERIALITY ASSESSMENT

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## During 2025, the Group formalised the design of its Double Materiality Assessment (“DMA”) framework.

The objective was to establish a structured, repeatable methodology for identifying and prioritising sustainability-related impacts, risks and opportunities, aligned with evolving regulatory and investor expectations.

This section describes the strategic relevance of double materiality for the Group, the design of the methodology and its integration within governance and risk management processes. Formal topic ranking and weighting will be disclosed following completion and Board validation of the assessment.

### Importance of double materiality to the Group

Double materiality is particularly relevant to the Group given its position within the UK mortgage and housing market.

As an intermediary operating a capital-light business model, the Group does not manufacture products or control lending decisions. While it maintains an operational footprint, it operates at the intersection of property values, lending standards, consumer affordability, energy efficiency considerations and regulatory conduct expectations. This creates two distinct but interrelated dimensions of exposure.

### Financial Materiality (Outside-In)

Climate-related transition and physical risks may influence property valuations and collateral resilience, lending criteria and product availability for both mortgages and General Insurance (GI), consumer affordability, and regulatory scrutiny and disclosure requirements. While the Group does not originate balance-sheet lending, it is commercially exposed to shifts in housing market dynamics and adviser demand.

Identifying financially material sustainability risks supports effective risk management, strategic planning, product positioning and governance alignment.

### Impact Materiality (Inside-Out)

Although the Group’s direct operational footprint is limited, its role within the mortgage distribution chain provides indirect influence over property-level energy-efficiency decisions, customer awareness of retrofit options, and the uptake of green lending products.

A structured assessment of impact materiality enables the Group to understand where its influence may be meaningful and where it is limited, avoiding overstatement of impact.

### Decision relevance and governance implications

For the Group, the DMA is not primarily a disclosure exercise. It is a decision-structuring tool designed to distinguish between strategically material topics, operationally relevant but not material, and outside the Group’s reasonable sphere of influence.

Without a formal DMA, there is a risk of over-prioritising visible but low-material topics, under-prioritising financially relevant transition risks, and developing control frameworks without a clear prioritisation logic.

Once completed and governance-validated, the DMA will inform the refinement of the control framework, calibration of risk appetite discussions, prioritisation of sustainability-related initiatives, and consistency between the sustainability narrative and operational reality.

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**DOUBLE MATERIALITY ASSESSMENT CONTINUED**

**Methodological Architecture**

The DMA framework is based on ESRS double materiality principles, ISSB S1 and S2 financial materiality considerations, and the Group’s Risk Management framework.

The assessment is designed as a staged process comprising:



The topic universe has been aligned to relevant sustainability standards and mapped against existing risk categories within the Group Risk Management System (“RMS”) to ensure integration with established control processes.

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## DOUBLE MATERIALITY ASSESSMENT CONTINUED

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### Integration with Climate Risk Methodology

The DMA has been developed in parallel with the Group's climate risk methodology. Climate-related transition and physical risks are identified within the financial materiality dimension of the DMA, rather than assessed as a standalone sustainability exercise.

This approach supports consistency between climate scenario analysis and materiality assessment, alignment with RM risk categorisation and clear linkage between sustainability topics and financial risk exposure.

At the time of this report, climate-related risks have been mapped directionally but have not yet been formally weighted within an approved materiality matrix.

### Governance and Delegated Authority

Oversight of the DMA sits within the Group's existing governance framework, including executive accountability through the Chief Financial Officer, Management Sustainability Committee oversight in accordance with its Terms of Reference, defined delegated authority arrangements and integration within the risk management reporting cycle.

This ensures that materiality outputs, once validated, can be built into risk appetite discussions, strategic planning cycles, control framework development and sustainability disclosure architecture.

### Current Status

In 2025, the Group documented its Double Materiality Assessment (DMA) methodology, establishing a structured framework for assessing and prioritising sustainability-related impacts, risks and opportunities.

In Q1 2026, the methodology underwent independent external review against IFRS S1 and related standards (such as ESRS and GRI), confirming a strong and well-structured foundation while identifying targeted enhancements to support full alignment as the methodology is applied.

The formal assessment phase is scheduled for Q2-Q3 2026 and will include stakeholder engagement, scoring calibration and consolidation of results into a structured materiality matrix.

As at 31 December 2025, no formal materiality rankings had been approved. Outcomes of the DMA will inform future refinements to the Group's sustainability strategy and disclosure approach.


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# CLIMATE-RELATED RISKS, PERFORMANCE, AND TRANSITION PLANNING

## Climate context and relevance to MAB

Climate change presents risks and opportunities for the UK housing market and financial services sector. Consistent with the Group's intermediary business model, as described in the Stakeholder Engagement and the Housing Ecosystem section, these arise primarily through customer affordability, property resilience, regulatory expectations and market dynamics.

Climate-related exposure is therefore predominantly indirect and influence-based, arising through:

- the characteristics, energy performance, and physical resilience of the housing stock underpinning customer mortgages;
- the affordability implications of energy costs and retrofit investment;
- evolving regulatory, policy, and conduct expectations affecting customer outcomes;
- the pace and coordination of transition across the housing and mortgage ecosystem; and
- the role of protection solutions in mitigating the impact of unforeseen events on household finances and supporting sustained mortgage affordability.

In response, the Group's approach focuses on:

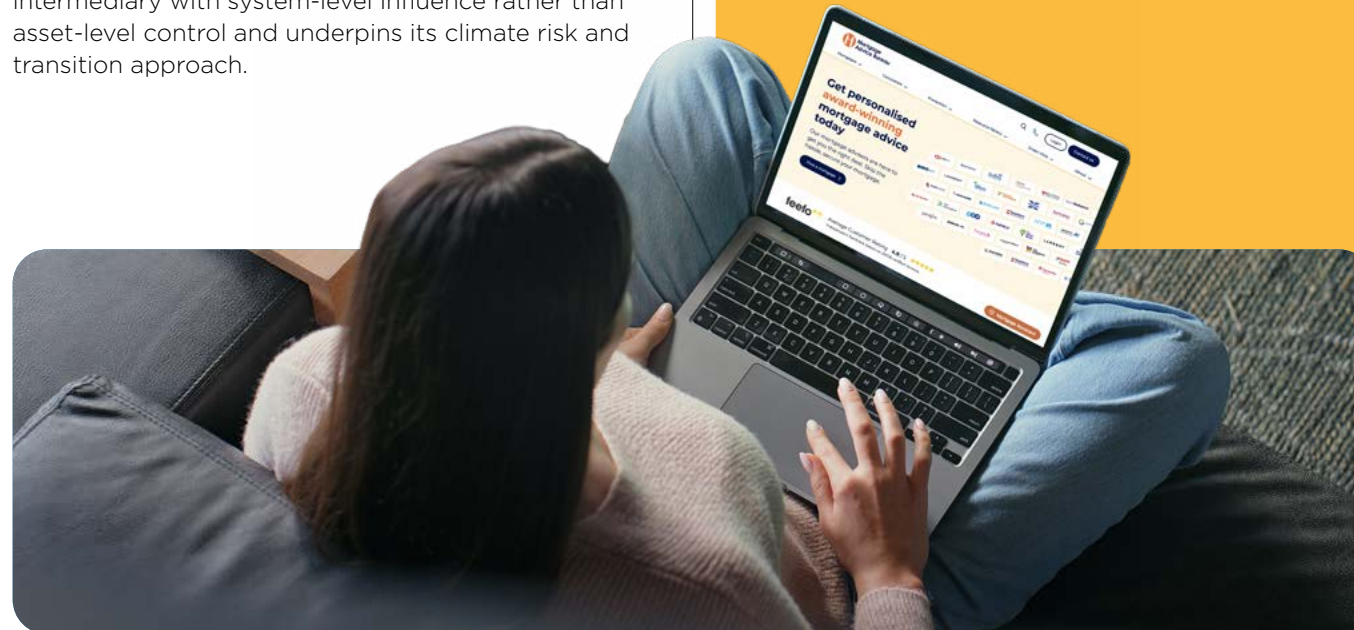
- embedding climate considerations within governance, risk management, and disclosure processes;
- supporting advisers and customers to make informed decisions on homeownership and energy efficiency;
- engaging constructively with lenders, insurers, and policymakers on transition-related issues; and
- managing its own operational footprint in a disciplined and controlled manner.

