# Sustainability *in focus*

Pathways to Resilience



DELANCEY

NOT A TYPICAL PROPERTY INVESTOR

# I'm delighted to welcome you to Delancey's Sustainability Report 2025



Resilience. It is many peoples' word of the year. The economic and political turbulence encountered nationally and globally in 2025/2026 has necessitated resilience. Across markets, policy and climate strategy, the year was about the capacity to absorb pressure, adapt under strain and keep moving forward with purpose. We have been doing just that.

We see in the media for example defending Californian fires or constructing UK flooding defences as obvious and apparent actions of resilience; protecting citizens operations, assets, supply chains and business continuity. Economic resilience emerged as equally important, and gained profile as part of the cost-of-living crisis. Resilience was further tested ideologically. In a year marked by louder climate scepticism and political backlash, many institutions chose not to retreat, but to recalibrate—moving beyond slogans towards more rigorous stewardship, clearer evidence and more practical implementation. That ability to hold course amid noise and opposition may prove as important as any technical innovation.

Meanwhile, resilience was needed against regulatory fatigue, competing economic pressures and political indecision which tested resolve. As sustainability regulation shifted from expansion to simplification, organisations had to maintain ambition without relying on perfect policy clarity, continuing to act despite delays, dilution and uneven commitment from governments.

In that context, resilience for us means more than endurance: it means staying credible, pragmatic and focused when the external environment encourages drift. The key lesson from 2025 is that resilience is no longer a supporting theme in responsible investment and climate strategy; it is the organising principle. Whether responding to physical climate impacts, economic volatility, ideological resistance or policy uncertainty, we believe those best positioned for the future will be the companies that can adapt without losing direction.

Best wishes,

**Stafford Lancaster**
Chief Executive Officer

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### About this Report

This annual report covers the wider Delancey group of advisory and investment management entities, collectively referred to as "Delancey". Where specific client Funds or mandates are reported on, this will be clearly referenced as necessary. The report covers the period from **1 January 2025 to 31 December 2025** and reflects our approach to sustainability risks, opportunities, and impact across our corporate and investment management and advisory activities. Some wider Delancey group entities and client Funds have different financial reporting periods compared to this report.

We report with reference to the GRI Disclosure Standards, using the GRI 1: Foundation 2021 framework.

### About Delancey

We are a UK-focused real estate investment manager and developer with a more than 30-year track record of creating value on behalf of leading global institutional investors, pension funds and family offices. We invest across a broad range of sectors and risk profiles, combining disciplined investment management with development expertise, sustainability leadership and a long-term conviction in the UK real estate market.

For more information see: www.delancey.com

# Certifications

**BREEAM**

Both the industrial schemes at Milton Keynes and Patchway Enterprise Park achieved BREEAM New Construction Outstanding and BREEAM Refurbishment and Fit Out Excellent was achieved at Redditch.

CODE FOR A SUSTAINABLE BUILT ENVIRONMENT — BREEAM

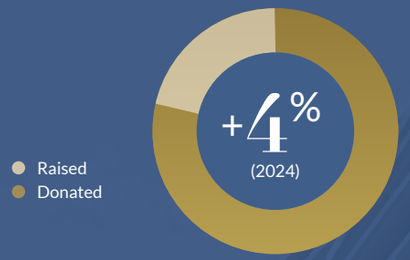
**OUTSTANDING**

CODE FOR A SUSTAINABLE BUILT ENVIRONMENT — BREEAM

**EXCELLENT**

# Corporate Giving

**£204,747** raised and donated through our Corporate Community Engagement activities. We donated **£161,725** and raised **£43,022** for organisations supporting mental health, education, young people, heritage and the arts.




# £204,747

# Affiliations

GRESB

**GRESB**

★★★★☆ **DV5** Development

★★★★☆ **Get Living** Development

★★★★★ **Get Living** Real Estate

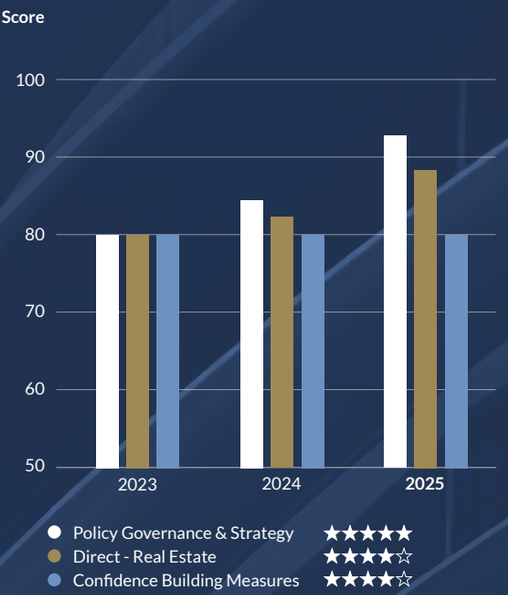
PRI PRINCIPLES FOR RESPONSIBLE INVESTMENT

**UN PRI**

We have again improved our score under the Principles of Responsible Investment 2025 Assessment. For the three modules we report on we have achieved **5 stars** for the first time on Policy Governance and Strategy and retained **4 stars** on Real Estate and Confidence Building Measures. This shows year on year improvement since our first publicly disclosed report in 2023.

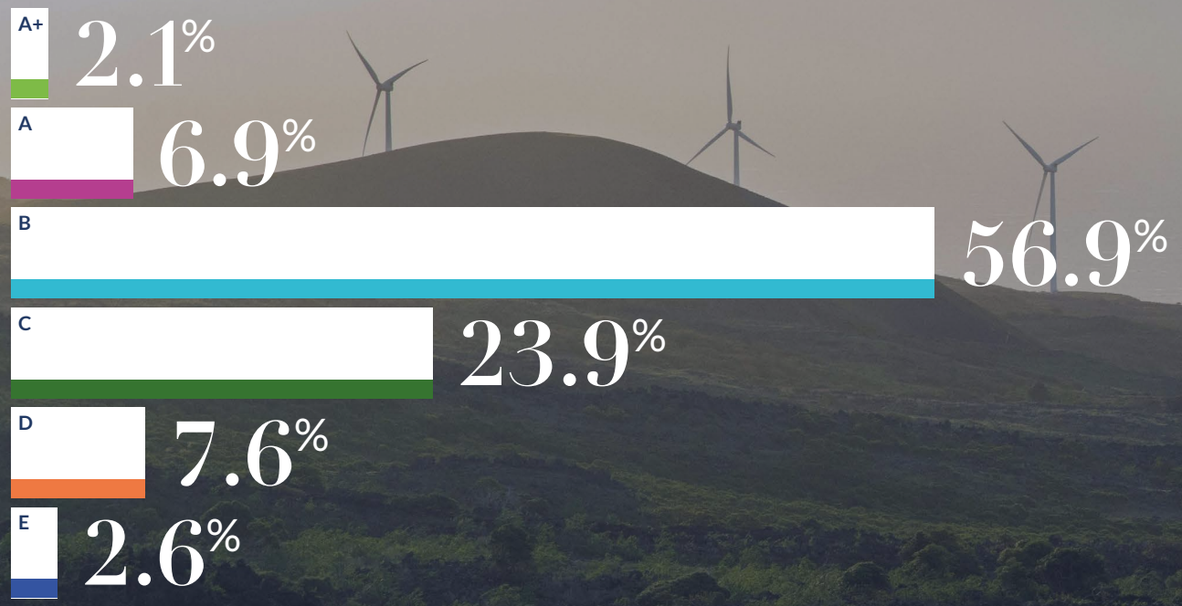
★★★★☆

PRI Positive Progression 2023 — 2025



# Energy Performance

EPC Distribution
(% of floor area[1])




EPCs rated B or above[2]

**65.9%**

EPCs rated C or above[2]

**89.8%**

# Emissions

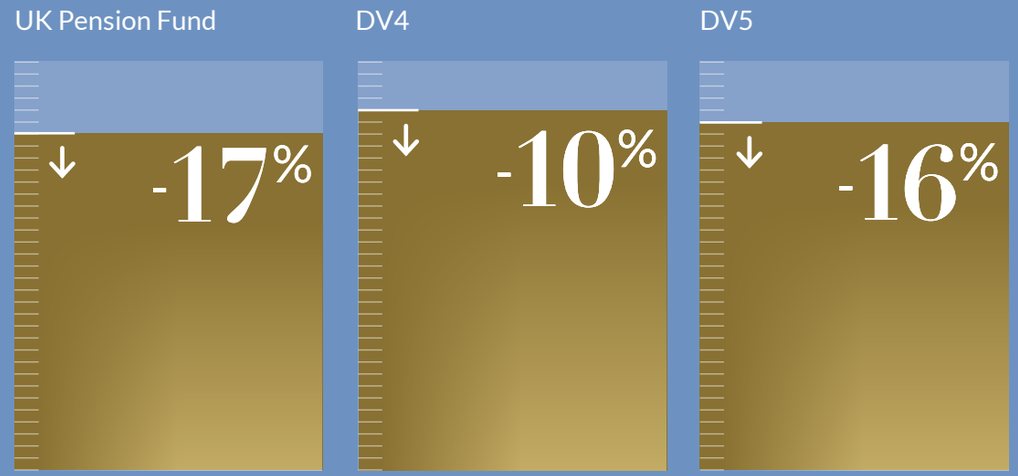
**Embodied carbon reduced** during design on completed developments totalling 33,268m$^2$ during 2025 through material efficiency measures and sustainable on-site practices. This equates to 4427 $tCO_2e$ saved of the overall upfront embodied carbon (A1-A5).

**Embodied carbon avoided** by refurbishment of existing unit at Redditch 2,056 $tCO_2e$. (3)

**24%**

reduction in upfront embodied carbon on all development projects in 2025

**Reductions** in like for like
Scope 1 & 2 emissions




(1) % of floor area across all client funds as at 30th June 2026 (2) Across all funds (3) Calculation for Stages A1-A5 comparing refurbishment to new build units at Redditch

# Decarb Pathways

## Decarbonisation

We continue to align with and target the IPCC's call for a 50% reduction in emissions by 2030 and remain focused on achieving this across Scope 1 and Scope 2 emissions for our client funds, using robust absolute, like for like and intensity metrics to track our pursuit of the targets.

Using 2023 as the baseline year across our investment portfolios, we have continued to progress against the seven year decarbonisation timeframe, implementing and tracking reductions at the asset level then reviewing at the fund level. During 2025, we have furthered the development of asset level decarbonisation strategies and prioritised the advancement of actions within our control to ensure implementation keeps up with the commitment, and we remain aligned with our short term target of halving Scope 1 and 2 emissions by 2030 and thereafter longer term decarbonisation targets.

Our decarbonisation strategy is split into four phases, and is primarily applied to those assets where we have a degree of or full operational control acting for the Landlord.

Phase 01.

### Asset Baseline Data

In this phase we establish at a site-level, what data is available at an asset and work with the site teams to improve data coverage and completeness to provide us with a robust baseline year of data. We assess tenant engagement opportunities on site and create asset-specific sustainability action plans.

Phase 02.

### Decarb Pathway Setting

Using the baseline data we undertake a CRREM assessment for each of the assets, assessing their year of stranding to allow us to prioritise further, those asset which need focus. We then engage with the onsite team to set carbon and energy reduction targets, taking into consideration any lease renewal events or upcoming maintenance works which provide an opportunity to make energy efficiency improvements to the site

Phase 03.

### Net Zero Carbon-alignment

At this stage we undertake a net zero carbon audit for the asset, and set short, medium and long term targets based off this. We then work with the site teams and asset management teams to ensure CapEx for improvements is appropriately budgeted for.

Phase 04.

### Continuous Improvement

While implementing the NZC actions, we monitor and measure the asset's progress, continuously working with the site team on efficiencies towards our 2030 targets.

# Decarb Pathways

## Improving Data Quality

We continue to strengthen the robustness and consistency of our emissions data, while acknowledging that data challenges can at times necessitate estimates and impact year on year comparability. This year our approach has evolved to zero in on improvements to data completeness and the introduction of data coverage tracking across the portfolios.

With the introduction of the data coverage metric during the year, by the end of 2025 we achieved high coverage percentages for Scope 1 and 2 emissions for the funds. Scope 3 emissions coverage was not overlooked but the percentages achieved were less as we were reliant on our tenants to provide the necessary information and this is taking longer.

The data completeness metrics are set out in the Performance Tables within this report. From the work undertaken in 2025 we look forward to next year's presentation of both completeness and coverage metrics. This will demonstrate continued progress in emissions tracking and reflect improvements in data access and governance across the portfolio.

Expanding coverage enables a more representative view of portfolio performance, particularly in areas where data is outside of direct landlord control, and supports more robust, decision-useful insights at fund level.

## Development

In the past we have used multiple meanings of the word "Development" for our decarbonisation work. The focus this time has a double impact as we highlight the work pursued on development projects in actively influencing our delivery partners alongside continuing our in-house ESG training and knowledge sharing.

We introduced Green Working Practices within our contractor requirements for new developments. These set clear expectations around sustainable site operations and methodologies, encouraging contractors to embed lower-impact approaches into their day-to-day activities. Feedback from delivery partners indicates that this has not only influenced practices on our projects, but has also prompted wider changes across their own operations and supply chains, demonstrating the potential to drive more consistent and scalable sustainability outcomes beyond our direct control.

Our Responsible Investment team provides quarterly ESG training sessions to the whole company and regularly engages with the individual platform businesses. Alongside this, we have strengthened collaboration across our platform businesses through the creation of a Social Value Working Group. This group creates a forum to share best practice, align approaches, and drive more consistent delivery of social impact across our portfolio. By bringing together partners with different operating models and sector expertise, the group has enabled knowledge sharing on effective, lasting social value delivery, while also encouraging more structured approaches to monitoring and reporting outcomes.



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# Governance

- Standards & Certifications
- Oversight & Stakeholder Management
- Business Ethics
- Traditional Governance Factors

# Environmental

- Climate Change & Emissions
- Energy Efficiency
- Water Stewardship & Waste
- Biodiversity
- Pollution, Contamination & Hazardous Materials
- Materials & Embodied Carbon
- Sustainable Transport

## Responsible Business

- Responsible Investor
- Responsible Developer
- Responsible Manager

# Social

- Labour Practices & Human Rights
- Occupier & Community Engagement
- Health, Safety & Wellbeing
- Human Rights & Modern Slavery
- Diversity, Equity, Inclusion & Accessibility

## Driving Net Zero

Building on the Net Zero Carbon Audits conducted in 2023 and advanced throughout 2024, 2025 marked a shift towards implementation. Following the completion of audits across priority assets, we focused on delivering the recommendations identified, with an initial emphasis on low-cost, high-impact measures. In particular, behavioural change initiatives and operational optimisation were prioritised to unlock immediate emissions reductions ahead of more capital-intensive interventions.

Behavioural and operational recommendations included optimisation of building management systems, refinement of plant operating schedules, reduction of out-of-hours energy use, and strengthened energy monitoring. Tenant engagement was also identified as a key lever, supporting more energy-conscious behaviours and enabling emissions reductions across both landlord and occupier-controlled areas.

As we move through 2026, our focus will increasingly turn towards assets that continue to rely on gas-fired systems. Building on the findings of our Net Zero Carbon Audits, we will continue to develop and progress asset-specific decarbonisation pathways, assessing the technical and financial feasibility of transitioning to low-carbon heating solutions and reducing reliance on fossil fuels. Alongside ongoing optimisation and energy efficiency measures, we will prioritise the evaluation and the presentation of the business case, and the implementation of targeted capital projects, supporting further emissions reductions.

