

Environmental, Social and Governance (ESG) Policy

2023 Report



dominūs

It's what we do
together that matters.



Contents.

4	Letter from Jay Ahluwalia
6	ESG overview
8	Environmental
10	Energy and carbon
12	Industry best practice
14	Procurement and supply chain
16	Developmental regeneration and improvement
18	Regulation and market expectations
20	Social
22	Social value reporting
24	Community development and investment
26	Stakeholder engagement
27	Health, well-being and safety
28	Labour standards
30	Governance
32	Conclusion

Letter from Jay Ahluwalia.

Forged by a track record of honesty, integrity and delivery that spans real estate across the UK, Dominus specialises in residential development as well as hospitality and student accommodation projects.

We are strong enablers and catalysts for positive change and our commitment to improving the physical environment and creating social value through our projects is central to our business.

For decades, we've been driven by our ethos of creating and investing in vibrant and sustainable communities, and today, we are committed to placemaking and the design and build of quality destinations for tomorrow.

From industry-leading hotels and student accommodation to award-winning residential homes, regeneration projects and mixed-use schemes, our ever-growing portfolio is an embodiment of the values we live and work by.

Dedicated to enhancing the world around us, we take meaningful, tangible actions in our communities. Building homes where people want to live, growing businesses and creating jobs, and improving lives for generations.

A solid, effective ESG programme is not just a framework for more sustainable sites, it is the litmus test for our business moving forward.

We hope that our stakeholders will see that at the core of this document is a single message: we will align ourselves with the best tools and practices to deliver results that are clear and complementary. By complementary, we mean that we fully understand that ESG is a continuum. In the same way that our suppliers reflect on us and influence our overall business, we, in turn, impact the success and reputation of our partners, be they planners, investors or other kinds of businesses.

The better we are at ESG, the more we can have influence both up and down the business chain and the more we are compatible with the kinds of partners we think will thrive in the future.

Thank you for your interest in our work.

J Ahluwalia

JAY AHLUWALIA
PRINCIPAL DIRECTOR
DOMINUS



Raising the bar for employees, stakeholders, and suppliers.

Our ESG policy brings together many of the different initiatives and actions that have been underway at Dominus, some since our beginning.

It is a working document that will be reviewed frequently and updated annually. It is designed to continuously raise the bar for our employees, stakeholders, and suppliers and is specially tailored to activities that we can control and influence. Behind every objective is serious thinking about where the industry is heading and how we can lead by example.



What to expect.



Our ESG policy sets environmental objectives based specifically around our business' operations and impacts.

These include:

- Energy and carbon
- Industry best practice
- Procurement and supply chain
- Developmental regeneration and improvement
- Regulation and market expectations



We have a well-developed social value practice within the company whose main objectives are also discussed within this document.

These include:

- Social value reporting
- Community development and investment
- Stakeholder engagement
- Health, well-being and safety
- Labour standards



Finally, we discuss our governance strategy for implementing this document across our activities.

These include:

- Management reviews
- Improving performance
- Overseeing company policies
- Regulatory requirements



> Our ability to influence outcomes is magnified when we set strong objectives for energy savings, carbon emissions, water reductions and waste minimisation.

Environmental objectives.

At Dominus, most of our environmental impacts are the result of our development and regeneration activities. As such, we have organised our objectives around the 5 key areas where our actions can produce the most significant results while working with our various stakeholders.

As a business, we operate in a highly sophisticated regulatory and market environment. The UK is the first major economy to commit to net zero carbon regulation and is home to the most highly developed net zero carbon frameworks in the world. It is the first country to develop voluntary building certifications (BREEAM) and is consistently in the top 5 countries pursuing third-party environmental and wellness certifications. As a hotbed of ESG activity, we know that it is vital to provide developments that are at the leading edge of environmental best practices.

Our ability to influence outcomes is magnified when we set strong objectives for energy savings, carbon emissions, water reductions and waste minimisation. When these commitments are extended to our supply chains, procurement decisions, and developmental activities, they set into motion a clear and progressive set of environmental outcomes.