This framing reflects the Group's role as an intermediary with system-level influence rather than asset-level control and underpins its climate risk and transition approach.

## Why sequencing matters

Climate-related risks in housing and mortgage markets are evolving rapidly, driven by policy, regulation, delivery capacity and consumer behaviour. For an intermediary business with indirect exposure, the credibility of climate risk assessment depends less on speed and more on sequencing.

The Group has therefore prioritised governance, methodology design and independent external verification before applying assessments or embedding outputs into risk appetite and strategy. This approach reduces the risk of misstatement, misinterpretation or frequent restatement as policy, data and market practice continue to evolve.



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**CLIMATE-RELATED RISKS, PERFORMANCE, AND TRANSITION PLANNING CONTINUED**

**Climate-related risks and opportunities**

The Group has identified the climate-related risks and opportunities below:

**Figure 9: Risk categories aligned to SORA (Statement of Risk Appetite)**

These risks and opportunities are assessed in the context of the Group's intermediary business model and the transmission pathways described above.

**Integration into Group Risk Management**

Climate-related risks are integrated within the Group's existing Risk Management framework. They are treated as cross-cutting considerations across established risk categories, rather than as a standalone risk silo.

During 2024, the Group undertook an initial qualitative assessment of climate-related risks to support awareness-raising and directional understanding. Building on this, during 2025:

- climate-related considerations were embedded within principal and emerging risks;
- escalation routes for climate-related issues were clarified through existing risk governance forums; and
- oversight responsibilities were aligned with the Group's governance structure, including the Audit Committee and Group Risk Committee.

Further integration of climate-related risks into routine risk assessment, monitoring and reporting cycles will follow the first full application of the Group's climate risk assessment methodology later in 2026.

**Why we avoid premature financial quantification**

While climate-related financial impacts are increasingly discussed across the sector, premature quantification can create a false sense of precision, particularly where exposure is indirect and data quality remains uneven.

For the Group, early-stage analysis has focused on risk drivers, transmission pathways and areas of influence, rather than developing speculative financial estimates.

Quantitative outputs will be developed only where they are meaningful, methodologically robust and supported by appropriate governance and controls.

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**Climate risk assessment methodology**

**Methodology development and evolution**

The Group’s climate risk assessment approach has evolved progressively and continues to develop as the methodology is applied and validated.

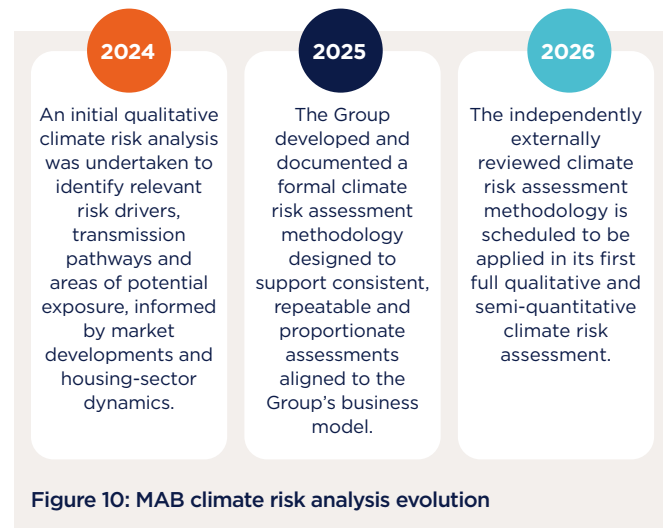


Figure 10: MAB climate risk analysis evolution

**Methodology overview**

The methodology is designed to be:

- Proportionate to the Group’s intermediary role
- Aligned to the principles of TCFD and IFRS S2; and
- Capable of evolving as data quality, governance and regulatory expectations mature

The methodology incorporates a combination of qualitative and semi-quantitative analysis to assess:

- The relevance and potential severity of identified climate-related risks
- The transmission pathways through which those risks may affect the Group’s business model, customer outcomes, or strategic objectives; and
- The degree of control or influence available to the Group in mitigating or managing those risks

Scenario analysis supports directional insight, exploring how different transition pathways and physical risk trajectories may affect the housing ecosystem over time, rather than producing point estimates or forecasts.

**Scenarios, assumptions, and limitations**

Key assumptions and limitations include:

- Reliance on externally published climate and transition scenarios
- Uncertainty regarding the pace, sequencing, and durability of policy implementation
- Variability in housing stock data availability and quality; and
- The current limits of available internal and external data relevant to climate-related impacts

These limitations are explicitly recognised to avoid over-precision and to ensure transparency in the interpretation of results.

**Independent external methodology review**

In Q1 2026, the Group’s climate risk assessment methodology underwent independent third-party review prior to implementation with a focus on:

- alignment with IFRS S1 and IFRS S2 principles;
- clarity and robustness of methodology design;
- traceability of assumptions, inputs, and decision criteria; and
- suitability for the Group’s business model and governance arrangements.

The review confirmed that the methodology provides a strong, governance-led foundation aligned with IFRS S2 expectations, particularly in risk identification, scenario design and integration with enterprise risk management. Targeted enhancements were identified to strengthen financial impact assessment and strategic integration, which will be incorporated ahead of first application.

**What we retained from 2024 and what we deliberately evolved**

The Group’s initial 2024 climate risk analysis provided valuable directional insight into the relevance of climate-related risks to customer affordability, housing resilience and market transition dynamics. These insights continue to inform the Group’s strategic focus and engagement priorities.

However, rather than incrementally extending an early-stage analysis, the Group chose in 2025 to pause application and invest in the development, documentation and independent verification of a more robust assessment methodology. This decision reflects a governance-led approach, ensuring that future assessments are consistent, repeatable and aligned with emerging ISSB expectations.

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# OPERATIONAL FOOTPRINT AND DECARBONISATION

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## Statutory SECR disclosures

Organisational boundary and reporting approach

Operational environmental performance is reported on a financial control basis, consistent with SECR requirements and aligned to the boundary applied in the Annual Report.

The Group reports:

- Scope 1 emissions from natural gas used in office heating
- Scope 2 emissions from purchased electricity; and
- Relevant Scope 3 emissions from business travel in employees' own vehicles, where appropriate

During 2025, the organisational boundary expanded following acquisition activity. To preserve transparency and comparability, 2025 emissions were assessed on both:

- the previous (2024) boundary; and
- the updated 2025 boundary, incorporating newly acquired entities

Unless otherwise stated, disclosures are presented on the updated 2025 boundary, consistent with statutory reporting.

## Energy consumption and greenhouse gas emissions

Energy consumption and associated greenhouse gas emissions for 2025 are set out in Table 4.

