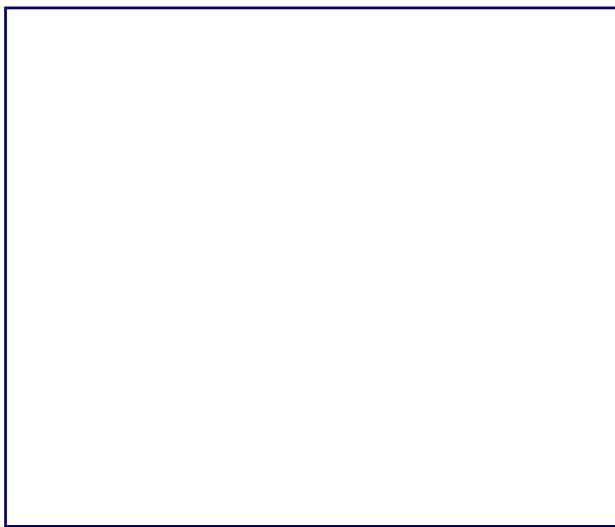




ALMCMCOR®

Environmental, Social, and Governance Policy

2022



Our Business

As a newly launched real estate business with a pan European focus on strategic land, logistics and retail warehousing assets, I believe ALMCOR has a genuine opportunity to make a significant contribution to building a more sustainable future.

I (along with my fellow Board Members) am committed to the responsible development and delivery of our real estate portfolio and services and believe ALMCOR can deliver enhanced risk adjusted returns for our investors whilst positioning ourselves as the forefront of sustainable investing in our chosen sectors.

Jonathan Whittingham



Chief Executive Officer
ALMCOR Management Limited

May 2022

What Defines Us

- Sectoral focus - Industrial, logistics and retail warehousing.
- Partnering with institutional clients.
- Seeking to align our interests with clients by investing alongside them.
- Opportunism - We see value in markets where others can't.
- Innovation - Our team has a track record of delivering new investment strategies.
- Commitment to the community, diversity and inclusion and responsible investing.



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1. ESG Mission Statement

ALMCOR is committed to investing responsibly and building a diverse and inclusive workplace where our employees can thrive. Since its inception as Industrial Securities Limited in 1995 (and later through the iSec brand), we have been dedicated to acting in the long-term interests of both our stakeholders and the communities in which we invest. This core value has been the focus of our culture and continues to shape our Business. By targeting attractive returns through responsible investment, we believe we are contributing to a successful and sustainable future – for our partners, employees and shareholders, the industry, and wider communities.

We define Environmental, Social, and Governance (ESG) criteria as a set of standards for a company's operations.



ENVIRONMENTAL

Assessing how a business's activity overlaps with broader environmental considerations.



SOCIAL

How a business manage relationships with a variety of stakeholders (employees, suppliers, customers).



GOVERNANCE

Monitoring factors such as Business leadership, executive pay, internal controls, and shareholder rights.

2. Policy Scope

The ALMCOR ESG Policy ("the Policy") is intended to provide a framework for how we apply ESG considerations to how we operate our business, how we engage with the communities in which we do business and the way in which we pursue, evaluate, and implement investments. The Business takes account of ESG considerations at both the corporate operating and investment level.

3. Policy Governance

ALMCOR's Management Committee ("the Committee") is collectively responsible for developing the Business's strategic response to ESG. It is also responsible for developing and maintaining its ESG Framework which is documented in the Policy. Members of the Committee include the Chief Executive Officer, Head of Strategic Land, Head of Active Value, and other members of the senior management team.

The Committee commits to undertaking the following activities to support the Business's ESG framework:

1. Developing a Business-wide ESG strategy in collaboration with executive management and other key stakeholders.
2. Overseeing ESG activities at the Business in accordance with the Policy and encouraging continual improvement in the integration of ESG factors in Business-wide decision-making.
3. Working closely with development, investment and asset management teams on ESG screening and reporting.
4. Supporting collaboration with other organizations to drive forward the industry's integration of, and transparency with respect to, ESG factors.
5. Evaluating and monitoring ESG factors for investments across the Business with a focus on strategies that formally include ESG or impact as part of their investment mandate.
6. Providing ESG training and guidance for employees.
7. Preparing an annual Impact Report.

Given the significance and importance of ESG to the Business, the Committee has allocated specific responsibility for compliance with its ESG framework to the Chief Operating Officer.