We operate and comply with all regulations applicable to our business activities, but we recognise that this alone is insufficient. The pace of change in ESG is such that simple adherence to regulation is a position that is not in keeping with our mission to be industry-leading when it comes to environmental practices. Therefore, our team regularly exceeds regulatory requirements and instead undertakes an approach designed to make us the best in class.

5

key areas

- ⚡ Energy and carbon >
- 👍 Industry best practice >
- 🏠 Procurement and supply chain >
- 🔄 Developmental regeneration and improvement >
- 🔍 Regulation and market expectations >

Energy and carbon.

Our approach to carbon carefully follows the energy hierarchy – reductions, renewables, offsets – that is consistent with all 4 major net zero carbon frameworks in the UK.

Unlike other companies, we make energy reduction our objective (not just zero carbon) because we know that future regulations and market expectations will reward low-energy buildings, not just zero carbon assets.

We are also taking steps to reduce not just Scope 1 and 2 emissions, but also Scope 3 emissions (including tenant operations). This is because we suspect that in the future, buildings will be assessed based on their total energy and carbon outputs ('whole building'), a trend we are seeing globally. That is why we have a dual focus on energy consumption and carbon emissions.



Benchmarking our carbon impacts.

We will continue to measure and reduce our carbon emissions from all our activities. As this is our inaugural ESG policy, we commit to benchmarking our carbon impacts this year, understanding all the ways in which we can continually improve, and set targets in future versions of this document.



Procurring renewable energy.

The procurement of renewable energy is one of the more meaningful choices we can make. Over time, we expect to generate and/or purchase renewable electricity whenever possible at our sites.

We will continue to reduce our overall energy usage more generally so that renewable energy is used after we have run our operations as efficiently as we can.



Scope 3 emissions.

We have taken and will continue to pursue actions and decisions that reduce Scope 3 emissions – those from our supply chains, development activities and operations.

We will actively seek suppliers whose manufacturing, delivery and construction practices enable a lower embodied carbon development, along with low carbon operations.



Demonstrate real reductions in energy.

In all our activities – building developments, operations, travel, or procurement – we commit to being more efficient and to demonstrating real reductions in our impacts. This includes reductions in both energy and carbon through all stages of the building life cycle of which we have financial and/or operational control.

Our priority is achieving real reductions in energy and carbon at our sites and in our activities.



Net zero carbon.

Ultimately, and in time, we aim to be net zero carbon as a company by achieving real reductions in energy and carbon and operating within best practices as set out in the UK's net zero carbon frameworks.

Naturally, we will never be able to eliminate all carbon emissions, but through efficiency, better procurement decisions and, when needed, the purchase of allowances, we expect to deliver net zero carbon developments that meet the needs of our stakeholders, tenants, communities, and employees.

Industry best practice.

While carbon is very important, it is not the only impact that our activities generate – water and waste are also particularly important.

It is essential not just that we measure these impacts, but that we do so in a way that allows us to benchmark, improve, and report to our stakeholders in a useful manner.

It is best practice to adopt tools and requirements that are emerging as industry standards and regulations. That is why at Dominus, we use the frameworks that our stakeholders are using and seek ways to align with regulations that govern our partners, even when such requirements (such as carbon reporting) do not apply to us. After all, we make demands on our supply chains because their impacts influence our business.

Likewise, our partners, especially those who have more regulatory ESG requirements than Dominus, can take comfort in knowing that we anticipate their needs and can help them to meet their own commitments.



Generating impacts.

Beyond carbon, our development and operational activities generate impacts in other environmental areas, most notably water usage and waste generation.



Measure and reduce.

We will continue to measure and reduce our water and waste impacts in all our activities.



Continuing to improve.

We commit to benchmarking our environmental impacts this year, understanding all the ways we can continually improve and set targets in future versions of this document.

Measuring environmental impacts.

We will measure environmental impacts in a way that is consistent with commonly used reporting frameworks such as TCFD and GRESB. This has **3 important advantages:**



It allows us to understand and improve our performance relative to best practices.