**Table 4: Energy Consumption and associated GHG Emissions**

ENERGY CONSUMPTION AND ASSOCIATED GHG EMISSIONS (tCO <sub>2</sub> e)		MARKET BASIS			LOCATION BASIS		
		2025	2024	CHANGE	2025	2024	CHANGE
Scope 1	Fuel consumption (gas office heating) (kWh)	614,624	612,801	0%	614,624	612,801	0%
	Associated GHG (tCO <sub>2</sub> e)	112	112	0%	112	112	0%
Scope 2*	Electricity consumption (office electricity) (kWh)	799,692	771,647	4%	799,692	771,647	4%
	Associated GHG (tCO <sub>2</sub> e)	74	69	7%	140	158	-11%
	Total Scope 1 & 2 emissions	186	181	3%	252	270	-7%
<b>Total Scope 1 and Scope 2</b>	<b>In kWh</b>	<b>1,414,315</b>	<b>1,384,448</b>	<b>2%</b>	<b>1,414,315</b>	<b>1,384,448</b>	<b>2%</b>
	<b>In tCO<sub>2</sub>e</b>	<b>186</b>	<b>181</b>	<b>3%</b>	<b>252</b>	<b>270</b>	<b>-7%</b>
	<b>Scope 1 and 2 intensity (tCO<sub>2</sub>e/employee/yr)</b>	<b>0.17</b>	<b>0.19</b>	<b>-12%</b>	<b>0.23</b>	<b>0.29</b>	<b>-22%</b>
Scope 3**	Fuel consumption (own cars for business use) (miles)	675,126	559,938	21%	675,126	559,938	21%
	Fuel consumption (own cars for business use) (kWh)	800,431	671,302	19%	800,431	671,302	19%
	Associated GHG (tCO <sub>2</sub> e)	191	159	20%	191	159	20%
	Fuel consumption Scope 3 emissions	191	159	20%	191	159	20%
	Scope 3 emissions intensity (tCO <sub>2</sub> e/employee/yr)	0.17	0.17	0%	0.17	0.17	0%
Average employees	Including all subsidiaries	1116	936	19%	1116	936	19%

\* Scope 2 emissions are presented on both a market-based and location-based basis, consistent with prior disclosures and the Group's Annual Report, to provide transparency over emissions associated with contractual energy arrangements and underlying grid intensity.

\*\* Scope 3 emissions are currently presented on a best-available data basis and do not yet represent a fully comprehensive inventory. The Group is in the process of finalising its carbon inventory and associated target submission to the Science Based Targets initiative (SBTi), and further development of Scope 3 coverage will follow as methodologies, data availability and governance maturity progress.

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Emissions have been calculated in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, using UK Government conversion factors for company reporting.

On a market-based basis:

- total Scope 1 and Scope 2 emissions were 186 tCO<sub>2</sub>e on the updated boundary (2024: 181 tCO<sub>2</sub>e on a comparable basis).
- electricity consumption increased by 4% year-on-year.
- gas consumption remained broadly stable.

The increase in absolute emissions primarily reflects the inclusion of newly acquired operations rather than deterioration in underlying energy efficiency.

Location-based emissions are disclosed for completeness and comparability.

**Emissions intensity**

To contextualise absolute emissions, the Group reports carbon intensity on a market-based basis as tCO<sub>2</sub>e per average full-time equivalent employee.

On the previous organisational boundary:

- Scope 1 and Scope 2 intensity reduced from 0.19 tCO<sub>2</sub>e per employee in 2024 to 0.15 tCO<sub>2</sub>e per employee in 2025.

This reflects continued efficiency within the existing operational footprint.

On the updated 2025 boundary:

- Scope 1 and Scope 2 intensity was 0.17 tCO<sub>2</sub>e per employee, broadly consistent with 2024 on a comparable basis.

The difference between 0.15 and 0.17 arises from the inclusion of newly acquired entities, rather than underlying performance decline.

Presenting both boundaries enhances clarity during a period of structural change.

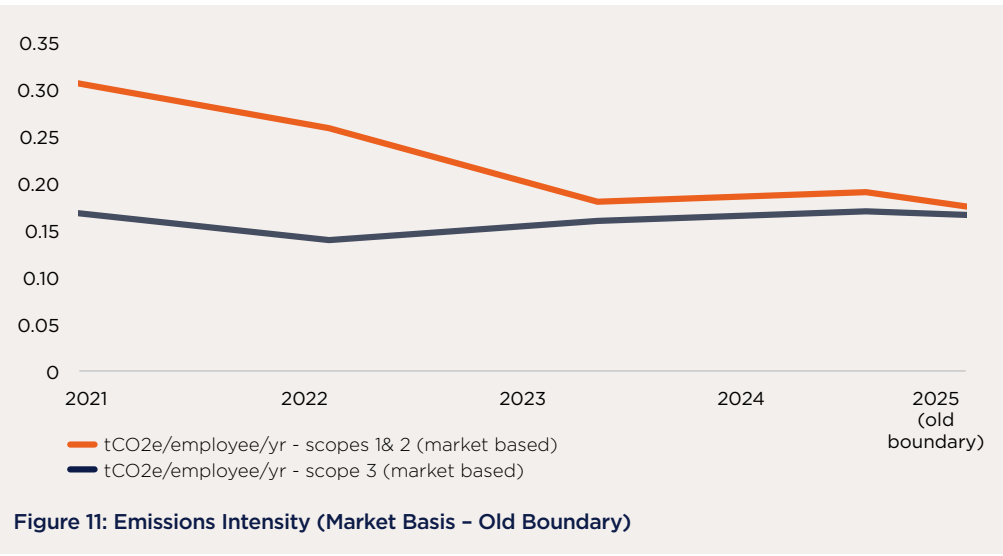


Figure 11: Emissions Intensity (Market Basis - Old Boundary)

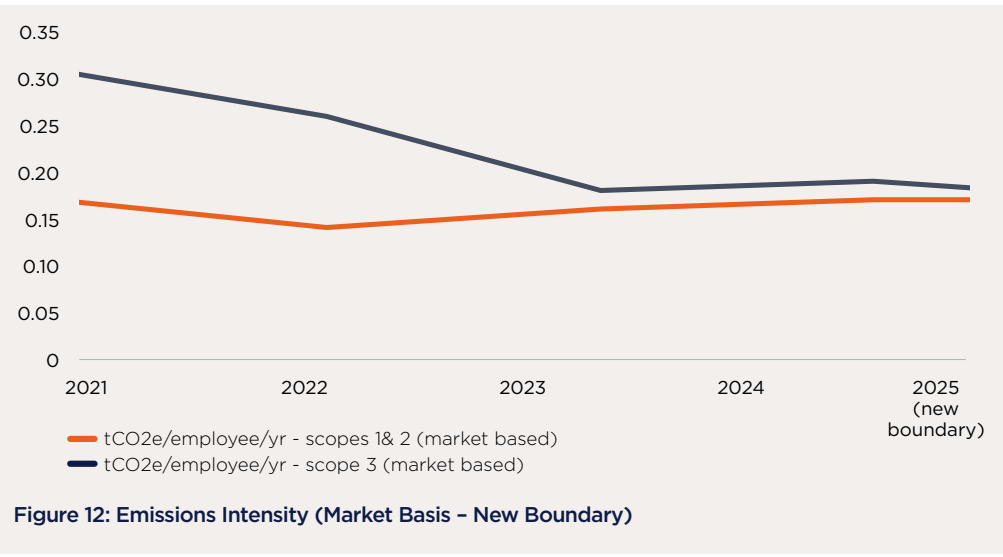


Figure 12: Emissions Intensity (Market Basis - New Boundary)

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**ESOS and operational decarbonisation**

During 2025, the Group completed its Energy Savings Opportunity Scheme (ESOS) assessment. The review identified building-level efficiency opportunities across the operational estate.

Actions undertaken or authorised during the year included:

- installation of on-site solar generation at Capital House;
- approval of a targeted decarbonisation investment programme at Rivington House;
- continued optimisation of hybrid working arrangements and energy management practices.

These measures are designed to strengthen long-term operational efficiency and resilience. They are not presented as short-term emissions optimisation initiatives.