# Responsible Investment Performance



# UK Pension Fund (UKPF)

## Overview

Our UK pension fund is a long-term real estate investment mandate focused on delivering stable income and sustainable value for its members. The portfolio comprises a diversified mix of assets, actively managed through asset enhancement, selective disposals and capital recycling.

## Carbon and Energy Performance

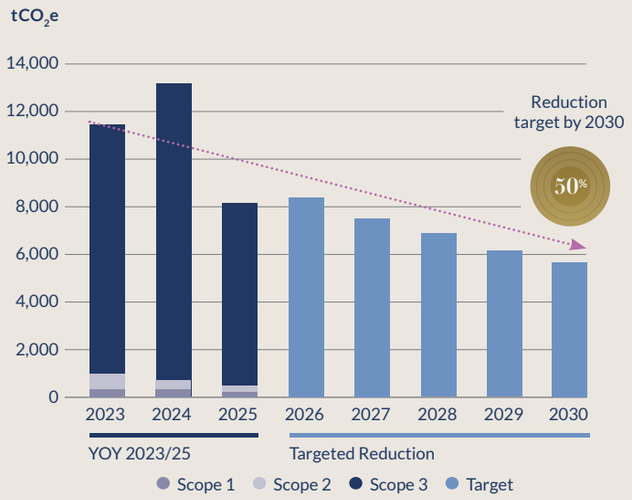
The graphs to the right illustrate the UKPF's Absolute and Like-for-Like emissions performance. The grey-to-dark blue bars represent actual Scope 1-3 emissions from our 2023 baseline through to 2025. We used our 2023 baseline to create a target to reduce Scope 1 and 2 emissions by 50% by 2030 contributing to the decline in both absolute emissions and emissions intensity observed by the Scheme over the last 4 years. The mid blue bars show these emissions reduction targets.

We have made progress in the decarbonisation of the UKPF, achieving a 38% reduction in absolute carbon emissions from 2024 to 2025. These savings were primarily made through the removal of fossil fuels at focus assets, occupancy variances, disposal of energy intense assets, and grid decarbonisation.

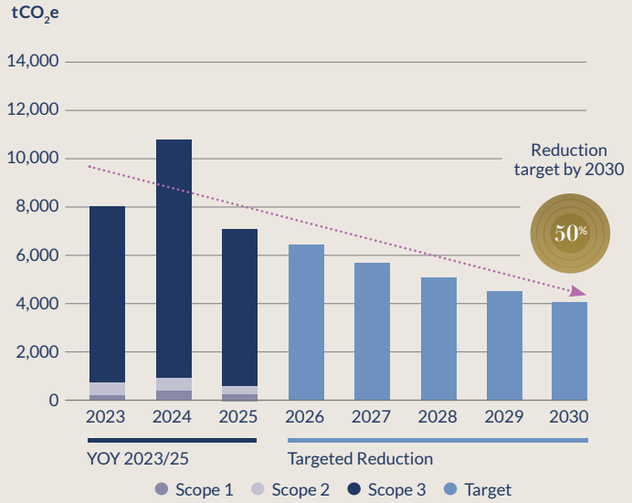
Absolute energy consumption decreased by 31% in 2025 compared with 2024 (see graph on next page), primarily driven by the disposal of energy intense assets. Further reductions were achieved through the implementation of energy efficiency initiatives at site level, including behaviour change programmes, as well as the removal of unnecessary gas supplies across the portfolio.

Given the high proportion of industrial and retail assets within the portfolio with fully repairing and insuring (FRI) leases, our ability to directly implement energy efficiency and EPC improvement measures can be limited. Therefore we adopt an opportunity-led approach, delivering EPC upgrades and asset improvement works during lease events, such as tenant changeovers, lease renewals, refurbishments and vacant possession periods, when interventions can be undertaken most effectively. The fund has 80% of EPCs by floor area achieving an EPC rating of EPC C or above.

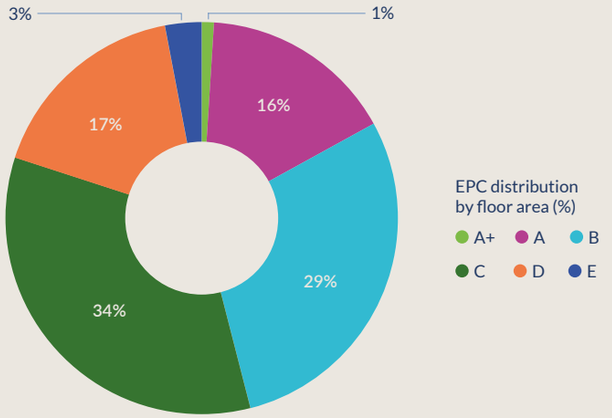
## Emissions – Absolute



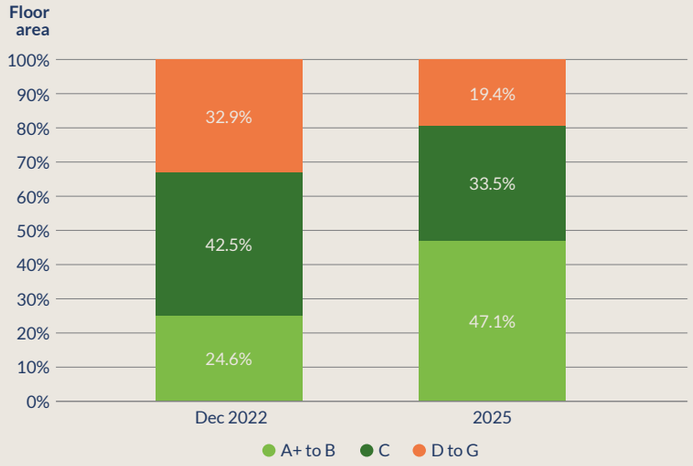

## Emissions – Like for Like




## EPC Distribution




## EPC Distribution Portfolio – Improvement Over 3 Years




(1) Dec 2025 EPC Distribution reflects a 13% reduction in portfolio floor area from 2022 on account of missing/expired EPCs now resolved and asset disposals.

# Environmental Performance (continued)

### Focus Assets Progress

The fund has a significant proportion of its assets held under FRI leases where all operational control rests with the tenant. In the remainder of the fund's assets we have identified a subset of 'focus assets' where we have greater influence over building systems and the ability to implement change - eight assets where we have operational control which makes it easier to implement environmental initiatives. The graph to the right highlights these eight assets. We have been working closely with site teams across these assets to progress our decarbonisation strategy, supporting our target to reduce Scope 1 and 2 emissions by 50% by 2030.

Whilst data coverage and completeness improved in 2024, increasing emissions, we achieved a 17% year-on-year reduction between 2024 and 2025 in like-for-like Scope 1 and 2 emissions.

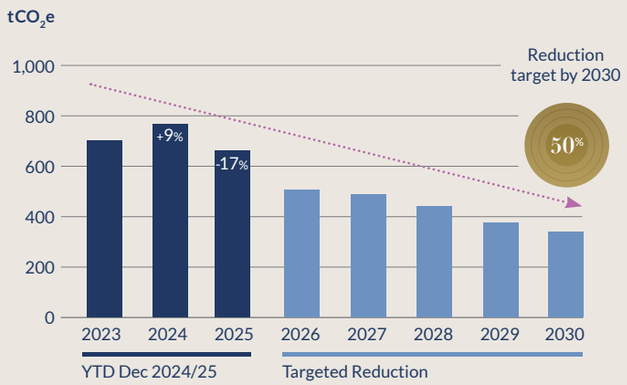
Despite this progress, we remain below our Scope 1 and 2 emissions reduction target for 2025. This is primarily due to higher-than-anticipated emissions reported for 2024, following enhancements to the data collection processes across the fund and with improvements in data quality. Looking ahead to 2026, our focus will be on the remaining assets with high Scope 1 emissions. We will target their decarbonisation, transitioning away from gas-based heating systems.

### Waste performance

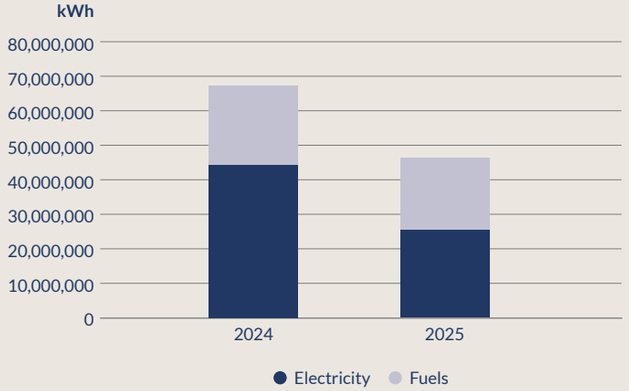
The fund-level recycling rate has improved marginally by 2%. This is likely due to the implementation of the Simpler Recycling England regulations which came into force in England in 2025. The regulations mandate the segregation at source of general waste into waste streams such as mixed recycling and food waste depending on the facilities of the asset in question. We expect recycling rates to increase as we move through 2026 as more sites comply. Not all assets within the fund manage waste on site, and waste data for FRI assets remains outside our control and vision. Nevertheless, we will continue to work with the property management teams where feasible to improve waste data coverage across the portfolio.

## Scope 1 & 2 Emissions

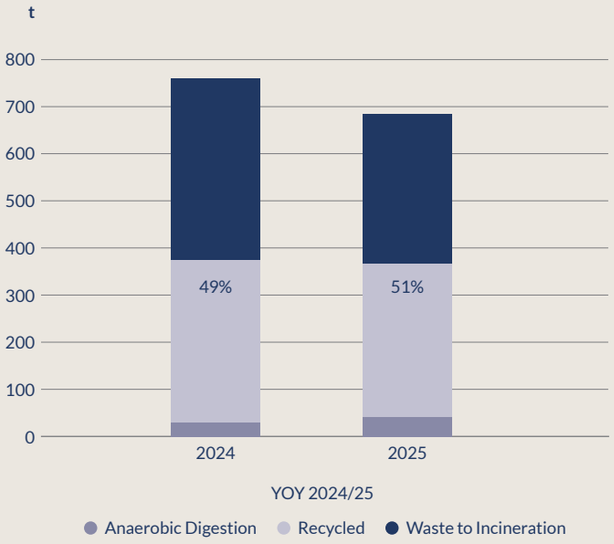
Focus Assets - Assets with operational control




## Energy Consumption




## Waste Generation



# Development Spotlight

## Proxima Park, Plot 500 – Green Working Practices

**In 2025, Delancey strengthened sustainability performance across its development pipeline by introducing a dedicated Industrial Sustainable Development Brief and mandatory and voluntary Green Working Practices (GWP) requirements for contractors. The framework establishes clear expectations around carbon reduction, renewable energy, waste management, responsible procurement, social value delivery, and performance reporting.**

The approach was piloted at Plot 500, Proxima Park, in partnership with Harmonix Construction. Bespoke environmental and social value KPIs were agreed and monitored monthly, covering Scope 1-3 carbon emissions, waste generation, local employment, and supply chain compliance. This structured reporting approach improved transparency and enabled continuous performance review throughout construction.

While the project remains on site, early results indicate an estimated 610 $tCO_2e$ reduction through design and construction interventions. Key measures include the use of lower-carbon materials, low-carbon site energy sources, efficient facade systems, on-site material reuse, and enhanced supply chain engagement. The pilot demonstrates how embedding sustainability requirements within construction contracts can drive measurable environmental outcomes, strengthen accountability, and establish a consistent approach to responsible development across Delancey's managed portfolio.

**30%**
embodied carbon reduction by using low carbon concrete

**70%**
of steel procured from electric arc furnace

**100%**
use of timber FSC/PEFC

**98%**
target for diverting construction waste from landfill



*"Proxima Park has been a valuable opportunity to collaborate with Delancey to develop an evidence-led approach to Green Working Practices. As well as demonstrating the positive outcomes achieved on the project, the process has provided insight around material and plant selection, supply-chain engagement and targets that will help us improve sustainability performance and reporting on future schemes."*

**Luke White** Procurement and Sustainability Manager, Harmonix Construction

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# Climate Risk

## Analysis

As mentioned in our opening remarks, this year has been all about adaptation and staying the course in a world increasingly marred by climate scepticism and geopolitical turmoil. For us, resilience is grounded in credible, practical responses to real-world risks, including the growing impact of physical climate hazards. Strengthening our understanding of these risks allows us to move beyond high-level commitments and take informed, asset-level action.

Following our partnership with ClimateX last year, we have enhanced our understanding of physical climate risk, specifically focusing on the UKPF portfolio. We updated our climate risk analysis in line with TCFD requirements and involving the usability of outputs. We used ClimateX to model asset-level exposure and enable scenario analysis including the ability to test mitigation actions and their impact on risk.

## Action

Following our analysis, we conducted asset-level reviews at the three assets with the highest exposure to surface water flooding. We concluded all sites have mitigation measures in place.

Mitigation measures at assets include:

1. Incorporating extensive Sustainable Drainage Systems (SuDS), including attenuation basins and swales, designed to manage runoff and safely direct excess water to nearby watercourses. The scheme includes a 30% climate change allowance and surface water management designed to prevent damage during extreme rainfall events.
2. Use of attenuation tanks, high-capacity drainage channels, swales and permeable surfaces, designed to a 1 in 100-year flood event (1% probability).
3. A combination of landscaped features ('moat' design), underground storage, and porous paving, with drainage capacity designed for a 1 in 100-year event plus 30% climate uplift.

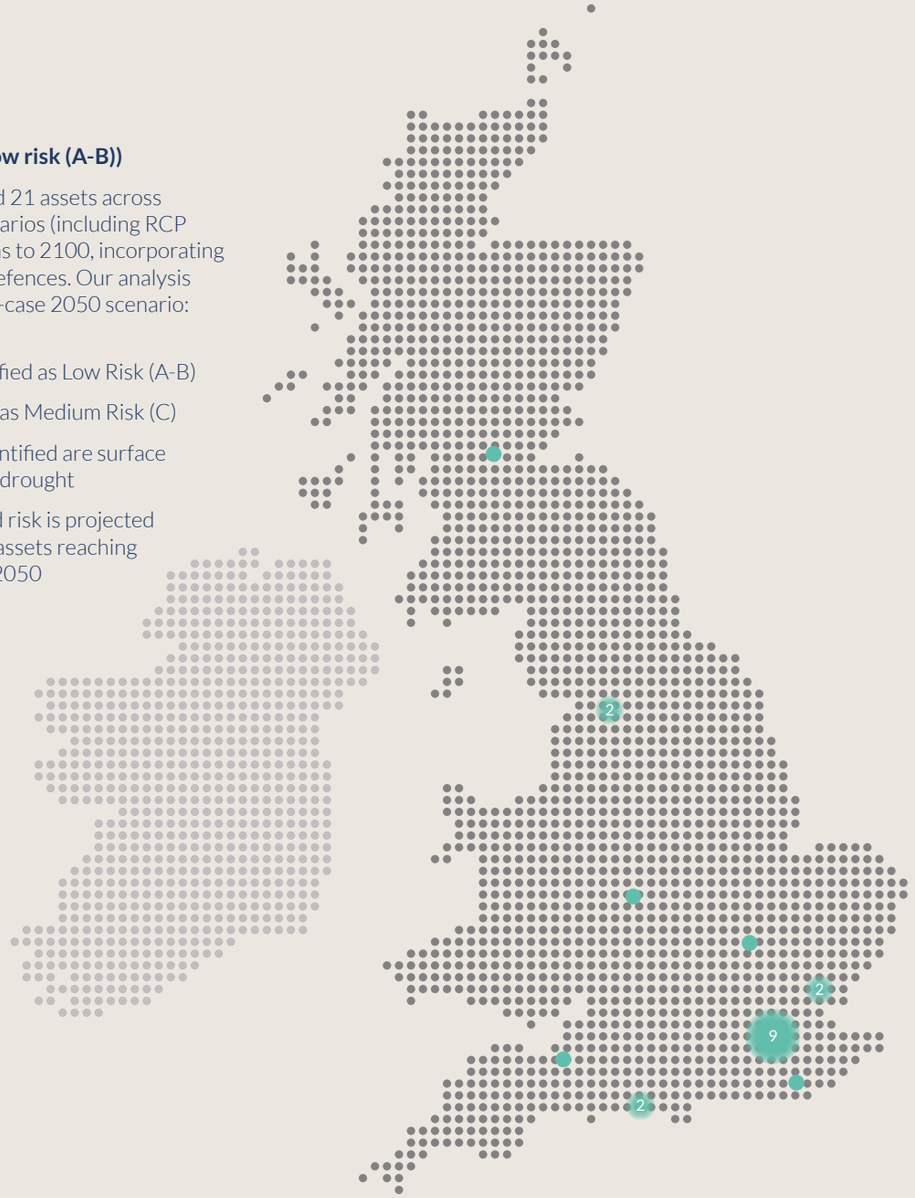
## Outcome

This analysis demonstrates that while physical climate risks—particularly surface water flooding – are present across the portfolio, mitigation measures are already integrated into asset design and operation. The Climate X modelling provides a consistent framework for monitoring exposure, validating resilience strategies, and informing future asset-level interventions.

