

INTRODUCTION

At MARK, we are committed to integrating Environmental, Social and Governance (ESG) practice into our investments and our business. Our hands-on investment approach strives to create and deliver physical assets that meet both current and future needs of the communities which inhabit them. We seek to implement sustainable practices and behaviours amongst our teams, suppliers, and partners.

Aligned to internationally recognised standards, including ISO 14001:2015 for an effective Environmental Management System (EMS), this document provides a framework to ensure MARK's commitments, objectives, and responsibilities are clearly defined and communicated to all key internal and external stakeholders.

This document will be reviewed and updated annually.

ESG STRATEGY 2022

This is MARK

We are a leading pan-European private equity manager, focused on the acquisition and management of real estate assets across multiple geographies and sectors, including offices, residential, retail, and last-mile logistics.

OVERVIEW

Our sustainability framework encompasses the full lifecycle from acquisition, to development and/or asset management and disposal, creating or repositioning assets to improve their environmental and social performance.

We want to leave our mark on the cities we invest in, by delivering buildings that minimize negative impacts on the environment, enhance the health and well-being of those who inhabit them, and create long-lasting value for neighbouring communities and wider society.

As such, MARK has developed the MARK Value Initiative (MVI) encompassing four key pillars, each with defined objectives. These pillars are summarised below, with their objectives and action plans set out on page 3.

Leadership

Integrating ESG across the corporate, fund and asset levels

Team

Unlocking greater human capital delivering best-in-class results

Network

Promoting responsible behaviour across external stakeholders

Investments

Reducing adverse environmental & social impact across investments

COMMITMENT

MARK is committed to adopting best practices for environmentally and socially responsible investment, asset management and corporate governance.

GRESB

MARK is a participant in GRESB, the global ESG benchmark for real assets

UNPRI

We are a signatory of the United Nations supported Principles for Responsible Investment (UNPRI)

INREV

MARK is aligned to INREV sustainability reporting standards

SFDR

MARK is committed to minimum SFDR Article 8 standards for new platforms and funds

GOVERNANCE

Our commitments are overseen by the MARK ESG committee, which involves employee representation from various business areas and levels of seniority. The committee meets monthly and is made up of the following individuals:



Lily Lin
UK Acquisitions
(Managing Director)



Michelle Doran
Investor Relations
(Managing Director)



Katherine Lindop
HR and Operations
Manager



Peter Evans
Asset Management
(Senior VP)



Ben Ryan
Asset Management
Crossbay
(Managing Director)

OBJECTIVES

Based on the ESG policy and identified risk scenarios, objectives and targets are established, implemented, and maintained at each function and level within MARK's investment process. Priorities and expectations have been determined with relevant stakeholders, providing a framework for the implementation of meaningful ESG-focused programmes.

When establishing and reviewing its objectives, MARK also takes into consideration the legal and regulatory requirements, technological options, financial/operational/business requirements, and views of interested parties. Progress and performance against these objectives are monitored and reported annually.

