

Sunrise Real Estate

ESG Policy

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Sunrise Real Estate

Sunrise Real Estate Limited (“Sunrise”) is a pan-European investor, developer, and asset manager of logistics real estate with 2.0 million square meters under management.

We invest our clients’ capital across a broad range of opportunities in Europe and the UK, with a value-driven approach and hands-on asset management to ensure long-term value creation.

We achieve this by developing and expanding portfolios of logistics and industrial real estate across Europe and the UK with a commitment to maximising shareholder value, enhancing tenant experience, and with the goal of having a positive environmental and social impact.

We believe in creating best-in-class infrastructure solutions for an increasingly connected world and a dynamic globalised supply chain.

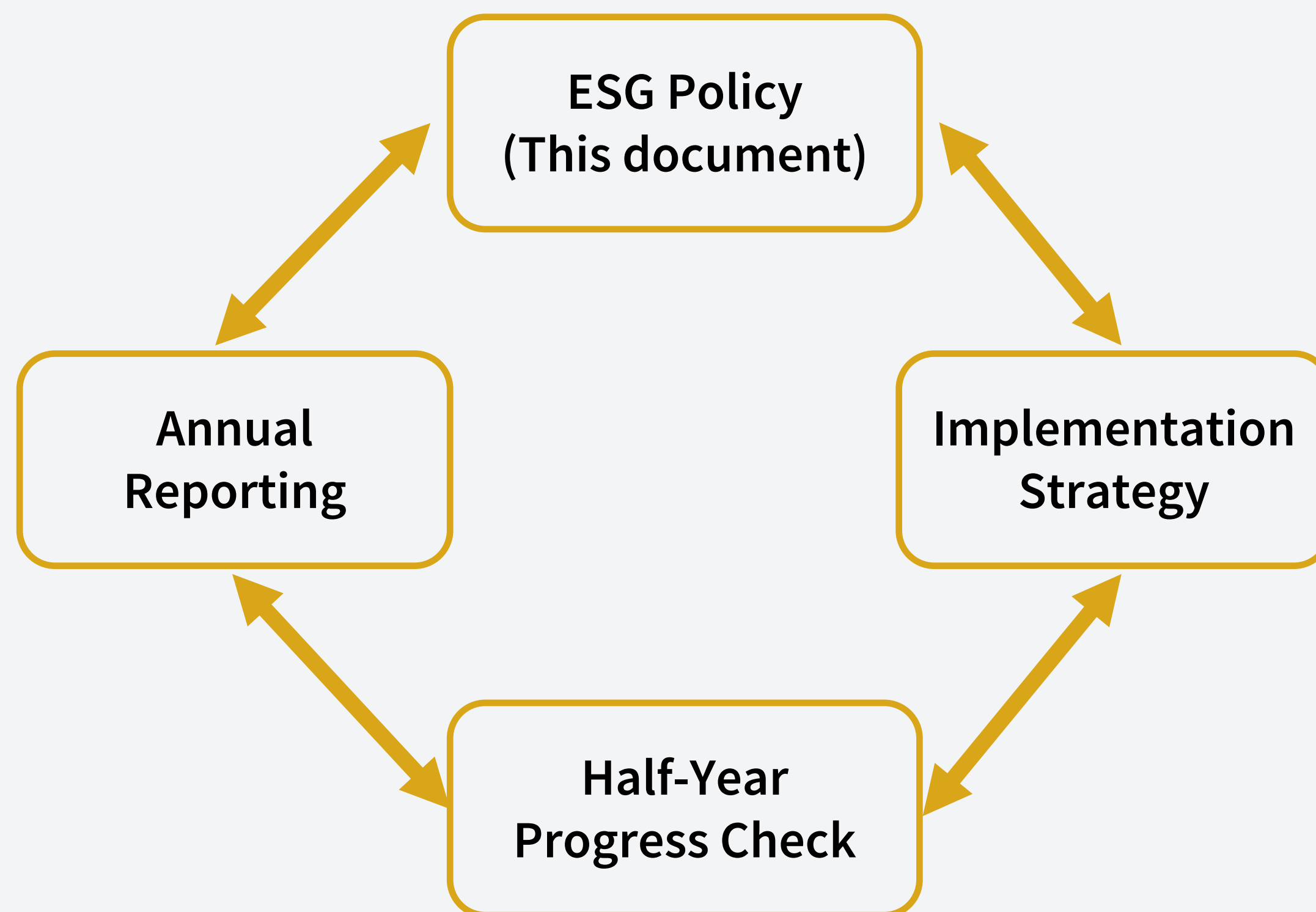
Vision

We strive to be an industry leader in everything we do, which includes operating responsibly and ethically across all areas of our business. We adopt practices that protect and enhance the environment and local ecosystems, and deliver social good for our employees and the communities where we operate.

Sunrise formally introduced our ESG policy in 2022. The policy makes our values clear, and reflects our commitment to ethical and sustainable business practices. Our ESG policy is supplemented by an implementation strategy and half-yearly progress checks, as well as a publicly available annual report.

Our ESG policy covers Sunrise Real Estate Limited, but more importantly, extends our ESG commitments to the investments we make and the assets we develop and manage. Our commitments also heavily influence the ways in which we collaborate with our external stakeholders and partners.

Our ESG committee meets monthly to track progress and ensure best practices are being adopted. The committee also conducts a bi-annual review and publishes an annual report which sets out our performance against our implementation strategy.



Objectives



Environmental

We aim to reduce negative environmental impacts and business risks, while realising opportunities for making a positive difference, through:

Measuring and benchmarking our climate footprint, both in our business and the assets we manage

Striving for energy efficiency

Opting for renewables and green energy

Enhancing waste management objectives

Inserting water management requirements in specifications

Encouraging sustainable design and adopting a minimum specification for materials

Creating a biodiversity strategy

Setting ambitious sustainability targets for assets



Social

We aim to deliver a positive social impact for our employees, stakeholders and the communities in which we operate, through:

Establishing a diverse, inclusive and accessible workplace

Offering staff career development in an environment that prioritises health, wellbeing and learning

Offering our professional expertise and skills to communities in need through volunteering, mentoring and partnerships with educational institutions and non profits

Delivering social good and wellbeing through our developments and contributions to the communities where we operate

Upholding ethical practices in procurement, labour and advocating for human rights



Governance

We ensure compliance with our commitments through regular analysis and reporting, by:

Complying with regulation across all aspects of our business, through transparency and frequent reporting on all of our assets and all aspects of our business

Tracking short and long term progress against our chosen ESG initiatives

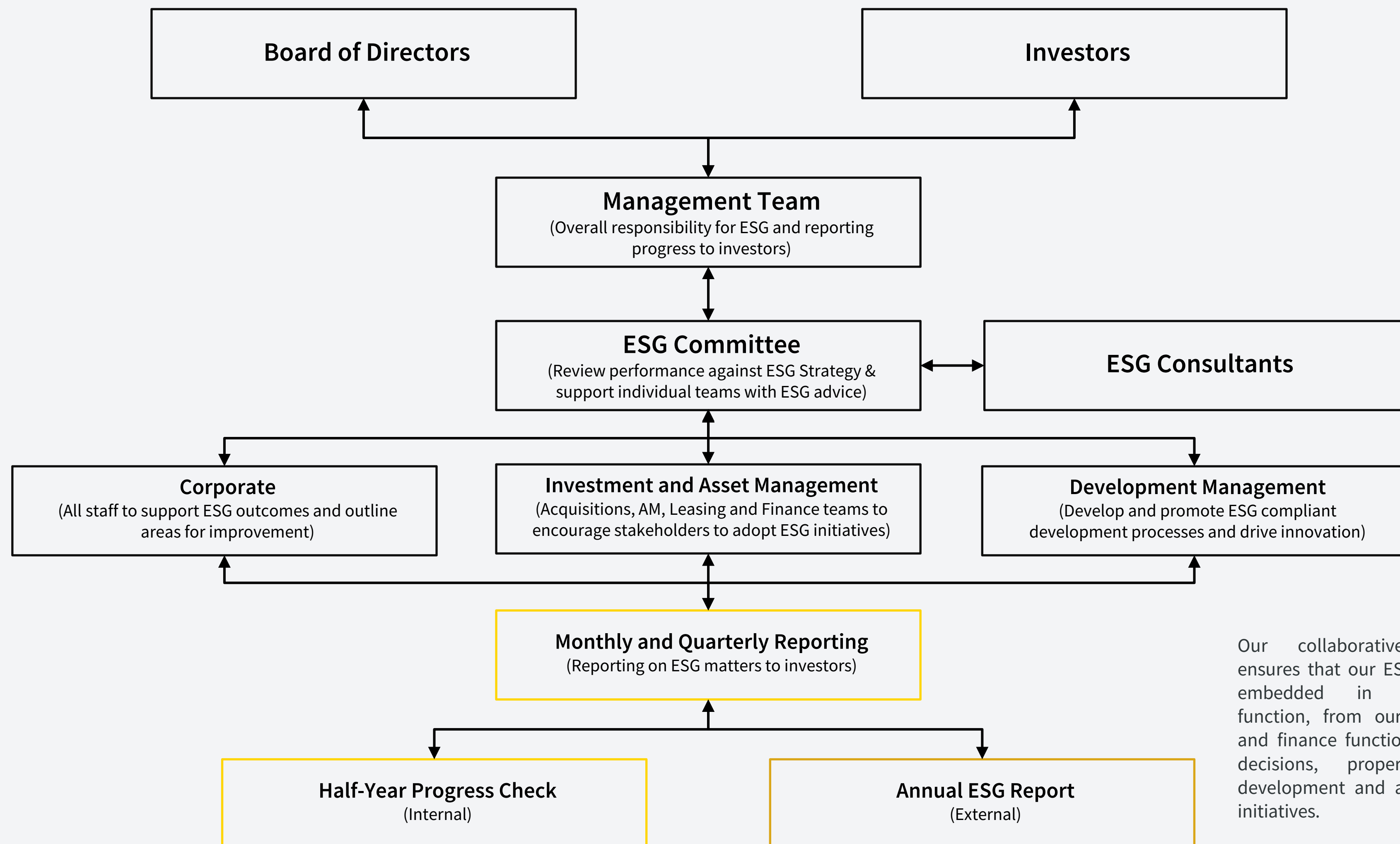
Taking action whenever we identify opportunities to accelerate our progress

Accountability for our actions via honest and transparent reporting of our ongoing progress and any risks, gaps and/or amendments to our ESG policy and agenda

Regularly reviewing our ESG strategy based on the data we gather to ensure our E and S targets are driving actions that produce best in class performance

Framework & Governance

Our business is structured to place ESG at the centre of our decision-making process. Our governance framework allows us to track progress and promote best practices across all our activities, with regular feedback both internally and externally.




Our collaborative approach to ensures that our ESG principles are embedded in every business function, from our corporate office and finance functions to investment decisions, property-level leasing, development and asset management initiatives.

Corporate

Corporate Approach

Our corporate activities are defined as those relating to the work carried out at our headquarters in London. They don't include the impact of the developments and assets we manage. Within our business, we aim to reduce our use of resources and promote a positive experience for our employees.

Set out below are the key areas of focus for Corporate ESG:

 <h2>Environmental</h2> <ul style="list-style-type: none"> Energy & Carbon Waste & Resources Business Travel 	 <h2>Social</h2> <ul style="list-style-type: none"> Health & Safety Staff Wellbeing Training & Career Development Diversity, Equality & Inclusion Volunteering Culture of Openness & Integrity 	 <h2>Governance</h2> <ul style="list-style-type: none"> Honest & Transparent Leadership Risk Management Reporting & Benchmarking Policies 	<h3>Waste and Resources</h3> <p>We adopt a rigorous approach to recycling waste in the office and discourage excessive printing. We procure responsibly sourced paper and other office supplies.</p> <h3>Business Travel</h3> <p>As a business, we will only commit to what we can realistically deliver and we are committing to deliver a carbon net zero strategy by 2024. We are currently measuring all business travel carbon emissions as the first step in developing a plan to mitigate the impact of our travel.</p> <h3>Staff Wellbeing</h3> <p>We have developed a robust health and safety policy and offer mental health support to all employees. Wellbeing is supported through free fruit, subsidised gym memberships and other monthly health initiatives. Health and medical benefits are provided for all staff. We encourage sustainable transport through our electric company car scheme and our cycle to work scheme.</p> <h3>Diversity, Equality & Inclusion</h3> <p>We firmly believe in promoting a diverse workforce and strive to achieve this in our recruitment processes.</p>	<h3>Training & Career Development</h3> <p>We promote a culture of continual learning, with internal and external training offered to ensure all staff are equipped to understand all parts of the business. We offer junior staff exposure and presenting opportunities to aid progression and build a broad range of skills.</p> <h3>Volunteering</h3> <p>“Sunrise Cares” was established in 2021 as the volunteering arm of Sunrise. We offer free mentorship and career advice to secondary school pupils across London and are continually looking for new ways in which we can make a difference.</p> <h3>Reporting & Benchmarking</h3> <p>Our corporate ESG performance will be assessed monthly by the ESG committee and benchmarked against the wider industry and our ESG goals. Where necessary, timely action will be taken to ensure we are on track to meet our ESG goals. Our performance will be reported publicly in a clear and transparent way via our annual ESG report.</p>
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Development

Development Approach

Sunrise engages with various development partners around the UK and Europe, who lead on the design and construction of new assets. Our development team encourages all development partners to prioritise sustainability as a key consideration for all design and execution work across our projects.

