



# Environmental, Social and Governance (ESG) Policy

## Purpose

Irish Residential Properties REIT plc (the “**Company**”) and its subsidiaries from time to time (excluding owners’ management companies) (together the “**Group**” or “**we**”, “**us**” or “**our**”) recognises our operational impact on the communities we serve and, on our environment, at large in conducting the business of the Group. Through our commitment to responsible and sustainable real estate investing and management, we seek to deliver enhanced risk-adjusted returns for our investors, become a landlord of choice and maintain our position as a practitioner of good corporate citizenship to all our stakeholders - investors, partners, employees, and the communities in which we operate and invest. Our company ESG policy (the “**Policy**”) provides a framework of guidelines and principles in managing our real estate practices responsibly by actively and consistently incorporating ESG factors into all aspects of our decision-making processes, along with other material investment factors consistent with the Company’s Investment Policy and strategy.

This Policy forms the core of the Company’s responsible investment, development and management beliefs.

## Scope

This Policy applies to all directors, officers and employees of the Group, the Group’s Investment Manager and service providers (“**representatives**”) and all representatives must comply with the spirit and intent of the Policy. This Policy applies to all aspects of the Group’s operations under direct operational control. In cases where the Group does not have direct operational control, it will use its position to influence and encourage appropriate ESG practices. This policy is subject to all applicable local laws and regulations.

## Policy

The Group believes that responsible investment, development, ownership, and management support our commitment to deliver on customer service, enhance resident retention, and deliver quality homes. As such, the Group is embedding consideration of ESG factors through all stages of its decision-making processes to promote healthy and inclusive workplaces, community benefits, environmental stewardship and sound corporate governance. This mission is supported by developed procedures, programs and industry best practices. The guidelines set out in this Policy may be further supplemented from time to time and by specific divisional or departmental policies.

## Our ESG Commitments

As we strive to integrate ESG best practices throughout our real estate investment, development, asset, risk and talent management processes, we commit to:

- Comply with both the letter and the spirit of the law, wherever it applies.
- Act with integrity at all times, in all our dealings.
- Treat all stakeholders as partners on our ESG integration journey.
- Empower the ESG Steering Committee and actively seek its guidance.
- Operating lawfully, ethically and with integrity and have zero-tolerance for all forms of corruption, including bribery as per our Anti-Corruption Policy.
- Seek out guidance from and listen to investors’ ESG-related concerns and respond by managing ESG-related risks and opportunities as they arise.

- Act responsibly by developing, owning and managing our real estate assets and recognising the potential impact of our business operations on the environment, employees, communities, and society, as well as the potential impact of climate-related risks.
- Implement controls systems, policies and procedures in our employment practices and in our dealings throughout our supply chain for the fair and equitable treatment of persons (whether on grounds of gender, race or disability).
- Develop and implement management structures, systems, and policies that reflect and promote a culture of transparency, accountability, equality, and integrity in the management of our businesses.
- Consider and, where applicable, comply with and inform industry standard ESG guidelines and best practices, and actively manage ESG considerations and risks effectively.
- Support and, where appropriate, sponsor environmental and community support programs brought forth by the ESG Steering Committee, employees, our Investment Manager and/or community agencies.
- Promote sustainable investment and operating practices through participation in industry groups, events, programs, and conferences.
- Provide employees of the Group with the necessary training and resources required to effectively adhere to this Policy.

## **Integrating ESG Measures**

To meet our ESG commitments, the Group will seek to integrate ESG measures into our day to day business operations within our operational control or influence, including investment and development, asset management, investment manager alignment, stakeholder engagement and monitoring and reporting processes, where feasible, as follows:

### **INVESTMENT AND DEVELOPMENT**

- Seek to minimise the environmental impacts of the Group's assets, developments, and procurement by investing in sustainable resource management practices for owned and operated buildings.
- Capture and incorporate new opportunities arising from the change in climate, new customer preferences, technology evolution, and the regulatory response relating to these trends.
- Further develop and enhance tools to support ESG integration, such as due diligence processes and checklists.
- Critically appraise new investment opportunities (acquisition of existing residential assets and the forward purchase of buildings from developers) from an environmental perspective and how those assets will perform over a sustained period of time including appropriate lifecycle analysis

### **ASSET MANAGEMENT**

- Within the annual budgeting process, feasibility and viability assessments will be conducted to identify and implement environmental and socially responsible practices and technologies where acceptable payback exists.
- Conduct energy, water and waste audits where appropriate.
- Set operational performance targets and support the measurement and reporting on the Group's impacts.
- Implement incentives to stimulate continuous improvement and excellence.
- Conduct health, safety and environmental assessments as required by applicable local laws and regulations.

### **INVESTMENT MANAGER ALIGNMENT**

- Encourage investment manager to implement and align with industry sustainability best practices, including energy, water and waste management, resident, supplier and community engagement.

#### **STAKEHOLDER ENGAGEMENT**

- Engage the Group's supply chain partners in sustainability discussion to promote the adoption and implementation of sustainability practices, including the respect and protection of human rights, diversity, inclusion, and equity.
- Strive to engage our residents, communities and supplier partners through raising awareness, collaboration and joint target-setting to evolve the ESG strategy collectively.
- Contribute to communities across the real estate portfolio by investing in either natural spaces and/or community engagement.
- Collaborate on sustainability with industry bodies.
- Support the employees of the investment manager with the necessary training and resources required to effectively adhere to this Policy.

#### **MONITORING AND REPORTING**

- Monitoring third-party managers' actions to remediate any identified risks.
- Measure and benchmark annually our buildings' sustainability performance, including greenhouse gas (GHG) emissions where we have operational control and influence.
- Report annually to our investors on our ESG progress through our GRESB submission, ESG report and other communications where we publish our ESG materials.

### **Responsibilities**

It is the responsibility of all Group employees, the Investment Manager and the Group's partners to adhere to the Policy and keep current on all applicable policies and procedures. The Group will make the policy publicly available on the corporate website to support uptake.

### **Monitoring Compliance**

The Board monitors compliance with the Policy and the ESG integration progress.

### **Review & Revisions**

The Board reviews the Policy annually and revises as necessary.