### Delancey Assets (Low risk (A-B))

The analysis assessed 21 assets across multiple climate scenarios (including RCP 8.5) and time horizons to 2100, incorporating the impact of flood defences. Our analysis found, under a worst-case 2050 scenario:

- 20 assets are classified as Low Risk (A-B)
- 1 asset is classified as Medium Risk (C)
- Key risk drivers identified are surface water flooding and drought
- Surface water flood risk is projected to increase, with 3 assets reaching High Risk (E-F) by 2050



# DV4

## Overview

DV4 is a UK-focused real estate investment fund, investing across a diversified portfolio of operational assets and development projects. The fund's strategy is centred on driving long-term value through active asset management, integrating ESG considerations to manage risk and identify opportunities.

## Carbon and Energy Performance

Strengthening the Fund's sustainability reporting has been a priority in 2025 in line with anticipated regulatory requirements and the market's increasing focus on transparent and decision-useful data.

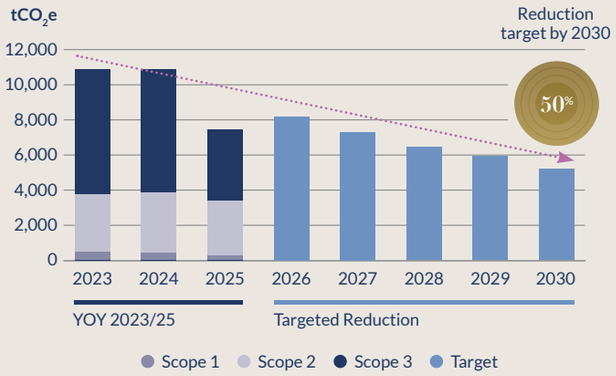
In 2025 absolute emissions decreased 28.4%. This is largely due to asset disposals as the fund pursues its disciplined liquidity strategy.

The Fund-level emission reduction target is 50% reduction by 2030 from a baseline year 2023. This is shown in the emissions graphs opposite with performance against the mid blue targets. DV4 is ahead of the target pathway.

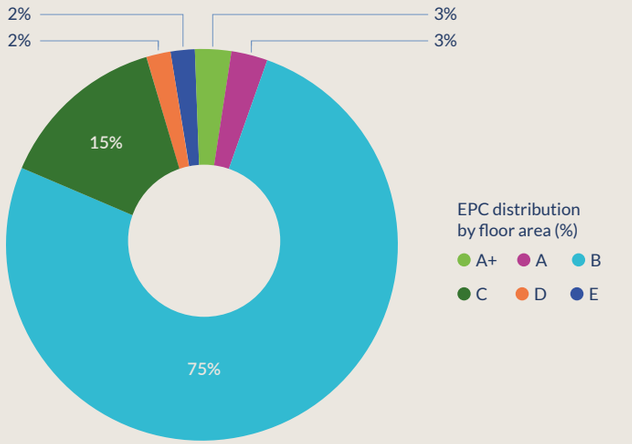
Aside from reductions from disposals, there has been a 10% reduction in like for like emissions from 2024 to 2025. This is largely due to continued reduction in energy use at Here East (noting occupancy is stable), an asset which due to its size and ownership weighting means this asset's performance has greater influence than other assets in the Fund.

Other assets in the Fund have previously had lower levels of actual data, which means that it is harder to attribute whether the improvements are due to initiatives on the ground or simply more accurate data.

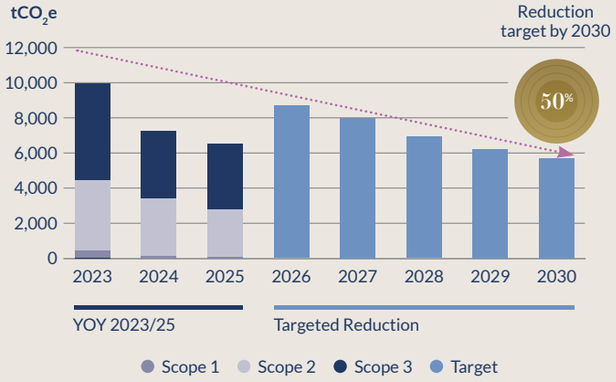
## Emissions – Absolute




## EPC Distribution




## Emissions – Like for Like



# Environmental Performance (continued)

Absolute energy consumption has decreased year on year, by 24%. This is primarily due to the disposal of more energy intensive assets. Electricity has contributed to the decrease more than gas.

Similarly waste generation has decreased, again largely due to the disposal of assets where waste data is available. The provision of waste data remains a challenge.

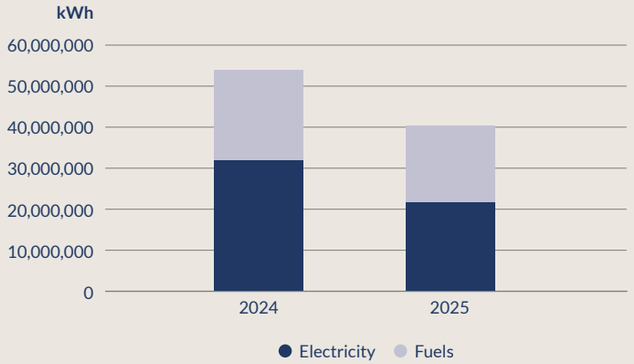
### Focus Asset Progress

Here East is a strong example of a Phase 4 - Continuous Improvement asset under our Decarbonisation Strategy. Despite being further advanced on its decarbonisation journey than most assets within DV4, it continues to drive improvement by identifying new opportunities to enhance energy efficiency and reduce emissions.

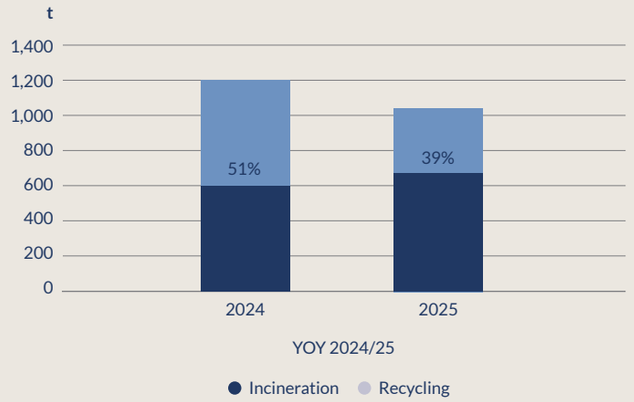
The Press Centre building programme initially focused on low-cost operational improvements in optimising the landlord-controlled areas. Key early initiatives included the implementation of advanced Heating Ventilation and Air Conditioning control strategies such as optimised running times, temperature setpoint refinement, and continuous performance monitoring via AI-driven building analytics tools. Then more involved projects including a full LED lighting upgrade with motion sensor integration, replacement of obsolete Building Management System (BMS) controllers, and in parallel, a phased upgrade of Low Temperature Hot Water/Chilled Water pump sets.

The successes in reducing energy consumption have been shared with tenants in encouragement of their implementation with support from the site team. Over a three-year period, this programme has delivered a 43% reduction in energy consumption equating to cumulative energy savings of 12,541,747 kWh, £1,067,747 in cost savings and a carbon reduction of 2,337 $tCO_2e$.

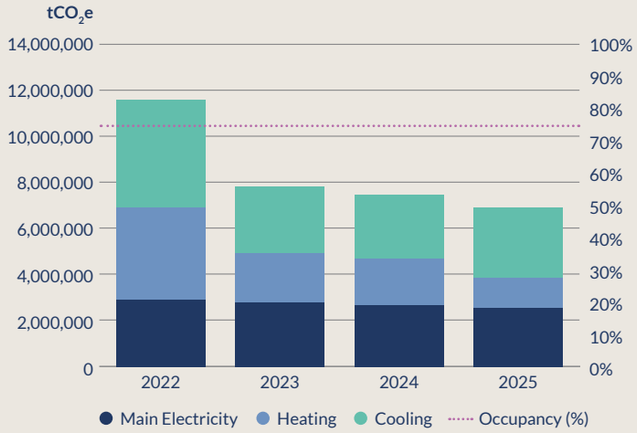
## Energy Consumption




## Fund Waste




## Here East Press Centre – Annual Energy Consumption



# UK Residential Fund

## Overview

The Fund ESG strategy is centred on three priorities: decarbonisation and energy reduction, which is reported on here, social value creation, and enhancing biodiversity. To support these ambitions operational certifications are being pursued. Several assets have already achieved BREEAM In-Use Very Good, providing a more meaningful measure of how assets are managed and perform in practice.

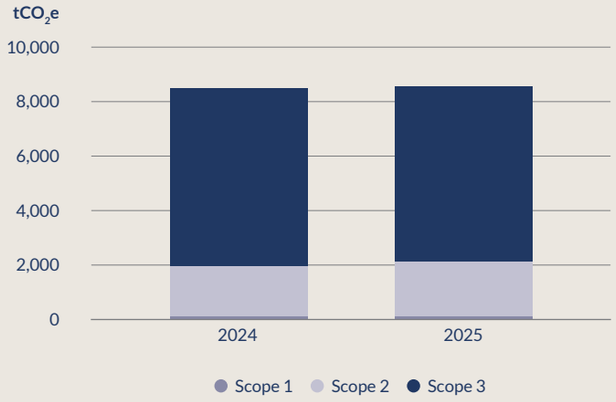
Net zero commitments are proving difficult to deliver, hindered by economic uncertainty and the practical challenges of implementation. The Fund's operational company Get Living remains focused on ambitious but credible targets, supported by asset-level transition plans and clearly defined investment programmes. Major lighting and controls upgrades are underway and are expected to reduce landlord energy consumption by more than 70%. The in-house operations capability has been strengthened and a Utilities Task Force established to accelerate energy performance improvements.

## ESG Performance

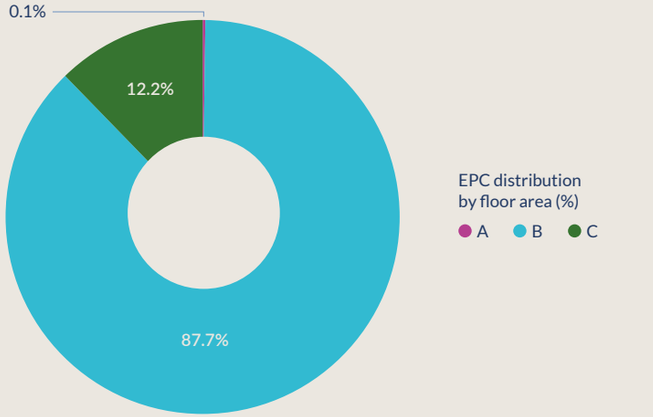
Absolute emissions were broadly stable, increasing by 0.5% from 2024 to 2025. The Like-for-like emissions followed the same trend (0.5%) as the Absolute emissions because the portfolio remained static. Consequently we have not presented this metric as a graph. Total energy consumption increased by 4.0%, driven by higher electricity use likely driven by occupancy, and marginally offset by lower fuel consumption.

The EPC profile of the residential portfolio achieves EPC A or B rating for 88% of its floor area, a high proportion of energy efficiency ratings. This is exceeded in the commercial portfolio with 89% of its floor area and 25% achieving an EPC A rating. Biodiversity action plans are in place for all assets focusing on enhancement projects and resident engagement through volunteering and citizen science events connecting residents to nature. Resident engagement, local partnerships and community programmes continue to be at the centre of the neighbourhoods. Investing in high-quality homes, shared spaces and activities that encourage connection and wellbeing to build stronger communities.

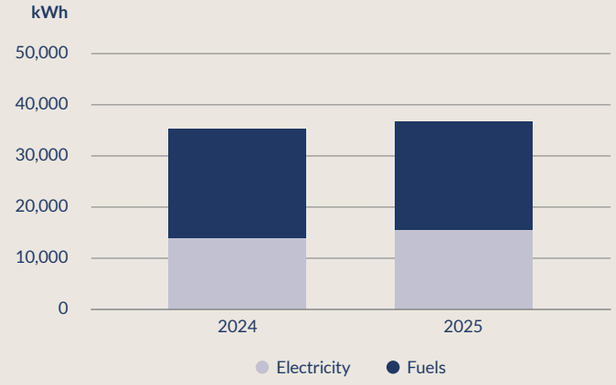
### Emissions – Absolute



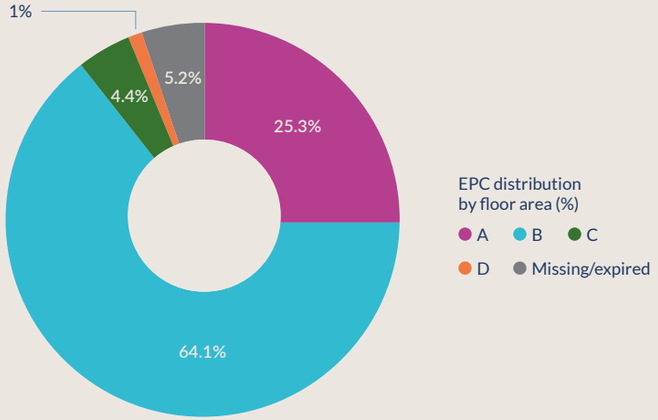

### Residential EPC Distribution




### Total Energy Consumption – 2024 vs 2025




### Commercial EPC Distribution



# Development Spotlight

## Redditch

**Greenlight Redditch is a five-unit industrial scheme in Worcestershire which combines four new build logistics units (totalling c. 127,000 sq. ft) with the refurbishment and extension of an existing occupied unit (c. 66,000 sq ft). The new-build units achieved BREEAM New Construction Outstanding, while the refurbishment achieved BREEAM Refurbishment and Fit-out Excellent.**

The deal was highly intricate and complex in allowing the tenant to continue business without disruption during refurbishment, ensuring job retention by avoiding relocation and improving employee well-being by investing in the workplace. It also maintained full rental income for DV4 throughout construction.

By refurbishing and extending the existing building rather than rebuilding, Greenlight held upfront embodied carbon to 254 $kgCO_2e/m^2$ for stages A1-A5. The project retained the sub-structure and foundations, structural steel frame, the wall cladding, brickwork and blockwork, warehouse slab and certain elements of M&E. The overcladding method allowed the building to be upgraded without full demolition, preserving resources and avoiding unnecessary emissions.