Solar generation became operational in 2025. As the system has only been active for part of the reporting year, its impact on 2025 emissions is limited but early reports are encouraging.

**CASE STUDY**

**Capital House - Phased Operational Decarbonisation**

Investment in operational decarbonisation at Capital House preceded work to formally define the Group's Net Zero targets.

Refurbishment works completed in Q1 2023 removed gas heating and introduced an electric VRF heat recovery system, eliminating on-site fossil fuel combustion and improving system-level efficiency.

In October 2025, a 64.66 kWp rooftop solar PV system with 131.5 kWh battery storage was commissioned, further reducing reliance on grid electricity.

This phased progression improved the building's EPC rating from D (2022 position) to A (October 2025) and reduced operational emission intensity from 26.93 kgCO<sub>2</sub>/m<sup>2</sup> per year to 7.53 kgCO<sub>2</sub>/m<sup>2</sup> per year.

Commissioning occurred during lower solar-yield months. Winter performance therefore does not represent full-year generation potential.

Seasonal increases in electricity demand reflect electrified HVAC load under colder conditions rather than operational inefficiency.

The Capital House sequence demonstrates a phased approach to operational decarbonisation within the Group's direct control: electrification of heating systems followed by integration of on-site renewable generation. These measures were undertaken prior to formal Net Zero target-setting and reflect structural improvement in building-level energy performance.

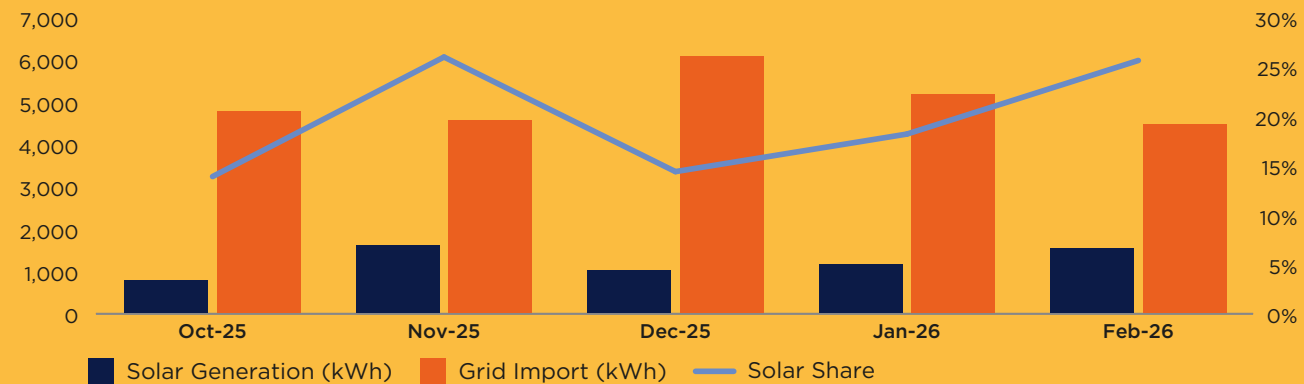


Figure 13: early contribution of self-generated energy

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### The road to Net Zero

For target-setting and transition planning, 2024 has been defined as the Group's baseline year, reflecting the first year of consolidated, methodologically robust emissions data following acquisition activity.

For the purposes of target-setting, the 2024 baseline has been established using the updated organisational boundary that incorporates entities acquired prior to 31 December 2025.

This approach has been adopted to avoid repeated re-baselining as the Group continues to scale and to ensure that near-term emissions reduction targets reflect the operational footprint over which the Group exercises financial control.

By anchoring targets to the expanded boundary at the outset, the Group aims to preserve comparability, prevent artificial performance distortion through structural change, and maintain the integrity of future progress reporting.

The Group's operational emissions are modest relative to the wider housing ecosystem. Its primary sphere of influence is through customer advice, engagement with lenders and advocacy within the housing market.

However, the Board considers that credibility in influencing external transition depends on discipline within the Group's own sphere of control.

Accordingly:

- near-term emissions reduction targets aligned to achieving net zero no later than 2050 are in development and a commitment to formally set these has been submitted to the SBTi.
- the Group is progressing operational decarbonisation across its estate in a measured and disciplined manner.

These commitments are grounded in governance principles rather than emissions materiality alone. By aligning operational conduct with strategic advocacy, the Group seeks to lead credibly and reinforce the integrity of its sustainability strategy.

Further development of transition planning will follow the application of the Group's climate risk and double materiality methodologies in 2026.



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# RESPONSIBLE BUSINESS AND SUPPLY CHAIN

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The Group operates in a regulated financial services environment where responsible conduct, good customer outcomes and regulatory discipline underpin long-term value creation.

These are embedded through clear accountability, structured advice standards, governance oversight and operational controls, with sustainability reflected through conduct, governance and operational resilience rather than standalone initiatives.

## Responsible conduct, advice governance and regulatory discipline

Individual accountability frameworks define responsibilities, ensure fitness and propriety, and support effective oversight of Appointed Representatives through consistent standards, supervision and quality assurance.

Customer protection is embedded through structured advice frameworks across lending, protection and later life activities, ensuring affordability and suitability are assessed, recommendations are clearly evidenced, key risks are appropriately considered, and good practice is consistently applied. For example, the Mortgage Advice Guidance (“MAG”), updated in January 2026,

sets out minimum advice standards and supports the operational embedding of Consumer Duty expectations. The Guidance establishes structured requirements covering:

- affordability assessment and product suitability;
- documented rationale and sourcing decisions;
- debt consolidation analysis and comparative illustration;
- recording of Early Repayment Charge considerations; and
- defined examples of good and poor practice.

Higher-risk recommendations, including specific bridging scenarios, are subject to additional pre-presentation review by the Advice Quality Team, supporting a risk-based quality assurance approach across the first and second lines of defence.

These controls are reinforced through training and competence arrangements, including specific requirements relating to the identification and treatment of vulnerable customers, supporting the delivery of good customer outcomes. Mandatory annual training across financial crime, conduct, data protection, cyber security, risk management and responsible technology use is centrally monitored as part of the Group’s control environment.

## Customer protection, vulnerability and data governance

The Vulnerable Customer Policy defines responsibilities under the Three Lines of Defence model and requires annual refresher training. It supports consistent identification, recording and treatment of customers with characteristics of vulnerability and reinforces the Group’s commitment to fair outcomes. Equivalent mandatory training requirements apply to Appointed Representatives and their advisers.

Data protection and cyber resilience are governed by the Information Security Policy, which includes:

- information classification and secure storage requirements;
- encryption standards;
- Data Protection Impact Assessments for new systems and processes;
- multi-factor authentication across key platforms; and
- integration of information security risk within the risk register.

Supplier obligations under the Supplier Code of Conduct extend to data protection and compliance with applicable UK legislation. No material data breaches were identified during the reporting period.

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**Supplier governance and oversight**

While not operationally intensive, the Group's supply chain presents conduct, operational and reputational risks. Procurement responsibility sits under the Chief Risk Officer within a partially decentralised structure that reflects the Group's acquisition history and business model.

The Mortgage Advice Bureau Supplier Code of Conduct establishes minimum standards across ethics, labour rights, environmental responsibility and governance. The Code requires compliance with applicable laws, the prohibition of bribery and forced labour, respect for human rights, the maintenance of environmental policies, and effective governance arrangements.

The Supplier Code of Conduct applies to all suppliers, regardless of size, spend or strategic importance. Enhanced supplier mapping and harmonisation of procurement practices are identified as development priorities for 2026.

