Responsible Investment Policy

2025-26

DTZ INVESTORS

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INTRODUCTION

DTZ Investors (DTZI) has operated in the UK since 1968 and manages over £7.5 billion of real estate on behalf of local authority pension funds, institutional investors, and private clients.

We believe that responsible investment is both a fiduciary duty and a commercial imperative — assets that perform well on ESG measures are more resilient, more attractive to occupiers, and better positioned for long-term value creation.

This policy applies to 100% of directly managed assets and is reviewed annually by the Responsible Investment Committee and the Board. It is aligned with the PRI Principles, to which we have been signatories since 2013.

"Having laid the groundwork with clear RI goals, our focus now is on long-term planning and practical delivery. Embracing modern, green technologies is central to turning our ambition into lasting impact, ensuring our assets are actively contributing to a low-carbon built environment."

Chris Cooper, CEO

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OUR APPROACH

Responsible investment (RI) is embedded across the entire lifecycle of our investments, from acquisition to sale, and integrated into our day-to-day asset management. This allows us to respond to the evolving requirements of our occupiers, the market and our investors, while minimising risk and maximising returns for our clients. By investing responsibly, we also make our buildings more attractive to occupiers, employees, business owners and investors alike.

Climate change is driving higher average global temperatures and a greater frequency of extreme weather events, increasing the physical risk to our assets.

Our strategy is focused on understanding how RI issues affect long-term value and sustainability outcomes. This approach supports tenant retention, reduces operating costs, and mitigates the risks to portfolio returns posed by climate change, evolving legislation and obsolescence.

We apply a proportionate, cost-benefit-led approach to responsible investment. This does not require every initiative to be self-financing or to deliver a proven economic return; rather, we weigh the financial cost of any investment or activity against its expected RI benefits.

We also assess our portfolios against market best practice and peer-group properties to guard against depreciation risk and obsolescence.

We are committed to building a culture that empowers our employees to deliver against our responsible investment objectives and to achieve clear, measurable sustainability outcomes.
Recognising the role the real estate sector plays in delivering global net-zero, we work to establish best practice within the industry and support other organisations, bodies and stakeholders in their own transition to net-zero.

To help deliver our net zero ambitions, we have built our RI approach on four core pillars;

1. Leadership & Governance

Integrating RI into our culture, business processes, and lines of accountability at every level of the organisation.

2. Investment Process & Implementation

Managing assets in an environmentally and socially conscious way across the full lifecycle, from acquisition to disposal.

3. Stakeholder Engagement

Educating and engaging occupiers, clients, communities, supply chain, and industry bodies to drive collective outcomes.

4. Benchmarking & Disclosure

Transparent, evidence-based public reporting against industry benchmarks and identify opportunities for continual improvement.

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OUR PRIORITIES

To meet our Responsible Investment commitments and deliver resilient, long-term value for our clients, we have established a clear set of strategic priorities that guide all investment and asset management activity across our portfolios. These priorities form the operational foundation of our RI strategy and inform our asset-level business planning, capital expenditure allocation, and engagement activities. They are aligned to evolving regulatory frameworks, market expectations, and our net zero targets, enabling us to address key environmental and social risks, whilst unlocking opportunities that support both sustainable outcomes and investment performance.

Compliance

We consistently manage the risk of non-compliance with real estate energy efficiency legislation in the regions in which we operate.

Net Zero by 2040

We are on a defined pathway to transition our assets to operational net zero emissions by 2040. This includes setting interim clear targets, tracking progress, and integrating decarbonisation requirements into all asset management plans.

Decarbonisation

Our investment and asset management strategies are aligned to reduce absolute carbon emissions and intensity across all scopes, through practical interventions such as electrification of heat and phasing out fossil fuels.

Renewable Generation

We are scaling on-site renewable energy generation, particularly solar PV, across suitable assets and continuously assessing opportunities to increase the clean energy capacity within our portfolios.

Data Transparency

We are advancing automated data collection and disclosure processes to ensure accurate, asset-level insights into energy use, emissions, water consumption and waste generation/diversion and wider ESG performance, enabling evidence-based decision making and stakeholder accountability.

03 GOVERNANCE & ACCOUNTABILITY

Clear, documented lines of accountability are fundamental to embedding responsible investment throughout the business. Responsibility for RI is assigned from Board level through to individual employees, with all members of the governing body and management team holding RI objectives that are directly linked to remuneration.

Board

The Board has ultimate accountability and oversight responsibility for the RI programme and approves this policy annually, led by the Head of Responsible Investment.

Executive Committee (ExCo)

The ExCo , constituted under Board-delegated authority has oversight of the RI programme, reviews strategy ,risk, elevated issues and progress against objectives quarterly.