It enables us to communicate our progress in ways that can be understood by our stakeholders.



It makes it easier for those who work with us to meet and report their own environmental objectives and commitments as our reporting categories will align.

Regulatory reporting.

We commit to anticipating regulatory reporting requirements, including the

Streamlined Energy and Carbon Reporting (SECR) scheme

and the

UK Green Taxonomy.

Although these programmes do not currently apply to Dominus, they represent good practices and the future of our industry. Therefore, we will work within the guidelines set forth by these programmes so that we are prepared for future regulations and are up to date with our partners who may be currently subject to such regulations.



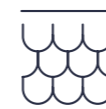
Procurement and supply chain.

As a regeneration-based business, we are used to taking an existing situation and making it better.

But to do so requires thoughtful and careful choices about materials, partners, and practices. Our objectives demonstrate how we embed our values and commitments into the procurement process.

Going forward, we expect that there will be major innovations in materials and construction practices. This will be driven partly by the net zero carbon agenda, but also by the cost and programme benefits that innovation confers. We are dedicated to leading in material choices and construction practices and to the overall goal of improving the environment in every project in which we are involved.

> We expect that there will be major innovations in materials and construction practices.



Influencing material choices.

We will develop an inventory of preferred materials to use on-site and better understand the environmental impacts of our construction and development activities.



Contract provisions.

We will develop contract provisions and a supply chain network that supports low-carbon, sustainable and healthy materials procurement.



Environmental management.

We will work only with suppliers who have a well-developed environmental management system (such as ISO 14001) and whose policies will enable us to clearly track environmental practices and progress on site.



Zero carbon frameworks.

We will establish contract clauses for our suppliers that encourage best practices as developed by UK net zero carbon frameworks and other environmental reporting tools (TCFD, GRESB, etc.)



Carbon-saving practices.

To limit embodied carbon, our contracts will set out provisions for reducing construction carbon for stages A1–A5 of British Standard BS EN 15978 (governing the building's life cycle). Our contracts will demonstrate a preference for:

- Local suppliers and materials
- Innovative construction techniques
- Embodied-carbon-saving practices



Developmental regeneration and improvement.