**Sustainable procurement development**

In 2025, the Group developed Sustainable Procurement & Brand Materials Guidance to formalise expectations for environmental performance and responsible material selection. The guidance supports the Net Zero 2035 ambition and introduces proportionate expectations aligned to operational control boundaries.

At the reporting date, the guidance remained in draft form and was scheduled for formal approval and phased implementation in 2026. The Group does not yet operate a comprehensive supplier emissions data collection or ESG scoring framework. Development of supplier categorisation, Scope 3 transparency and procurement harmonisation forms part of the 2026 Sustainability Operating Model programme.

**Regulatory and conduct outcomes**

During the reporting period, the Group was not subject to any regulatory findings, enforcement actions, significant fines or litigation relating to sustainability, conduct or governance matters. These outcomes reflect the operation of established governance, whistleblowing and risk oversight processes across the Group.



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# METRICS, KPIs AND PERFORMANCE

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## Purpose and approach

The Group's sustainability metrics are designed to support decision-useful oversight of sustainability-related risks, opportunities and outcomes, rather than to present a comprehensive or static set of ESG indicators. Consistent with the principles of IFRS S1 and S2, metrics are selected where they are relevant to the Group's business model, governance arrangements and risk profile, and where they can be supported by appropriate systems and controls.

A deliberate feature of the Group's approach is the recognition that KPI frameworks evolve over time. As the Group's sustainability strategy, operating model and data infrastructure mature, certain metrics may be refined or retired where they are no longer considered relevant, while others may emerge as more relevant.

Reflecting the Group's role as a mortgage and protection intermediary with a modest direct environmental footprint, the KPI framework prioritises indicators that reflect influence, governance quality and stakeholder outcomes, alongside contextual environmental information disclosed elsewhere in this report and in the Annual Report.

Operational carbon and SECR disclosures are presented separately in the "Operational footprint and decarbonisation" section to maintain clarity between statutory reporting and performance oversight.

Table 5: MAB ESG KPIs

CATEGORY	METRIC	KPI STATUS	UNIT	2025	2024
Community	Community projects supported <sup>1</sup>	[D]	# of initiatives	26	17
Community	Funding for community projects via Foundation <sup>1</sup>	[C]	£ per annum	£98,700	£50,000
Community	Total charitable contributions <sup>2</sup>	[C]	£ per annum	£239,673	£99,322
Customers	Customer satisfaction (Feefo) <sup>3</sup>	[C]	Rating	5	5
Customers	Customer satisfaction (Trustpilot) <sup>3</sup>	[D]	Rating	4.6	4.7
Customers	Average EPC of backbook (active mortgages) <sup>4</sup>	[D]	A-G	C	D
Environment	Scope 3 carbon intensity <sup>5</sup>	[D]	tCO <sub>2</sub> e / employee	0.17	0.17
Governance	Complaints upheld <sup>6</sup>	[C][G]	% of written volume	0.10%	0.12%
Governance	Gender Board composition (key roles female) <sup>8</sup>	[C][G]	%	50%	33%
Governance	Whistleblowing cases <sup>9</sup>	[G]	#	0	0
People	Regretted leavers (voluntary turnover) <sup>10</sup>	[C]	% employees	10%	19%
People	Gender equality (female senior managers) <sup>11</sup>	[C]	%	38.7%	34%
People	Employee Net Promoter Score (eNPS) <sup>10</sup>	[D]	Score	29	23
People	Engagement index <sup>10</sup>	[C]	%	82%	76%
People / Community	Employee volunteering <sup>10</sup>	[D]	Hours	900 hrs	500 hrs

### KPI status legend

[C] Core management KPI

[D] Developmental / influence indicator

[G] Governance control indicator

### Footnotes -

- Community metrics relate to charitable projects supported through the MAB Foundation only and exclude non-Foundation initiatives.
- Includes subsidiaries where charitable contributions are centrally controlled.
- Customer satisfaction metrics are limited to branded operations. Measurement beyond branded entities is not practicable due to the independently operated and multi-branded nature of the Appointed Representative network.
- EPC data is based on properties recorded within the Group's case management platform and excludes cases where no EPC could be retrieved from the government database. While "D" remains the modal rating (33.9%), a higher proportion of "B" and "C" ratings has resulted in a shift in the calculated average from D to C. Presented as a contextual portfolio indicator rather than a management performance measure.

- Scope 3 emissions are presented as a directional intensity indicator, reflecting current data limitations across the value chain based on the Group's 2025 reporting boundary.
- Complaints upheld are expressed as a percentage of completed written volume across the entire network.
- 2024 figure restated to reflect methodology harmonisation (original: 0.01%).
- MAB plc Executive Board.
- Whistleblowing cases are reported in accordance with the Group's published whistleblowing procedure. Incident volumes are not treated as a performance metric and reflect the operation and accessibility of established reporting controls.
- Excludes subsidiaries where centralised system integration remains in progress.
- Defined as CEO-3. Excludes subsidiaries where centralised system integration remains in progress.

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### KPI classification and governance

To support transparency and investor understanding, the Group's sustainability metrics are categorised as follows:

#### Core management KPIs

Metrics routinely reviewed through governance forums and used by management to monitor sustainability-related risks, opportunities and outcomes. These are expected to be disclosed on a consistent, year-on-year basis.

#### Developmental and influence indicators

Metrics used to build understanding of trends, behaviours and areas of emerging relevance, particularly where the Group's impact is predominantly influence-based. These indicators are expected to evolve as strategy, data availability and controls mature.

#### Statutory and contextual disclosures

Metrics disclosed to meet regulatory requirements or to provide contextual information, but which are not used as management performance measures.

As the Group's sustainability strategy and operating model have developed, certain developmental indicators disclosed in prior periods have been reviewed and retired where they were assessed as no longer valuable or where they implied outcomes beyond the Group's operational control.

Oversight of sustainability metrics sits within the Group's existing governance framework. Responsibility for data ownership, methodology documentation and control design is aligned, where appropriate, to the financial reporting boundary, with review and escalation through management committees and the Audit Committee.

### Scope, boundaries and comparability

2025 was characterised by significant acquisition activity, and an ESG integration roadmap for newly acquired entities remains under development. As a result:

- several KPIs reflect partial Group coverage;
- year-on-year comparability is limited for certain metrics; and
- no attempt has been made to restate or smooth historical data.

These constraints are acknowledged transparently within disclosures. The Group considers this approach preferable to retrospective adjustment, as it preserves the integrity and auditability of reported information, unless otherwise stated.

### Customer, people and social metrics

Customer-related metrics focus on satisfaction, conduct and outcomes, reflecting the Group's regulatory context and Consumer Duty obligations. Customer satisfaction scores are derived from established external platforms and are limited to branded operations where consistent measurement is practical.

People and culture metrics provide insight into workforce stability, engagement and organisational health within the Group's centrally controlled operations. Metrics such as regretted leavers, employee engagement and gender representation in senior management are monitored as indicators of governance effectiveness and long-term capability, rather than as standalone ESG targets.

Community investment metrics track activity delivered through the MAB Foundation and centrally controlled charitable contributions. These metrics are intended to provide transparency over the scale and focus of community engagement, rather than to quantify social impact outcomes.

### Limitations, assumptions and data maturity

Where data gaps exist, assumptions and limitations are explicitly recognised. In particular:

- EPC-related data is limited to cases captured within the Group's case management systems;
- several people and governance metrics exclude subsidiaries pending systems integration; and
- environmental indicators included within the KPI framework are treated as contextual or directional, reflecting current data availability and the Group's influence-based role.

The Group considers this transparency essential to avoiding misstatement, misinterpretation, or greenwashing. Further details on data governance, control development and the Group's phased assurance roadmap are set out below.

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# DATA GOVERNANCE, CONTROLS AND REPORTING DISCIPLINE

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## Data ownership and documentation

Sustainability data governance is aligned, where appropriate, with the Group's financial control boundary, with defined functional data owners responsible for completeness and first-line review. Coordination of methodologies and documentation sits with the Group Head of Sustainability under the executive accountability of the Chief Financial Officer.

Scope 1 and Scope 2 emissions are calculated in accordance with UK Government greenhouse gas reporting guidance and annually updated conversion factors (SECR-aligned). Internal documentation records organisational boundaries, data sources, and the calculation approach to support consistency over time.

Documented internal frameworks are in place for Scope 3 emissions (directional and developing), the Climate Risk Assessment Methodology and the Double Materiality Assessment. These are subject to structured review and refinement as governance and data maturity evolve, with changes recorded to preserve traceability.

## Systems and data flows

Sustainability data is derived from financial and HR systems, case management platforms (including EPC data), SECR energy records and controlled spreadsheet-based aggregation models. The Group does not operate a dedicated ESG reporting platform. Certain processes, therefore, remain partially manual and rely on reconciliation and management review controls.

During 2025, priority was given to stabilising baselines and clarifying methodologies rather than implementing new systems. Further integration and strengthening of controls are planned for 2026.

## Control environment

Under the first line, business functions review and validate KPI data prior to submission. A formal sustainability data certification process is not yet in place and will be developed during 2026.

Under the second line, Sustainability and Risk functions provide oversight, focusing on methodological consistency, alignment between disclosures and underlying data, and reconciliation where sustainability metrics intersect with financial reporting. ESG control mapping within the Risk Management System is still under development.

A structured approach to assurance readiness is ongoing, focusing on strengthening control documentation, evidence retention, clarity of data ownership, and overall preparedness for external assurance, where relevant. This work may be supported by external expertise where appropriate and will be aligned to the Group's phased assurance roadmap.

This sequencing avoids premature assurance over developing processes.

## Linkage to financial reporting and risk governance

Climate-related and sustainability considerations increasingly inform financial reporting judgement processes, including:

- going concern assessments;
- strategic planning discussions;
- consideration of regulatory developments.

However, consistent with the Group's intermediary model and indirect exposure profile, climate-related risks have not yet been embedded as fully quantified risk drivers within the Group risk model.

Further integration will follow application of the verified Climate Risk Assessment Methodology in 2026, with outputs expected to inform risk appetite calibration and control refinement as appropriate.

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## The Group's approach to sustainability is deliberately phased and governance-led.

Following a period of acquisition activity and framework development, 2026 will focus on embedding foundations, strengthening consistency across wholly owned entities and progressing readiness for evolving regulatory and investor expectations.

Rather than expanding the breadth of commitments, the priority is to deepen capability, enhance data discipline and further integrate sustainability within existing governance, risk and decision-making processes in a measured and controlled manner.

### Leading by example

The Group recognises that its greatest sphere of influence on carbon reduction lies beyond its direct operational footprint, through the advice, products and partnerships that shape customer decisions across the housing ecosystem. As a service-led intermediary, MAB's direct emissions are comparatively modest relative to the wider housing market it supports.

However, the Board considers that credibility in influencing customers and partners depends on alignment between external positioning and internal practice. Accordingly, the Group remains committed to decarbonising its operational estate and to progressing emissions reduction targets aligned with the Science Based Targets initiative ("SBTi"), subject to validation.

## 2026 priorities

### Group sustainability operating model development

During 2026, the Group intends to design and formalise a Group Sustainability Operating Model to provide a scalable, appropriate and controlled framework for sustainability governance across wholly owned entities within its operational control. This reflects increased organisational complexity following recent acquisition activity and the need for clearer accountability, consistent standards and structured escalation pathways.

The model will be led by the Group Head of Sustainability, with executive accountability held by the Chief Financial Officer, ensuring integration within established financial, risk and control disciplines. Approval will be sought through the Board Sustainability Committee, with phased implementation beginning with wholly owned entities.

### Purpose and principles

The operating model is expected to:

- embed clear governance and escalation structures;
- improve consistency of approach across controlled entities;
- align sustainability reporting boundaries, where appropriate, with financial control boundaries; and
- maintain proportionality by size, risk profile and operational complexity.

The model will apply only to entities that are wholly owned and directly controlled by the Group. Appointed Representative firms and other influenced partners remain subject to existing conduct and compliance frameworks and are outside its scope at this stage. This distinction ensures disclosures accurately reflect governance control and avoids overstatement.

### Scope

A core principle of the operating model is proportionality. The intent is to establish a consistent minimum standard for sustainability governance across wholly owned entities, while calibrating requirements to the operational context of each business. This approach is designed to strengthen accountability and comparability without imposing a one-size-fits-all framework that would be disproportionate for smaller or less complex entities.

Where appropriate, sustainability governance and reporting boundaries will be aligned with the financial reporting control boundary. This supports consistency, clarity of accountability and auditability, while recognising that certain sustainability topics may require different treatment due to data availability, operational realities or the nature of the impact. The operating model is intended to act as a practical enabler of the Group Sustainability Strategy, translating strategic priorities into governance, management and reporting expectations across controlled entities.

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**Development approach**

Development during 2026 will focus on documentation, governance clarity and capability-building rather than full standardisation or immediate assurance readiness. Implementation will be phased, beginning with operationally mature controlled entities and refined prior to wider embedding.

This staged approach reflects the Group's commitment to proportionality and disciplined progression.

**Subsidiary integration**

Integration of recently acquired businesses will continue, with emphasis on:

- strengthening consistency of data capture,
- clarifying local accountability and
- embedding common governance standards where proportionate.

This approach recognises differences in size, maturity and risk profile while promoting greater alignment across the Group.

**Supplier governance and procurement consolidation**

While data controls generally already form part of the Group's broader operational resilience framework, supporting service continuity and regulatory expectations, supplier oversight will continue to evolve as the Group's operating model develops.

This will be supported by a more structured, risk-based approach to supplier segmentation and a continued focus on strengthening governance and assurance readiness.

Key priorities include:

- enhanced supplier mapping across subsidiaries;
- procurement alignment under the "Fit for Future" framework;
- formal approval and implementation of sustainable procurement guidance; and
- strengthened documentation of due diligence processes.

This staged approach reflects the Group's broader sequencing principles: prioritising governance architecture and control foundations ahead of system-wide integration.

**Climate target submission and ISSB alignment**

The Group will continue to develop its climate-related methodologies and disclosures in line with evolving standards and regulatory expectations. This includes progression of climate target-setting, informed by improved data quality and governance oversight, and continued alignment of climate-related disclosures with ISSB requirements. Activity during 2026 will prioritise robustness and internal consistency over acceleration of commitments ahead of organisational readiness.

**Data quality and assurance readiness**

Enhancing sustainability data quality remains a central priority. During 2026, the Group will focus on strengthening data ownership, documentation and control design; stabilising a core set of meaningful KPIs and progressing selected metrics towards greater assurance readiness where proportionate. This work supports credible disclosure and informed internal decision-making.



