



HARLEYFORD  
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# Harleyford Capital ESG Policy

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Our Vision.....	1
Our Approach.....	1
Pillars.....	1
Focus Areas and Commitments.....	2
Implementation.....	3
UN Sustainable Development Goals.....	4
Responsibilities.....	4
Reviews and Revisions.....	4



# Our Vision

Harleyford Capital's vision is to become a market leader in New Economy real estate, taking yesterday's buildings and repositioning them to meet the needs of tomorrow.

We recognise the importance of creating sustainable buildings which make positive environmental and societal impacts, as well as safeguarding our future. We believe this approach directly translates into investment performance through attracting best-in-class occupiers and maximising asset liquidity.

We are committed to being a responsible and sustainable business that creates long-term value for our stakeholders.

# Our Approach

Our ESG policy is an integral part of our corporate strategy and guides our decision-making processes. We will continue to prioritize ESG considerations in all aspects of our operations and investments, and will strive to achieve the highest standards of sustainability and social responsibility.

To achieve our mission, our ESG strategy centers on three pillars, each with key focus areas and commitments.

## Pillars



### Responsible

We strive to operate responsibly and to positively impact our planet, people and communities



### Resilient

We maintain a resilient and innovative business and address global challenges like climate change through effective governance, planning and systems



### Engaged

We believe a collaborative and inclusive approach is necessary to achieve our ESG goals, as well as those of our stakeholders



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# Focus Areas and Commitments

Pillars	Focus Area	Commitments
Responsible	Planet	Limit our impact on and enhance our natural environment by optimising energy, water and waste performance, protecting and strengthening biodiversity and integrating ESG across our supply chain
	People	Foster a best-in-class team, create an equitable and inclusive workplace driven by the synthesis of diverse perspectives, cultures, experiences and backgrounds and consider diversity as an integral component of who we are as a business, how we operate and how we value the future
	Communities	Enhance the lives of tenants and local community members through philanthropy and donation programs and assets that promote wellbeing, affordability and inclusion
Resilient	Climate	Support the transition to a low carbon economy by developing and executing a net zero strategy and protect our assets by identifying and managing climate risks and implementing adaptive practices
	Governance	Maintain the long-term resilience of our business by operating with the highest ethical and risk management standard and developing a best-in-class data systems to support accurate performance management and decision-making
Engaged	Collaboration	Engage and collaborate with our stakeholders to build long-term strategic partnerships, draw market insights, advance ESG across our industry and meet mutual environmental and social outcomes
	Transparency	Disclose ESG performance according to stakeholder expectations, participate in reporting initiatives and frameworks and assure data to validate quality



# Implementation

To meet our commitments, we embed ESG considerations across our investment management activities and in our corporate practices.

Activities	Practices
Investment	<ul style="list-style-type: none"> <li>&gt; Identify and evaluate ESG risks and opportunities in screening and due diligence phases using proprietary tools which allow analysis of all ESG considerations including physical and climate transition factors</li> <li>&gt; Incorporate material ESG findings into our risk analysis and summarise material findings to Investment Committee for each investment</li> </ul>
Development	<ul style="list-style-type: none"> <li>&gt; Implement our Sustainable Design Brief, which sets minimum requirements and targets for all development projects</li> <li>&gt; Establish ESG performance criteria and measurement processes</li> <li>&gt; Determine opportunities to improve carbon performance of developments and consider the feasibility of net zero construction for each project</li> </ul>
Asset Management	<ul style="list-style-type: none"> <li>&gt; Incorporate ESG considerations into asset budgets and strategic plans</li> <li>&gt; Establish property manager ESG requirements and evaluate performance at least annually</li> <li>&gt; Work collaboratively with property managers to deploy ESG best practices</li> <li>&gt; Implement efficiency upgrades to improve asset environmental performance and contribute to the transition to a low carbon economy</li> <li>&gt; Measure and benchmark asset-level ESG performance at least annually</li> <li>&gt; Monitor and communicate property managers ESG performance and improvement opportunities</li> <li>&gt; Set ESG targets and track key performance indicators in fund and corporate scorecards and disclose in investor reporting</li> <li>&gt; Develop internal ESG data management system to facilitate analysis and inform decision-making</li> <li>&gt; Engage and collaborate with tenants to drive change and meet key targets</li> </ul>
Corporate Practices	<ul style="list-style-type: none"> <li>&gt; Embed diversity, equity and inclusion criteria across our organisation and business functions</li> <li>&gt; Educate employees on ESG best practices</li> <li>&gt; Measure, manage and reduce our own corporate carbon footprint</li> <li>&gt; Promote ethical behavior and compliance with all relevant laws and regulations in all aspects of our business operations</li> </ul>
Transparency and Stewardship	<ul style="list-style-type: none"> <li>&gt; Share ESG vision, pillars, focus areas and commitments</li> <li>&gt; Establish and apply supplier selection ESG criteria</li> <li>&gt; Participate in groups and conferences to collaborate with peers and advance ESG across industry</li> </ul>

# UN Sustainable Development Goals

Our ESG strategy focuses on purposefully creating impact for our stakeholders and operating resiliently and responsibly.

To that end we seek to align our objectives with the The United Nations Sustainable Development Goals (SDGs). The SDGs are 17 goals for society and business to address global challenges including, poverty, inequality and climate change. We identified five goals that we could advance through our operations and ESG strategy.



## Responsibilities

It is the responsibility of all employees of Harleyford Capital to adhere to this policy. We will share the policy with all investors, employees, property managers and partners to support implementation and stewardship.

## Reviews and Revisions

The board reviews this policy annually and revises as necessary.

Thomas Mallindine  
Managing Director, Asset Management

23rd January 2024

Date



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