Responsible Investment Committee (RIC)

Constituted under Board-delegated authority, the RIC meets monthly to set and review RI strategy, targets, and objectives; oversee implementation across the business; and report to the Board. Quarterly strategic meetings review benchmarking results and regulatory developments. The RIC holds an annual review to approve the RI Policy and set objectives for the year ahead. Full duties are set out in the RIC Terms of Reference.

Head of Responsible Investment

Day-to-day responsibility for the RI programme and ESG data oversight rests with the Head of Responsible Investment, who is a member of the Board and the Exco.

Fund & Portfolio Managers

Fund and Portfolio Managers implement RI principles at the portfolio and asset level, set and monitor quarterly ESG objectives, and report to the RIC and Investment Committees.

Third-Party Property Managers & Suppliers

Third-party property managers operate under Property Management Agreements with embedded RI KPIs. Suppliers and contractors are vetted at appointment and monitored throughout the contract against our ESG standards.

All Employees

Every employee, including Board members, hold individual RI objectives and undertake regular ESG training.

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GOVERNANCE & ACCOUNTABILITY

Supporting Policies

This policy is supported by the following dedicated policies, all reviewed annually and available on request:

Human Rights & HRDD Policy	Conflicts of Interest Policy
Stewardship Policy	Diversity, Equity, & Inclusion Policy
Nature & Biodiversity Policy	Health & Safety Policy
Social Value Policy	Supplier Integrity Policy
Modern Slavery Act Statement	Whistleblower Policy
Anti-Bribery & Corruption Policy	Treating Clients Fairly Policy

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INVESTMENT PROCESS

We believe that we have a fiduciary duty to manage our assets in a manner that is sensitive to the environment, provides a social benefit and is set within an overarching framework of strong corporate governance. In doing this, we create portfolios that are more resilient to climate related risk, obsolescence and changing occupier demands, and more able to benefit from the opportunity that change unlocks, ensuring sustainable long-term performance for our clients.

RI considerations are integrated at every stage of the asset lifecycle. DTZI operates a responsible ownership framework, acting as a responsible owner by engaging tenants, property managers, and other stakeholders to improve the social and environmental performance of assets.

ESG Investment Criteria

All investment decisions are assessed against explicit ESG criteria. We assess financially material climate-related, human rights-related, and nature-related risks and opportunities across 100% of directly managed real estate AUM. Material ESG findings are integrated into Investment Committee papers and, where relevant, into asset valuations and pricing.

ESG criteria applied to every acquisition include:

- MEES compliance and EPC trajectory.
- Physical and transition climate risk (using CRREM alignment assessment).
- Financially material human rights risks — including sector, country, and supply chain context.
- Financially material nature-related risks — including protected habitat proximity, BNG obligations, and regulatory exposure.
- Social impact, community considerations, and placemaking opportunity.
- Embodied carbon for development assets; whole life carbon assessment.

Managing Different Asset Classes

As managers of diverse portfolios with a variety of different asset classes in different parts of the UK, we understand that we need to be able to adapt our RI implementation approach to suit the needs of different properties.

By utilising our policies, processes and tools, such as the tailored asset improvement plans, it is possible to identify, implement and monitor a variety of initiatives at each asset that will support in the maximisation of RI credentials and improvements.

Potential initiatives are screened throughout our investment processes and within key working groups, such as the RIC, in order to ensure that they are suitable for particular asset classes and are supporting our long-term objectives.

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INVESTMENT PROCESS

We have clear processes, tools and checklists to ensure that all stakeholders have the necessary information to enable them to make informed decisions that follow the requirements of our RI programme. Each portfolio has a clear set of objectives against which each investment must be considered. These objectives steer the investment strategy and are reviewed on a quarterly basis. Every investment is assessed for RI risks and opportunities throughout each stage of the investment life-cycle, including:

Responsible Asset Acquisition

All acquisitions undergo ESG screening, this includes a net zero audit, climate risk assessment, nature risk review, and human rights due diligence (HRDD). Findings inform pricing and business planning, and results are presented to the Value and Investment Committees.

Active Ownership

Every material asset operates under an Asset Improvement Plan (AIP) covering decarbonisation, energy efficiency, renewable energy, biodiversity actions, and social value initiatives. AIPs are reviewed quarterly. Our assets are covered by an Environmental Management System (EMS) to minimise their impact on the environment.

Net Zero Alignment & CRREM

Portfolio alignment to net zero pathways is assessed using the Carbon Risk Real Estate Monitor (CRREM) tool,. Stranding risk findings are integrated into AIPs and capital expenditure planning.