4. Firm Principles and Philosophy

ESG considerations are congruent with the Business's core value of targeting attractive returns through responsible investment. Specifically, the Business integrates ESG through (i) responsible investment practices, (ii) responsible business practices, and (iii) engaging with relevant industry thought leadership and standards.

The Business recognizes that there is no 'one-size-fits-all' approach to achieving positive ESG outcomes and this is reflected in the diverse business strategies the Business operates. The Active Value strategy aims to rapidly develop or acquire portfolios, integrate, and then dispose of them once they have reached sufficient scale. This trading philosophy contrasts sharply with other Business's in the sector with a 'buy and hold' business model who are obliged to actively manage, monitor, and report the ESG impact of their portfolios over a much longer period.

The Strategic Land platform aims to buy, hold, and develop or trade strategic land sites. ALMCOR recognises the importance of integrating ESG considerations throughout the entire development lifecycle of these sites.

The Business believes that incorporating ESG factors into its investment decision-making process is the simplest and most effective way for it to achieve its desired outcomes. While it tries to avoid being too prescriptive in its definition of ESG the Business evaluates these considerations as follows:

ESG Areas of Focus:

Environmental	Social	Corporate Governance
+ Climate change	+ Civil and human rights	+ Board composition, accountability, and executive compensation
+ Natural resource utilisation	+ Diversity and equitable opportunities	+ Business ethics and compliance
+ Pollution and waste	+ Access to capital	+ Shareholder rights and stakeholder dialogue
+ Clean technology and energy efficiency	+ Education	+ Cyber security
+ Signatory to PRI and active engagement with industry groups	+ Health and medical technologies	+ Internal control
+ Consideration of ESG impact on investment decisions	+ Affordable housing	
+ Workforce standards and protections	+ Government and community relations	
+ Supply chain management i.e. Working with aligned businesses in terms of ESG.	+ Labour relations	
	+ Supply chain management i.e. Working with aligned businesses in terms of ESG.	

5. Responsible Investment Principles

The Business views ESG considerations as key elements of investment return, volatility, and risk mitigation. We therefore ensure these factors are considered during the initial due diligence stage and monitored throughout an investment's lifespan with us, as appropriate.

Depending on the nature of the investment, we will have differing levels of control and transparency during the underwriting and asset management or development or project phases which directly impact the way we assess and integrate ESG factors. For example, within our defined business strategies, the ESG profile of a contaminated brown field strategic land development site is very different from that of a recently constructed retail warehouse.

The acronym 'ESG' is often used interchangeably with sustainable, ethical, responsible, or impact investing, all of which represent a societal lens by which to assess investment opportunities beyond traditional financial considerations. There are several different ways that organisations choose to focus and benchmark their approach ESG investing. The Business works within the Principles of Responsible Investing ("PRI") framework defined by the United Nations. Within this framework it focuses on the Sustainable Development Goals ("SDG's") defined within this charter.

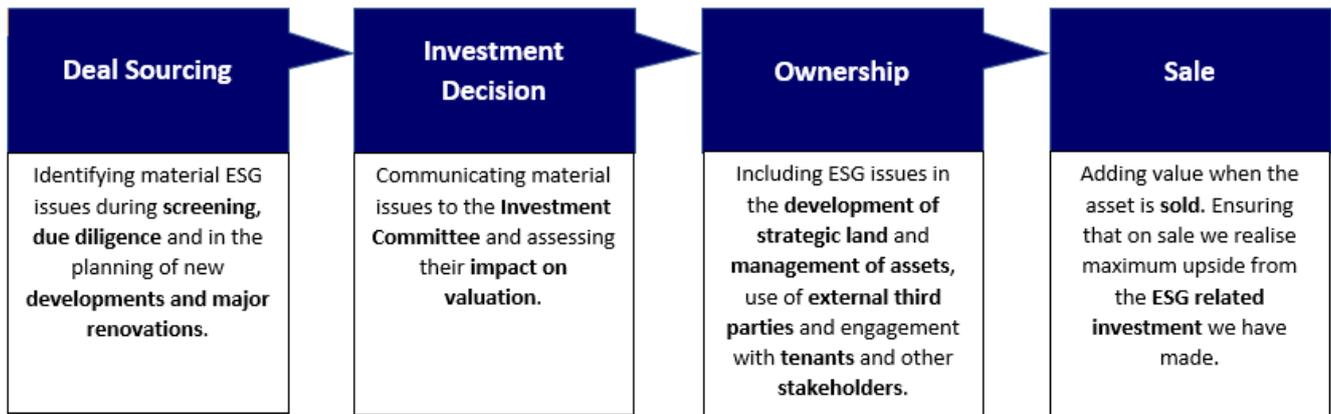


Sustainable Development Goals

	Rationale	Considerations for ALMCOR
	Ensure there is clean water and sanitation within developments – required in the UK and EU	Go above and beyond by ensuring that projects can improve the overall water quality of the source and the local area
	Uptake renewable & reduce energy usage	Procure renewable energy through Best Available Technologies (“BAT”)
	Ensure everyone in the supply chain is treated fairly by ensuring materials are ethically and responsibly sourced	Meet guidelines for air quality and working conditions in developments, to create places people want to work in.
	Increase efficiency	Use new technologies in construction which can reduce waste and re-use materials from other projects. This will reduce impact and move towards carbon neutrality.
	Reduce embodied carbon and waste	Use locally sourced materials to reduce embodied carbon footprint. Consider new technologies and construction techniques to reduce the amount of waste from construction
	Prevent global warming: 2015 Paris deal aim to limit global warming [2C above pre-industrial levels.] GHG emissions greatest threat; real estate ~ 39% of energy-related CO2 emissions globally.	Ensure extensive measures are taken to reduce carbon footprint and embodied carbon through construction, maintenance and demolition of properties
	Achieve SDGs and the 2015 Paris agreement commitments	Work as a community rather than individual players. This can range from nationwide projects to reduce emissions, to giving back to the local community via volunteering efforts.

6. ESG Due Diligence - Investment and Operational Overview

The diagram below illustrates the lifecycle of the Business's investment and operational ESG due diligence framework.



Deal Origination and Screening

When an asset or strategic land opportunity is identified for potential acquisition, ALMCOR undertakes initial checks to establish if there are any serious ESG risks that would rule the deal out immediately, e.g., unquantifiable financial risk related to regulatory fines or uncertain remediation costs related to contaminated land. Any findings of this nature are reported to the Investment Committee at Deal Brief stage so the Committee can consider the likelihood of the deal proceeding in the context of anticipated due diligence costs.

At this preliminary stage in the deal process, the Business also communicates to the vendor the importance of it understanding any potential ESG liability.

Due Diligence

Once a deal progresses to the full due diligence stage, ESG risks are investigated more thoroughly. This may include the Business identifying any legacy issues, assessing the potential for mitigation, and analysing the impact of new ESG trends such as changing flooding patterns or revised energy efficiency standards.

In practice, the Business's ESG due diligence starts with completion of an ESG Questionnaire (for either Active Value or Strategic Land), which models key risks that the Business's Risk Committee has determined should be considered for every deal. The Questionnaires (extracts of which are illustrated below) represent a systematic, quantitative approach to assessing ESG risk, the results of which are incorporated in the relevant Investment Committee paper including a narrative and/or a risk rating for each material issue and a list of remediates with costs and estimated savings.

Investment Decisions

Any material ESG risk identified during the due diligence process is incorporated in the formal Investment Memorandum. This ensures full transparency in that the risks are reflected in the investment decision-making process and the potential impact on valuation is fully understood by the Investment Committee.

Through this process the Business has found that there are many ways that ESG factors can affect valuation, including:

- Discount due to additional capital expenditure e.g., upgrade equipment to improve energy performance.
- Discount due to future income uncertainty e.g., buildings that do not meet minimum energy performance standards set by legislation.
- Discount due to obsolescence risk e.g., low-quality buildings have a shorter life.
- Deal abandonment due to unacceptable or unquantifiable risks identified during due diligence e.g., contamination.

The fact that no material risks have been identified is also flagged to the Committee to document the fact that ESG factors were considered during the due diligence process.

Ownership Phase

The due diligence conducted by the Investment Team prior to acquisition will give the Asset Management or Development team a blueprint for identifying and prioritising which ESG issues require addressing or to provide the platform to drive ESG agenda and our policy into the projects visions to deliver on our principles of delivering quality projects for the future.

Every asset that the Business acquires has a business plan with an accompanying asset management or development plan, which documents how the Business is going to manage the ESG risks associated with a particular asset during its investment life cycle. Some of the standard processes incorporated by the Business in these documents are:

- Targets – provide motivation and a way to measure success (typically about energy/water use, greenhouse gas emissions, waste management or tenant engagement).
- Monitoring and reporting – a way to collect data on the asset’s ESG performance and report this to stakeholders.
- Identifying ways to improve ESG performance – often accomplished by writing an action plan for each asset, which is reviewed and revised at set intervals.

External Property and Development Management

Within the Active Value portfolio, the Business has a policy of outsourcing day-to-day property management to third party contractors. Whilst within the Strategic Land function, the Business works in collaboration with external development management partners. The Business recognises that the success of this approach (and corresponding management of related ESG risks) is determined to a large degree by ensuring it appoints the right contractor or third party consultants whilst retaining sufficient oversight and control.

The Business reduces the associated ESG risk by working exclusively with high quality, experienced partners with a proven track record in managing ESG risk and through implementing an appropriate control framework which can be broken down into three stages.

- Selection (assessing the external partner's track record and expertise in this field) – this includes legislative compliance, ability to collect data, history of engaging tenants, internal training programmes, sustainable procurement practices.
- Formal appointment (the legal agreements in place with the property/development manager) – this will always include a basic commitment to improving ESG performance and/or may include specific provisions such as energy reduction targets.
- Working with the external partners to create systems and processes to monitor their performance and working with them to improve it – this includes:
 - Facilitating web-based portals to collect information – aggregate information is used to benchmark the different partners.
 - Annual scorecards.
 - Site visits.
 - Awards and recognition for outstanding performance.
 - Operation of a sustainability committee.
 - Creation and use of manuals/guides on best practice.
 - Workshops.

Sale of assets

During its ownership phase the Business invests heavily in managing ESG issues and improving the related performance of its assets both to reduce risk and enhance returns value, which it typically realises on the asset's sale. Other tangible benefits that its responsible investment approach yields on sale includes:

- Transparency in identifying and managing material ESG issues which avoids a buyer raising unforeseen risks to negotiate a lower price.
- Setting KPIs within the asset management or development plan at the beginning of the holding period which provides evidence to support claims that ESG issues have been well managed.
- Demonstrating a professional approach to managing ESG issues which can signify that the asset has been well managed.

Thames Enterprise Park A Case Study in Regeneration

7. Thames Enterprise Park - A Case Study in Regeneration

Thames Enterprise Park, Essex – ESG Strategy

Thames Enterprise Park (TEP) is the biggest brownfield regeneration project in the South of England. Situated on the estuary of the River Thames approximately 28 miles from Central London, the site is a former oil refinery that was once home to 220 oil tanks and up to 1,040 workers.

TEP Sustainability Objectives

- To create a sustainable 'next generation' economic centre for logistics and specialist industries within one of the largest regeneration zones in Europe.
- Acting responsibly on the environment by delivering 400+ acres of brownfield land in line with the net zero carbon agenda.
- Creation of 3.7 million+ sq. ft. that delivers an employment, research and energy enterprise park.
- To provide the vital infrastructure to enable the creation of up to 5,500 new jobs and upwards of £350m GVA per annum.
- Promote Thurrock to the centre of the UK's Green Industrial Revolution.

Thames Enterprise Park is being delivered by Thames Enterprise Park Limited, a joint venture between Greenergy and ALMCOR (formerly iSec). ALMCOR's intention, as JV partner and development lead, is to remediate and repurpose the former Coryton oil refinery, that closed in 2012, into an industrial and logistics enterprise hub that generates upwards of £350m to the UK economy every year.

The development will provide vital infrastructure and business space for advanced logistics and distribution, advanced manufacturing and next generation energy, fuels and storage. We will be investing in significant infrastructure to attract leading operators, including state of the art buildings and warehouses, campus amenities including research and development space, fibre digital technology and on-site renewable fuel generation.

Our vision draws upon the site's industrial heritage to promote decarbonisation by reinventing the refinery for a net zero future and a place where business thrives. The TEP masterplan has been designed to facilitate a circular multi-sector ecosystem with a vision for a clean, low carbon employment hub. This has been designed to support businesses and operates across the Thames Freeport and supports the government's net zero ambitions. To align with this, a masterplan has been drawn up alongside, and will contribute to, Thurrock's vision for 'People, Place and Prosperity'.

ALMCOR recognise the importance of integrating environmental, social and governance (ESG) considerations throughout the entire development lifecycle. Our intention is to drive long-term value and future-proof our investments through ESG commitments and collaboration with both our stakeholders and end users.



Environmental

We intend to build an environmentally sustainable development through the provision of sustainable energy and the implementation of best-in-class ESG practices. The ALMCOR company wide environmental objectives are set out below:

- Use of Clean Energy
- Responsible Consumption and Production of Energy
- Climate Action

Some examples of initiatives that we intend to implement at TEP are outlined below:

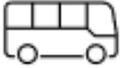
<p>BREEAM / EPC Ratings</p> 	<p>We are targeting 'Excellent' or 'Very Good' BREEAM and EPC 'A' Ratings. We will also follow BREEAM's overall objective to ensure that best environmental practice is incorporated in the planning, design, construction and operation of all buildings on the site.</p>
<p>Net Zero Buildings</p> 	<p>All buildings will target zero carbon emissions via the adoption of 100% LED lighting (presence detection and daylight dimming to reduce usage), water efficiency measures (rainwater harvesting system to supply all WC's with greywater), air quality analysis (meet thresholds requirements for fundamental Air Quality in line with WELL V2), heat networks and pumps, EV charging points and biomass energy generation.</p>
<p>Construction & Waste Materials</p> 	<p>All construction and embodied CO₂ emissions and savings will be calculated to act as benchmarks to be held accountable against. The majority of timber used in construction will be from accredited sustainable sources. There will also be minimal waste in the construction process by reducing the amount of material imported to and exported off the site. More specifically, construction waste shall not exceed certain ratios and should be diverted from landfill where possible.</p>

<p>Renewable Energy & Clean Fuels</p> 	<p>The development will repurpose the oil refinery's heritage to a clean fuel and hydrogen based net zero future. It will reuse pipeline links to Buncefield, Immingham, Heathrow, the North East and South West. The site will benefit from renewable energy power via private wire on-site energy creation and distribution as well as rooftop solar energy photovoltaic panels and other low source energy sources.</p>
<p>Smart Buildings</p> 	<p>TEP will embrace energy optimisation through the use of data from building control technologies. All buildings will include an energy monitoring system to save energy costs, reduce carbon and facilitate improvement to staff comfort and wellbeing. Other examples include leak detection systems and flow control devices to minimise unintended water consumption.</p>
<p>Landscaping & Transport</p> 	<p>The development will be sensitive to and will open up public access to the riverfront to improve walking and cycling routes. It will be a multi-modal site benefitting from river and rail connections as well as improved bus networks.</p>
<p>Biodiversity</p> 	<p>The development masterplan will respect and protect the special ecology in the riverside location, creating new areas of habitat by designing around nature.</p>



Social

The industrial heritage of Thames Enterprise Park has deep affinity with the local community and ALMCOR's intention is to deliver a redevelopment that harmonises with the region's strong ambitions for the future. By creating positive change through placemaking and establishing long lasting community benefits, TEP will have significant social impact.

<p>Education</p> 	<p>ALMCOR will work alongside local colleges and training providers to create pathways into professions by investing in skills and training programmes to facilitate careers in the sustainable industries of the future and STEM.</p>
<p>Community</p> 	<p>The development has been planned alongside the community and by responding to their concerns and recommendations. The team intend to support at least 1 community engagement per year, where individuals give their time to a local project.</p>
<p>Local Transport</p> 	<p>ALMCOR has designed transport infrastructure that helps the community and not just the development e.g. preventing rat-running in Corringham and Stanford-le-Hope to make the Manorway safer and to stop the anti-social problems of trucks parking on verges. The development will generate a modal shift by delivering an extensive package of transport improvements both on and off site for improving the road, rail, cycling and pedestrian links connecting into existing communities and the established transport network.</p>
<p>Thames Freeport</p> 	<p>TEP will play a significant role in transforming the regional economy and delivering benefits at scale through the Thames Freeport, which, as a whole, could create 25,000+ new jobs.</p>



 <p>Joint Venture Board Structure</p>	<p>The TEP development is a JV between ALMCOR and a Brookfield company, Greenergy, whose collaboration and solidity <u>is</u> manifested throughout the corporate decision making process. The Board is responsible for the long-term success of the development and determines its purpose, values and strategy. The Board regularly reviews its governance structure and composition to ensure it remains effective and devoid of conflicts of interest.</p>
<p>Stakeholder Representation</p> 	<p>A communication plan has been developed with the local community for both the design and construction phase of the project. ALMCOR works with all stakeholders to inform decisions.</p>
<p>Environmental Governance</p> 	<p>Complete site based technical energy efficiency audits to inform development of details and improvements on an annual or bi-annual basis commensurate with the stage that the project is at.</p>