At the heart of the refurbishment project is a clear commitment to environmental sustainability. The unit achieved BREEAM Excellent and the building's EPC rating improved from C to B, a decarbonisation play enabled by the removal of gas-based systems, replacement with air source heat pumps and the installation of solar panels. Together, these interventions have eliminated fossil fuels from the site and will reduce carbon emissions in the future.

During the construction of the four new units, 11.6% of upfront embodied carbon was saved between design and construction (achieving A1-A5 590 $kgCO_2e/m^2$). A key contributor was using a higher recycled content in cement mix which delivered 75% of this saving.

These BREEAM Outstanding units have completed with EPC A+ ratings on account of the roof mounted PV panels. Their structure can support more panels to provide greater annual savings on energy bills. All units come with pre-installed EV charging infrastructure as standard, with the ability to extend EV charging provision to every parking space across the site.

Utilising the large roof area, the rainwater harvesting system helps reduce reliance on the mains water supply for non-potable use.




**57%** less embodied carbon for stages A1-A5 used during refurbishment when compared to adjacent constructed units.

**By refurbishing the occupied unit (including a small new office extension), the project has achieved an embodied carbon assessment for Stages A1-A5 in construction of 254 $kgCO_2e/m^2$. The embodied carbon benefit of refurbishment is shown when this figure is compared to the new units constructed next door of 590 $kgCO_2e/m^2$.**

# Social Value Spotlight

## Abbey College Cambridge

**Abbey DLD Group of Colleges is a group of three independent sixth form colleges based in London, Cambridge and Manchester.**

March 2025 saw students from Abbey College Cambridge host a highly successful 'sustainability' conference for both local and international students. The student–led event saw more than 60 students aged 13–18 join for the highly anticipated event including students from Gymnazium Banska Bystrica, a visiting Slovakian school. The students were brought together in front of a highly-skilled and inspirational panel of guest speakers including: the CEO of Sustainability and Environmental Education, the Principal of UWC Atlantic College, and the Senior Conservation Casework Officer at the Royal Society for the Protection of Birds.

The three speakers shared a very clear message with the students, emphasising that collaboration was the key to tackling global environmental challenges of the world around them, engaging with people and taking responsibility for themselves. They suggested that the students should look at experimental learning, their own peers, and addressing and considering a diverse range of issues to address global challenges. The panel cited examples in which sustainable agriculture, biodiversity, conservation and environmental protection initiatives have worked together successfully, providing much needed inspiration for the students.

The students set about working on their presentations to address sustainability, both globally but importantly within their local area. Utilising the collaborative principle they learned from the panel, the students worked in mixed groups collaborating to prepare their presentations to share with the panel and cohort. The students not only presented some innovative and exciting suggestions but took it one step further with the Abbey College Cambridge students arranging for each attendee to receive a memoir from the event, a sustainable bookmark which when planted, will grow wildflowers.






*"The students benefit enormously from these student-led events, to lead not just within the college, but on a global scale too."*

**Dr Elena Hesse** Principal, Abbey College Cambridge

# Asset Spotlight

## Earls Court Development: Strategic Partnerships

**The Earls Court Development Company (ECDC) achieved a major milestone at the end of 2025 in gaining committee approval from both the Royal Borough of Kensington & Chelsea and the London Borough of Hammersmith & Fulham in passing a resolution to grant planning permission for the transformation of London's largest cleared development site.**

This would not have been possible without the collaboration of public, private and local community bodies and the hard yards travelled by ECDC. And with our shared goals we look forward to strengthening these relationships in the coming years in pursuit of the scheme's delivery.

The project has afforded other partnering opportunities which have the potential to be both literally and conceptually, groundbreaking both at Earls Court and more widely in real estate. Pre-construction we are using the utility of the vacant site as a home to construction enterprise.

### The Skills Centre

The Skills Centre is a hub for construction upskilling and education. It has introduced a Green Plant Academy which is London's first dedicated training hub for plant operatives. Launched in partnership with ECDC and Places for London, the academy offers free, accredited training in plant operations, including hands-on experience with low-carbon and sustainable machinery. Open to local residents, and supported by leading employers like Sunbelt Rentals, L Lynch, FM Conway and JCB, the academy helps learners step into well-paid, future-ready careers in construction. Employers can also access flexible, high-quality training to upskill their teams. *'Whether you're looking to start a new career or grow your workforce, the Green Plant Academy is your gateway to building a greener London.'*

### The Stone Demonstrator

The Stone Demonstrator is a boundary-pushing stone prototype promoting use of more sustainable materials and building practices in the construction industry. The project funded by the Design Museum's Future Observatory and the UKRI Arts and Humanities Research Council is a partnership with Future Observatory together with ECDC, architects Groupwork and engineers Webb Yates and Arup. The open-air Stone Demonstrator stands at three storeys tall, measuring 6.5m x 6.5m, with the ground floor and adjoining park open to the public.

It acts as both a 1:1 scale research tool and a call for the construction industry to hasten its efforts to transition to low-carbon materials. Nearly 40% of global carbon emissions are created by the built environment, with 11% coming from the construction of new buildings. Natural stone is an extremely low-carbon material.

The Stone Demonstrator is a prototype of an alternative way to build that reduces carbon emissions by approximately 70% compared to a reinforced concrete frame, and 90% compared to a steel frame. It consists of stone blocks that are connected by steel tendons and compressed to create pre-tensioned beams and columns. The floorplates are a mix of pre-tensioned stone slabs, combined with timber joists and a roof of dowel-laminated timber (DLT). The structure has a self-supporting facade of stone bricks, which are at least 90% lower in carbon emissions than London's vernacular of fired clay bricks.



# Social Value Spotlight

## Kensington Aldridge Academy Trust

**Kensington Aldridge Academy (KAA) is an outstanding secondary school in North Kensington, serving disadvantaged communities close to Grenfell Tower. For 2024/25, Delancey partnered with the Earls Court Development Company (ECDC) to support the KAA Intrepid Trust (KIT), helping to expand the school's performing arts programme and benefit more than 200 students.**

A key initiative is the PCA Scholarship programme, which gives talented young performers access to opportunities they might otherwise miss, with places awarded through a performing arts aptitude assessment. Last year, 48 scholars benefited from music, dance and drama training, while partnerships with organisations including LAMDA and Step Into Dance enabled students to work towards recognised qualifications and perform at prestigious venues. On top of this, students were invited to take part in the prestigious and celebrated Royal Academy of Dance showcase to perform their hip-hop routine.

Funding also supported KAA's summer production of Oliver, involving 55 students, by providing professional vocal coaching, costumes and a live band largely made up of student musicians. Building on its success, KAA has established its own in-house band, which continues to rehearse weekly and perform at school events.

Building on that success the KAA in-house band has continued to thrive. In continuing to be led by two local musicians, the students have thrived from the consistencies of this extra-curricular activity. Meeting once a week and being able to add a new song every month highlights the talent and dedication of the children to not only their instruments but also their bandmates. With their outstanding performance of 'Eye of the Tiger' during the Christmas pantomime the students show no sign of slowing down with many of them taking on Music as a subject for their GCSEs.

Delancey is proud to partner with ECDC to support KIT and KAA, helping to nurture talent, build confidence and create new opportunities for the school's 1,200 pupils.



# DV5

## Overview

DV5 is a UK real estate fund focused on value-add and opportunistic investments. The portfolio comprises three development projects in Kings Cross, Milton Keynes and Reading, together with the Wild Water Group, an operational refrigerated logistics business.

The fund submitted to the GRESB Development benchmark for the second consecutive year, maintaining its 4-star rating and a score of 94%. Milton Keynes achieved BREEAM Outstanding and an EPC A+ in 2025. Reading and London developments are progressing towards BREEAM Outstanding, supporting the fund target for green certifications across 90% of assets by floor area.

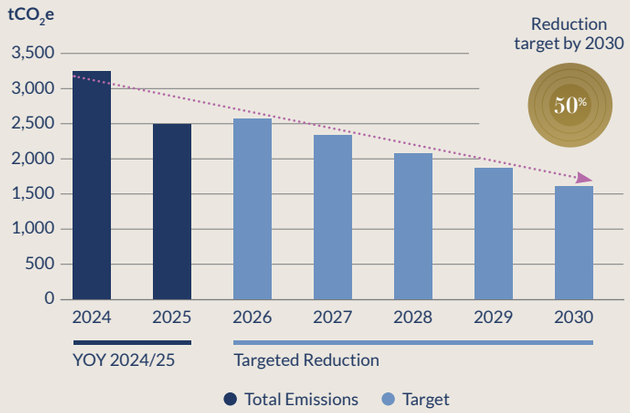
## Carbon and Energy Performance

Wild Water achieved a 21.8% reduction in absolute emissions, from 3,143 $tCO_2e$ in 2024 to 2,459 $tCO_2e$ in 2025.
This was driven primarily by the disposal of an emissions intense asset in Wild Water, the principal source of gas consumption in the portfolio. In addition, reduced landlord-controlled electricity use across several other Wild Water logistics assets contributed to the overall emissions reduction.

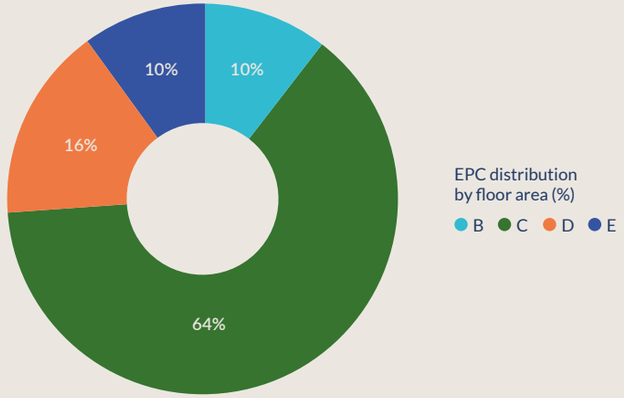
Whole-life carbon assessments continue to inform the design of the three development assets, supporting the fund's alignment with the IPCC goal of a 50% reduction in Scope 1 and 2 emissions by 2030.

Absolute total energy consumption fell 13% partly due to operational efficiency measures implemented by Wild Water, and again reflecting the disposal of the energy intense asset and the vacancy of the Kings Cross development asset. The energy consumed in the redevelopment of the Milton Keynes and Reading assets is not measured.

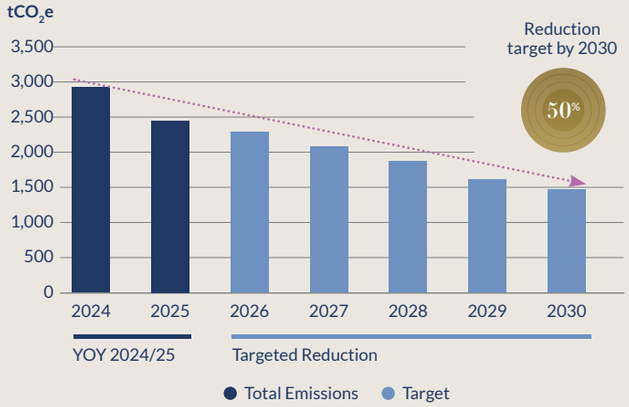
### Emissions – Absolute



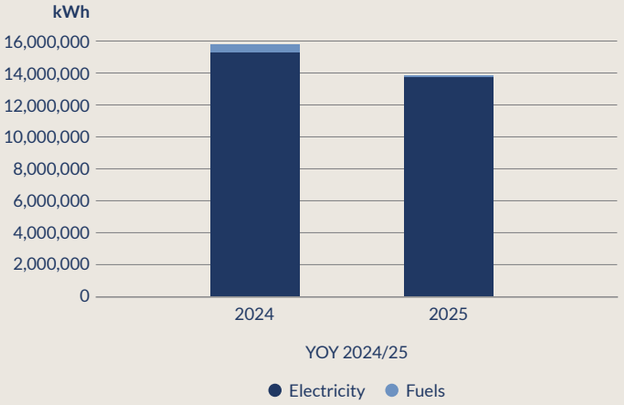

### EPC Distribution




### Emissions – Like for Like




### Energy Consumption



# Development Spotlight

## Milton Keynes

**Greenlight Milton Keynes is a three-unit logistics development based on the site of former vacant offices. The three new warehouse units total approximately 176,500 sq ft, each with integrated two-storey offices, rooflights and a rooftop solar array.**

The project achieved a 31% reduction in embodied carbon (1) from the design stage to as built, from 699 $kgCO_2e/m^2$ to 486 $kgCO_2e/m^2$.

The scheme achieved BREEAM In-Construction Outstanding and an EPC A+ rating, while delivering embodied carbon emissions 19% below Delancey's target of 600 $kgCO_2e/m^2$. Furthermore, the development achieved upfront carbon emissions 23.5% below the UKNZCBS limit for 2025 when assessed in accordance with the Standard's methodology (building only, excluding external works and on-site renewables).

Roof cladding optimisation was a key contributor to reducing embodied carbon, with the project adopting a product with 35% lower embodied carbon and using 16% less cladding by weight than originally anticipated through on-site material optimisation. The second most significant contributor was the concrete used within the service yard, which incorporated a lower-carbon mix achieving a 23% reduction in embodied carbon, while on-site optimisation also reduced concrete usage by 3% compared with the initial design. The development also incorporates rooftop solar PV, air source heat pumps and advanced energy monitoring systems, helping to reduce operational energy demand and support occupier sustainability objectives.

**Reduction in embodied carbon**
from design to as built stage

# 31%

CODE FOR A SUSTAINABLE BUILT ENVIRONMENT
BREEAM
**OUTSTANDING**

EPC
A+
Base build

(1) Embodied carbon is the greenhouse gas emissions arising from the materials and construction processes used throughout an asset's lifecycle.



*"The relationship with Greenlight Urban has been extremely positive from the outset. They worked closely with us to agree the pre-let and then continued to support us proactively through the fit-out stage, helping us create a facility that works for our business."*

**Accelera by Cummins**

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# JV with Institutional Investment Partner

## Overview

This is a strategic partnership targeting UK commercial property investments. It acquired three super-prime office buildings in central London during H2 2025. The partnership has been established to invest into UK real estate by identifying sectors and assets to deliver attractive risk-adjusted returns to the superannuation fund's 1.1 million members.

Sustainability is an intrinsic part of the strategy, with the partnership's decarbonisation agenda integrated at every stage of the investment lifecycle – from acquisition through to management and divestment.