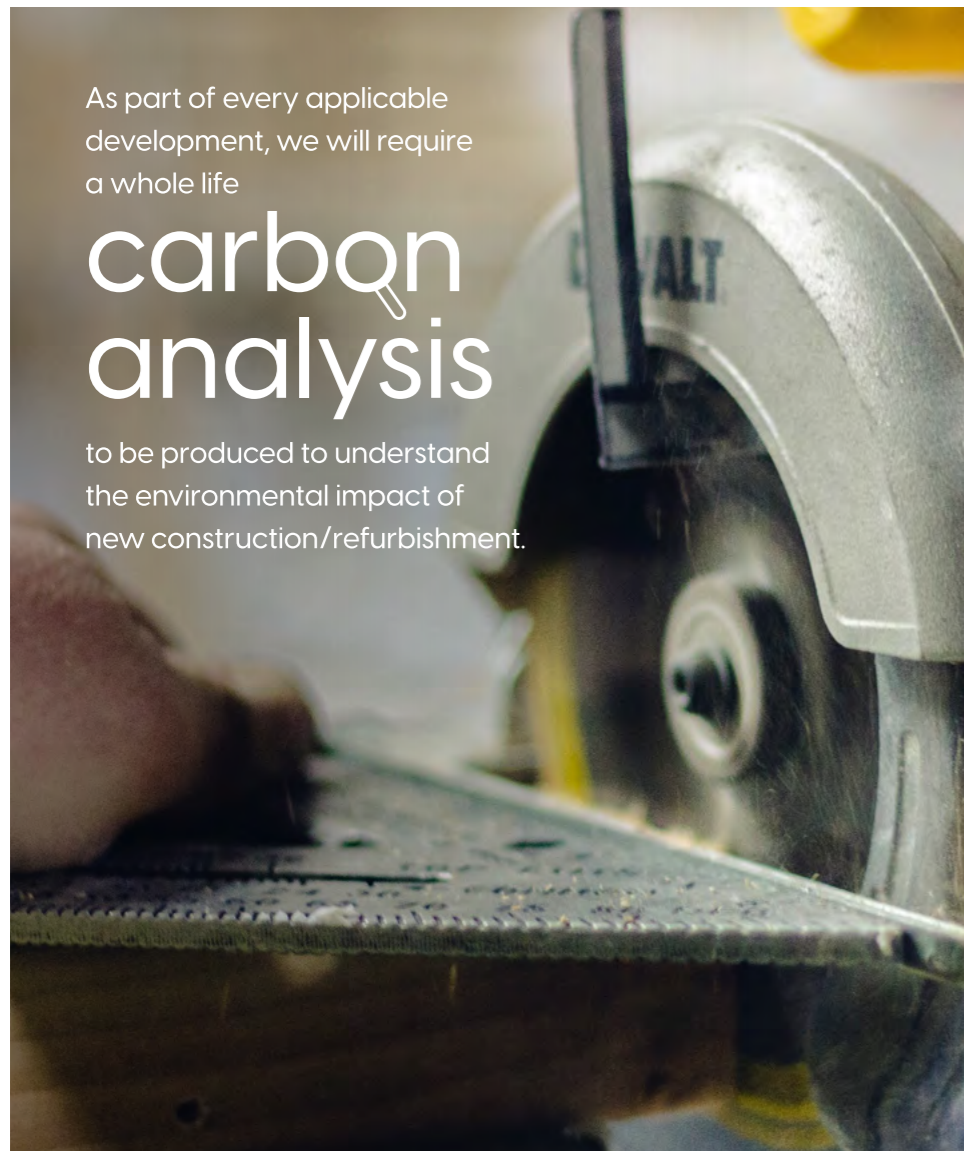
For our new developments and major regeneration activities, we have a series of headline objectives.

These are the 'big picture' items which all objectives and practices ultimately align under. They set the tone for the project, stakeholders and our network of partners and suppliers. These represent ambitious targets, but they need to be so that we keep pace with the changes in ESG.

As the above objectives demonstrate, we are thinking faster and more assertively than required by current regulations or industry standards. We also know that

regulations and certifications, particularly those that are design-based, are only part of the story. In the end, ongoing performance is key to the asset value.

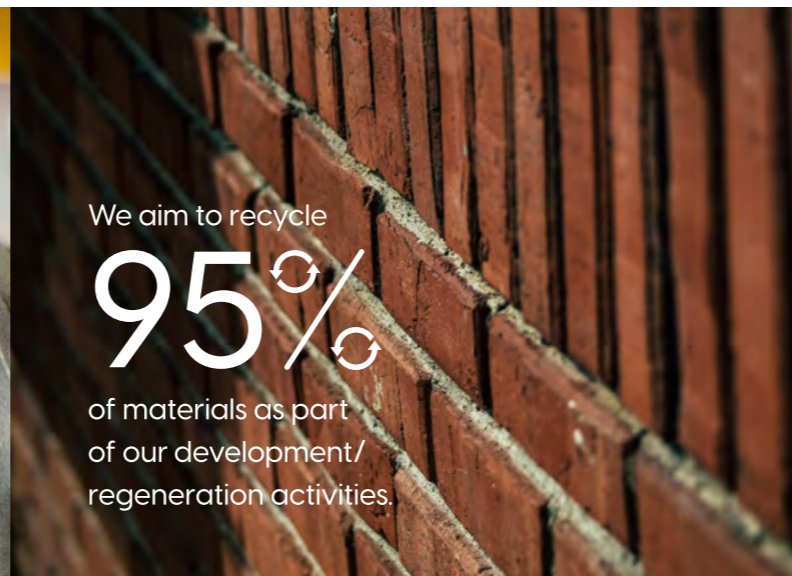
That is why in addition to our EPC and certification targets, we are committed to ensuring real reductions in impacts and improvement in operations. The industry 'performance gap' is well known, and at Dominus we believe that our stakeholders deserve much better.



As part of every applicable development, we will require a whole life

carbon analysis

to be produced to understand the environmental impact of new construction/refurbishment.



We aim to recycle

95%

of materials as part of our development/regeneration activities.



We will target an "Outstanding" BREEAM certification

or a similar level of attainment in another more applicable certification (e.g. "Green Key" for hotels).



We will target an

EPC level of "A"

in all new developments.



We will actively seek out new designs, materials and construction practices that simultaneously reduce carbon emissions and impacts of development.

Regulation and market expectations.

We keep a register of legal requirements and meet all relevant legal obligations. But it is what we do above and beyond this that sets us apart from our competitors.

Whether it is requiring whole life carbon assessments for all developments, aiming beyond current EPC requirements, or tackling Scope 3 emissions, we go beyond what is required. We are convinced that early actions will set our developments apart from others.

Not all of the above policies will become regulated. Even those that do may still not apply to Dominus, at least initially. Nonetheless, we are thinking and working as if they do, so that even if we are exempt, we can help our partners who may not be. Being proactive and understanding potential regulations and/or market expectations only helps our business. There is never a downside to being better informed.



At Dominus, we are actively engaged in understanding policy developments in the following areas:



EPCs and Minimum Energy Efficiency Standards (MEES)



Building energy ratings (based on performance) for commercial real estate (currently under Government consultation)



RICS Whole Life Carbon Assessment for the Built Environment



The extension of the London Plan 2021 best practice to the rest of the UK



The expansion of the Streamlined Energy and Carbon Reporting (SECR) scheme to more entities



Reporting regulations based on TCFD by 2025



'Part Z' of Building Regulations

> There is never a downside to being better informed.



Social objectives.

At Dominus, our social value objectives are guided by two main documents which we outline in this policy. They are the Social Value Charter and the Supply Chain Charter.

The objective of the Social Value Charter is to define our principles, values, and ethics as a company regarding social value and community benefits. The charter underlines our commitment to social value and establishes a clear memorandum of understanding between the business and its employees.

An independent Supply Chain Charter has been created to outline our expectations of the contractors and organisations within the supply chain, setting a benchmark for our minimum expectations for social value. We expect our suppliers to uphold these values and principles upon appointment and we will hold our suppliers accountable for failing to maintain those standards.

Dominus identifies and defines social value by the following principles:

- To maximise the short and long-term economic impact of our actions for the local area
- To create positive and measurable social outcomes for the local area.
- To mitigate the negative impacts of our activities and maximise social gains.

5
key areas

- Social value reporting >
- Community development and investment >
- Stakeholder engagement >
- Health, well-being and safety >
- Labour standards >



Social value reporting.

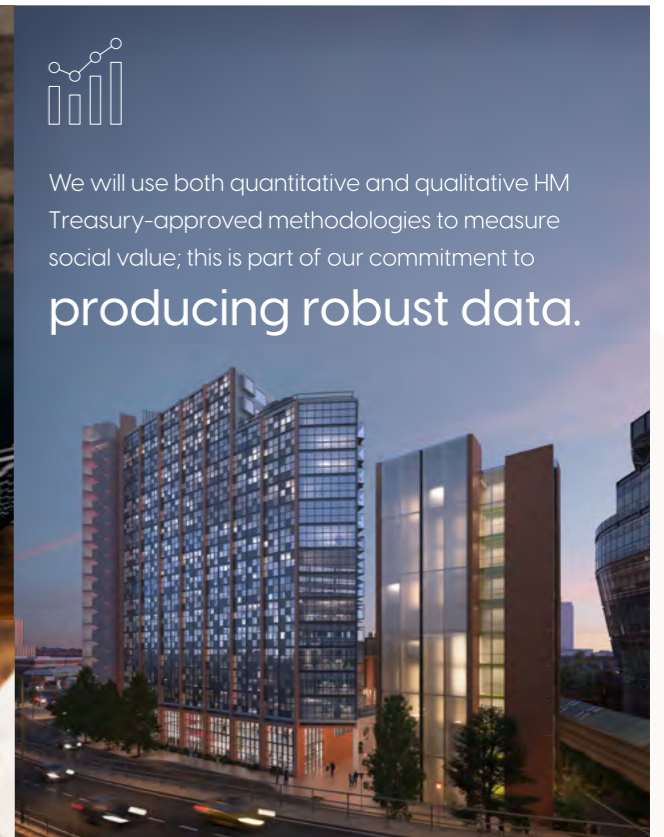
Dominus does not perceive social value as a 'bolt-on' that is added after strategic decision-making has occurred.

We view social value as an investment and not a cost. Therefore, we embed it at the very earliest stages of all our business activities. We expect to deliver social value across multiple aspects of our business.

> We embed social value at the very earliest stages of all our business activities.



We will annually review our social value definition using the **Framework for Defining Social Value** toolkit created by the UK Green Building Council (UKGBC).

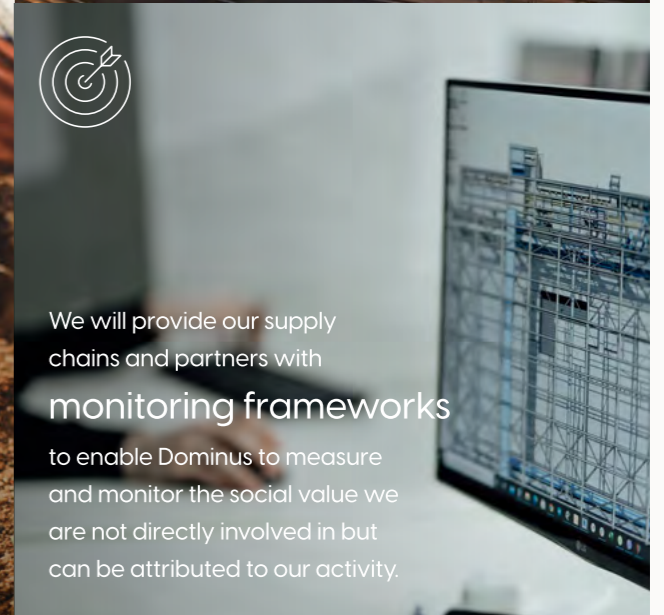


We will use both quantitative and qualitative HM Treasury-approved methodologies to measure social value; this is part of our commitment to **producing robust data.**



We regularly review and produce **social value reports**

for all our projects at various stages of the project life cycle to ensure that social value targets and outcomes are being met.



We will provide our supply chains and partners with **monitoring frameworks**

to enable Dominus to measure and monitor the social value we are not directly involved in but can be attributed to our activity.



Through a holistic approach, we endeavour to apply the **principles of social value** to all stages of the development cycle.

Community development and investment

Every Dominus project offers different opportunities for social value creation depending on contextual factors such as location, project size, local policy, and local demographics.

We develop a bespoke approach towards achieving our social value objectives for each project and create social value targets on that basis. We consider the process, outputs, and outcomes of our social value objectives with a great degree of detail. From the acquisition stages through to the design and planning, project delivery, and end-use stages of the development cycle, we ensure optimum social value and community benefits are achieved.



Always delivering.

We aim to deliver above and beyond our obligations set out in Section 106.



Targeted benefits.

We will deliver targeted benefits that meet a specific purpose as set out by us upon assessment of the local needs.



Forming partnerships.

We will form partnerships with organisations and promote their social value objectives.



Supporting communities.

We will provide financial and in-kind assistance to support our communities.



Staying local.

We will ensure that our assets and resources are utilised by local organisations and local businesses to produce social value.



> We develop a bespoke approach towards achieving our social value objectives for each project.



Stakeholder engagement.

Working with our various partners enables us to deliver the social value that stakeholders wish to see created.

At Dominus, we maximise our provisions and services for our people, contractors, customers, and the stakeholders connected to the operations within the community. Our projects always benefit by widely seeking input from the various stakeholders who are impacted by our activities.



Working inclusively.

We aim to be as inclusive as possible through our engagements, working closely in partnership with our supply chains, local communities, and public bodies.



Meeting local needs.

We will embed stakeholder engagement into the culture of our business to inform, design and make decisions based on local needs.



Keeping record.

To fully understand the level of our impact, we will consult with our stakeholders to ensure that the impact is properly recorded and measured. We consider our engagement to be a social contract and we pay particular attention to and act upon the concerns of our stakeholders.

Health, well-being and safety.

Dominus recognises the importance of promoting health and well-being among our various partners and within the communities where we operate.

Through employee policies, supply chain practices, and community activities, we actively encourage the health and well-being agenda.



Healthy workplaces.

We are committed to ensuring a healthy workplace for our employees and providing policies that promote mental well-being.



Supporting community projects.

We actively support community projects and developments that encourage healthy lifestyles, physical activities, and connection with nature.



Social Value Charter.

The Dominus Social Value Charter has been developed to ensure that supply chain partners continuously strive to improve the health, well-being, and safety of their workforce.



Labour standards.

We expect our supply chain partners to act in a manner that is aligned with our social value principles and upholds our commitment to fair labour standards.

To encourage this, we have requirements that should be upheld. These are:



Human rights.

Supply chain partners must adhere to the Human Rights Act and employment law and comply with the provisions of Modern Slavery Act 2015.



Living wage.

We support supply chain partners that commit to paying the Living Wage to all employees and the London Living Wage in London projects with Dominus.



Support in the chain.

We expect supply chain partners to support Dominus with the implementation of our wider labour standards objectives.

Our supply chain partners will be required to communicate these requirements to any subcontractors within their own supply chains. In any Dominus project, we endeavour to ensure that our commitment to fair labour standards is upheld by our development partners.

> We endeavour to ensure that our commitment to fair labour standards is upheld by our development partners.





Governance objectives.

The administration and implementation of this ESG policy will be done in accordance with ISO 14001 standards, a certification that Dominus will pursue.

As such, governance will follow well-established best practice procedures, including the following:

- Dominus will develop a dedicated ESG committee that will contain representation from, and report to, the Main Board.
- The ESG committee will set objectives and conduct regular periodic reviews of performance against these objectives, including scheduled internal audits of business activities.
- As part of regular audits and periodic reviews, the ESG committee will maintain and update a register of all relevant and applicable regulations. Where changes in regulation require adjustments to business practices, these changes will be instituted expediently.
- The ESG committee will ensure that all employees, stakeholders, and members of the supply chain are aware of and have access to the ESG policy. Dominus will also be responsible for ensuring that the supply chain acts in accordance with the objectives as set out in the document.
- At the end of each year, the ESG committee (in conjunction with the Main Board) will develop and set relevant objectives for improvement and ensure their integration into the business planning process.

> In addition to the provisions contained within this policy, Dominus complies with regulations and best practices in these related business areas: human rights and modern slavery, gender pay and equality, and bribery and anti-corruption.

Conclusion.

The objectives of this ESG policy define our principles, shape our values, and govern our actions as a company.

They underline our commitment to environmental responsibility and social value and establish a clear memorandum of understanding between the business, our employees, and our network of diverse stakeholders.

Through a careful but progressively responsible approach, we will apply the principles of this policy. We perceive ESG as an investment and therefore we embed it at the very earliest stages of all our business activities. From acquisition stages through to design and planning, project delivery and end-use stages of the development cycle, we ensure optimum ESG benefits are achieved.

We aim to be as inclusive as possible through our engagements, working closely in partnership with our supply chains, local communities, and public bodies.

We welcome your feedback on this policy and we look forward to working with you to achieve its objectives.





For further guidance, contact:

E amber.hawkes@dominus.co.uk

T 020 3219 5600 | M 07834 254 896