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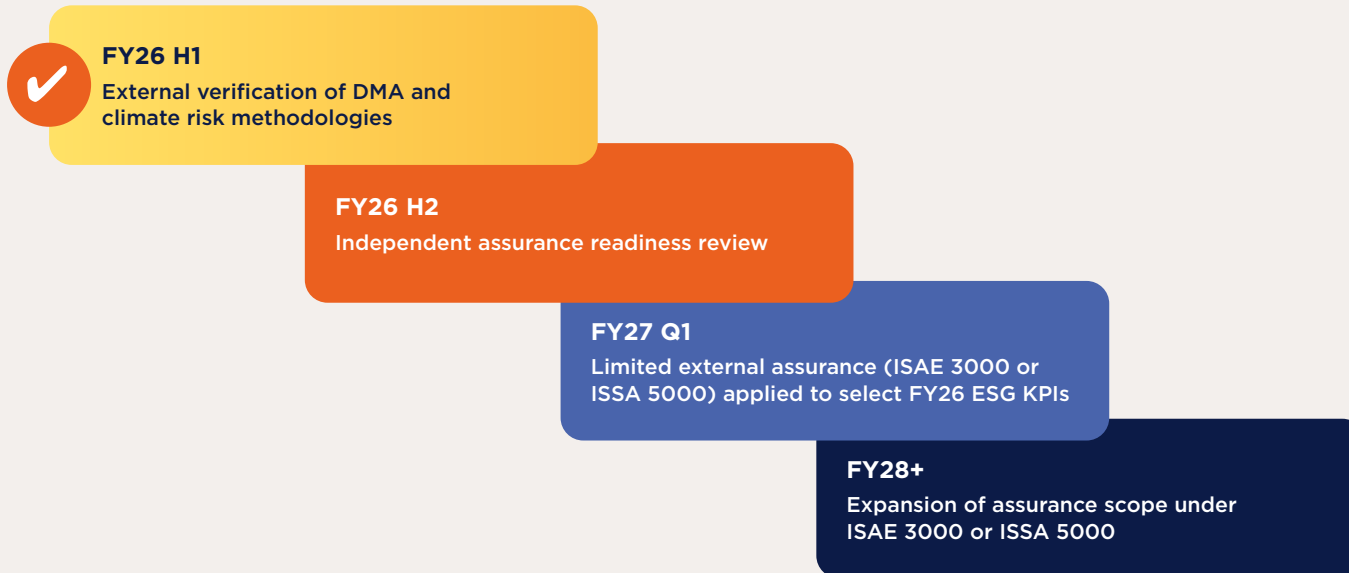
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**Future assurance progression**

The Group has adopted a phased approach to sustainability assurance, aligned to data maturity and governance readiness.

The planned progression is illustrated in figure 14:



**Figure 14: Planned assurance roadmap**

Initial limited assurance, where undertaken, is expected to focus on a defined subset of metrics, including SECR-aligned emissions disclosures and selected compliance or governance indicators.

Expansion of scope will depend on documented control effectiveness, stable data processes, alignment of reporting boundaries and Audit Committee approval.

A phased progression is considered preferable to accelerated assurance in order to preserve credibility and avoid overstatement of maturity.

**Commitment to disciplined progression**

The Group’s sustainability development is underpinned by a commitment to disciplined progression. Sustainability is treated as a governance and risk management discipline, with executive oversight embedded within established structures and Board oversight enhanced through the newly established Board Sustainability Committee.

This approach reflects an emphasis on credibility, proportionality and long-term value creation. Where limitations exist, these are acknowledged transparently, and commitments are sequenced in line with data maturity, operational control and organisational readiness.

During 2026, the Group expects to progress the next phase of reporting maturity. This may include validation of near-term emissions reduction targets, further refinement of Scope 3 categorisation where proportionate, continued development of climate scenario analysis outputs and consideration of external assurance over selected metrics, subject to governance review and approval.

By maintaining this structured and measured approach, the Group aims to strengthen resilience, support good customer outcomes and sustain long-term stakeholder trust while remaining responsive to evolving standards and expectations.

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## Forward-looking statements and limitations

This Sustainability Report includes forward-looking statements, including statements relating to future governance arrangements, strategy implementation, climate-related targets, risk assessment methodologies, operating model development and assurance readiness.

Such statements reflect the Group's expectations and intentions as at the date of publication and are subject to inherent uncertainty, particularly where outcomes depend on the completion of external reviews or validations, the availability and quality of data across the Group and its value chain, and future regulatory developments and stakeholder expectations.

During 2025, the Group prioritised the development of governance frameworks, methodologies and data foundations to support more robust and decision-useful sustainability disclosures. As a result, certain assessments and outcomes remain at a developmental stage.

In particular:

- Climate risk and double materiality methodologies were developed and documented during 2025 and have been externally reviewed for alignment with IFRS S1 and S2, with qualitative and quantitative assessments to be conducted following completion of these reviews;
- Sustainability metrics reflect a combination of established core indicators and developmental, influence-based measures; and

- Assurance over sustainability information is being progressed on a phased basis, aligned to data maturity and governance readiness.

For the purposes of Net Zero target-setting and transition planning, 2024 has been defined as the Group's baseline year. The 2025 reporting period therefore represents the first full year following baseline establishment. Emissions data for 2025 is disclosed to support transparency and trend awareness rather than as a measure of progress against targets.

At the time of publication, the Group confirms that:

- A formal commitment to the SBTi has been made to set near-term carbon reduction targets for Scopes 1, 2 and 3, combined with a commitment to achieving net zero no later than 2050, in alignment with the Paris Agreement.
- Independent third-party reviews of the Group's climate risk and double materiality methodologies have been completed.

This report should be read in conjunction with the Group's Annual Report and does not constitute a forecast, projection or guarantee of future performance. The Group does not undertake to update forward-looking statements except where required to do so by law or regulation.



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## MAB Sustainability &amp; ESG Governance Glossary

This glossary defines the key sustainability, ESG, and climate governance terms referenced across MAB's Sustainability Strategy, Committee Terms of Reference, Schema of Delegated Authority, Climate Risk Methodology, and related disclosures.

It aligns with UK regulatory terminology, ISSB frameworks, and Main-Market readiness standards and will be reviewed annually or following significant regulatory change.

TERM / ACRONYM	DEFINITION / DESCRIPTION
<b>Aim (Alternative Investment Market)</b>	Sub-market of the London Stock Exchange for smaller companies. MAB is currently AIM-listed and aligns with AIM Rule 26 and AIM Notice 50.
<b>Aim Notice 50</b>	London Stock Exchange guidance on the implementation of AIM Rule 26 corporate governance disclosure requirements, including the requirement for AIM companies to state which recognised corporate governance code they apply and how they comply with it.
<b>Assurance (ISAE 3000)</b>	Assurance over non-financial information. ISAE 3000 is the overarching international standard for assurance engagements other than audits or reviews of historical financial information, and can be used for limited or reasonable assurance engagements.
<b>Board Sustainability Committee</b>	Board-level committee formally constituted in January 2026, chaired by a Non-Executive Director, providing strategic oversight of sustainability, climate risk and disclosure readiness. Meets twice yearly.
<b>BOE CBES (Climate Biennial Exploratory Scenario)</b>	Bank of England's climate stress-testing framework. MAB uses CBES pathways (Orderly, Disorderly, Hot House World) as scenario references.
<b>Carbon Insetting</b>	Investment in emission-reduction projects within MAB's own value chain rather than purchasing external offsets.
<b>CGC (UK Corporate Governance Code)</b>	FRC code setting governance principles on board leadership, risk management and ESG oversight for listed companies.
<b>Climate Risk</b>	Potential financial or operational impact from climate change, including physical, transition, liability and opportunity risks.
<b>Climate Risk Methodology</b>	MAB's framework for identifying, assessing and managing climate-related risk within the Risk Management Framework (RMF).
<b>Conduct Risk</b>	Risk of unfair customer outcomes or misleading communications, including greenwashing or unsubstantiated claims.
<b>Corporate Governance Statement</b>	Disclosure explaining how a company applies the relevant corporate governance code.
<b>CSRD (Corporate Sustainability Reporting Directive)</b>	EU law requiring standardised sustainability disclosures under ESRS. Serves as a reference point for international reporting developments.

