

# SUPR

## SUSTAINABILITY AND RESPONSIBLE INVESTMENT POLICY

### Introduction

Supermarket Income REIT plc (“the Company”) is a Real Estate Investment Trust investing in a diversified portfolio of supermarket real estate assets in the UK and Europe. The Company's assets earn long-dated, secure, inflation-linked, growing income. The Company targets a progressive dividend and the potential for capital appreciation over the longer term. As long-term investors, the Company is committed to embedding sustainability across its business and to working with its stakeholders to manage and improve sustainability performance.

The Company's Sustainability and Responsible Investment Policy (“the Policy”) sets out the Company's commitment and approach to sustainability and responsible investment.

### Scope

This Policy applies across all the Company operations and to all employees and other stakeholders engaged in the Company's operations.

### Policy

The Company is committed to operating responsibly, complying with all relevant legislation, and integrating environmental, social and governance (“ESG”) best practices throughout its business.

As part of this commitment, the Company is a participant in the United Nations Global Compact (“UN GC”), aligning its operations and strategy with the UN GC's ten universally accepted principles in the areas of human rights, labour, environment, and anti-corruption.

The Company's sustainability strategy is structured by three key pillars; each aligned to the UN Sustainable Development Goals (“SDGs”) most material to the Company:

Strategy Pillar	Objective	UN SDG Alignment
<b>Climate and Environment</b>	Reduce our emissions to achieve a net zero carbon portfolio and mitigate the environmental impacts of our assets.	 
<b>Tenant and Community Engagement</b>	Partner with our tenants and stakeholders to ensure our assets enhance the communities in which they are located.	
<b>Responsible Business</b>	Strengthen ESG performance and uphold responsible business practices to deliver long-term value.	 

Targets underpinning each objective are disclosed in the Company's annual Sustainability Report, available on its website. The sustainability strategy supports the Company's purpose: to create sustainable long-term value through owning high-quality grocery-anchored real estate that is critical to national food infrastructure and serves local communities as essential retail.

## Responsibility

The Policy forms part of the Company's governance framework and falls under the overall responsibility of the Company's ESG Committee and ultimately the Company's Board of Directors. Refer to the **ESG Committee Terms of Reference** for details.

Day-to-day implementation is led by the internal ESG Working Group, coordinated by the Company's Sustainability Consultant. The Working Group meets regularly to monitor progress against the sustainability strategy and targets. The Sustainability Consultant provides quarterly performance updates to the ESG Committee. Refer to the **ESG Working Group Terms of Reference** for details.

## Materiality Analysis

The Company recognises the importance of regular materiality assessments to understand the relative importance of key sustainability issues to the Company and its stakeholders.<sup>1</sup> The most recent assessment identified the following material issues:

Climate and Environment	Tenant and Community Engagement	Responsible Business
<ul style="list-style-type: none"> <li>Energy Consumption and Greenhouse Gas ("GHG") emissions</li> <li>Climate Risk</li> <li>Water and Waste</li> <li>Nature and Biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>Engaging with Tenants on ESG performance</li> <li>Asset level ESG enhancements</li> <li>Community Engagement</li> <li>Charitable Giving</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Governance</li> <li>Responsible Employer</li> <li>Responsible Procurement</li> <li>ESG Reporting and Disclosures</li> </ul>

These material issues are addressed in the Company's annual Sustainability Report, which outlines associated risks, opportunities, and strategic responses. The Company integrates materiality outcomes into its sustainability risk management processes, including the development of metrics and targets.

Material issues are reviewed annually, with a full stakeholder-inclusive reassessment conducted at least every three years. All materiality assessments are approved by the ESG Committee.

## Responsible Investment

The Company considers responsible investment fundamental to delivering sustainable, long-term value. Sustainability considerations are embedded across all investment processes, with a focus on:

- Identifying, mitigating, and managing material ESG risks associated with assets
- Maximising opportunities to have a positive influence on asset ESG factors throughout all stages of the investment lifecycle
- Complying with all applicable ESG-related regulations
- Reporting on ESG performance

The Company is committed to continuously improving its responsible investment practices and disclosures in line with evolving industry standards.