Sales Discipline

Assets are reviewed annual for suitability. Pre-sale, RI risks and performance are reassessed to inform sales documentation, ensure transparent disclosure, and support the incoming owner's transition planning.

Responsible Investment Lifecycle

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ENVIRONMENTAL STEWARDSHIP

We believe that the delivery of sustainable returns is supported by a focus on responsible stewardship, responsible investment and the management and mitigation of risks within the portfolio. This will also enable the maximization of environmental and social value generated across our portfolio.

4.1 Climate Change & Net Zero

DTZI is committed to transitioning to net zero operational carbon across all discretionarily managed assets by a target of 2040 and a backstop of 2050 - in line with the Paris Agreement (1.5°C) and our obligations as a BBP Climate Commitment signatory.

Our decarbonisation pathway:

2030	2035	2040
50% reduction in carbon intensity (vs 2019). 50% assets fossil-fuel-free. On-site renewables ≥20% of landlord energy. 75% tenant data.	75% assets fossil-fuel-free. Whole-building data on 90% of portfolio. Demonstrable embodied carbon reduction.	100% fossil-fuel-free. Net zero operational carbon across all discretionary assets. Scope 3 supply chain alignment.

We disclose climate-related risks and opportunities in line with IFRS S1 (General Requirements) and IFRS S2 (Climate-Related Disclosures), incorporating the 18 real estate industry-specific metrics under IFRS S2 and transitioning from TCFD-aligned reporting. We conduct scenario analysis across at least two IPCC-aligned scenarios (transition and physical) over short (0–3 yr), medium (3–10 yr), and long-term (10+ yr) horizons.

Transition Plan

We maintain a published transition plan, setting out governance, strategy, targets, and actions across our portfolio. The transition plan is reviewed annually and progress disclosed publicly.

Embodied Carbon

All new developments and major refurbishments undergo Life Cycle Assessment at concept and detailed design stages. We target BREEAM Excellent or equivalent, measure and disclose embodied carbon for all new development projects, and target demonstrable reductions by 2035. Whole life carbon is incorporated into investment assessments for new development assets.

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ENVIRONMENTAL STEWARDSHIP

4.2 Nature & Biodiversity

As a PRI signatory, we integrate nature-related risks and opportunities into investment analysis and active ownership, using the TNFD LEAP approach and a double-materiality lens. This reflects our fiduciary duty and supports the Global Biodiversity Framework's 2030 goal to halt and reverse nature loss.

Nature & Biodiversity Commitments

- Baseline biodiversity assessments using the BNG metric for all applicable assets; minimum 10% Biodiversity Net Gain (BNG) on new developments in England, with measurable net gain sought elsewhere in the UK.
- Apply the mitigation hierarchy — avoid, minimise, restore and, only as a last resort, offset — to any adverse impact on habitats and species.
- Biodiversity Action Plans embedded within Asset Improvement Plans for all priority assets by end 2028.
- Screen 100% of managed assets for nature-related risk by end 2027; assess dependencies, impacts, risks and opportunities (DIRO) beyond BNG — including water, soil quality and ecosystem services — using the TNFD LEAP approach.
- Nature risk assessment at pre-acquisition stage: protected habitats, statutory BNG obligations, transition risk.
- Supply chain screening for nature-related risks on construction and refurbishment projects.
- Annual TNFD-aligned disclosure and GRESB submission for relevant funds, reflecting our commitment as a PRI signatory to the PRI's Nature programme.

4.3 Energy, Water & Waste

We collect and report Scope 1, 2, and material Scope 3 emissions, energy, water, and waste data across all directly managed assets. Automated or smart metering will be deployed on all landlord-controlled utilities by 2030. We target zero waste to landfill and a ≥75% landlord recycling rate. Water re-use and recycling will be implemented across landlord supplies by 2030.

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SOCIAL RESPONSIBILITY

5.1 Human Rights & Modern Slavery

DTZI is committed to respecting human rights across all investment activities. We assess financially material human rights-related risks and opportunities in connection with our investment activities. Our approach is grounded in:

- The UN Guiding Principles on Business and Human Rights (UNGPs).
- The OECD Guidelines for Multinational Enterprises.
- The International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work and its eight core conventions.
- The International Bill of Human Rights.

Our full approach is set out in our Human Rights & HRDD Policy. Key commitments in this policy include:

Human Rights Commitments

Human Rights Due Diligence is undertaken across the investment lifecycle: pre-acquisition, asset management, and disposal for 100% of directly managed AUM.

Controversy monitoring: monitoring using specialist ESG data providers to identify emerging human rights issues — including severe incidents — for assessment and, where required, escalation and engagement.