TERM / ACRONYM	DEFINITION / DESCRIPTION
<b>DMA (Double Materiality Assessment)</b>	Framework assessing both impact materiality (MAB's effects on society and environment) and financial materiality (how ESG factors affect MAB's business and resilience).
<b>Directive / Preventative / Detective / Corrective Controls</b>	RMF taxonomy for control types: Directive (policies), Preventative (process design), Detective (monitoring), Corrective (remediation).
<b>EPC (Energy Performance Certificate)</b>	UK property energy-efficiency rating (A-G). Central to climate risk and Resilient Homes analysis.
<b>ESG (Environmental, Social And Governance)</b>	Framework for evaluating an organisation's environmental impact, social responsibility and governance standards.
<b>ESRS (European Sustainability Reporting Standards)</b>	EU reporting standards under CSRD. Key elements include ESRS 1 (General Requirements), ESRS 2 (General Disclosures) and topical standards covering environmental, social and governance matters. Although ESRS are not directly applicable to MAB, they are referenced as a recognised international benchmark for materiality and disclosure structure.
<b>External Assurance</b>	Independent validation of sustainability disclosures and data accuracy by a third-party assurance provider.
<b>FCA (Financial Conduct Authority)</b>	UK regulator for conduct, listing and sustainability-related disclosure requirements.
<b>FRC (Financial Reporting Council)</b>	Sets UK governance, reporting and audit standards, including the UK Corporate Governance Code and ESG assurance guidance.
<b>FRC ESG Assurance Guidance (2024)</b>	Defines UK expectations for data quality, control and assurance over sustainability and climate information.
<b>FTSE 250 Readiness</b>	Internal programme aligning MAB's governance and disclosures with Main Market standards ahead of migration.
<b>GRI (Global Reporting Initiative)</b>	International framework for impact reporting. GRI 3 (Material Topics 2021) provides guidance on defining and reporting material ESG topics. Often used alongside ISSB and ESRS for comparability.
<b>Governance</b>	Systems and processes ensuring accountability and oversight of sustainability and ESG issues.
<b>GRC (Group Risk Committee)</b>	Second-line committee providing oversight of risk integration and escalation of material ESG and climate risks.
<b>Green Finance Strategy (UK 2023)</b>	Government policy aligning finance with climate and sustainability objectives.
<b>Greenwashing</b>	Misleading or overstated environmental claims; a key conduct and reputational risk.
<b>Group Head Of Sustainability</b>	Leads design and delivery of MAB's Sustainability Strategy, Climate Risk Methodology and ESG frameworks.
<b>Head Of Investor Relations &amp; Sustainability</b>	Chairs the Management Sustainability Committee and is responsible for oversight of ESG integration within corporate strategy and investor relations.

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TERM / ACRONYM	DEFINITION / DESCRIPTION
<b>Head of Risk</b>	Oversees operational risk management under CRO delegation and ensures ESG risk integration.
<b>IFRS S1 / ISSB S1 (General Sustainability Disclosures)</b>	Establishes requirements for disclosing governance, strategy, risk management and metrics for all material sustainability-related risks and opportunities.
<b>IFRS S2 / ISSB S2 (Climate-Related Disclosures)</b>	Specifies climate-focused disclosure requirements on governance, strategy, risk management, metrics and targets. Builds on TCFD.
<b>Impact Materiality</b>	Part of the DMA process assessing MAB's external impact on society and the environment.
<b>ISAE 3000</b>	International assurance standard for engagements other than audits or reviews of historical financial information, including non-financial reporting.
<b>ISSB (International Sustainability Standards Board)</b>	IFRS Foundation body establishing the global baseline for sustainability reporting (IFRS S1 and IFRS S2).
<b>Liability Risk</b>	Legal or reputational risk from non-compliance or misleading ESG statements.
<b>UK Listing Rules</b>	FCA rules applying to Main Market issuers, including requirements relating to corporate governance and sustainability-related disclosure.
<b>Management Sustainability Committee</b>	Management-level committee established in 2023, chaired by the Head of Investor Relations & Sustainability, overseeing delivery and monitoring of ESG and sustainability activity, including governance, metrics, methodologies and disclosure readiness.
<b>Materiality</b>	Significance of a factor's potential to influence strategic, financial or reputational performance.
<b>Maturity Roadmap</b>	Phased plan (FY25–FY27) for MAB to reach Main Market ESG standards and assurance readiness.
<b>NED (Non-Executive Director)</b>	Independent Board member providing objective oversight and challenge on ESG matters.
<b>Net Zero</b>	State where emitted and removed greenhouse gases balance; MAB's pathway is intended to be SBTi-validated.
<b>NGFS (Network For Greening The Financial System)</b>	Global coalition of central banks producing climate scenarios for stress testing and risk assessment.
<b>NFSI (Non-Financial And Sustainability Information)</b>	Qualitative and quantitative sustainability data disclosed alongside financial statements.
<b>NFRD (Non-Financial Reporting Directive)</b>	EU predecessor to CSRD; retained for comparability in cross-market reporting.
<b>Opportunity Risk</b>	Risk of missed commercial value from failing to act on ESG opportunities (e.g. retrofit finance).

TERM / ACRONYM	DEFINITION / DESCRIPTION
<b>PCAF (Partnership For Carbon Accounting Financials)</b>	Framework for measuring financed emissions; not applicable to MAB's non-lending model.
<b>Physical Risk</b>	Damage or disruption from climate-related events (e.g. flooding, overheating).
<b>PRA SS3/19</b>	Prudential Regulation Authority supervisory statement on climate risk management expectations.
<b>Resilient Homes</b>	MAB's customer proposition for energy-efficiency and retrofit finance.
<b>RMF (Risk Management Framework)</b>	Defines Group-wide risk governance, taxonomy and controls; climate risk operates as a sub-framework.
<b>Risk Appetite</b>	Degree of risk MAB is willing to accept in pursuit of its strategic goals.
<b>Risk Register</b>	Central record of principal and emerging risks, including ESG and climate risks.
<b>SBTI (Science-Based Targets Initiative)</b>	Framework verifying net zero and emissions-reduction targets against climate science.
<b>Schema of Delegated Authority (ESG)</b>	Defines roles and decision-making responsibilities for ESG and sustainability management across the Group.
<b>Scope 1, 2 And 3 Emissions</b>	Greenhouse gas emission categories: Scope 1 = direct, Scope 2 = purchased energy, Scope 3 = value chain.
<b>SDG (UN Sustainable Development Goals)</b>	17 UN goals providing context for social and environmental progress and alignment.
<b>SDR (Sustainability Disclosure Requirements)</b>	FCA-led UK regime establishing sustainability labelling and disclosure requirements in relevant parts of the financial services market.
<b>UK SRS (UK Sustainability Reporting Standards)</b>	UK Sustainability Reporting Standards based on IFRS S1 and IFRS S2. UK SRS S1 and UK SRS S2 are intended to form the foundation of the future UK corporate sustainability reporting regime.
<b>Sustainability Strategy</b>	MAB's Group sustainability plan defining ambitions, pillars, KPIs and governance roadmap through FY27.
<b>TCFD (Task Force on Climate-Related Financial Disclosures)</b>	Global framework for climate governance and reporting; foundation for IFRS S2 and earlier UK climate-related listing requirements.
<b>TPT (Transition Plan Taskforce)</b>	UK initiative providing guidance on credible net zero transition plans.
<b>Three Lines of Defence</b>	Assurance model: 1st Line = business controls, 2nd Line = Risk / Sustainability oversight, 3rd Line = Internal Audit.
<b>UK Companies Act (S414CZA)</b>	UK legislative provision requiring climate-related financial disclosures for certain qualifying companies.
<b>Workstream</b>	Defined project or focus area within the ESG roadmap (e.g. Climate Risk, Net Zero, Disclosure Readiness).

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