

WE SUPPORT



SUSTAINABLE
DEVELOPMENT
GOALS

Environment, Social and Governance Action Plan 2020

Shaftesbury

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Note: Implementation of the objectives and targets is consistent with the financial year, which is 1 October 2019 to 30 September 2020.

1.0 Strategic goal: Conduct of our business



Policy goal A: We conduct our business with integrity and require our directors, employees and other businesses engaged by us including contractors, suppliers and agents to do the same.

Number	Objectives	Management Actions 2020	Key Performance Indicator	Responsibility
A1	Provide the standards of accommodation and services that have been agreed	<ul style="list-style-type: none"> Ensure regular contact between tenants, managing agents and ourselves. 		Shaftesbury surveyors/ Managing agents
	Target	<ul style="list-style-type: none"> Undertake small bespoke tenant surveys. 	Satisfaction rate percentage	CBRE
A2	Comply with the Prompt Payment Code	<ul style="list-style-type: none"> Monitor payment times. 		Shaftesbury
	Target	<ul style="list-style-type: none"> Pay suppliers within thirty days. 	Percentage of suppliers paid	Shaftesbury
A3	Promote principles of the United Nations Global Compact (UNGC) throughout the supply chain	<ul style="list-style-type: none"> Monitor implementation of Supplier Code for direct suppliers. 		Shaftesbury/Managing agents/Project managers
A4	Ensure no corruption in accordance with UNGC anti-corruption principles and ensure compliance with anti-bribery and corruption policy	<ul style="list-style-type: none"> Monitor implementation of anti-bribery and anti-corruption policies. 		Shaftesbury

2.0 Strategic goal: Welfare and development of our employees



Policy goal B: We recognise the importance of the welfare of our employees.

Number	Objectives	Management Actions 2020	Key Performance Indicator	Responsibility
B1	Ensure compliance with the Health and Safety at Work etc Act 1974 for employees and those potentially affected	<ul style="list-style-type: none"> Review health and safety policy for our head office and portfolio. 		Shaftesbury
	Minimise the risk of reportable health and safety accidents/incidents throughout the portfolio	<ul style="list-style-type: none"> Ensure health and safety induction training is undertaken by contractors for all site staff including use of contractor induction leaflets. 		Project managers RPS to audit
	Targets	<ul style="list-style-type: none"> Record absenteeism within our head office. Improve performance for next assessment against Fairplace Award in 2020. Contractors on refurbishment projects to hold a Construction Skills Certification Scheme (CSCS) Card. 	Number of days absent Percentage score at next review Percentage of site staff with CSCS cards	Shaftesbury Shaftesbury

Policy goal C: We recognise and celebrate diversity and inclusion across our Company and are committed to the training and development of our employees.

Number	Objective	Management Actions 2020	Key Performance Indicator	Responsibility
C1	Comply with employment legislation and best practices including diversity	<ul style="list-style-type: none"> • Ensure an appropriate approach to internal employee management and recruitment is taken to ensure compliance with equal opportunities policy. • Ensure diversity policies comply with principles of the RICS Inclusive Employer Quality Mark and Real Estate Balance. 		
	Targets	<ul style="list-style-type: none"> • Monitor employee turnover. • Monitor average length of service. • Monitor relevant diversity metrics including percentage of women in key positions. • Monitor percentage of flexible/part time working. 	<p>Percentage of leavers as part of total employee numbers per year</p> <p>Number of years of service per employee</p> <p>Percentage of women in board/senior management positions</p> <p>Percentage of employees with flexible work/part time arrangements</p>	<p>Shaftesbury</p> <p>Shaftesbury</p> <p>Shaftesbury</p> <p>Shaftesbury</p>
C2	Invest in training and development of our employees	<ul style="list-style-type: none"> • Ensure an appropriate approach to internal employee management and recruitment are taken to comply with equal opportunities policy. • Ensure diversity policies comply with principles of the RICS Inclusive Employer Quality Mark and Real Estate Balance. 		
	Target	<ul style="list-style-type: none"> • Undertake personal development reviews for all employees and record training. 	Training days undertaken	Shaftesbury

Policy goal C: continued.

Number	Objective	Management Actions 2020	Key Performance Indicator	Responsibility
C3	Ensure London Living Wage is paid throughout the supply chain when within our control	<ul style="list-style-type: none"> • Monitor the scale of remuneration for all full time personnel working within the portfolio and for contractors working on the portfolio. 		Shaftesbury/ Managing agents/ Project managers
	Target	<ul style="list-style-type: none"> • All new contracts agreed within the portfolio to pay London living wage. • Maintain accreditation from London Living Wage Foundation. 	Percentage of contracts which state that the London living wage should be paid	Shaftesbury/ Managing agents Shaftesbury
C4	Principal suppliers to comply with the Modern Slavery Act 2015	<ul style="list-style-type: none"> • Continue to work with direct suppliers to ensure compliance. 		Shaftesbury/ All direct suppliers
	Target	<ul style="list-style-type: none"> • Increase awareness of site management teams through use of leaflets and posters at sites e.g. Stronger2gether. 		Shaftesbury

3.0 Strategic goal: Recognise the importance of the relationship with all our stakeholders



Policy goal D: We engage with stakeholders to ensure we are aware of, and are able to respond to, their expectations.

Number	Objectives	Management Actions 2020	Key Performance Indicator	Responsibility
D1	Circulate sustainability policy to our employees, managing agents, contractors and tenants and make it available to the public	<ul style="list-style-type: none"> Issue sustainability policy to all new commercial tenants. Issue contractors' leaflet as part of all refurbishment contracts. 		Managing agents Shaftesbury/ Project managers
D2	Undertake appropriate tenant engagement to raise awareness	<ul style="list-style-type: none"> Include sustainability information in online portals throughout portfolio. Include sustainability principles and requirements in letting documentation. 		Shaftesbury/ Managing agents Shaftesbury/ Managing agents
	Targets	<ul style="list-style-type: none"> Input sustainability material on online portal for Seven Dials. Develop fit out guide for restaurant tenants. Include data collection requirements of energy consumption as part of 'green leases' for new commercial tenants. 	Number of tenants using portal Number of tenants collating data	Shaftesbury/RPS Shaftesbury/ Managing agents
D3	Provide appropriate training and awareness to employees and principal suppliers	<ul style="list-style-type: none"> Undertake updated awareness training for all personnel and key suppliers by November 2020. Continue to issue the following checklists to principal suppliers: <ul style="list-style-type: none"> - Contractors Checklist; - Specification Checklist; and - Legal Compliance Checklist. 		RPS/Shaftesbury RPS/Shaftesbury
	Target	<ul style="list-style-type: none"> Require all contractors working on our refurbishment schemes to record the number of employees and subcontractors with Construction Skills Certification Scheme (CSCS) Cards. 	Percentage of subcontractors with CSCS cards	Project managers

Policy goal D: continued.

Number	Objectives	Management Actions 2020	Key Performance Indicator	Responsibility
D4	For capital value projects valued over £250,000, and in excess of three months' duration, ensure contractors sign up to Considerate Constructors Scheme (CCS). Schemes that only involve external repair and decoration will not be included.	<ul style="list-style-type: none"> Require all principal contractors that work on our schemes to register as a company to CCS. Ensure all eligible schemes are signed up for 2020-2021. 		Shaftesbury/ Project managers/ RPS RPS to audit
	Target	<ul style="list-style-type: none"> Achieve a minimum score of 35/50 (above satisfactory performance) on 100% of schemes audited. 	Percentage of schemes above 35/50	Project Managers/ RPS RPS to audit

Policy goal E: We engage regularly with our institutional investors to ensure we continue to meet globally recognised sustainability standards and best practice.

Number	Management Objective	Management Actions 2020	Key Performance Indicator	Responsibility
E1	The policy will be reviewed on an annual basis and objectives and targets will be set	<ul style="list-style-type: none"> Review policy in August 2020 for approval at the Board meeting in September 2020. Monitor use of Supplier Code of Conduct. 		Shaftesbury/RPS
E2	We will monitor and report publicly on our performance	<ul style="list-style-type: none"> Report performance on our main website. Include summary of performance in the 2020 Annual Report. Prepare report in accordance with European Public Real Estate (EPRA) Sustainability Best Practice Recommendations. 		Shaftesbury/RPS
E3	We will maintain our ongoing engagement with institutional investors and we will continue to benchmark indices	<ul style="list-style-type: none"> Engage with key investors and other benchmarking agencies. Continue membership of Better Building Partnership (BBP). Remain a signatory to the UNGC. 		Shaftesbury/RPS
	Targets	<ul style="list-style-type: none"> Remain in FTSE4Good Index for 2019-2020. Participate in the GRESB survey. Participate in Carbon Disclosure Project and improve score. 	<p>Score in index</p> <p>Score in index</p> <p>Score in index</p>	Shaftesbury/RPS

4.0 Strategic goal: Invest in our community



Policy goal F: We are committed to investing in our local community.

Number	Objectives	Management Actions 2020	Key Performance Indicator	Responsibility
F1	Continue membership of the London Benchmarking Group (LBG)	<ul style="list-style-type: none"> Maintain ongoing financial support to key charities and community support for 2019-2020. 	Value of support as per LBG	Shaftesbury
F2	Support local community groups and proactively identify and work with charitable organisations and other organisations	<ul style="list-style-type: none"> Promote Community Investment Committee activities. 		Shaftesbury
		<ul style="list-style-type: none"> Continue to work with charity partners in 2020. 		Shaftesbury
		<ul style="list-style-type: none"> Continue to work with statutory bodies to improve the local environment and the public realm. 		Shaftesbury

5.0 Strategic goal: Operate in an environmentally sustainable manner and minimise environmental impact throughout our operation



Policy goal G: Comply with legal requirements.

Number	Objectives	Management Actions 2020	Key Performance Indicator	Responsibility
G1	Comply with all legal and regulatory requirements	<ul style="list-style-type: none"> Review legislation checklists to ensure these are current. Monitor environmental compliance on refurbishment and construction projects for 2019-2020 using checklist. 		RPS to liaise with: <ul style="list-style-type: none"> Shaftesbury Project managers Managing agents
	Target	<ul style="list-style-type: none"> Ensure there is full environmental compliance for 2019-2020. 	Number of non-compliances	All above

Policy goal H: Before purchase, environmental audits are conducted where appropriate.

Number	Objectives	Management Actions 2020	Key Performance Indicator	Responsibility
H1	Conduct environmental/building health surveys prior to purchase if appropriate and continue to invest only in 'brownfield' sites	<ul style="list-style-type: none"> Conduct environmental/building health surveys. Review acquisition checklist in line with GRESB and BBP as appropriate to the portfolio. 		Shaftesbury/RPS
	Target	<ul style="list-style-type: none"> Achieve 100% use and regeneration of 'brownfield' land during expansion and refurbishment of portfolio. 	Percentage of brownfield used and regenerated	Shaftesbury

Policy goal I: Work with other stakeholders to investigate and promote solutions to reduce air pollution in the West End.

Number	Objectives	Management Actions 2020	Key Performance Indicator	Responsibility
I1	Work with other local land owners, occupiers, local authorities and the Mayor's office to investigate and promote solutions to reduce air pollution in central London	<ul style="list-style-type: none"> • Implement Air Quality Strategy. • Work with tenants in Carnaby to reduce air pollution within the portfolio through partnership with suppliers and expand to Soho and Seven Dials. 		Shaftesbury/Managing agents

Policy goal J: Require the adoption of best environmental practice in the design and refurbishment of our property portfolio.

Number	Objectives	Management Actions 2020	Key Performance Indicator	Responsibility
J1	Ensure environmental sustainability through our activities and to minimise the impact on climate change through use of the Building Research Establishment Environmental Assessment Method (BREEAM) and increase the EPC rating of properties being refurbished	<ul style="list-style-type: none"> • Refurbish existing buildings and re-use materials to reduce the need for additional 'embodied' carbon. • Assess whether renewable energy technologies can be incorporated into future projects, including heat recovery technology. • Encourage tenants to use the BBP best practice fit out guide. 		Shaftesbury Shaftesbury/ Project managers Shaftesbury/RPS
	Targets	<ul style="list-style-type: none"> • Achieve BREEAM 'Very Good' for all developments and/or refurbishment schemes of a capital value above £1 million. • Aim for an EPC Grade B rating on all new builds. • Ensure that for all structural refurbishments of non-listed buildings for a value over £250,000 (excluding retail shell) that the existing EPC rating is improved to a C rating. 	BREEAM Score EPC rating EPC rating of C for structural refurbishments	Shaftesbury/ SPPM Shaftesbury/ SPPM Shaftesbury/ Project managers
J2	Efficient use of energy and water	<ul style="list-style-type: none"> • Project managers to use revised specification and contractor's checklists for all projects over £250,000 and in excess of three months duration. 		RPS/Project managers
	Targets	<ul style="list-style-type: none"> • All domestic refurbishment projects to target 96 to 107 litres/person/day. • All commercial projects to target a maximum of 40.6 litres/person/day. 		Project managers RPS to audit

Policy goal J: continued.

Number	Objectives	Management Actions 2020	Key Performance Indicator	Responsibility	
J3	Source timber from sources certified by third party certification schemes	<ul style="list-style-type: none"> Maximise proportion of timber that is reused within projects and monitor for reporting purposes. Contractors to retain all timber supply invoices and ensure that full chain of custody details are recorded. RPS to collate information to identify proportion sourced from certified timber. 		<p>Project managers RPS to audit</p> <p>Project managers to ensure contractors retain invoices</p> <p>RPS to collate</p>	
		Targets	<ul style="list-style-type: none"> Source 100% of hardwood timber from a certified sustainable source. Ensure that preferred suppliers can demonstrate that a minimum of 90% other types of timber are from a certified sustainable source. Aim for suppliers to source a minimum of 70% timber from a Forest Stewardship Council (FSC) certified source. 	<p>Percentage of hardwood timber from a certified sustainable source</p> <p>Percentage of other timber sourced from a certified sustainable source</p> <p>Percentage of FSC timber sourced</p>	<p>Shaftesbury / Project managers RPS to audit</p> <p>Shaftesbury / Project managers RPS to audit</p> <p>Project managers RPS to audit</p>
J4	Management and disposal of construction waste	<ul style="list-style-type: none"> Monitor construction waste data for all projects above £250,000 and in excess of three months duration. Project managers to retain waste transfer notes as part of contract documentation. 		Project managers RPS to audit	
		Target	<ul style="list-style-type: none"> Reuse or recycle 90% of non-hazardous demolition and construction waste by weight. 	<p>Percentage of reused or recycled waste for projects</p> <p>Project managers</p>	
J5	Improve biodiversity	<ul style="list-style-type: none"> Continue membership of Wild West End. Implement five-year biodiversity strategy. Support bees and pollinators in London with appropriate use of planters and window boxes. 		<p>Shaftesbury Managing agents/ Project managers to implement</p>	
		Target	<ul style="list-style-type: none"> Increase area of biodiversity features by 10% throughout portfolio. Implement green roof installation in a minimum of two locations. Investigate opportunity for parklet. 	<p>Area of biodiversity features</p> <p>Shaftesbury Managing agents/ Project managers to implement</p>	

Policy goal J continued.

Number	Objectives	Management Actions 2020	Key Performance Indicator	Responsibility
J6	During construction we will endeavour to minimise adverse impacts on the environment	<ul style="list-style-type: none"> • Provide contractors with a copy of company policy and specification questionnaires etc. in tender documentation. 		Project managers
		<ul style="list-style-type: none"> • Issue induction leaflets to all contractors working on the portfolio. 		Project managers
		<ul style="list-style-type: none"> • Ensure that air and water emissions are minimal. 		Project managers
		<ul style="list-style-type: none"> • Monitor energy and water use on site throughout the life of the project. 		Project managers
	Targets	<ul style="list-style-type: none"> • Achieve zero reportable environmental incidents. 	Percentage of schemes with zero incidents	Project managers
		<ul style="list-style-type: none"> • Ensure that a minimum of 80% water based paints are used to minimise pollution. 	Percentage of water based paints specified	Project managers

Policy goal K: We require our managing agents to comply with our sustainability policies.

Number	Objectives	Management Actions 2019-2020	Key Performance Indicator	Responsibility
K1	Maximise use of landlord procured renewable energy and reduce energy consumption in common parts	<ul style="list-style-type: none"> Continue to monitor energy consumption in our head office and common parts of portfolio. Increase proportion of definitive floor areas that are being assessed against energy consumption. Implement step change findings from Energy Savings Opportunity Scheme (ESOS) audits. Obtain tenant's consumption figures and collate for reporting purposes for whole buildings for Real Estate Environmental Benchmark (REEB) 2020. 		<p>Managing agents to collect data</p> <p>RPS to collate for reporting baseline</p>
	Targets	<ul style="list-style-type: none"> To aim to not exceed 0.05 tonne CO₂e/m² for the common parts. Aim for a 3% absolute reduction in landlord controlled energy consumption against 2019. Aim for a 5% like for like reduction in landlord controlled energy consumption against 2019. To purchase green tariff electricity when costs are within 5% of brown energy when renewing energy contracts. Increase the proportion of LED bulbs within common parts of the portfolio and specifically for external lighting. 	<p>Carbon per m² not to exceed target</p> <p>Percentage reduction across portfolio</p> <p>Percentage like for like reduction across portfolio</p> <p>Percentage of new contracts placed on green energy tariffs</p> <p>Percentage of LED bulbs within the portfolio</p>	<p>Managing agents/ Shaftesbury</p> <p>Managing agents/ Shaftesbury</p> <p>Managing agents/ Shaftesbury</p> <p>Managing agents/ Shaftesbury</p> <p>Managing agents</p>
K2	Reduce greenhouse gas emissions within the portfolio	<ul style="list-style-type: none"> Monitor and report greenhouse gas emissions for the landlord controlled portfolio including our head office. Research the possibility of achieving net zero carbon buildings within the portfolio. 		RPS/Shaftesbury
	Targets	<ul style="list-style-type: none"> Reduce greenhouse gas emissions by a rolling target of 5% from the baseline of 2015 by 2020. Set a Science Based Target by the end of 2020. 		

Policy goal K: continued.

Number	Objectives	Management Actions 2019-2020	Key Performance Indicator	Responsibility
K3	Monitor and, where possible, minimise water consumption	<ul style="list-style-type: none"> • Include water meters in properties where we are responsible for water purchase. • Include in all new tenancy agreements a request to access water meter data. 		Managing agents Shaftesbury/ Managing agents
	Targets	<ul style="list-style-type: none"> • Monitor water use in Carnaby/ Seven Dials' common parts. Aim for 90% reporting of readings. • Increase coverage of water data collection in the remainder of portfolio. • Aim to reduce like for like water consumption by 5% from 2019. • Aim for water usage at a maximum of 0.5m³/m². • Monitor water use for South Service yard in Chinatown and to maintain constant usage. • Reduce water consumption per person in our head office by 5%. 	<p>Percentage of coverage</p> <p>Percentage of coverage</p> <p>Percentage reduction</p> <p>Water use does not exceed 0.5m³/m²</p> <p>Water use does not exceed 2018-2019 usage</p> <p>m³/person % reduction</p>	<p>CBRE to collect data RPS to collate for reporting baseline</p> <p>Managing agents to collect data</p> <p>CBRE and MJ Mapp to collect data RPS to collate for reporting baseline</p> <p>CBRE and MJ Mapp to collect data RPS to collate for reporting baseline</p> <p>MJ Mapp</p> <p>Shaftesbury</p>
K4	Monitor and reduce waste from our properties including our head office	<ul style="list-style-type: none"> • Work with tenants to abolish single use plastics throughout the portfolio. • Open new waste compound for tenants' use in Chinatown. 		Shaftesbury Shaftesbury/ MJ Mapp
	Targets	<ul style="list-style-type: none"> • Divert from landfill a minimum of 90% of tenant generated waste from Carnaby and Seven Dials. • Recycle a minimum of 60% of tenant's waste at Carnaby and Seven Dials. • Aim for 20% compostable waste at Carnaby and Seven Dials. • Aim for 90% recycling in our head office. 	<p>Percentage of tenants' waste diverted from landfill</p> <p>Percentage of waste recycled</p> <p>Percentage of waste composted</p> <p>Percentage of waste recycled</p>	<p>Shaftesbury/CBRE</p> <p>CBRE</p> <p>Shaftesbury/CBRE</p> <p>Shaftesbury/RPS</p>

Policy goal K: continued.

Number	Objectives	Management Actions 2019-2020	Key Performance Indicator	Responsibility
K5	Ensure that contractors comply with hazardous materials policy and materials from non-renewable resources policy	<ul style="list-style-type: none"> • Issue updated induction leaflet to all contractors working on the portfolio throughout 2019-2020. • Document audit trail of contractors. 		Shaftesbury Managing agents Managing agents to keep records RPS to audit
K6	Remove and dispose of hazardous materials	<ul style="list-style-type: none"> • Ensure up to date asbestos register are held for the portfolio. • Retain copies of waste transfer notes and record volume of hazardous waste disposed to landfill. 		Managing agents to maintain asbestos register Managing agents to collate hazardous waste data RPS to audit
K7	Minimise air emissions through appropriate building management	<ul style="list-style-type: none"> • Roll out programme throughout the portfolio to ensure extractor duct maintenance. • Progress boiler upgrades where viable following ESOS recommendations. • Commission survey for the remainder of the portfolio to identify boilers that could be updated. 		Managing agents to keep records
K8	Minimise emissions to water through appropriate building management	<ul style="list-style-type: none"> • Discuss with tenants the effectiveness of grease traps for restaurants in Chinatown. 		MJ Mapp