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# HARGREAVES ESG POLICY

Hargreaves is committed to embedding Environmental, Social and Governance (ESG) factors at the centre of the company's decisions and operations. We have identified our ESG focus areas through the completion of Hargreaves' ESG materiality assessment, allowing us to better understand the expectations of our stakeholders and prioritise our efforts accordingly. Our ESG strategy is based on a solid foundation supported by clear objectives that we aim to accomplish.

At Hargreaves, we aim to incorporate ESG factors in our decision making, taking into consideration the business and our stakeholders' interests. Hargreaves stakeholders include employees, managing agents, lawyers, tenants, suppliers, local communities and shareholders. Based on our ESG materiality assessment, we have identified five ESG focus areas, as summarised below.



In order to drive continuous improvement, we have set short, medium and longer term objectives within each of the five focus areas. To further integrate environmental and social considerations into our management processes, the company's objectives include specific measurable actions so that we can ensure traceability, strengthen our governance structure and improve over time. These objectives will be reviewed on an ongoing basis, disclosing our progress at least once a year.

Our key focus areas are:

## 1. Energy efficiency and emissions

We will focus on concrete actions such as improving data quality to better understand our current consumption and installing more efficient equipment to reduce energy use. At the same time, we will seek to set science-based targets, develop asset-level roadmaps and, where possible, switch to renewable energy to reduce our portfolio emissions. As part of our roadmap to improve energy efficiency, we will aim to achieve higher building energy ratings across our portfolio, ensuring that we are well prepared to respond to the upcoming changes in the Minimum Energy Efficiency Standard (MEES) regulations.

## 2. Waste management

We seek to minimise our environmental impact through proactive waste management. We will maintain current good practices such as zero waste to landfill and will seek to strengthen the company's processes to advance waste management in line with the waste hierarchy and best practise. The company will implement actions to increase recycling rates and will work to reduce the overall waste generation across our assets.

### **3. Building health and wellbeing**

Hargreaves strives to optimise our assets' health and wellbeing outcomes. To achieve this, we will integrate wellbeing principles into new developments and refurbishment programmes.

### **4. Supporting local communities**

We will create and maintain environments where our employees can thrive and where we support our local communities. We aim to increase gender balance, support our employees' professional development and prioritise local employment. Furthermore, we will continue to support community groups and charities through partnerships, donations and volunteering.

### **5. Compliance and ESG standards**

We will reinforce this policy by aligning to well established ESG standards, ensuring a robust governance and transparency, and demonstrating our commitment to social and environmental performance improvement. Furthermore, we will continue to ensure compliance with all appropriate legal requirements, as this is key to managing the company's operations in a responsible manner.

At Hargreaves, we aligned the company's ESG strategy with the United Nations Sustainable Development Goals (SDGs); this reflects our impact on achieving the SDGs and supporting the global commitments towards a more sustainable future.

The company's board hold the overall responsibility for this policy. Hargreaves' senior management team and the ESG working group are responsible for the implementation of this policy and the related objectives. Hargreaves' senior management team will report to the company's board on the progress of implementing this policy at least every six months.

This policy will be reviewed on an annual basis to ensure it remains relevant and appropriate.

Date: November 2021