

Capital & Counties Properties PLC Environmental Policy

Capital & Counties Properties PLC (Capco) is committed to minimising the impact of our operations on the environment. We apply a responsible and forward-looking approach to environmental issues and the principles of sustainability. We recognise the opportunity we have to positively contribute to the environment through our asset management, investment and development strategies.

Capco will identify and comply with all applicable legal requirements, and any other commitments to which we subscribe. To drive continual improvement in environmental performance we are committed to;

- Applying best practice in the design, construction and management of buildings and their surroundings to enhance environmental performance.
 - Identifying opportunities to reduce the Group's carbon footprint and consumption of energy, water and natural resources to appropriate levels commensurate with the operational needs of the business.
 - Introducing measures to reduce waste generation and to increase reuse and recycling across the Group.
 - Meeting the needs of our occupiers, customers and other stakeholders and supporting them in improving their own environmental performance.
 - Being an environmentally responsible 'good neighbour' in the communities where we operate by minimising nuisance and responding appropriately and promptly to environmental incidents.
 - Using land efficiently and identifying brownfield land for redevelopment.
 - The prevention of pollution and contamination of land by assessing environmental risks during the planning, design, demolition and construction phases, and implementing procedures to minimise pollution.
 - Appropriately managing existing ecological features and identifying opportunities to enhance biodiversity.
 - Working collaboratively with local authorities to seek opportunities to improve air quality.
 - Engaging our employees on environmental issues and raising awareness through communication campaigns and training.
 - Specifying responsibly sourced materials, where appropriate options are available, and forbidding the use of prohibited materials in line with industry standards.
 - Considering the potential risks posed by climate change on the operations of the Group and within decision making for acquisitions and the design and construction of assets.
 - Supporting our employees and customers in reducing the environmental impacts of business travel, commuting and visiting our assets by promoting walking, cycling and the use of public transport where suitable.
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- Proactively sharing our progress through the company website, reporting frameworks, workshops and through our engagement activities with tenants and stakeholders.

These policy commitments are supported by clear environmental objectives and by Capco's Sustainability Framework. Employees, consultants and building contractors are to use the Framework as an aid towards meeting the policy commitments. The Environmental Policy and Sustainability Framework are communicated to all Capco employees and to relevant suppliers through the procurement process.

All employees of Capco must comply with the Environmental Policy. We will monitor compliance and regularly review the procedures in place to ensure that the Group maintains its commitment to this policy. Capco will carry out an annual review of this policy to ensure that it remains relevant and appropriate. The policy will also be reviewed should there be significant changes to the business or relevant legislation.

**Ian Hawsworth, Chief Executive
Capital & Counties Properties PLC**

February 2016