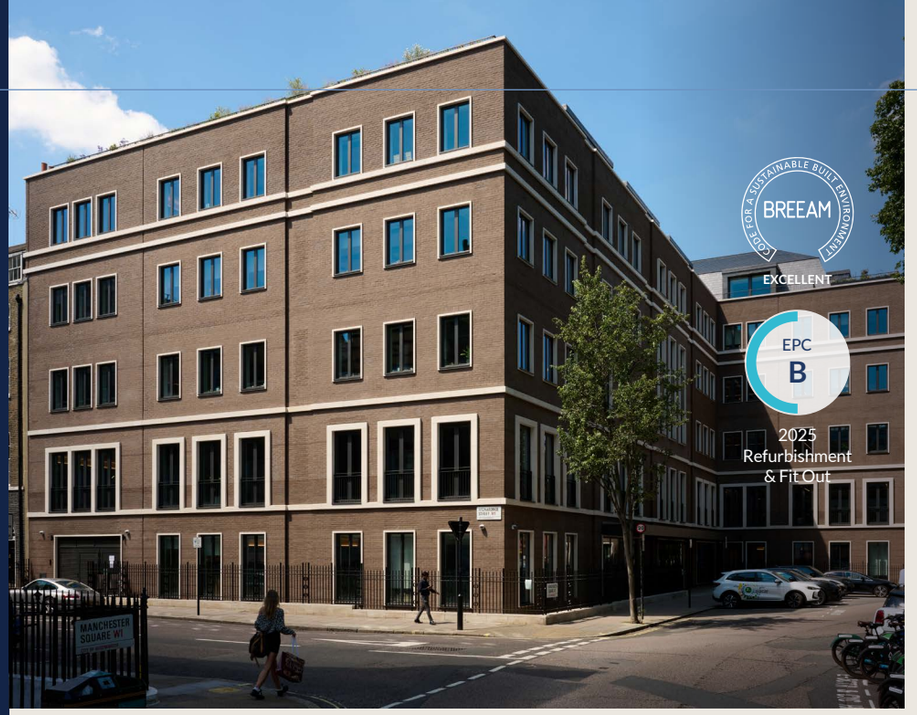
## Carbon and Energy Performance

As a new partnership formed during 2025, one of the first steps has been the establishment of a data software platform, then engagement with the tenants, property managers and utility suppliers towards data collation and validation. Targets have been both coverage in terms of area covered and completeness over time. We have sought to obtain historic information to enable year on year comparison.

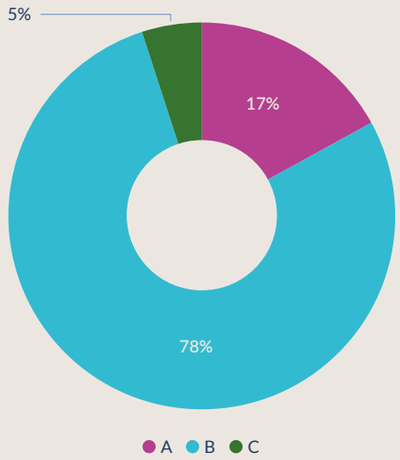
The project of requesting tenant data, validating meter floor area set-ups and improving accuracy is work in progress. The data will improve and our objective is to establish a data set that informs and supports decisions.

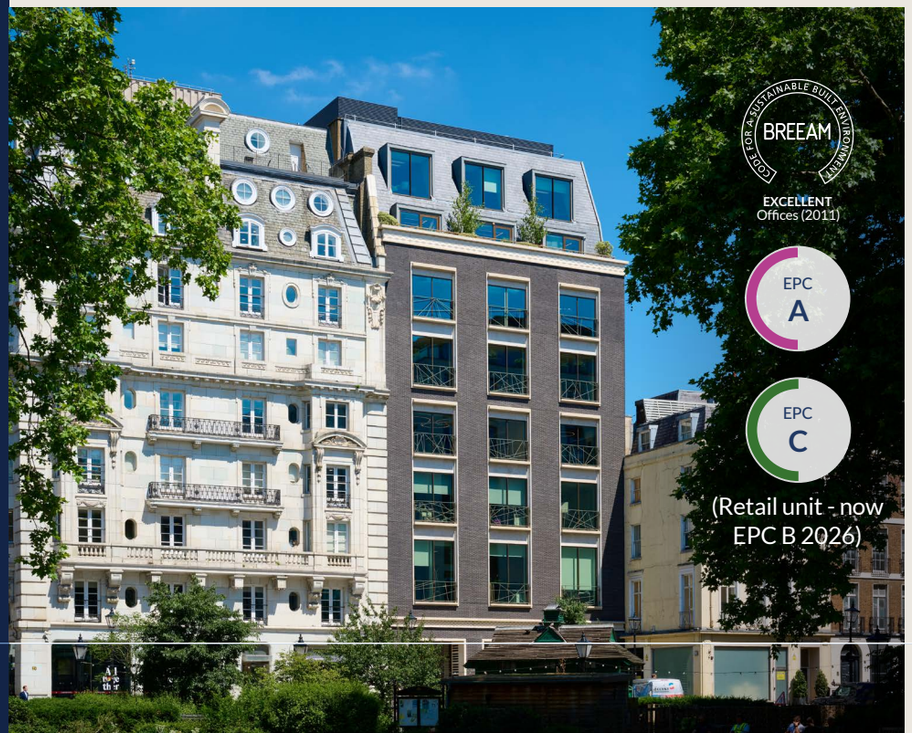
## Data Performance

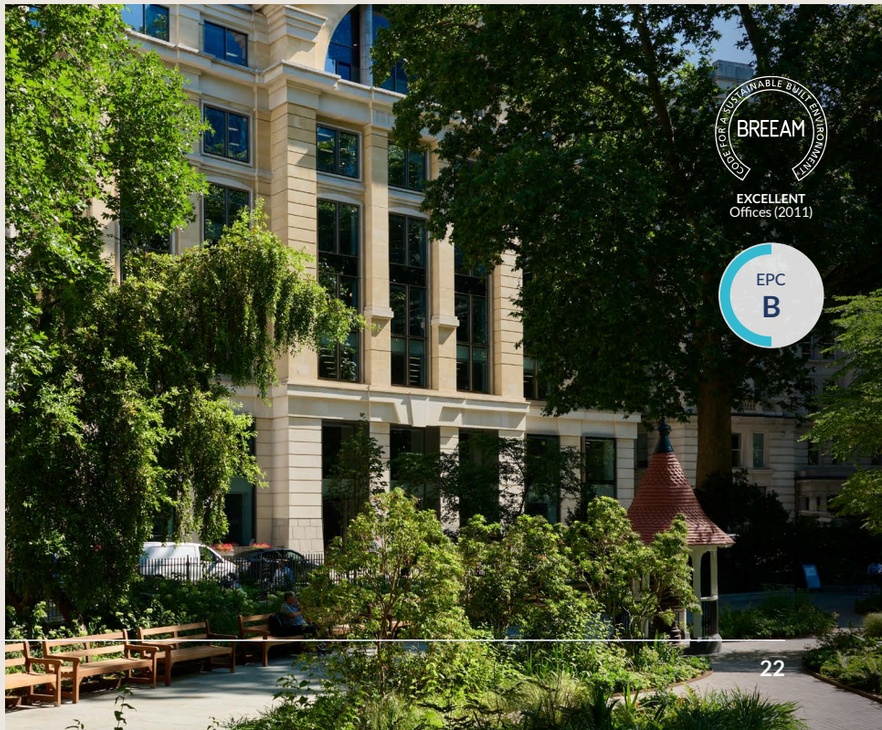
Energy data completeness over the 3 assets fluctuated between 95-100% during the latter quarter of 2025. This is only a third of the picture and as commonly experienced in the real estate sector industry obtaining full data coverage and confidence in data accuracy are perennial targets. This is in our sights for 2026 across energy, water and waste.



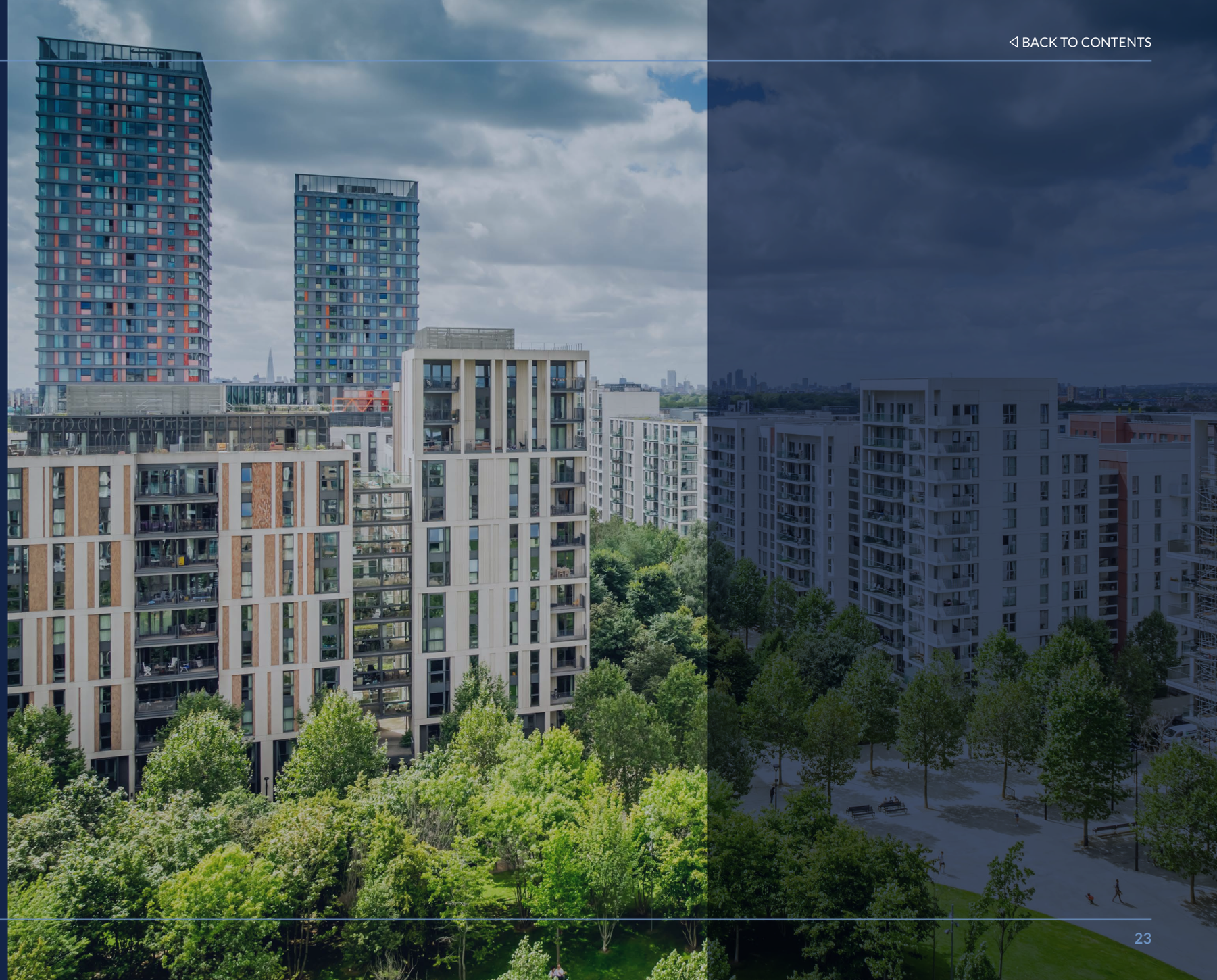

### EPC Distribution



# Corporate Sustainability



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# Corporate Sustainability Update

Rooted in our reduction efforts is our belief in collective action and everyone at Delancey has a role to play. Our efforts on our own doorstep mirror the same principles and behaviours we pursue across the assets and businesses we manage.

We continue to measure, monitor and report on our corporate emissions for our operations because we know striving to become a low carbon business is part of transitioning to a lower carbon economy. With the data we are now target setting on some of our footprints. We still have areas to improve. Use of the Alectro software has made our environmental impacts and dependencies more visible to the business.

The corporate emissions include all relevant emissions sources apart from Scope 3 Investments, which are included in the Performance Tables in the Appendix. Our scope 1, 2 & 3 emissions for 2025 totalled 193.75 $tCO_2e$. Our Scope 2 emissions were zero due to procuring REGO-backed renewable electricity. Our biggest sources of corporate emissions came from Business Travel (44%), food and drink (25%), employee commuting (12%) and purchased goods (10%). Compared to 2024, our 2025 emissions show a 30% reduction in overall emissions, which is predominantly driven by reduced business travel during the year.

As part of our corporate ESG strategy, we established an Office Environmental Plan Working Group, bringing together colleagues from across the business who are passionate about sustainability and well-positioned to drive change within their roles. We have developed an environmental office plan identifying various initiatives to improve our corporate environmental footprint. Initiatives include reducing plastic packaging for food and drink provisions, alongside promoting behavioural change across the office to improve energy efficiency and waste segregation.

Reduction in corporate emissions

# 30%

2025 Total Emissions 193.75 $tCO_2eq$
(2024 276.82 $tCO_2eq$)

## Corporate emissions breakdown



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# Community Engagement






**At Delancey, we believe that successful places are shaped not only by the buildings within them, but by the people and communities they serve.**

Across our assets, developments and platform businesses, we look for opportunities to create meaningful connections with local communities and deliver a positive and lasting impact. This includes working with local organisations and charities, supporting initiatives that create opportunities for young people, and bringing communities together through events, education and shared experiences.

Alongside our work at an asset level, we continue to build long-term partnerships with organisations whose work aligns with our values. Through volunteering, sponsorship, fundraising and direct support, we aim to use our resources, relationships and expertise to contribute positively to the communities around us.

Our community engagement activity continues to focus on areas where we believe we can make a meaningful difference, including young people, education, mental health, the arts and heritage.

## Total donations to support charities

**£161,725**

## Philanthropy

We are constantly on the lookout for ways in which we can make much needed contributions to the community, and together with other colleagues in the property sector we support a number of charities and deserving causes in the world of art and culture. Our charitable activities are focused on five key community themes:

- Mental Health
- Young People
- Education
- The Arts
- Heritage

**Organisations that we supported in 2025 include:**

HERITAGE of LONDON TRUST

the academy of real assets

English Heritage

HISTORIC ROYAL PALACES

The Zen Project

Historic England

the listening place

DELANCEY UK SCHOOLS CHESS CHALLENGE

STOP. BREATHE. THINK.

Dads House

SNOW CAMP Snowsports Youth Charity

Anne Frank. The Anne Frank Trust UK

# Community Engagement

## Philanthropy / Volunteering

## Academy of Real Assets Insight Programme

**Community Theme:**

### Education



Delancey proudly supports the Academy of Real Assets and its ambitions to increase the diversity within our industry. Together, we believe we can make a big difference to the direction and careers of a large number of students who would not ordinarily consider a career in our industry possible.

2025 saw Delancey, alongside L&G, co-sponsor the Academy of Real Assets creative essay writing competition. The essay title of 'If I could build my neighbourhood from scratch...' saw students and programme members submit essays, poems and illustrations for consideration to be included in the final iteration of the book.

Delancey attended the launch event to hear from these young students whose ideas and values will help shape the future of the sector. The event also saw our CEO Stafford Lancaster speak to the value of organisations like the Academy, in ensuring that the industry is open and accessible to all.

In July, Delancey welcomed eight students from the Academy for a three-day internship programme. The students, aged 14-17, met colleagues from across the business, explored career pathways into real estate, and visited landmark regeneration projects at Elephant & Castle and Earl's Court. The programme concluded with students reflecting on their experiences and presenting their key learnings and future aspirations.

In its drive to make the industry more inclusive, the Academy provides young people with the ability to engage in shaping their own environments and with a fresh perspective provide the industry with much needed innovation and energy.

Delancey is proud of its long-term commitment to education, diversity, inclusion, and its firm belief in supporting the neighbourhoods within which it works.

We are delighted to partner with initiatives like the Academy of Real Assets to see those commitments in action and look forward to welcoming Academy graduates into the industry in the future.



Students engaged

**202**

Hours of educational engagement

**27**

Days of student engagement

**5**

# Community Engagement
## Philanthropy / Volunteering

## Historic Royal Palaces

**Community Theme:**

### Heritage



In 2025, we announced our partnership with Historic Royal Palaces, an initiative that recognises the needs of home-educated students, many of whom struggle with learning difficulties. Throughout the academic year, Historic Royal Palaces invites home educators to visit their London sites for tailored learning experiences. Our support removes much of the cost barrier which allows access to education and history to all families.

The six London sites have buildings steeped in history and they are:

– Tower of London
– Hampton Court Palace
– Banqueting House
– Kensington Palace
– Kew Palace
– Hillsborough Castle

The partnership between Delancey and Historic Royal Palaces was announced at the 'Henry VIII on Tour' festival at Hampton Court Palace on 26th June, in which the Home Educators programme welcomed almost 5,000 school students and their teachers, as well as 500 home educated children and their families.

At the festival, Historic Royal Palaces recreate the colour, activity, and atmosphere of a royal procession through a series of demonstration tents, performances, and historical characters. Through interactive and multi-sensory activities, the children broadened their understanding of the Tudor world while having fun.

As part of the programme Delancey volunteered at the Tower of London to support the de-installation of The Tower Remembers poppy display. These ceramic poppies had been installed across the Tower's moat from VE Day to Remembrance Day to commemorate the 80th anniversary of the end of the Second World War.

Our team volunteered alongside HRP's coordinators to help carefully clean and pack away the poppies following the closure of the installation. It was a meaningful opportunity to contribute to the heritage work HRP delivers year-round.

This volunteer day was organised on behalf of the Home Educators programme, which helps open London's palaces to home educated children and their families. These specially designed days are sensory-friendly, helping children (many of whom face learning challenges) to explore the past in a supportive, inclusive environment. Through Delancey's support, the cost barrier for these events is greatly reduced, ensuring that all families have the opportunity to take part.

The Home Educators programme, launched in 2023, has to date facilitated over 1,200 children visiting the six historic palaces. For the year in which Delancey is a key sponsor (2025/26), Historic Royal Palaces is looking to accommodate 1,100 home-educated children and their families. Historic Royal Palaces has a target of reaching two million children through the initiative.

In Autumn 2024, local authorities reported 111,700 children in elective home education (EHE). This is an increase from an estimated 92,000 in the previous autumn term. Many have special educational needs or emotional or mental health issues, and so the Home Educators programme allows them to enjoy national icons such as the Tower of London in a structured, supportive environment.





Students attended

**5,000**

# Community Engagement

## Philanthropy / Volunteering

## Supporting Mental Wellbeing Through the Zen Project

**Community Theme:**

### Mental Health




During Mental Health Awareness Week 2025, Delancey partnered with social enterprise The Zen Project to deliver an initiative designed to bring accessible wellbeing support directly to communities close to our assets in our key boroughs.

The programme funded the Zen Bus; a converted American school bus transformed into a mobile sanctuary offering free mindfulness and wellness sessions. Over the course of the week, the bus travelled to 10 locations, including Here East, Earl's Court, Royal Priors, High Chelmer, Southwark College and community venues in Islington, alongside visits to Kenilworth School and Castle Square.

Participants were invited to take part in guided sessions focused on breathwork, meditation, visualisation and sound baths, designed to help reduce stress, manage anxiety and improve focus and resilience. Dedicated sessions were also delivered for local students and community groups, helping extend the programme's reach across a diverse range of participants.

Over the week, the programme delivered 71 sessions and engaged more than 600 participants, providing a moment of calm and reflection within busy working and learning environments. Initiatives such as this reflect Delancey's broader commitment to responsible investment and its aim to create places that support the wellbeing of the communities in which they operate.




**Sessions delivered**

71

**Total participants**

600+

# Community Engagement

## Philanthropy / Volunteering

### Regeneration Brainery

**Community Theme:**

**Education**

**Students supported**

**1,000+**



In April 2025, Delancey was delighted to announce its new partnership with Regeneration Brainery. Regeneration Brainery is an award-winning aspirational academy set up in 2017 with the express goal of bringing young, enthusiastic and diverse minds into the industry. We are passionate about supporting help young people from diverse and underrepresented backgrounds explore careers in the property, regeneration and built environment sector.

Since their inception in 2017, Regeneration Brainery has grown rapidly in their outreach and delivery of skill based bootcamps/workshops. They have supported over 7,000 Brainees with more than 16,000 volunteer hours and the success of the programme is evident, with over a third of their students joining the industry. In 2025, they grew again supporting more than 1,000 students to gain access, experience, and insight within various aspects of the industry.

In attending a couple of bootcamps this year, Delancey was thrilled to be able to help deliver such an impressive year for Regeneration Brainery. A particular highlight came in hosting a Regeneration Brainery bootcamp at Delancey, where mentors from Delancey and other leading companies guided students/Brainees through engaging discussion and activities around development and regeneration. On top of this, Brainees were joined by some of Delancey's partners to guide them through some of London's most significant regeneration projects, giving them unique access to the practical deliverability of regeneration projects.

In showing a commitment to community consultation, engagement and inclusion of local voices throughout both design and delivery, the students learnt how they can have an active role in shaping their own cities. This partnership has already made a significant impact, helping to raise aspirations, build confidence, and spark interest in new career ambitions. The creation of space for young people to engage with real developments demonstrates Delancey's continued commitment to supporting young people and initiatives that drive positive social change within the industry, and the wider community.



# Community Engagement

## Philanthropy / Volunteering

### Inspiring Future Careers Through Proud Places

**Community Theme:**

**Heritage**



Delancey has a long-standing partnership with Heritage of London Trust, supporting the charity's work to protect London's historic sites and engage young people with the capital's heritage. As part of this relationship, Delancey collaborated with the Trust's Proud Places programme, a London-wide initiative designed to inspire young people and help them develop life skills, confidence and an understanding of future career opportunities.

Across two dedicated Dragons' Den events hosted at Delancey, students visited the office to learn more about the real estate industry and the range of careers within it. Delancey team members shared insights into their professional journeys and typical roles within the business, helping demonstrate that there are many different pathways into the sector.

Students also took part in one-to-one mock interviews, receiving constructive feedback and guidance from Delancey colleagues to help them identify their strengths and build confidence in professional settings.

The day concluded with a Dragons' Den style pitching session, where students presented restoration proposals for historic London heritage sites. Their ideas were reviewed by a panel of Delancey senior leadership alongside Heritage of London Trust representatives, who provided feedback and selected winning teams.

By providing practical experience in presenting ideas, interviewing and engaging with professionals, the initiative helped students develop confidence, communication skills and a greater awareness of potential career pathways. Initiatives such as this reflect Delancey's commitment to supporting young people and creating positive social value through its long-standing community partnerships.



# Community Engagement

## Philanthropy / Volunteering

### Partnership with Supporting Wounded Veterans

**Community Theme:**

**Mental Health**



Delancey has supported Supporting Wounded Veterans (SWV), a charity dedicated to assisting former members of HM Forces who have been medically discharged or who have developed physical or mental health conditions since leaving the service. Established in 2012, the charity supports veterans as they transition from rehabilitation into training, employment and independent living.

In 2025, Delancey took part in the SWV Winter Challenge, raising more than £10,000 to support the charity's work. The challenge runs alongside SWV's Veteran Ski-Habilitation Week, where a group of veterans travel to Klosters, Switzerland to learn adaptive skiing regardless of injury, supported by professional instructors and a dedicated medical team.

Delancey team members joined the veterans during the week, taking part in fundraising challenges and supporting the programme that helps participants rebuild confidence, overcome physical and mental barriers, and reconnect with a supportive community.

Through initiatives such as this, Delancey aims to support organisations that make a meaningful difference to individuals and communities. The partnership reflects Delancey's commitment to charitable engagement and to supporting programmes that help people rebuild confidence, independence and opportunity.




Money raised (£)

**£10,000+**

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# Sustainability in Practice

The governance framework at Delancey supports strategic decision-making in respect of Delancey's internal controls and operational environment, as well as client focussed business activities, demonstrated by a number of governance committees, including a Conflicts Committee, Risk Committee, Responsible Investment Committee (RIC) and Diversity, Equity & Inclusion Committee, all of which monitor the control and regulatory environment and assist the Board in fulfilling its oversight responsibilities.

The Delancey Governance Board (DGB) is the governing body that considers all Delancey Group and client related governance, regulatory, compliance and operational risk matters impacting on Delancey's operations. This ensures that Delancey and its group advisory entities operate within a robust regulatory and internal control environment, overseen by the Chief Compliance Officer. For its client funds, the appointment of appropriately qualified and experienced Directors is undertaken by Delancey to ensure that the Fund vehicle is sufficiently resourced to conduct its activities. All related regulatory and legislative obligations are managed by the Fund (GP) Board and supported by Delancey as appropriate in its role as Investment Adviser.

The RIC meets quarterly to review ESG practices, policy updates, and progress. In particular, the RI Business Plan, Modern Slavery risk, Investor Reporting requirements, RI policy review and Industry environmental and social KPIs all featured during 2025. This committee directly oversees responsible investment matters for all group entities and client mandates, providing transparency and accountability that investors require.

At Delancey, risk management sits seamlessly within the overall governance and internal control environment. The risk management framework includes a Risk Committee, chaired by the Chief Compliance Officer, but also comprising senior personnel from across the business functions, including the Chief Financial Officer, Director of Asset Management, Compliance Director and Director of IT Operations. This Committee considers and evaluates key risks presented within a Corporate Risk Register, with the Chief Compliance Officer, Chief Financial Officer, Director of IT Operations primarily responsible for ensuring that these aspects of the business are carefully considered and managed or mitigated within the company's day-to-day operations.

At a corporate level ESG risks, which also form part of the Delancey Risk Register, are considered and appraised by the Responsible Investment Director who reports to the Risk Committee at regular intervals. In compiling the report, consideration will be given to:

- The existing risks identified within the Corporate Risk Register and defining any new risks.
- An evaluation of the controls/mitigants in place for the risks and the appropriateness of these.
- The inherent risk rating and the residual risk category for each risk.

Evaluation of risk is carried out at both fund and investment level. Our lifecycle approach embeds considerations of ESG-related risk into investment decisions, asset management plans, and ultimately at divestment stage. At fund/client level:

- ESG risk evaluation is in-built into consideration of investment acquisitions, flowing through into the acquisition process.
- ESG risk exposure is then monitored on an ongoing basis in line with Delancey's risk management framework and is reported to Clients accordingly.

## 01. Reach

Composed of senior leaders from investment, compliance, development, asset management, finance, and RI teams.

## 02. Range

Oversees responsible investment matters for all group entities, client mandates, and platform businesses.

## 03. Review

Reports to Executive Directors and meets quarterly to review regulatory compliance, ESG practices and progress.

## 04. Regard

Revisits the Responsible Investment Policy, Exclusions Guidelines, industry memberships, and training.





# DEI Committee

## Modern Slavery

Delancey is committed to eliminating acts of modern slavery from occurring within its business and supply chain and seeks to impose the same high standards on its suppliers and partners.

As a real estate investment adviser and manager of direct and indirect real estate assets, Delancey is aware of its exposure to industries considered to be at higher risk of modern slavery, including the construction industry, industries with complex supply chains, and real estate sectors such as retail. Delancey therefore recognises its responsibility to tackle this risk and act on any issues relating to modern slavery.

Modern slavery is managed in accordance with Delancey's governance framework for sustainability and risk management, with ultimate oversight at Board level. In 2025, Delancey established a Modern Slavery Working Group comprising senior representatives across Compliance, Development, Asset Management and ESG. The Working Group reports to the Responsible Investment Committee.

Delancey is not within the scope of section 54 of the Modern Slavery Act 2015 but voluntarily produces an annual Modern Slavery Statement, which is published on its website.

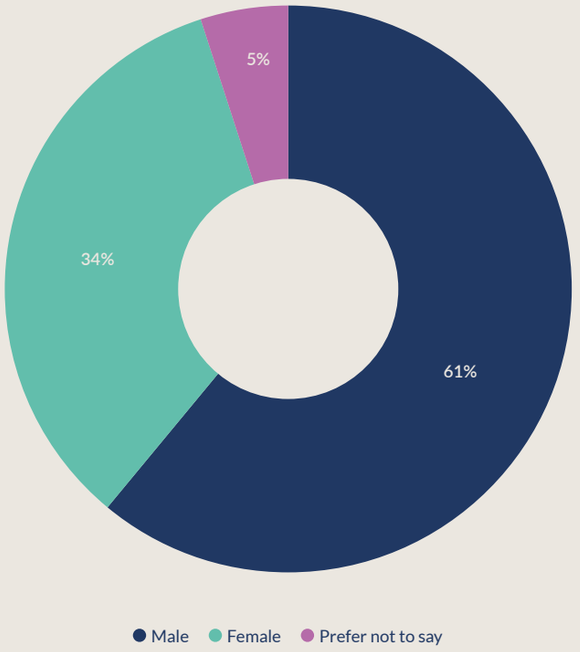
## DEI Committee

Our DEI Committee oversees the firm-wide approach to DEI and formally reviews and updates all DEI-related policies and procedures. The Committee also has responsibility to ensure appropriate resources are available to execute employee initiatives and reviewing the work of consultants and other service providers. The Committee meets on a monthly basis. It is chaired by our Head of HR and consists of representation across teams.

In 2025 we conducted our fourth employee engagement survey, achieving a 100% response rate. We are a firm of 58 employees solely based at our London office (numbers as at the end of 2025). Due to the size of our firm, we do not believe it is additive to set quantitative diversity targets as just one colleague departing or joining would cause the results to fluctuate substantially. Our focus is on both creating a culture that is welcoming and supportive of employees from all backgrounds and tracking long-term trends in the workplace.

Our aim is employees are empowered to grow, develop professionally, contribute to shared success and are given equal opportunity to be successful.

### Gender Diversity



# Looking to the Future

**Show and Tell is a staple of all primary school classrooms, it builds crucial social and emotional skills and encourages children to reflect. One could call it an early form of critical thinking. More of that in a minute.**

We have been disclosing the energy and emissions of the assets under our management for several years. The statistical fund level energy and emissions reductions are heavily influenced by portfolio composition changes and grid decarbonisation.

We now need to think hard about how we report and share the progress made with our clients as we want to make our reporting more meaningful.

In the DV4 Fund, where Here East contributes significantly to the Fund's overall environmental performance, the operational improvements achieved at the asset has shown significant energy and emission reductions. These reductions are visible at both the asset and the fund level even allowing for portfolio disposals. This asset level intervention feels more genuine than the fund level analysis that we have reported, both on absolute and like for like bases. We want to expend our energy on optimising controls, electrifying buildings, collaborating with tenants towards reduced energy consumption and falling energy intensity. The first rule is to give the client what it wants but it can sometimes feel that the sharing of fund emissions data doesn't allow the investor to properly benchmark, monitor progress or assess risk exposure of its investments as it is too high level and doesn't properly reflect real progress.

Reporting has really helped with transparency and accelerated data collection and accuracy, but we are now moving from the Show period to the Tell one. We want to be telling investors what we have actually done to reduce transition risk.

To make real progress we need the insight. Our data journey over the last few years has included automated meter-reading roll outs, tenant data sharing initiatives, improving completeness datasets and solving data gaps. Armed with reliable data we have a firm footing to deliver on reducing and removing carbon.

It is a similar approach to physical risk where we have assessed assets' exposure to hazards from climate change and reported on them, but we are laser-focused on action in risk mitigation and delivery of adaptation measures. We are moving from the Show phase to the Tell phase.



# Thank You

*"The sector might feel jaded and fatigued by the continued challenges from the West, but we remain energised. Over in the East it was the year of the snake and its ability to shed its skin in Chinese culture symbolises transformation. We have achieved some notable transformations during the year."*

**Robert Jenkins**
Responsible Investment Director



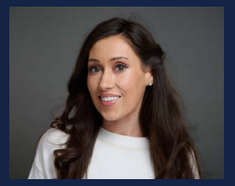
*"Working in sustainability often reminds me of playing bagpipes - loud, divisive, and something people claim to enjoy mostly at a distance. We'd argue the instrument is sound; it's the playing that needs work. So we practise. Cleaner data, sharper frameworks, and a commercial logic that now carries the tune on its own. Each year, fewer winces."*

**Kirsty Naismith**
Associate, Responsible Investment



*"Working alongside our Responsible Investment team and charitable partners is one of the most rewarding parts of my role. It's incredibly fulfilling to help bring initiatives to life that create meaningful opportunities and lasting impact, while showing the human face of Delancey and the people behind our business."*

**Olivia Corbett-Joyce**
Marketing Executive



*"We were so sad to see our colleague Christina move on to new challenges early in 2026. Much of our progress in 2025 was as a result of her wisdom and endeavour. Thank you Christina!"*



# Appendix



# Performance Tables

| | | | | 2025 | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Absolute | | | | | | | | | Like-for-like | | | | | | | | |
| Fund | Nr of assets | Total floor area ($m^2$) | KPI type | Scope 1 | Scope 2 | Scope 3 | Electricity (kWh) | Fuels ( kWh) | Water ($m^3$) | Waste (tonnes) | Recycling (%) | Nr of assets | Total floor area ($m^2$) | Scope 1 | Scope 2 | Scope 3 | Electricity (kWh) | Fuels (kWh) | Water ($m^3$) | Waste (tonnes) | Recycling (%) |
| | | | | Landlord | | Tenant | | | | | | | | Landlord | | Tenant | | | | | |
| UK Pension Fund | 29 | 420,253 | Performance | 313.53 | 349.80 | 7,595.83 | 28,906,364.94 | 17,391,736.15 | 600,030.53 | 675.96 | 51% | 26 | 392,490 | 313.53 | 347.97 | 6,693.17 | 26,274,301.47 | 14,994,452.24 | 296,602.62 | 675.96 | 51% |
| | | | *Data completeness %* | *100%* | *96%* | *53%* | *51%* | *80%* | *26%* | *34%* | *NA* | | | *100%* | *97%* | *53%* | *51%* | *80%* | *27%* | *38%* | *NA* |
| DV4 | 34 | 1,065,846 | Performance | 562.32 | 3,417.02 | 3,893.57 | 21,629,016.41 | 18,712,432.52 | 317,780.09 | 1,045.67 | 39% | 31 | 1,032,384 | 143.77 | 2,888.85 | 3,534.03 | 18,812,175.26 | 14,513,084.03 | 91,367.56 | 1,045.67 | 39% |
| | | | *Data completeness %* | *75%* | *91%* | *84%* | *85%* | *83%* | *62%* | *24%* | *NA* | | | *75%* | *91%* | *84%* | *85%* | *83%* | *66%* | *27%* | *NA* |
| UK Residential | 8 | 650,658 | Performance | 85.75 | 2,018.96 | 6,423.62 | 16,505,769.00 | 21,518,110.79 | 348,804.83 | NA | NA | 8 | 650,658 | 1.37 | 32.30 | 102.78 | 264,092.30 | 344,289.77 | 5,580.88 | NA | NA |
| | | | *Data completeness %* | *NA* | *100%* | *78%* | *100%* | *57%* | *0%* | *0%* | *NA* | | | *NA* | *100%* | *78%* | *100%* | *57%* | *0%* | *NA* | *NA* |
| DV5 | 10 | 92,909 | Performance | 72.25 | 2,444.23 | 3.21 | 13,825,972.28 | 46,908.62 | 32,066.62 | 640.11 | 18% | 10 | 92,909 | 3.42 | 2,444.23 | 3.14 | 13,825,895.31 | 19,696.24 | 22,564.44 | NA | NA |
| | | | *Data completeness %* | *100%* | *96%* | *79%* | *91%* | *99%* | *78%* | *73%* | *NA* | | | *100%* | *96%* | *82%* | *91%* | *99%* | *82%* | *NA* | *NA* |

| | | | | 2024 | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Absolute | | | | | | | | | Like-for-like | | | | | | | | |
| Fund | Nr of assets | Total floor area ($m^2$) | KPI type | Scope 1 | Scope 2 | Scope 3 | Electricity (kWh) | Fuels (kWh) | Water ($m^3$) | Waste (tonnes) | Recycling (%) | Nr of assets | Total floor area ($m^2$) | Scope 1 | Scope 2 | Scope 3 | Electricity (kWh) | Fuels (kWh) | Water ($m^3$) | Waste (tonnes) | Recycling (%) |
| | | | | Landlord | | Tenant | | | | | | | | Landlord | | Tenant | | | | | |
| UK Pension Fund | 39 | 527,781 | Performance | 402.52 | 523.75 | 12,309.49 | 44,427,985.77 | 22,269,894.28 | 642,318.08 | 827.17 | 49% | 26 | 392,490 | 360.38 | 432.21 | 9,982.79 | 37,403,158.56 | 16,771,114.86 | 322,173.49 | 725.75 | 49% |
| | | | *Data completeness %* | *100%* | *99%* | *80%* | *80%* | *84%* | *26%* | *31%* | *NA* | | | *100%* | *99%* | *79%* | *80%* | *81%* | *23%* | *23%* | *NA* |
| DV4 | 35 | 1,078,285 | Performance | 742.02 | 3,855.43 | 6,402.55 | 31,236,463.44 | 22,138,619.19 | 320,908.17 | 1,215.77 | 51% | 31 | 1,032,384 | 167.81 | 3,208.41 | 3,900.73 | 19,905,635.97 | 14,787,154.46 | 81,898.10 | 1,215.77 | 51% |
| | | | *Data completeness %* | *75%* | *93%* | *91%* | *93%* | *82%* | *48%* | *24%* | *NA* | | | *75%* | *94%* | *91%* | *93%* | *81%* | *58%* | *27%* | *NA* |
| UK Residential | 8 | 650,658 | Performance | 85.93 | 1,859.24 | 6,539.70 | 14,800,169.58 | 21,758,950.98 | 387,817.00 | NA | NA | 8 | 650,658 | 1.37 | 29.75 | 104.64 | 236,802.71 | 348,143.22 | 6,205.07 | NA | NA |
| | | | *Data completeness %* | *NA* | *75%* | *67%* | *71%* | *57%* | *100%* | *0%* | *NA* | | | *NA* | *75%* | *67%* | *71%* | *57%* | *100%* | *NA* | *NA* |
| DV5 | 11 | 123,141 | Performance | 87.28 | 3,180.90 | 6.25 | 15,387,148.74 | 479,907.27 | 26,791.57 | NA | NA | 10 | 92,909 | 4.58 | 2,922.74 | 6.25 | 14,140,510.49 | 27,783.40 | 17,229.40 | 185.31 | 26% |
| | | | *Data completeness %* | *93%* | *95%* | *100%* | *96%* | *94%* | *86%* | *NA* | *NA* | | | *100%* | *98%* | *100%* | *98%* | *100%* | *85%* | *NA* | *NA* |

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# Methodology

The data includes analysis on absolute and like-for-like performance across all Delancey managed client funds.

- Absolute Data: Refers to the aggregate performance of all assets in each Fund in each year, including any assets purchased or sold part-way through the period.
- Like-for-like Data: Refers to the aggregate performance of assets held in both 2024 and 2025, excluding any held for less than 24 months. This therefore accounts for changes performance that are due to an asset being sold or acquired.

The reported metrics in this document have been prepared using data held on the SIERA data management platform. The data has been collated and analysed by the sustainability consultants for the Funds, EVORA Global. This data is not third party assured separately. Asset and fund-level analysis is reliant on information provided by third parties, such as meter readings or invoices received on a quarterly basis from property managers and consultants.
All metrics take into account each fund's ownership share of the underlying assets unless otherwise stated separately. Where energy or water data is not available for a given time period or floor area, gap-filling is undertaken using pro-rated consumption and proxies, i.e. asset-class specific benchmarks multiplied by the floor area for each asset. Validation checks are undertaken to ensure accuracy.

Carbon emissions for real estate assets are calculated using consumption data (meter readings and invoices) for energy supplies, multiplied by applicable emission factors. Scope 1 emissions arise from landlord-controlled gas supplies to real estate assets. Scope 2 emissions arise from landlord-controlled electricity supplies to real estate assets. Scope 3 emissions arise from tenant-controlled energy supplies to real estate assets. Emissions are reported only for the period of ownership of assets within the Group.

The reported Data Completeness for carbon emissions, energy and water is a time-based metric for data quality, calculated by assessing the expected data collated over time for the known meters in each of the funds. The percentage is the proportion of actual data over the 12 months for these meters. Some assets do not hold meter information for the full floor area and therefore gap filling is applied for the shortfall. The target is to also report on Data Coverage next year to provide an assessment of area served for the known meters, thereby providing more detailed insight into the data quality.

Waste generation and recycling rates are reported using actual data from property teams and do not include any estimation. Data quality (completeness) is reported as the proportion of assets with available data.

**Note: While the Group engages with data providers to query any identified data quality concerns, it is unable to fully verify the accuracy of information received.**

**Equally, where information is obtained in good faith from tenants (e.g. in relation to Scope 3 carbon emissions) the Group cannot query the accuracy of such information.**



# TCFD Disclosures

Whilst we do not fall in scope of mandatory TCFD reporting, we have chosen to voluntarily disclose in line with the TCFD guidelines because we believe these topics are important to address and provide transparency around due to their double materiality nature. This section sets out our current TCFD-aligned entity disclosures in relation to climate-related matters for the reporting period 1 January 2025 – 31 December 2025. We are reviewing our current disclosures with the aim of transitioning to alignment with IFRS S2 requirements to provide comprehensive climate-related information in line with recommended guidance.

| | |
|---|---|
| **Governance** | |
| Describe the board's oversight of climate related risks and opportunities. | The ultimate oversight and leadership on Responsible Investment, including climate-related risks and opportunities, rests with Delancey's Executive Directors determining the commitment and direction at an organisational level. The evaluation of climate-related risks and opportunities pre-investment and the action plan for managing these is part of our Responsible Investment strategy. Please see a summary of our Responsible Investment Approach on page 7 and more detail of oversight in our Responsible Investment Policy here.<br><br>The Delancey Risk Register, maintained by the Compliance Team, highlights key corporate and operational risks, impact and likelihood mitigants and residual risk status – including climate risk. All key risks/material adjustments to identified risks are presented to the Delancey Governance Board accordingly. |
| Describe management's role in assessing and managing climate-related risks and opportunities. | The Responsible Investment Committee is responsible for overseeing ESG-related training needs and how to best build internal capabilities, which includes the management of climate-related risks and opportunities.<br><br>The Investment team is responsible for implementing the pre-investment climate assessments and ESG Acquisition Assessments while the asset management and development teams are responsible for implementing the management action plans and development briefs post investment. Each of the teams receive support and oversight from the Delancey Responsible Investment team. |
| **Strategy** | |
| Describe the climate-related risk and opportunities the organisation has identified over the short, medium, and long term. | Delancey has identified key climate related risks and opportunities that may have an impact on the organisation and the funds it manages on behalf of its clients over time. These are outlined below. As a UK-focused investment adviser and manager, we are primarily exposed to physical climate risks in the UK, but equally, due to the global nature of supply chain, extreme weather events elsewhere can cause disruptions that impact our projects. Local, national, European, and global regulatory changes also have an impact on our business and client Funds.<br><br>The distinction between short, medium, and long term risks and opportunities is additive for our strategy but given that we are focused on real estate investments and developments we believe that all these risks can be significant irrespective of the time horizon considered. We define the short term as the next 3 years, medium term as 3-5 years, and long term as 5+ years. |

Describe the impact of climate-related risks and opportunities on the organisations business strategy, and financial planning.

**Short and Medium Term (1 to 5 years)**

| Risk / Opportunity | Description | Impact | Description of Impact |
|---|---|---|---|
| **Regulatory** | – Early obsolescence of assets exposed to stranding risk because they will not meet immediate and/or future regulatory efficiency standards (e.g. Minimum Energy Efficiency Standards "MEES").<br>– Enhanced reporting obligations (operational emissions, embodied carbon, EU taxonomy alignment etc.). | **Moderate** | – Significant or Moderate increase in CAPEX.<br>– Risk of asset devaluation and impact on liquidity.<br>– Greater demand on internal resources and need for external advisers resulting in higher costs to comply with climate / sustainability regulation. |
| **Market Risk / Opportunities** | – Assets with poor environmental credentials not meeting stakeholder expectations.<br>– Rising energy costs impacting inefficient assets.<br>– Increased cost of carbon.<br>– Market preferences moving away from new development towards retrofit, circularity and repurposing. | **Significant** | – Significant or Moderate increase CAPEX.<br>– Risk of asset devaluation and impact on liquidity.<br>– Reduction in demand for inefficient assets.<br>– Opportunity to capitalise on demand by delivering efficient assets and delivering innovative interventions. |
| **Reputation** | – Increased stakeholder concern and negative feedback in case of practices not meeting expectations. | **Moderate** | – Investor disinterest in corporate offer.<br>– Laggard perception.<br>– Reduction in capital availability. |
| **Technology** | – New technologies and software present opportunities to streamline interventions (e.g., data collection, physical climate risk assessments, reporting, energy monitoring, building management systems).<br>– Risk of proven technology. Costs to transition to lower emission technologies. | **Moderate** | – Efficiencies freeing up internal resource.<br>– Better client servicing.<br>– Increased expenditure on new technologies needed to manage transition risk.<br>– Costs of substitution of existing products and services with lower emissions options. |
| **Physical Climate Risk** | – In the short and medium term, extreme weather events can cause disruptions to suppliers on our development projects.<br>– Extreme weather events causing damage to buildings and their operations. | **Moderate** | – Reduced availability of international products and materials, delayed project delivery times.<br>– Damage to assets, requiring increased CAPEX and OPEX.<br>– Disruptions to asset operability. |

Describe the impact of climate-related risks and opportunities on the organisations business strategy, and financial planning.

**Long Term (5+ years)**

| Risk / Opportunity | Description | Impact | Description of Impact |
|---|---|---|---|
| **Physical Climate Risk** | Albeit already evident through increased occurrence of extreme weather events, the extent and impact of physical climate risk exposure becomes more severe over time. | **Moderate** | – Damage to assets, requiring increased CAPEX and OPEX.<br>– Disruptions to asset operability impacting activities and profits of occupiers, thereby affecting asset income streams.<br>– Assets in high risk areas devaluing and becoming more illiquid.<br>– Negative impact on investor views of our preparedness to assess and capacity to forecast and respond to climate threats. |
| **At a more granular level, this includes:** | | | |
| **Flood - Surface Water** | Surface water flooding happens when the amount of water produced by heavy rain cannot be absorbed by the ground or drain away. Factors such as location specificities and topography may affect the asset risk profile; flash flooding can happen anywhere, including in elevated areas and away from rivers or other waterbodies. However factors such as low-lying areas and characteristics such as dry ground or sealed surfaces (i.e. concrete) may increase the severity of the event. | **Moderate** | – Significant or moderate property damage and critical equipment (major replacement work).<br>– Insurability.<br>– Important business interruption (building function and surroundings e.g., accessibility).<br>– Significant or Moderate increased CAPEX (maybe insured).<br>– Moderate increased OPEX.<br>– Loss of asset liquidity. |
| **Flooding - Rivers and the Sea** | Resulting from sea level rises and extreme weather events. | **Limited** | – Generally, very low risk determined and therefore OPEX demand negligible. In isolated instance of high risk determined, further investigation at asset level to mitigate significant property damage and critical equipment (major replacement work).<br>– Insurability and business interruption (building function & surroundings e.g., accessibility). |
| **Water Stress** | Baseline water stress represents the competition for water resources and measures the ratio of total water withdrawals to available renewable surface and groundwater supplies. | **Moderate** | – Significant impact on users.<br>– Business interruptions.<br>– Moderate increased OPEX.<br>– Loss of asset liquidity. |
| **Temperature Rise** | Cooling Degree Days is the metric used on this assessment as the purpose of the work is eventually to get an understanding of the financial implications from the risks. | **Moderate** | – Impact on users.<br>– Unplanned cooling needs.<br>– Business indirect interruptions e.g., energy supply. Potential loss of rental income.<br>– Moderate increased OPEX.<br>– Increased CAPEX. |
| **Wildfire** | Wildfire risk modelling is based on the delta method which evaluates location-based changes of wildfire conditions (i.e. average temperature, rainfall, vapour pressure, relative humidity and windspeed). | **Limited** | – Less relevant in urban locations. Minor - indirect - impact on users or operations disruptions e.g., smoke. |

| | |
|---|---|
| Describe the impact of climate-related risks and opportunities on the organisations business strategy, and financial planning. | **The Delancey Risk Register features asset devaluation from physical and transition risks as our two principal risks.**<br><br>**Mitigation of Physical Risks:**<br><br>– Undertake high level physical climate risk assessments pre-investment and follow up with detailed assessments, reviews of risk registers and management practices.<br>– Provide guidelines / training to employees to ensure everyone has the right skills to implement the necessary assessments/oversight into their roles.<br>– Implement physical climate risk mitigation initiatives where risk exposure exists and incorporate adaptation measures to manage the risks.<br>– As strategy and risk management are updated over time, ensure that the firm and funds' climate targets reflect the overall climate ambition and risk exposure.<br>– Align to TCFD recommendations.<br><br>**Mitigation of Transition Risks:**<br><br>– Collect and present data in a clear and structured way.<br>– Undertake CRREM or other relevant analysis on all AUM to determine stranding risk & embed insight into investment decisions.<br>– Ensure compliance with MEES Regulations.<br>– Provide guidelines / training to employees to ensure everyone has the right skills to implement the necessary assessments/oversight into their roles.<br>– Develop Net Zero Action Plans for all AUM and implement.<br>– Set carbon emission reduction targets.<br>– As strategy and risk management are updated over time, ensure that the firm and funds' climate targets reflect the overall climate ambition and risk exposure.<br>– Align to TCFD recommendations.<br>– Review of risks at Risk Committee but also in Business plans, pre-investment RI process, quarterly asset reviews and where relevant at RIC |
| Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including 2 degree or lower scenario. | We commit to achieve net zero emissions by 2050 or sooner in alignment with efforts to limit warming to 1.5°C. Further we are targeting the Intergovernmental Panel on Climate Change (IPCC) requirement of a 50% reduction in emissions by 2030 for our equity investments.<br><br>Our strategy is evolving. Of the risks identified in the initial Climate-Related Exposure Analysis (which adopted a worst-case scenario of RCP 8.5*), none were likely to have a substantial impact on the viability of the assets under our management, although in time the cost profile will increase. That is the same for the CRREM analysis with costs likely to be more imminent. The risk analysis needs to mature to consider other scenarios and as mentioned previously we plan to incorporate financial analysis and planning into our strategy. Incorporating climate-related risks and opportunities into financial planning processes will likely be is an iterative process over time. We will examine existing Delancey and fund level investment strategies and incorporate long term risks and trends as identified in the risk review exercise affecting portfolios, including material climate-related risks and opportunities for investments.<br><br>[*Representative Concentration Pathway - an expected average global temperature rise of 1.4 to 2.6 degrees Celsius by 2065 and a range around +3.0°C temperature rise by the end of the century.] |

| Risk Management | |
|---|---|
| Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management. | The Investment acquisition process is the first opportunity to assess climate-related risks and opportunities. Identifying and evaluating risks and implications starts with the underwriting and due diligence process. We have a rigorous procedure in place for our acquisitions where, amongst other considerations, climate-related risks and their implications are considered and analysed at each stage as the acquisition advances. These are then reported at Investment Committee for consideration.<br><br>Once assets are acquired, any project specific climate-related considerations are integrated into all business plans. Thereafter post-acquisition a sustainability action plan, or if a development, our sustainable development brief, includes a range of climate-related risks and opportunities for assessment and incorporation into the plan/project (physical hazards, carbon and energy management, etc.) will detail and monitor any identified issues and workstreams to manage risks. A procedure or strategy will be determined for how that risk should be managed once it is identified and assessed. Action plan summaries and development goals are included in annual business plans, and these are reviewed quarterly to ensure the strategy is ultimately delivered. The RI team collaborate and support all investment, asset management and development colleagues in the process. This approach is applicable to both our equity mandates and our debt mandates (where possible), and new business creation.<br><br>For existing longer term held assets, climate-related exposure analysis has been undertaken. The hazard exposure assessments are based on different sources of publicly available climate data. These data sources each have their own underlying models which combine timeframes and climate scenarios differently and provide non-standardised outputs. Our initial in-house UK focused scenario analysis started by using RCP8.5, representing the "worst case scenario". The asset risk profiles are based on the hazard specific guidance and the risk exposure outputs vary per hazard so should be assessed in the context and according to the considerations stated. We are trialling Climate X as a climate risk solution for analysis of one portfolio. |

| Metrics and Targets | |
|---|---|
| Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. | The physical hazards climate-related exposure analysis provides an initial overview and understanding of the Delancey managed assets' exposure to the UK's most prevalent and widely considered physical climate hazards (i.e. Flood, Temperature Rise, Water Stress, and Wildfire). The research and analysis is based on open and publicly available climate data sources which have been pulled into the analysis tool.<br>Note: This assessment considers the exposure of the asset location to the physical risk hazards and does not consider the vulnerability of the assets themselves or of the surrounding infrastructure to these hazards.<br><br>The metrics are (noting more detail on time frames, indicators and limitations can be provided upon request):<br><br>**Flood** - Chance of flood each year - based on site elevation and historical data collected by the national meteorological observations across the UK and assesses the long-term flood risk as of today.<br><br>**Temperature Rise** - Cooling Degree-days & Change in Exposure: increasing or below baseline maximum - the observed daily data were taken from the HadUK-Grid observational data set (Hollis et al., 2019), supplemented with ERA5 re-analysis.<br><br>**Water Stress** - Absolute value for baseline Water Stress - an indicator of competition for water resources, defined informally as the ratio of demand for water by human society divided by available water. (AKA the withdrawals-to-availability ratio or relative water demand).<br><br>**Wildfire** - Days per year - wildfire risk modelling is based on the delta method which evaluates location-based changes of wildfire conditions. This method is limited as it evaluates the evolution of wildfire conditions rather than absolute values. More analysis is planned.<br><br>In addition, transition risk results from MEES and CRREM analysis were included in the climate-related exposure analysis to facilitate the overall information gathered and evaluated and to support the prioritisation process. EPC ratings and stranding year results determining transition risk ratings. The continuing refinement of the data collection and monitoring programme for GHG emissions, energy and water consumption, and waste generation is the foundation to robust energy and carbon reporting utilising energy intensity use and tonnes $CO_2$ emitted targets. |
| Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions and the related risks. | To date we have concentrated on measuring our exposure to establish a baseline and improving emissions data coverage for our assets under management and our corporate footprint. We have measured and reported the Scope 1, 2, and 3 emissions associated with the assets under management. This is an improvement from 2023, when we only disclosed scope 1 and 2 emissions. In this report, we provide Scope 1, 2 and 3 information for 2024. Please refer to the ESG Fund Performance section and the Performance Table in the Appendix on page 37. |
| Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets. | Please refer to our Highlights, 3D Focus and Our Approach to ESG in pages 3-7 for our targets and progress against these in the Corporate Environmental Footprint section as well as the Performance Table in the Appendix on page 37.<br>Work continues to progress on our decarbonisation and climate risk strategy for our corporate activities and our client Funds. The current priority is to use our influence to reduce GHG emissions across our business activities and assets under management. We are implementing this aligned with the key priorities in the energy hierarchy. Other in sight goals and targets across funds are improving EPC ratings, green building performance certificate adoption, optimising building performance by reducing energy and water consumption, improved waste management. |

# GRI Index

Delancey has reported the information cited in this GRI content index for the period 1 January – 31 December 2025 with reference to the GRI Standards, using the GRI 1:Foundation 2021 framework.

| GRI Standard | Disclosure | Location | Section |
|---|---|---|---|
| GRI 2: General Disclosures 2021 | 2-1 Organisational details | Page 2 | About Delancey |
| | 2-2 Entities included in the organisation's sustainability reporting | Page 2 | About this Report |
| | 2-3 Reporting period, frequency, and contact point | Page 2 | About this Report |
| | 2-4 Restatements of information | No restatements of information | |
| | 2-5 External assurance | Not available | |
| | 2-6 Activities, value chain and other business relationships | Page 2<br>Page 24 | About Delancey<br>Corporate Sustainability Update<br>Responsible Investment Policy (Click to open) |
| | 2-7 Employees | Page 2<br>Page 22<br>Page 24<br>Page 33 | About Delancey<br>Our People - Sustainability Report 2024<br>Corporate Sustainability Update<br>DEI Committee |
| | 2-9 Governance structure and composition | Page 32-33 | Governance |
| | 2-11 Chair of the highest governance body | Page 32 | Governance |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | Page 32 | Governance |
| | 2-13 Delegation of responsibility for managing impacts | Page 32 | Governance |
| | 2-14 Role of the highest governance body in sustainability reporting | Page 32 | Governance |
| | 2-15 Conflicts of interest | Page 32<br>Page 30 | Governance<br>Governance - Sustainability Report 2024 |
| | 2-16 Communication of critical concerns | Page 32 | Governance |

| GRI Standard | Disclosure | Location | Section |
|---|---|---|---|
| GRI 2: General Disclosures 2021 | 2-19 Remuneration policies | Not mentioned in report. However, our Remuneration Policy sets our financial and nonfinancial performance objectives that are aligned with our overall strategy. We pay staff total compensation, comprised of fixed remuneration (base salary, pension etc.) and variable remuneration (including discretionary bonus). We assess objectives to ensure that remuneration is properly linked to individual, team and company performance. The remuneration policy supports, among other factors, a focus on careful management of risks, which includes financial, operational, reputational, and ESG-related risks. This focus helps ensure that staff are not encouraged via remuneration to take excessive risks, and that they consider material risks for Delancey and its clients. | |
| | 2-22 Statement on sustainable development strategy | Page 6<br>Page 11 | Letter from our CEO<br>Development Spotlight, Proxima Park<br>Responsible Investment Policy (Click to open) |
| | 2-23 Policy commitments | Page 32 | Governance<br>Responsible Investment Policy (Click to open) |
| | 2-24 Embedding policy commitments | Page 6<br>Page 8-22<br>Page 23 | Decarb Pathways<br>Responsible Investment Performance<br>Corporate Sustainability - Sustainability Report 2024 |
| | 2-26 Mechanisms for seeking advice and raising concerns | Not mentioned in report. However, advice within our Complaints Process and Whistleblowing Policy. Our Code of Ethics encourages personnel to seek advice from the CCO or CFO regarding any uncertainty on a transaction or activity, alternatively there is an independent third-party reporting service. | |
| | 2-27 Compliance with laws and regulations | Page 32 | Governance |
| | 2-28 Membership associations | Page 8 | Participation and support - Sustainability Report 2024<br>Responsible Investment Policy (Click to open) |
| | 2-29 Approach to stakeholder engagement | Page 7<br>Page 25-31 | Our Approach to ESG<br>Our People |
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | Page 7 | Our Approach to ESG<br>Responsible Investment Policy (Click to open) |
| | 3-2 List of material topics | Page 7<br>Responsible Investment Policy (Click to open) | Our Approach to ESG |
| | 3-3 Management of material topics | Page 6 | Our Approach to Sustainability (Sustainability Report 2023)<br>Responsible Investment Policy (Click to open) |

| GRI Standard | Disclosure | Location | Section |
|---|---|---|---|
| GRI 101: Biodiversity 2024 | 101-1 Policies to halt and reverse biodiversity loss | Page 7 – there is no policy informed by the 2050 Goals and 2030 Targets in the Global Diversity Framework. Biodiversity is a key issue identified for assessment in acquisition and management. We are mapping existing assets' natural attributes to inform strategy. | |
| | 101-2 Management of biodiversity impacts | Our approach seeks to avoid negative impacts on biodiversity and ecosystem services. Our development projects seek to minimise any negative outcomes from the designs and the construction process. Opportunities are explored to exceed minimum standards and consider nature-based solutions to deliver both positive nature and climate resilient outcomes. | |
| | 101-3 Access and benefit-sharing | The ABS regulations and measures do not apply and no voluntary actions have been undertaken. | |
| GRI 301: Materials 2016 | 301-1 Materials used by weight or volume | Page 37 | Not reported on for Delancey as a whole, see Fund Performance section for each Fund or Asset Spotlight where this has been collected. |
| | 301-3 Reclaimed products and their packaging materials | Page 4<br>Page 11<br>Page 16<br>Page 21 | Highlights<br>Development Spotlight Proxima Park<br>Development Spotlight Redditch<br>Development Spotlight Milton Keynes |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | Page 37 | Performance tables |
| | 302-2 Energy consumption outside of the organization | Page 37 | Performance tables |
| | 302-4 Reduction of energy consumption | Page 37 | Performance tables |
| GRI 303: Water and Effluents 2018 | 303-5 Water consumption | Page 37 | Performance tables |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | Page 24 | Corporate Sustainability Update |
| | 305-2 Energy indirect (Scope 2) GHG emissions | Page 24 | Corporate Sustainability Update |
| | 305-3 Other indirect (Scope 3) GHG emissions | Page 37 | Performance tables |
| | 305-5 Reduction of GHG emissions | Page 7<br>Page 37 | Driving Net Zero<br>Performance tables |
| GRI 306: Waste 2020 | 306-3 Waste generated | Page 37 | Performance tables |
| | 306-4 Waste diverted from disposal | Page 37 | Performance tables |
| | 306-5 Waste directed to disposal | Page 37 | Performance tables |

| GRI Standard | Disclosure | Location | Section |
|---|---|---|---|
| GRI 401: Employment 2016 | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | Page 21-23 | Our People - Sustainability Report 2024<br>DEI Statement (Click to open) |
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | Page 33 | Governance - Sustainability Report 2024 |
| | 403-2 Hazard identification, risk assessment, and incident investigation | Page 33 | Governance - Sustainability Report 2024 |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | Page 33 | Governance - Sustainability Report 2024 |
| | 403-5 Worker training on occupational health and safety | Page 33 | Governance - Sustainability Report 2024 |
| GRI 404: Training and Education 2016 | 404-2 Programs for upgrading employee skills and transition assistance programs | Page 23<br>DEI Statement (Click to open) | Our People - Sustainability Report 2024<br>DEI Statement (Click to open) |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | Page 23<br>DEI Statement (Click to open) | Our People - Sustainability Report 2024<br>DEI Statement (Click to open) |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | Page 33<br>Page 22 | DEI Committee<br>Our People - Sustainability Report 2024<br>DEI Statement (Click to open) |
| GRI 413: Local Communities 2016 | 413-1 Operations with local community engagement, impact assessments, and development programs | Page 25-31 | Community Engagement |
| GRI 418: Customer Privacy 2016 | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | Page 33 | IT and Data Security - Sustainability Report 2024 |

# Disclaimer

**Reference to Delancey broadly includes the group of advisory entities:**

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