

## Bannon ESG Report 2022

### Environmental

Bannon supports the Brundtland principle of sustainable development across all our business activities and our client portfolios:

**“development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”**

For Bannon this means providing professional services and operating our business in a way that enables our people to have a better quality of life and supporting our clients and community while protecting the environment and the earth’s natural resources. We aim to fully integrate sustainability into our office environment and our business processes. We also strive to proactively promote sustainability to our clients, suppliers and stakeholders to influence and contribute to the global sustainability effort.

This commitment is supported across all our departments. We have adopted the international standard ISO 14001:2015 as the framework on which our environmental and sustainability policies are based and the system, we will use to manage our environmental obligations.

#### Our objectives are:

- To comply with all environmental legislation and regulation which applies to our core business activities
- To achieve a targeted reduction in our environmental aspects and impacts, through the implementation of this policy, waste and resource conservation programmes
- To reduce the consumption of energy under our control, and improve our energy efficiency using renewable alternate energy sources, investing in more energy efficient fixtures, fittings and equipment, and promoting energy reduction programmes
- To manage and store chemicals and waste in a safe and secure manner that protects the environment
- To achieve zero landfill and waste reduction targets in paper, ink and other office consumables
- To support the principle of waste minimization, through prevention, reduction, recycle or reuse, repurpose and energy recovery
- To promote the awareness of responsible environmental practice in resource and waste management to our staff, our clients, tenants and wider community stakeholders.
- To provide our employees with training, development opportunities, fair contractual arrangements, and an environmentally positive work environment

We have appointed a dedicated team to champion our sustainability programme and manage the achievement of these objectives. We have developed a documented environmental management system to manage our sustainability commitments, which is fully integrated into our quality management program.

We are committed to continuously improving the integration of environmental management and sustainability principles into our work environment and business processes. We will use sustainability metrics to measure and report on our environmental performance. We will communicate this on our website and in communications with our clients and government stakeholders.

We will review the environmental management system at least annually to ensure we are achieving our specific objectives and our environmental and sustainability improvements programme.

### **Carbon Footprint and Resource Utilisation**

Greenhouse gases are emitted through the production and consumption of goods and services. Carbon footprint is a concept used to quantify the impact a business activity, a person or a country can have on climate change through their Carbon emissions. CO<sub>2</sub> emissions are a major element of Carbon footprint and limiting or reducing this footprint is therefore a critical element of any EMS installed.

It should be noted that for ease of calculation, carbon emissions are categorised in defined scopes based on their origin and the degree of control an entity can effect on their control. The three sources or scopes recognised for emissions are as follows:

- Scope 1 - Direct emissions
- Scope 2 - Indirect emissions owned
- Scope 3 - Indirect emissions not owned

Scope 4 is the avoided emissions resulting from the direct intervention of the producer. Scope 4 emissions have not been included in the calculation. In effect they are emissions that would have occurred but for the actions of Bannon.

As Bannon only have limited scope 1 emissions, the firms carbon footprint is based on a combination of components from scope 1, 2 and 3 emissions. The Carbon footprint for a business is a vital KPI to monitor and manage going forward so consistency in its measurement is critical to see a meaningful reduction in it over time.

Through 2022 Bannon achieved a 34% Carbon Footprint reduction, this is a crucial KPI for the company's sustainability performance.

It should be noted that the carbon footprint calculation presented here is for the direct or owned emissions from the Bannon activities themselves. The indirect emissions from their employees commuting to work have also been included. However, the clients or suppliers or indeed the embedded carbon in properties they manage for 'others' is not considered at this time.

The key components of the carbon footprint calculation are detailed below.



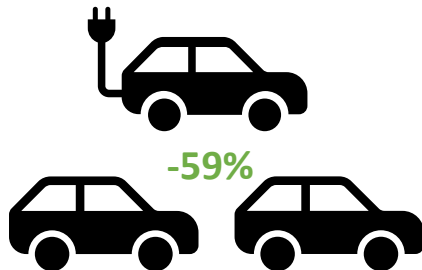
**Base Year – 2019**



**2022**

### Staff Business Travel - Car

The 2022 figures represent a 15% reduction in staff business travel by car which exceeds the targeted reduction. The scope has been increased to capture travel both in the Bannon owned company car and employees own vehicles. By virtue of the nature of Bannon's business, car travel for business purposes is essential. The firm's policy to minimise emissions is to carpool where possible.



### Employee Commuting to Work - Car

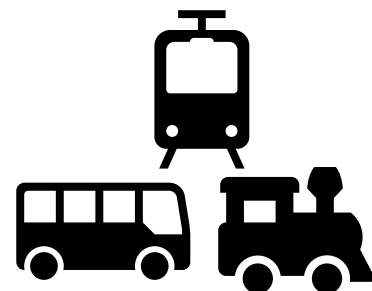
Bannon staff commuted a total of 202,946 km during 2022, a 59% reduction from the base year of 2019. The reduction has been achieved through less employees commuting to the office by car combined with the adaptation of working from home. As part of an expansion of the scope, Bannon has commenced recording the engine type of cars used by employees for commuting to work.

Initiatives to discourage the use of commuting to the office by car include the promotion of public transport and carbon neutral modes of transport along with the removal of two car spaces. Bannon currently lease 21 car spaces across four carparks adjacent to the office.

### Employee Commuting to Work – Public Transport

As part of an expansion of the scope, Bannon has commenced recording of staff commuting to work by public transport. 37% of Bannon employees use public transport to commute to work.

Initiatives to encourage the use of public transport commuting include the promotion of the Tax Saver Ticket, the take up of this post pandemic has been low as there is no incentive for employees who avail of hybrid working.



### Staff Business Travel - International

Bannon Directors took a total of 17 return flights during 2022. This represents an increase of 33% compared to the base year of 2019. Flight milage is tightly controlled and business critical therefore reductions in this travel are difficult to accomplish.



### Employee Commuting to Work – Zero Carbon

As part of an expansion of the scope, Bannon has commenced recording of staff commuting to work using carbon zero methods such as walking, cycling and scooters. 15% of Bannon Employees use carbon neutral methods of commuting to work.

Initiatives to encourage the use of carbon zero commuting include the promotion of the Bike to Work Scheme and access to Dublin Bikes for all staff. Ten employees have availed of the Bike to work scheme.

### Electricity

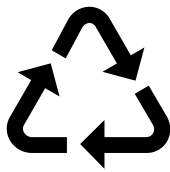
Bannon have achieved an overall reduction in electricity usage of 29% during 2022 compared to the base year of 2019. These reductions were achieved through a number of initiatives detailed below. All electricity used by Bannon is supplied from renewable generation, in accordance with the Commission for Regulation of Utilities Green Source Product Verification process. Bannon's common area apportionment of usage and costs is based on floor area occupied within the building.



-29%

Initiatives to encourage reductions in Bannon's electricity usage include a power down policy for computers at the end of the business day, only turning on lights where necessary and a reduction in the use of air conditioning.

### Waste



+49%



Hazardous waste material at Bannon is minimal. Less than 1kg of spent batteries and spent printer cartridges are produced annually.

Bannon operates waste segregation within the office, with designated bins for refuse, recycling and confidential waste. As noted above the base year for this metric was 2021, a time where the office was operating at a reduced capacity, as a result of pandemic restrictions as such an increase in this area is understandable. Bannon's apportionment of waste volume and costs is based on floor area occupied within the building. All waste is categorised as recycled by the service provider as refuse is processed at the Poolbeg Incinerator.

Initiatives to encourage reductions in Bannon's waste and promote correct waste segregation include removal of individual bins at each desk, introduction of segregated bins along with an education and signage to promote the waste segregation and recycling.

### Natural Gas

Space heating is by natural gas, which is centrally procured from Bord Gáis by Savills, Property Manager for Hambleton House. Bannon's apportionment of usage and costs is based on floor area occupied within the building. 2022 saw a 7% reduction in natural gas usage over the base period of 2019. Bannon are engaging with the property manager and owner in relation to more accurate monitoring of natural gas consumption along with opportunities to reduce consumption going forward.



### Client Sustainability Initiatives and Monitoring

Bannon work closely with their clients, particularly in the Property Management Department, to advise and assist them in improving the sustainability position of their assets and investments. While this is the case, because of the huge number of assets under management and deals that Bannon are involved in, it is not considered appropriate or practical to consider these indirect impacts in calculating Bannon's Carbon Footprint.

Despite this, Bannon work with our clients to bring sustainability issues to the fore of their business agenda. This may include:

- Developing environmental management plans on sites they manage
- The use of energy monitoring systems
- Installation of energy saving LED lights
- All tendering on behalf of the clients contains sustainability management clauses
- Solar powered external lighting solutions
- Bannon staff ensure that all equipment purchased on sites they manage are energy efficient
- Installation of water saving devices are installed in public toilets at the facilities
- Composting, environmental planting and rainwater harvesting projects

An example of this is Athlone Town Centre where Bannon engaged Evia Sustainable Real Estate in sustainability projects including the introduction of a building energy management system, upgrading all lighting across the malls and carpark to LED and active energy metering across the scheme along with upgrades to the geothermal system.

Bannon monitors key resource utilisation data points and other key ESG metrics through its bespoke Property Reporting Online System. This records and reports data to clients across a number of metrics including electricity, waste and water usage along with health and safety audits and EV car charger data.

## Social

### Labour Standards Adherence Declaration

Bannon have employed a professional HR consultant to ensure we remain compliant with our employment responsibilities. The firm's employee handbook covers the below legislation and has been reviewed as being fit for purpose.

Additionally, Bannon maintains a complete legal register of all relevant legislation and documents which is maintained and updated on a regular basis to ensure the firm adheres to all labour standards. There were no significant amendments of note to the legal register during 2022.

### Human Resources and Training

Bannon had 52 employees at year end, a reduction of one on 2021. This is as a result of seven new employees, four being third year Property Economics interns who will all start full time with Bannon in 2023 on completion of their undergraduate degrees. Eight staff members departed Bannon during 2022.

Staff training records are maintained on an individual basis internally and through the Society of Chartered Surveyors Ireland Continuing Professional Development (CPD) