



Sustainability Policy

HMC Capital Limited

HMC Capital Sustainability Policy

1. Commitment

Sustainable Investments and Asset Management are aligned to the long-term value creation and preservation for investors, employees and the broader community. It is how 'good' investments are done and will continue to be how HMC Capital sees its risk and investment strategies, as the future will no longer be just as we know it.

As an owner, developer, manager and custodian of assets and capital for our investors, customers and stakeholders in the communities our assets are located, HMC Capital is committed to ensure the sustainability of the investments and businesses it manages on behalf of these stakeholders.

HMC Capital contributes and meaningfully creates positive impact through engaging with each of its' stakeholders, regulators and the wider community as the world continues to adapt and respond to changes in technology, climate and community expectations. As such, HMC Capital takes both a top down and bottom-up approach to ensure that the leadership of the business together with the employees of the business and the assets it manages own and drive the Sustainability strategy and program.

2. Environmental, Social and Governance

Accountability to ensure that ESG risks are thoughtfully considered and measured through HMC Capital's investment cycle is core to HMC Capital's approach and as such, we recognise that HMC Capital's continued evolution of its' sustainability strategy will be instructed by the nature of its investments and the impact it can make through its' ownership and management.

HMC Capital has embed its' sustainability program across the three pillars of ESG within its own operations and assets it owns or manages, with the following focus:

2.1 Environment

Climate Change is an issue that impacts and shapes our planet and has a real impact to current and future human life and livelihoods. We have a collective duty to respond to the effects of climate change through developing resilience and constantly adapting investment strategies to respond to the changing climate.

HMC Capital is positively contributing to the Climate Change agenda by establishing appropriate carbon neutrality targets across the funds and assets it manages and controls by developing specific pathways to meet the carbon reduction agenda. Our strategy is not to take a blunt approach, but to set ambitious and achievable targets based on the nature of the assets.

Specific commitments include:

- Climate:
 - Establishing net zero emissions targets through the implementation of a clear and transparent pathway and operational model for funds and assets
 - Building and repurposing assets for resilience against the physical impacts of climate change
 - Mitigation and adaption through the planning and implementation of renewable energy
- Waste Management:
 - Minimising waste generation through implementation and promotion of recycling programs

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- Water Management:
 - Monitoring of water use efficiency through the adoption of new technologies
- The Natural Environment:
 - Restoring and protecting the natural environment surrounding the assets and where possible planning for greater green environments around the assets we manage

2.2 Social

Community engagement and participation is important to ensure that HMC Capital enjoys the “licence to operate and manage” assets on behalf of its stakeholders. HMC Capital developed our Social Impact Strategy during 2021. This strategy is supported by the registered charity foundation, the HMC Capital Foundation, that will distribute funding to further the social impact ambitions of the business and CommunityCo, which is focused on working at a local asset level with established community partners to provide support for the needs of youth in our local communities. Both work with charities and partners to help meet our communities’ needs and amplify our impact.

HMC Capital’s active commitment to create and ensure long term partnerships with its’ stakeholders include:

- Promoting an inclusive and diverse workforce
- Localised community engagement through sponsorship of local schools, sporting clubs and charities
- Working with world class and leading operators in health and education
- Creation of employment opportunities in communities located in growth corridors
- Creation of essential service precincts outside of metropolitan areas

2.3 Governance

On-going robust and transparent governance and reporting is critical to HMC Capital’s own operations and its investments.

As a listed company and a holder of an Australian Financial Services Licence (AFSL), HMC Capital is governed by the Corporations legislation with the oversight of the Australian Securities and Investment Commission (ASIC) and the ASX listing rules, including the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (Recommendations). HMC Capital discloses its compliance with the Recommendations for each reporting period.

2.4 Sustainability Committee

HMC Capital’s Sustainability strategy, policies and reporting are governed by the Sustainability sub-committee of the Board (**the Committee**).

On a quarterly basis, the CEO of HMC Capital and the executive team review the progress of the sustainability program, including its commitments and report back to the Committee.

On an annual basis (if not earlier and as needed), the Committee is responsible for reviewing the effectiveness of this Policy and the operations of the Committee and make recommendations to the Board of any amendments to this Policy.

3. Reporting

HMC Capital is a signatory to the UNPRI and UN Global Compact. The membership to these organisations will provide a consistent framework for responsible investing as well as transparent reporting to ensure accountability as HMC Capital establishes its’ sustainability agenda.

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May 2024

Policy Owner	Group General Counsel and Company Secretary
Version	2.0
Date	March 2022
Classification	Internal and External Use
Team	Sustainability
Revisions	Version 1 – March 2022 Version 2 – May 2024 – Periodic review