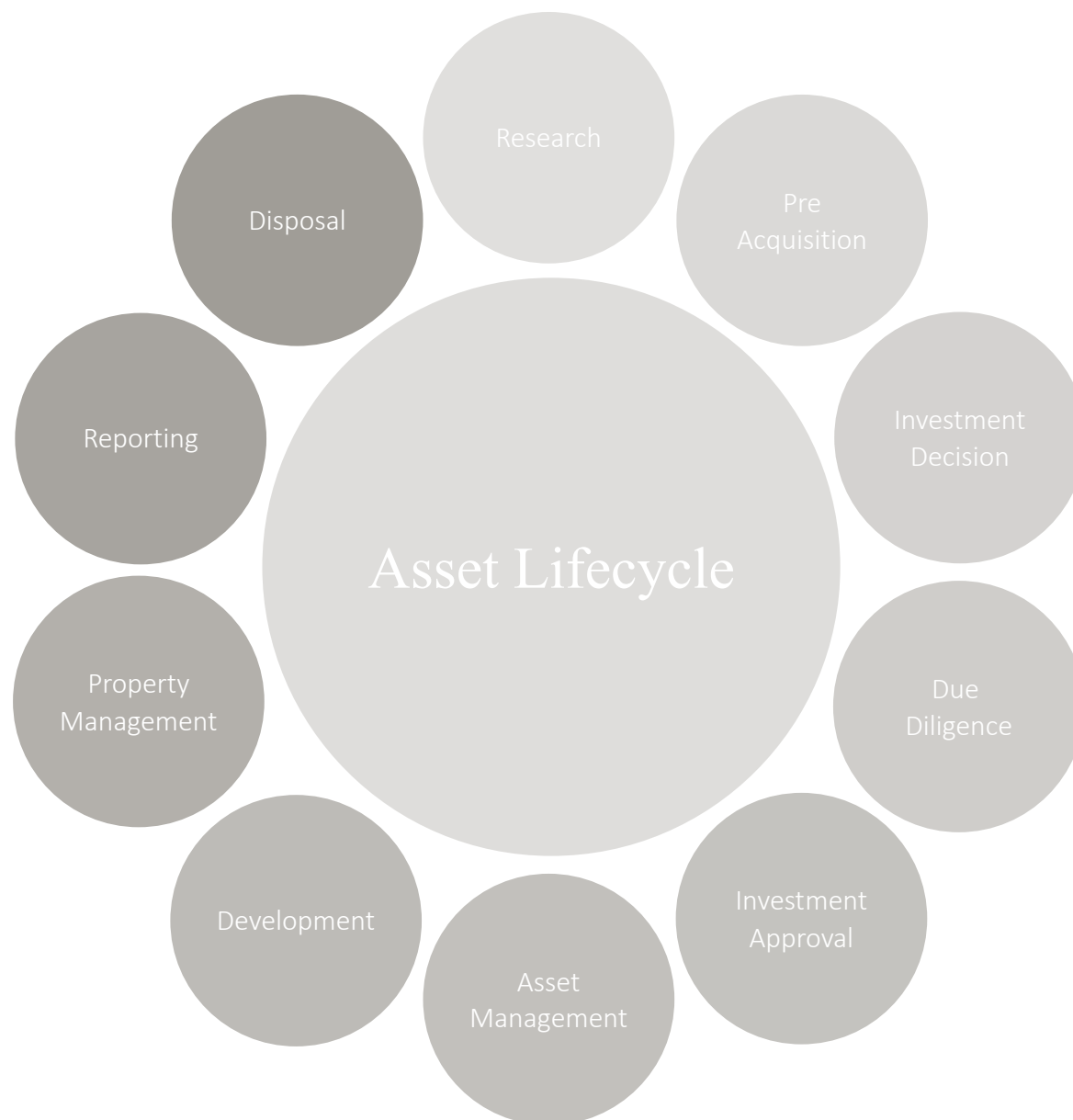
A top-down and bottom-up methodology has been adopted to identify the key objectives that will be realistic, value-driven and relevant to our business operations. These are set out on the following page, and are aligned with the MARK Value Initiative (MVI), the four pillars that are the foundation of our overarching ESG strategy.

