



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) POLICY

McKay Securities Plc is a commercial property investment company with Real Estate Investment Trust (REIT) status specialising in the development and refurbishment of quality buildings within established and proven markets of London and South East England. Our mission is to work in partnership to deliver quality, innovation and growth, hence we need to anticipate and prepare for the future evolution of our market and the trends that affect our customers' prosperity. By harnessing innovations in office designs and technologies to create low carbon, resource efficient and healthy buildings we aim to help people feel positive and businesses to thrive.

Our ESG strategy, enables us to build on the significant achievements we have made since beginning our sustainability journey in 2013 whilst ensuring that we keep pace with evolving social and environmental trends and changing stakeholder expectations. It is structured around the three focus areas which are aligned to our corporate vision, mission and purpose.

1.0 Low carbon, resource efficient and healthy buildings (Environmental)

Creating low carbon, resource efficient and healthy buildings will be essential to meet a range of stakeholder requirements in the 2020s. We are committed to developing and managing our portfolio to minimise its impact on the environment while creating modern workplaces where employees can thrive. This will be of critical importance as we ensure our portfolio is future-proofed and fit for purpose in the coming decade.

1.1 Material issues

- Energy & carbon
- Climate adaptation
- Building health, wellbeing & productivity
- Waste & resource management
- Water
- Building certifications, ratings & standards

1.2 Objectives

- Actively participate in the transition towards a low carbon economy by increasing our buildings' energy efficiency, generating and procuring renewable sources of energy and providing infrastructure for electric vehicles.
- Ensure our portfolio is resilient to the effects of climate change
- Pursue a circular approach to resource use that reduces construction and fit-out costs, increases the flexibility of our buildings, benefits local communities, reduces operational costs and reduces environmental impacts from waste
- Put health at the forefront of our property development and management strategy to help our customers' businesses prosper and the people using our buildings to feel fit and well



2.0 A customer-focused and flexible landlord (Social)

Delivering outstanding customer service is paramount to our business, and this principle is reflected in our approach to sustainability. By actively marketing our sustainability credentials to attract and retain customers we can demonstrate that we are the right choice of landlord for businesses which have their own sustainability goals. By anticipating, understanding and acting upon feedback from our customers, we can bolster our reputation as a business partner and support business growth. We are also committed to playing our part in creating social value in the communities where we operate.

2.1 Material issues

- Occupier attraction & retention
- Technological innovation
- Building accessibility and inclusivity
- Community wellbeing

2.2 Objectives

- Provide outstanding customer service by being an approachable, responsive and proactive landlord
- Invest in digital infrastructure that enables our customers to be better connected, more productive and have a lower environmental impact
- Seek to ensure that our buildings support modern workplace requirements and continue to engage our existing customers
- Identify opportunities to support the resilience of local communities around our buildings, co-creating places where people and business can thrive

3.0 A progressive and transparent business (Governance)

Proud of our brand and reputation as the leading property specialist in our region, it is of utmost importance for us to maintain our status as a progressive and transparent business that is open and responsive to trends within both the investor community and wider society. Whilst we continue to uphold high standards of corporate governance, procurement and health and safety management, we will also be sharpening our focus on the management and disclosure of sustainability risk. This will enable us to pre-empt pressure from investors and prepare our business for more demanding planning and/or regulatory requirements on these aspects.

3.1 Material issues

- Investor attraction & retention
- Transparent disclosure
- Corporate governance
- Responsible procurement
- Health & safety
- Climate risk management
- Employee engagement and wellbeing



3.2 Objectives

- Protect and enhance the value of our buildings and future-proof our business by anticipating and responding to evolving environmental and social trends
- Engage with our stakeholders and maintain our culture of sound corporate governance of sustainability risks and opportunities
- Monitor and report transparently on our sustainable business performance by using KPIs linked to each of our focus areas, and maintain our position in the Global Real Estate Sustainability Benchmark
- Support and engage our employees by providing a working environment that promotes health, wellbeing and development

The implementation of this ESG Policy is overseen by our Board of Directors. This Policy is to be reviewed annually by our Board to ensure that we continue to perform in line with industry best practice. There will be regular updates to our Board on sustainability progress and performance.

Across our three focus areas key performance indicators will be established and annual targets set against which to report on progress. Updates on progress will be communicated internally and externally through our Annual Report and Accounts and corporate website.

Our Board is committed to delivering on this Policy.

4.0 Policy Management

Publication - This policy shall be available through the Company Secretary and on the 'P' drive.

Effective Date - This policy is effective from January 2019 was last reviewed by the Board on 4 February 2021.

Revisions - The Company Secretary is responsible for the maintenance and accuracy of this policy. This policy is to be reviewed annually.

Approved by the Board and signed by:

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Tom Elliott
(Property Director)

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Simon Perkins
(Chief Executive Officer)