<sup>1</sup> A materiality assessment is an approach to identify environmental, social and governance issues that have a significant impact on the company's business performance.

## ESG Integration

Sustainability risks and opportunities are systematically integrated into Company's investment lifecycle including acquisition, development, asset management, and disposal activities.

### **New acquisitions**

The Company conducts ESG assessments for all investment opportunities as part of its comprehensive acquisition due diligence process. These assessments aim to identify material sustainability-related risks and opportunities that may influence asset value during ownership and at the point of exit. This assessment covers ESG-related topics including:

- Climate change (physical and transition risks and opportunities)
- Energy efficiency
- Building certifications
- Nature and biodiversity
- Social and community impact
- Modern slavery and human rights risks

Findings from ESG assessments are summarised in all Investment Committee Reports to inform the final investment decision. The Company has also established minimum ESG performance criteria for all acquisitions. For example, no asset with an Energy Performance Certificate ("EPC") below a C rating can be acquired unless a demonstrable EPC improvement plan is developed, the cost of which is reflected in the investment case for the asset acquisition.

### **New developments and major refurbishments**

For all new developments and major refurbishments, the Company will seek to include sustainability performance criteria into baseline specifications. These objectives will be shared with contractors and development partners, who are responsible for achieving them by the point of completion. The Company will monitor sustainability performance throughout the construction phase and post-completion to ensure alignment with its ESG objectives.

### **Asset management**

Insights from ESG due diligence conducted at acquisition are integrated into asset management strategies. The Company actively engages with tenants to support implementation of ESG enhancements throughout the ownership period. Bi-annual meetings are held with major supermarket tenants, with sustainability as a standing agenda item. Collaborative initiatives include:

- Energy efficiency upgrades
- Installation of electric vehicle ("EV") charging and renewable energy infrastructure
- Biodiversity enhancement projects
- Community engagement activities

To support performance tracking and sustainability reporting, ESG data is requested from major tenants on a bi-annual basis. The Company has also developed standardised green lease clauses, which it seeks to incorporate into all new, renewed, or re-gear lease agreements. These clauses promote ESG data sharing and collaboration on sustainability performance.

An ESG assessment of major tenants is conducted at least annually to evaluate the alignment of their sustainability strategies and targets with those of the Company.

## Stakeholder Engagement

The Company actively engages with investors, tenants, employees, regulators, and communities to ensure its sustainability strategy reflect shared priorities. The Company's approach to stakeholder engagement is detailed within its **Stakeholder Engagement Policy**.

## Reporting and Disclosures

The Company is committed to transparent disclosure of its ESG performance and aims to demonstrate continuous improvement through regular reporting. This includes:

- Collection and monitoring of ESG performance data including on energy consumption, GHG emissions, physical climate risks, water, waste and social impacts for our assets, including where possible tenant consumption data.
- Publication of an annual standalone Sustainability Report as an annual progress report.
- Publication of annual climate risk disclosures aligned with the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations, including an annual GHG inventory covering all scopes of emissions.
- Reporting against ESG best practice frameworks including EPRA and CDP.

## Related Policies

This Policy is an integral part of the Company's core business strategy and is supported by a wider suite of ESG and Corporate policies available on the Company's website, including:

- Anti-Bribery and Anti-Corruption Policy
- Anti-Money Laundering Policy
- Anti-Tax Evasion Policy
- Biodiversity Policy
- Conflicts of Interest Policy
- Diversity Policy
- Environmental and Net Zero Policy
- Human Rights Policy
- Modern Slavery Statement
- Remuneration Policy
- Stakeholder Engagement Policy
- Supplier Code of Conduct
- Volunteering and Charitable Giving Policy
- Whistleblowing Policy

## Review

The Company is committed to regularly reviewing and updating this Policy to reflect best practice, stakeholder expectations, and regulatory developments. The ESG Committee will evaluate any proposed revisions and recommend updates to the Board for approval.

**Signed by Nick Hewson on behalf of the Board of  
Supermarket Income REIT PLC  
24 November 2025**