Set out below are the key areas of focus for Development ESG:

 <h2>Environmental</h2> <ul style="list-style-type: none"> Due Diligence Project Team & Design Whole Life Carbon BREEAM & EPC Ratings Reporting Waste Biodiversity 	 <h2>Social</h2> <ul style="list-style-type: none"> Health & Safety Welfare of Site Staff and Team Members Community Engagement Responsible Procurement Socially Responsible Construction 	 <h2>Governance</h2> <ul style="list-style-type: none"> Legal Documents and Contract to reflect E and S Commitments Adherence to Government Legislation and Industry Best Practice Contractor & Developer Policies 	<h3>Due Diligence</h3> <p>When analysing new investment opportunities, we carry out ESG Due Diligence which assesses the effects of climate change, flood risk, and impact on existing and potential biodiversity and local communities.</p> <h3>Project Team & Design</h3> <p>We encourage innovation and ask our partners to consider sustainability initiatives at an early stage of the project whilst maximising building performance. We actively push our design teams to challenge the norm and use sustainability as a key design driver.</p> <p>All new development projects must achieve BREEAM Very Good rating as a minimum and EPC A. All existing buildings we acquire are assessed to ascertain whether BREEAM ratings can be incorporated through refurbishment works and EPC ratings can be improved.</p> <p>All new projects are assessed for their suitability for on site solar.</p>	<h3>Whole Life Carbon</h3> <p>In line with our carbon reduction targets, we commit to invest in and develop a Net Zero Carbon building by 2023. This will be achieved by reducing carbon emissions through design and then offsetting any residual carbon through credits.</p> <h3>Reporting & Benchmarking</h3> <p>ESG matters relating to each development are reported on monthly. This reporting is distributed to stakeholders for the benefit of the wider business and our investment partners.</p> <h3>Responsible Procurement</h3> <p>All projects promote responsible procurement practices including recruitment of local labour. Design teams are encouraged to consider their sourcing of materials and legal contracts with our development partners will reflect this commitment where possible.</p> <h3>Socially Responsible Construction</h3> <p>Worksite safety and wellbeing, waste & noise reduction as well as being a good neighbour is actively encouraged and monitored and legal contracts with our development partners will reflect this commitment where possible.</p>
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Asset Management

Asset Management Approach

Sunrise proactively manages and engages with all tenants across our portfolio. We are acutely aware of the operational carbon our assets produce and we seek innovative ways to reduce this during construction and in the ongoing operation of our buildings. Where possible, we collect energy data which we review and feed back into the design process.



Environmental

Energy Consumption

Use of Renewables

Data Monitoring

Improving EPC

Whole Life Carbon Assessments

Waste

Biodiversity



Social

Tenant/Employee Wellbeing

Tenant Satisfaction

Proactive Tenant Engagement

Operational Impact to Local Community



Governance

Green Lease Clauses

BREEAM In-use

Reporting

Energy Consumption

To ensure our buildings perform how they were designed, we monitor energy consumption across our assets. We then use this information in the design and construction phases to improve our new developments.

Use of Renewables

All assets are considered at the start of the project for solar feasibility. Where possible, tenants are offered renewable energy from roof mounted solar panels during lease negotiations, with the solar energy otherwise being sold to local businesses or the grid. We offer flexible solar procurement models to tenants to best meet their energy needs.

Green Lease Clauses

We include “green” clauses in our leases which seek assistance and cooperation from our tenants on sustainability initiatives.

Data Monitoring

We collect energy performance data across our assets and use this to optimise our energy performance. We aim to install smart monitoring and building management systems where possible.

Tenant Satisfaction

We strive to be best in class landlords and request continual feedback from tenants through surveys. We regularly visit our assets to engage with tenants and listen to their concerns.

We appoint property managers with whom we set ESG targets annually.

Reporting

We produce quarterly asset management reports, which include financial performance and ESG matters. We discuss the continued operation of the buildings we manage in our monthly ESG reviews and action is taken where opportunities are identified to improve performance.