Stakeholder engagement: we engage directly or indirectly with workers, local communities, occupiers, and other potentially affected stakeholders to understand human rights impacts and incorporate their perspectives into our Human Rights Due Diligence process.

Access to remedy: where DTZI has caused or contributed to an adverse human rights outcome, we are committed to enabling access to effective remedy for those affected, consistent with the UNGPs. Remedy may include cessation of the relevant activity, remediation, restitution, or other agreed action. Our grievance mechanism (§6.2) is the primary channel for reporting such concerns.

Modern Slavery Act Statement published annually at dtzi.com.

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SOCIAL RESPONSIBILITY

5.2 Social Value & Community

We want to create a lasting positive impact beyond our four walls, embedding social value commitments and targets across our assets and landlord procured activities. Social value is embedded through our REACH programme (Respect, Education, Accessibility, Community, Habitat), volunteering, matched funding, and community partnerships and our approach to asset management, including integrating social value performance indicators into our property management agreements and Asset Improvement Plans (AIPs) targeting tenant and community engagement initiatives. We conduct baseline social impact assessments and measure social value using RESVI certification, tracking performance against five prioritised UN SDGs (3, 8, 9, 11, and 13). We target engagement with local charities and organisations on health and well-being, inclusivity and accessibility, and education and training, and disclose our social value outcomes in reporting to benchmark progress and highlight success stories. All assets where placemaking is a strategic objective include a dedicated community engagement plan.

5.3 Supply Chain & Contractors

DTZI operates a formal supply chain sustainability engagement programme. All contractors and suppliers are vetted at appointment and monitored throughout the contract. Required standards include:

- Real Living Wage for all employees working on DTZI assets.
- Anti-slavery prohibition; compliance with the Modern Slavery Act 2015.
- Environmental policies and net zero transition commitments (top-tier suppliers by 2040).
- Responsible and ethical procurement of materials.
- Social value commitments: employability, diversity and inclusion.
- HRDD compliance (pre-contract screening for projects >£250,000).

Contractor ESG performance is reported to the RIC quarterly. Significant non-compliance is escalated and may result in contract review.

5.4 Diversity, Equity & Inclusion

DEI requirements are embedded in supplier contracts. Annual employee and occupier satisfaction surveys are conducted and results acted upon. Employee wellbeing and health programmes are maintained for all staff. DEI performance is reported in our Annual RI Report.

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STAKEHOLDER ENGAGEMENT

6.1 Occupiers

We operate a structured tenant engagement programme aligned with GRESB TC1-TC5 and INREV responsible ownership requirements:

- Annual occupier satisfaction surveys with action plans.
- Green leases in 100% of new lettings, targeting 50% of lease renewals — requiring data sharing, energy efficiency cooperation, and waste management.
- Occupier fit-out guidelines at lease commencement covering all sustainability requirements.
- Automated energy data sharing; collaboration on decarbonisation.
- Tenant health and wellbeing programmes at relevant assets.

6.2 Grievance Mechanism

A formal grievance mechanism is available to all stakeholders — occupiers, employees, contractors, community members, clients, and other affected parties — to raise ESG concerns, sustainability incidents, or human rights issues. Grievances are logged, investigated, and closed within defined timescales. Material issues are escalated to the RIC and Board. This mechanism meets GRESB SE8, PRI SPS 3(C) access-to-remedy obligations, and INREV responsible ownership requirements.

6.3 Clients

We engage regularly with clients on RI matters and align our reporting to their specific requirements. Quarterly RI performance reports are provided to all fund clients. We engage with client RI policies, adapt to fund-specific mandates, and communicate regulatory developments proactively. This is consistent with PRI 2026 indicator PG 1(I).

6.4 Policy Makers & Industry Bodies

DTZI engages with policy makers and industry bodies to promote RI best practice in the real estate sector. We participate actively in the Better Buildings Partnership (BBP), PRI, GRESB, INREV, IIGCC, and AREF — contributing to consultations, working groups, and policy development. This is consistent with PRI 2026 indicator PG 1(G).

6.5 Employees

RI training is provided through quarterly portfolio meetings, external expert sessions, and structured onboarding. All staff complete sustainability awareness modules relevant to their role. HR-related grievances and ESG incidents are handled through our Whistleblower Policy and grievance mechanism.

6.6 Stewardship

Responsible stewardship, alongside responsible investment and risk management, supports maximised long-term returns and the maximisation of environmental and social value across our portfolio. Our approach follows the UK Stewardship Code (Financial Reporting Council) and the FCA's Treating Customers Fairly principles, with transactions marketed through open exchanges to avoid conflicts of interest between in-house funds. We undertake risk-based due diligence on all stakeholders, prohibit gifts or benefits to government officials, and do not make political donations or engage in lobbying. Independent Investment and Value Committees provide independent review and fair-value approval of all transactions, maintaining strict confidentiality throughout. Further detail is in our Stewardship Policy on our website, aligned with PRI and IIGCC expectations and the stewardship requirements of institutional pension fund investors.

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DISCLOSURE & BENCHMARKING

Transparent, evidence-based disclosure is central to our approach. DTZI participates in the following frameworks and benchmarks annually:

Framework	Our Commitment	Cadence
PRI	5-star target across all modules. Annual submission covering PG, IA, IDM, SPS, SIA, SAM, CO, and ECB — including PG 1(D) human rights and PG 1(E) nature guidelines.	Annual (July)
GRESB	Green Star status across all fund submissions; Global Sector Leader ambition. Management and Performance components. Includes TC4 green leases, SE6 supply chain, SE8 grievance.	Annual (April)
INREV ESG Guidelines	Annual reporting aligned with the INREV Sustainability Module (effective 1 Jan 2024). 109 KPIs across environmental and social categories. Responsible ownership framework applied.	Annual
BBP Climate Commitment	Signatory. Annual progress report on net zero pathway. Participation in BBP working groups, climate resilience guidance, and green lease development.	Annual
IIGCC NZIF 2.0	Portfolio net zero alignment via CRREM. Scope 1, 2, and material Scope 3. Whole life carbon for developments. Implement-or-explain approach.	Annual
TCFD/IFRS S1 & S2	Annual disclosure under IFRS S2 (transitioning from TCFD; effective 1 Jan 2024). Governance, Strategy, Risk Management, and Metrics & Targets pillars. 18 real estate industry-specific metrics under S2.	Annual
UK Stewardship Code	Annual Stewardship Report; active ownership across tenants, suppliers, and investees.	Annual
SFDR/SDR	Regulatory disclosure for applicable funds; ongoing compliance as requirements evolve.	As required

Our Annual RI Report is published publicly at dtzi.com, covering performance data, case studies, and progress against targets. Environmental data is independently verified to ISO 14064-3:2019 or equivalent. Quarterly RI reports are provided to clients and the Board.

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TARGETS

Targets are reviewed annually by the RIC. Framework tags indicate the primary driver for each target.

Pillar	Target	Deadline
ENV	Net zero operational carbon across all discretionarily managed assets	2040
ENV	50% reduction in carbon emission intensity (by floor area) from 2019 baseline	2030
ENV	50% / 75% / 100% of assets fossil-fuel-free (heating & hot water)	2030 / 35 / 40
ENV	On-site renewables ≥ 20% of landlord energy consumption	2030
ENV	Smart/automated metering on all landlord-controlled utilities	2030
ENV	75% / 90% tenant energy, water & waste data collection	2030 / 2035
ENV	BREEAM Excellent (or equiv.) + LCA for all new builds and major refurbishments	2030
ENV	Demonstrable embodied carbon reduction on all new developments	2035
ENV	TNFD-aligned nature disclosure; BNG action plans in all applicable AIPs	2027
ENV	Science-based nature targets (SBTN) aligned	2030
SOC	100% of acquisitions assessed via HRDD framework	Ongoing
SOC	100% of supply chain projects > £5000k subject to HRDD	Ongoing
SOC	Green leases in 100% of new lettings; 50% of renewals	Ongoing
SOC	RESVI social value assessment across all applicable assets	Ongoing

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TARGETS

Pillar	Target	Deadline
SOC	100% staff sustainability training completion	Ongoing
GOV	5-star PRI rating across all applicable modules	Annual
GOV	GRESB Green Star across all fund submissions	Annual
GOV	Annual RI Report publicly published; quarterly client reporting	Annual
GOV	Third-party assurance of environmental performance data	Annual

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REGULATORY COMPLIANCE

DTZI complies with all applicable regulatory requirements and monitors developments quarterly. Core obligations:

Minimum Energy Efficiency Standards (MEES) – zero breaches	Décret Tertiaire 2020 – French assets
Energy Savings Opportunity Scheme (ESOS)	UK Modern Slavery Act 2015 – Annual Statement
Sustainable Finance Disclosure Regulation (SFDR)	Environment Act 2021 – mandatory Biodiversity Net Gain
FCA Sustainability Disclosure Requirements (SDR)	IFRS S1 & S2 – climate-related financial disclosures
EU Taxonomy – continental European assets	UK Companies Act 2006 – TCFD-aligned strategic reporting

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