OBJECTIVES (ESG OVERVIEW)
ACTION PLANS

	OBJECTIVES (ESG OVERVIEW)	ACTION PLANS
Leadership	Establish and improve data monitoring	Roll out utility metering programme
	Set high reporting standards	Produce INREV aligned Sustainability Reports Continue participation in GRESB in 2022
	Conform to the United Nations Principles for Responsible Investment	Complete gap-analysis against the Task Force on Climate-Related Financial Disclosure (TCFD) guidelines to identify readiness
	Set high ethical standards	Develop and implement policies to address material ESG issues
Team	Encourage individual accountability for ESG performance	Build ESG targets into employees' performance objectives, with financial and / or non-financial recognition for the achievement of the targets
	Provide equal opportunities and a high-quality work environment	Perform an Equality Impact Assessment to ensure policies and practices support or proactively advance diversity & inclusion Undertake employee satisfaction survey
	Encourage personal and professional development	Develop an employee engagement programme
	Encourage responsible practices within supply chain	Introduce ESG criteria within procurement process
Network	Encourage suppliers and service providers to introduce ESG initiatives	Introduce ESG performance metrics within contracts and service level agreements
	Proactively track tenant feedback to assess progress	Produce a tenant & customer satisfaction survey for 2022
	Understand physical risk exposure	Complete modelling of climate change related physical risks for all standing assets
Investments	Understand stranding risk in relation to net zero transition	Assess implications of setting Science Based Targets for carbon performance
	Develop operating improvements to reduce energy / water usage and CO2 emissions	Improve data quality and coverage and engage with tenants on setting and delivering improvement measures across the portfolio
	Implement the relevant environmental and social initiatives at the asset level	Integrating the ESG objectives into the Sustainability Asset Management Plans and via an effective EMS
	Utilising tools such as ESG acquisitions checklists to track and report progress	Develop and utilise a Sustainability Due Diligence Checklist

**SCOPE +
FRAMEWORK**

The strategy set out in this document applies to MARK’s business operations and investments across the corporate, fund and asset levels. The strategy has been designed to consider the full lifecycle of an asset, as per figure 1 below:



PORTFOLIO LEVEL

Acquisitions

Include relevant ESG considerations in the investment and IC process.

Asset Management

Monitor ESG data and improve ESG performance across the portfolio.

(Re)developments

Commit to (re)developing buildings to the highest ESG standards.

Legal & Compliance

Ensure adherence to local ESG legislation and regulation.

CORPORATE LEVEL

Human Resources

Drive diversity, equality and equity recruitment and career development practices.

Corporate Operations

Promote a sustainable working environment and employee well-being.

Investor & Stakeholder Relations

Communicate and align ESG practices with investors’ and stakeholders’ expectations.

Philanthropy

Lead charity and community engagement initiatives.

STANDARDS

To ensure continual improvement regarding our commitments as a responsible real estate investor, MARK’s ESG strategy is aligned to the ISO 14001:2015 standards and follows the Plan-Do-Check-Act model. The strategy is also aligned with the UN Principles for Responsible Investment, the four core pillars of the Task Force on Climate-Related Financial Disclosures (TCFD) and, where appropriate, the UN Sustainable Development Goals. The framework of the approach is illustrated below:

Review

Progress reviewed through existing structures

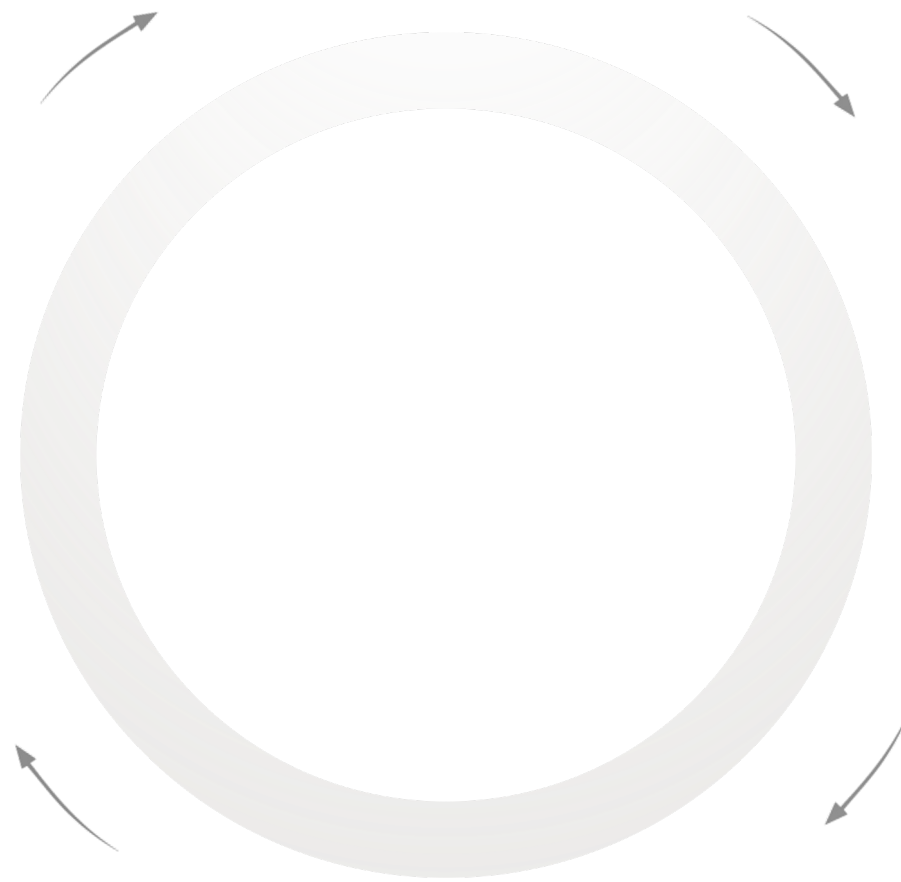
Adapt and improve approaches for future planning, implementation and measurement

Monitoring & Measurement

Performance monitored at asset, fund and portfolio levels

Compliance evaluation

Risk management process



Planning

Compliance obligations

Identification of risks and opportunities

Objectives and targets

Asset improvement action plans

Implementation

Improvement programs

Minimum standard setting

Training and communication

MARK ESG POLICY

The figure below maps out the key MARK documents (described in more detail on the following page) used to support the implementation of our continual improvement framework above. The ongoing feedback and improvement process will, in turn, directly inform the development of applicable documents and strategy.

Acquisition

Sustainability Due Diligence Checklist

Operation

Sustainability Asset Management Plan
Development / Refurbishment Briefs
Sustainability Audits
Monitoring & Reporting
Employee self-assessments

Engagement

Annual Reports
GRESB Disclosure
Tenant Sustainability Fit-out Guide
Green Lease Clauses

STAGE	DOCUMENT	PURPOSE
Acquisition	Sustainability Due Diligence Checklist	Outlines the ESG matters that should be considered by asset management and the investment committee during the acquisition process for an asset, identifying whether any actions are required to minimise risks. This report will inform the 5-year Planned Preventative Maintenance and be a core component of the Sustainability Asset Management Plan (SAMP).
	Sustainability Asset Management Plan (SAMP)	Gap analysis and risk assessments to identify priority areas, goals, and strategies to advance sustainability and monitor compliance with this strategy.
Operation	Development & Refurbishment Briefs	Development briefs with sustainability considerations are completed prior to construction or major refurbishment projects. Project Managers comply with the requirements of the relevant best-practice construction and refurbishment guidelines.
	Sustainability Audits	Where possible, on-site examination periodically conducted by appointed third-party consultants to ensure compliance and identify asset-level energy, GHG emissions, water and waste improvement measures.
	Monitoring and Reporting	An asset-level programme committed to improving the collection and validation of data, monitoring progress against actions identified within the Sustainability Asset Management Plans, and quarterly reporting.
	Employee Assessments	To ensure the ESG strategy is incorporated into all aspects of MARK's daily operations and activities, employees are expected to have ESG factors included within their annual performance targets and self-assessments.
	Annual Reports	Annual disclosure of business and ESG performance in reports aligned to recognised reporting standards.
Engagement	GRESB Disclosure	Annual participation in the GRESB survey to benchmark the ESG performance of our real assets and to demonstrate to our investors how we stand against industry peers.
	Tenant Sustainability Fit-out Guide	A guide that provides suggestions, resources, and requirements for MARK's tenants to ensure that sustainability and MARK's ESG policy are embedded into the fit-out and retrofit process of tenant spaces. This ESG strategy document will be shared with commercial tenants to inform the fit-out process or, if tenants have asset-specific fit-out guides, relevant content will be extracted and incorporated.
	Green Lease Clauses	Contractual wording agreed between MARK's landlords and commercial tenants which ensures new leased assets are used and managed in a way that promotes sustainability and commitments within the MARK ESG strategy and policy.