



TERMS OF REFERENCE

ESG COMMITTEE

1. Introduction

These terms of reference relate to an Environmental, Social and Governance (“**ESG**”) Committee established by the Company to be known as the ESG Committee.

The committee has reporting responsibilities to the Board of the Company.

The committee shall have the principal functions described below and as detailed in point 7:

- To monitor and report on the Group’s performance against environmental KPIs and to ensure the Group is managing its investments in line with the six core objectives as approved in the Responsible Investment Policy (“**RI Policy**”);
- To undertake an annual materiality assessment for the Company to inform the ESG Strategy & Roadmap ensuring they are relevant and proportional to the Company’s business activities.
- To ensure the Group, complies with external reporting requirements and obligations on ESG matters such as SECR, GRESB and any others to which the Company may commit and adopts sector best practice where appropriate;
- To assess, at least annually, the fees and scope of engagement of any environmental consultants, engaged by the Group or on behalf of its third party funds;
- To report at least quarterly to the Board and at least annually to its third party funds stakeholders, on the Group’s and its third party funds ESG strategy and performance; and
- To review whether the Group is obtaining a suitable level of social outcomes for its tenants, other stakeholders and communities.

For the avoidance of doubt, the committee will not review the Group’s governance where already the responsibility lies with the Audit, Compliance and Risk Committees.

2. Membership

The Board shall appoint the chairman of the committee.

The committee shall consist of at least one Director and at least two further Directors or directors of a Group company. The chairman of the committee shall be decided by the Board. Only a Director may be appointed chairman of the committee.

The other members of the committee shall be appointed by the chairman of the committee.

The members of the committee for the time being shall be:

- Ben Habib (Committee Chairman);
- Przemek Kiszka;
- Martin Pryce;
- Jeremy Barkes;
- Jill Aubrey; and
- Ben Kerrison.

3. Attendance

Only members of the committee shall have the right to attend and vote at committee meetings. However, other Directors or subsidiary Directors, employees or representatives from third party funds may be invited to attend all or part of any meetings as and when appropriate.

4. Secretary

The Company Secretary or their nominee shall act as the secretary of the committee.

5. Meetings

• Frequency

The committee shall meet at least four times a year or at such other times as the chairman of the committee shall require.

• Notice

Meetings of the committee shall be convened by the secretary of the committee at the request of any of its members. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with the agenda of items to be discussed shall be forwarded to each member of the committee and any other person invited to attend, no fewer than five working days prior to the date of the meeting.

Supporting papers shall be sent to committee members and to other attendees, as appropriate, at the same time.

- **Quorum**

The quorum necessary for the transaction of business shall be three. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretions vested in or exercisable by the committee.

- **Chair**

In the absence of the appointed chairman of the committee, a Director shall be called upon (as an alternate) to chair the meeting. The chairman of the meeting shall have a casting vote on all matters in the event of an equality of votes.

6. Minutes

The secretary of the committee shall minute the proceedings and resolutions of all meetings of the committee, including recording the names of those present and in attendance. The secretary should ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. Minutes of committee meetings shall be circulated promptly, within ten working days, firstly to the chair and then to all members of the committee and, once agreed, to all members at the next meeting.

7. Duties

The committee shall carry out the duties below. In carrying out these duties, members of the Committee may also choose to consult other guidelines available to them in the public domain.

The committee's duties are:

- **Environmental**
 - To monitor and review compliance with the RI Policy and scrutinize the effectiveness of the delivery of the RI Policy requirements;
 - Consider and recommend any required changes to the RI Policy, taking into consideration its responsibilities and objectives, related costs and benefits, the overall strategic plan and relevant external and other factors;
 - To keep under review the Group's overall approach to ESG and ensure it is in alignment with the Group's strategy /culture and if appropriate, recommend amendments to the approach to the Board;

- Through the development of an ESG roadmap progress towards the achievement of targets and indicators and communicate progress to the Board;
- To develop and implement a longer-term net zero carbon strategy;
- Review management information in relation to environmental issues, energy use and any community initiatives, reporting findings to the Board;
- Review budgeted expenditure for environmental improvements to ensure the expected approach is in line with the RI Policy;
- Review the output from Group's and that of its third party funds, sustainability ratings/ reporting, such as GRESB and ensure the information is acted upon appropriately;
- Review and endorse the ESG Committee report in the Group's annual report;
- Consider additional external reporting options and understand what stakeholders want and expect regarding ESG; and
- To assess, at least annually, the fees and scope of engagement of any environmental consultants, engaged by the Group or on behalf of its third party funds.

- **Social**

Ensure plans in place to:

- Ensure all Group owned properties and properties owned by our third party funds are fit for purpose;
- Provide our Group and third party funds, tenant employees a safe place for them to work;
- Facilitate required measures such as social distancing, and appropriate ventilation systems to comply with Government guidelines on pandemic mitigation;
- Encourage sustainable travel choices (upgrading cycle and changing facilities, EV charging, etc);
- To ensure the Group engages with its and our third party fund tenants, other stakeholders and communities, where possible, to ascertain whether the Group is obtaining a suitable level of social outcomes; and
- Consider whether charitable giving, allowing vacant assets to be used for charitable purposes or partnering with a charity would achieve appropriate social outcomes.

- **Other Matters**

- if required make a statement in the annual report about its composition and activities including the number of meetings, its members' attendance and the process used for the appointments (explaining if external advice or open advertising has not been used);
- keep up to date and fully informed about strategic issues and commercial changes affecting the Group and the market in which it operates; and
- consider such other matters as the Board may from time-to-time refer to it.

- **Generally**

- A member of the committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- The committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- All members of the committee shall give due consideration to all applicable laws and regulations and shall have access to sufficient resources in order to carry out its duties, with a view to ensuring that procedures of the committee and all applicable rules and regulations are followed.
- Every member of the committee shall give sufficient time and attention to their duties as a member of the committee. They shall give the committee the benefit of their skills and expertise through regular attendance and active participation.
- The committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

- **Authority**

- carry out all such acts and deeds as are required to perform its duties;
- seek any information it requires from any officer or employee of the group in order to perform its duties;
- call any officer or employee of the group to be questioned at a meeting of the ESG committee as and when required; and
- sanction the following at the Company's expense:
 - the obtaining of outside legal or other professional advice on any matters within its terms of reference and, where necessary, the attendance at its meetings of outsiders with relevant experience and expertise; and
 - the obtaining of independent legal or other professional advice by any Director or any who indicates to the ESG Committee that he or she requires, or has obtained, independent legal or other professional advice in relation to his or her duties.

provided, in each case that the estimated cost of obtaining such legal advice is approved in advance by the Chief Executive Officer of the Company (such approval not to be unreasonably withheld or delayed).

Terms of Reference

The committee is expected to carry out its role within the spirit of these Terms of Reference and shall not exceed the authority conferred herein, but provided that such authority is not exceeded the committee may diverge from or amend these Terms of Reference as it sees fit.