

Shaftesbury Capital Sustainability Policy

Introduction from Chief Executive

At Shaftesbury Capital, we take a long-term, responsible and forward-looking approach, operating in an environmentally and socially sustainable manner.

We are committed to being a leader in the sustainable development, reuse and reconfiguration of heritage buildings, continually improving the energy efficiency of our portfolio to meet our ambition to be a Net Zero Carbon business by 2040.

More broadly, we create healthy and resilient places, working closely with our community partners to deliver benefits across the West End.

We maintain a safe and healthy working environment for our people that provides comprehensive benefits, training and personal development. We recognise the value of diversity and encourage an open culture to allow our employees to thrive.

Ian Hawksworth,
25 February, 2025

Introduction

Shaftesbury Capital is the leading central London mixed-use REIT and is a constituent of the FTSE-250 Index. As of 31 December 2024, our property portfolio extends to [xx] million square feet of lettable space across the most vibrant areas of London's West End. With a diverse mix of restaurants, cafés, bars, shops, residential and offices, our destinations include the high footfall, thriving neighbourhoods of Covent Garden, Carnaby, Soho, and Chinatown.

We recognise the mutual benefits of incorporating sustainability into our business and consider environment, social and stakeholder issues in formulating our objectives.

We prioritise the need to meet legislative requirements and our responsibility towards the environment. We aim to use natural resources both efficiently and effectively, and to protect valuable habitats and ecosystems. We support communities where we operate and develop constructive partnerships with local authorities, supporting where practical their sustainability objectives.

Our Sustainability Policy is reviewed annually and approved by the Board. All employees of Shaftesbury Capital, agents, and suppliers are expected to comply with the Policy. We report on sustainability progress in our Annual Report and Sustainability Data Report.

Our approach to sustainability is set out on our website ([Our approach - Shaftesbury Capital PLC](#)) with focus areas on 'Our Building', 'Our Places' and 'Our People'.

Our sustainability principles

We have set fundamental principles which align with the UN Global Compact, indicating the Sustainable Development Goals that are applicable to our business and sustainability strategy. SDGs are aligned to our principles below:

- Conduct our business with integrity and in an open and ethical manner and require the same standards throughout our supply chain (SDG 17);
- Operate in an environmentally sustainable manner and achieve corporate 2025 and 2040 Net Zero Carbon targets through the sustainable re-use and management of buildings (SDG 12, 13, 7);
- Actively invest in extending the useful life of our heritage buildings through refurbishment, rather than demolition and redevelopment (SDG 11, 12);
- Build long-term relationships founded on respect, integrity and transparency (SDG 17);
- Integrate sustainability in our operations and encourage continual improvement in environmental performance (SDG 17);

- Continually improve the collection of sustainability-related data and report in an open and transparent way (SD 17);
- Comply with legal and regulatory requirements and, where feasible, exceed minimum compliance (SDG 16);
- Investigate innovative solutions and invest in sustainable best practice (SDG 9, 17);
- Invest in our local communities (SDG 4, 8, 10, 11);
- Invest in the welfare and development of our employees and promote diversity and inclusion throughout our activities (SDG 3, 5, 11);

Conduct of our business

We conduct our business with integrity and require that our Directors, employees and other businesses engaged by us, including contractors, suppliers and agents, do the same.

The Board has oversight of sustainability matters, this includes consideration of climate-related risks and opportunities and implementation of the Group's sustainability strategy and Net Zero Carbon Pathway. Day-to-day oversight is undertaken by members of the Executive Committee and the senior management team, with periodic reporting to the Board.

Governance is supported by policies which address anti-bribery and corruption, whistleblowing, prompt payment, money laundering and management of the supply chain. Our primary policies are publicly available on our website ([Shaftesbury Capital PLC](#))

We report comprehensively in our Annual Report, with additional information published in our annual Sustainability Data Report in line with EPRA (European Real Estate Association) best practice ([2023 Sustainability Data Report](#)). We participate in major sustainability benchmarks, including GRESB (Global Real Estate Sustainability Benchmark) and CDP (Carbon Disclosure Project), and report annually in line with SECR (Streamlined Energy and Carbon Reporting) requirements.

The Company strives to continuously improve sustainability performance. Our management systems and procedures are periodically reviewed to ensure that the Company maintains its commitment to this policy.

Environment

We minimise the impact of our operations on the environment and recognise we have an opportunity to make a positive difference, especially through the low carbon refurbishment of our heritage assets. Our goal is to become a Net Zero Carbon business by 2040 through the efficient "retrofit first" re-use and management of buildings, before any residual emissions are offset in line with industry best practice.

We will annually update progress against our Net Zero Carbon Pathway, including the publication of our annual energy use and carbon emissions. Our near term (2030) and long term (2040) carbon reduction targets have been reviewed and validated by the Science Based Targets initiative (SBTi).

To drive continual improvement in environmental performance, we are committed to:

- Maximising the re-use of existing property, extending its life whilst minimising the use of resources, waste and embodied carbon;
- Actively investing to minimise the embodied carbon of materials used by seeking to collect more data and apply best practice in the design, construction and management of buildings;
- Identifying opportunities to reduce the Group's scope 1, 2 & 3 carbon emissions and consumption of energy, water and natural resources;
- Investigating opportunities to integrate renewable energy regeneration;
- Considering the potential risks and opportunities posed by climate change and designing appropriate mitigation, adaptation and resilience measures;
- Introducing measures to reduce waste generation and to increase reuse and recycling across the business, resulting in zero non-hazardous waste to landfill;
- Being an environmentally responsible 'good neighbour' by minimising nuisance and responding appropriately and promptly to environmental incidents;
- Working with other local property owners and local authorities to investigate and promote solutions to minimise the impact of pollution and promote air quality;
- Appropriately managing existing ecological features and identifying opportunities to enhance biodiversity.
- Specifying responsibly sourced materials and sourcing timber in line with our Timber Policy.
- 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 appropriate.

- Regular reporting of sustainability performance and KPIs in line with EPRA Sustainability best practice.

In our development and refurbishment activities we aim to minimise adverse impacts on the environment and are considerate to occupiers of neighbouring property and local communities, including:

- Minimising our embodied and operational carbon during the design and construction phases;
- Collection of materials/energy consumption data for whole-life carbon assessments of refurbishment projects
- Managing the transport, delivery and storage of materials;
- Minimising noise, vibration and pollution during construction works;
- Use of low VOC (Volatile Organic Compound) products;
- Maintaining site access and cleanliness;
- Efficient management and minimisation of energy and water use on site;
- Avoiding use of hazardous materials;
- Responsible management and disposal of construction waste; maximising diversion from landfill;
- Projects defined as being ‘major’ or ‘medium’ in the Shaftesbury Capital Development Brief must be registered with the Considerate Constructor’s Scheme.

In managing our buildings, we, and our representatives, will:

- Monitor and reduce energy and water consumption and invest in technology to collect performance data such as smart energy meters;
- Purchase renewable electricity for landlord spaces;
- Monitor and reduce waste and maximise recycling where we have control;
- Consider maintenance of planting and landscaping and opportunities to improve biodiversity

Community Investment

Shaftesbury Capital plays an active part in the community and aims to build and maintain successful relationships with stakeholders based on respect, trust and mutual benefit. We identify and respond to the needs of the local communities in Westminster and Camden and work closely with local authorities and other stakeholders.

We encourage our people to participate in volunteering activities during working hours and provide financial contributions to associated charities.

Following a local needs analysis undertaken in 2024, our policy is to:

- Work closely with local authorities and other stakeholders;
- Support relevant training and education initiatives;
- Provide support to local organisations and charities, with a focus on creating employment opportunities and supporting community cohesion.

We have a community grant fund that is overseen by a Community Investment Forum (CIF) to help ensure that all applications are considered objectively, in line with our policies.

Our contributions, comprising money, time, and space, are reported annually in a consistent and transparent way. We are investigating the use of social value reporting methodologies to measure the wider positive impact that we have on our local communities.

Community and stakeholder engagement

We recognise it is important to engage with local communities and regulatory bodies, our customers and staff, and other interested parties so that their views and opinions inform our business.

- We work closely with Westminster City Council and Camden Council, within whose boundaries our portfolio is located, to improve the public environment in and around our destinations, funding street improvements, pedestrianisation, street lighting schemes, CCTV and security.
- We consider a wide range of stakeholders including, our customers, suppliers, and local communities.
- We engage with stakeholders to ensure we are aware of, and responsive to their expectations (where practicable / possible). Where relevant, we carry out market research and undertake consultation on major planning applications.
- We aim to build long-term relationships with community groups and all our stakeholders.
- We will utilise available space across our portfolio to provide short term opportunities for local businesses or charities to operate in our destinations.

Customers

A vital focus of all our business activities is to ensure that our properties and venues are safe, healthy and provide a high-quality environment for customers that occupy of properties. We seek opportunities to work with others and interact with occupiers on a range of issues.

In support of this, we:

- Provide consistent high standards of accommodation and facilities to our customers.
- Provide safe and healthy working environments.
- Maintain high standards of service.
- Engage with customers through an annual customer survey
- Engage with occupiers to support them to improve environmental performance

Our People

People are key to our success, and we recognise the importance of the welfare of our employees, agents, contractors, and suppliers.

Details of our people policies can be found on the company [website](#), including:

- We believe that every person in the Company has a part to play in generating long-term economic and social value. We understand the benefits of a diverse workforce and recognise, celebrate and promote diversity, equity and inclusion across the Company;
- Our remuneration framework aims to reward and recognise employees for their contribution. We actively benchmark against the market to ensure we offer competitive salaries, benefits, and incentive schemes to attract and retain the best talent;
- We make training available to all employees, and individual training and development needs are identified and discussed at performance check-in meetings with line managers;
- We undertake succession planning exercises to review the talent pipeline and progress individuals according to capability;
- We provide sustainability training for our staff to ensure that our workforce understand our commitments and can set personal objectives that align with their own roles;
- We provide our employees with safe and suitable, modern working conditions that are free from unnecessary risk and comply with the requirements of the Health and Safety at Work Act 1974 and recognised codes of practice. Our Health & Safety Policy Statement is available on our website here ([Health and Safety Policy Statement](#));
- We recognise that as well as ensuring that we keep our employees safe, we also need to protect the wellbeing of our employees and we will continue to prioritise support through various initiatives and training, including wellbeing in the work environment, both physical and mental;
- With respect to freedom of association and collective bargaining, we acknowledge the right of our employees to join or not to join a trade union and they are free to join an organisation of their choice to represent them, in line with legislation;
- We pay our employees above the London Living wage. We also require that the providers of managed services to our offices and estates pay the London Living Wage to those working with us;
- We support the Universal Declaration of Human Rights and respect the human rights of our employees by providing equal opportunity for all our employees and potential employees regardless of their gender, sexual orientation, age, race, disability, marital status, religion, colour and nationality.

Specifically, we:

- Ensure the Equal Opportunities Policy applies to the advertisement of jobs, recruitment and appointment, training, conditions of work, pay and to every aspect of employment; and
- Ensure that people with disabilities are afforded equal opportunities to employment and progress within the Group;
- We are committed to the elimination of all forms of forced, compulsory and child labour.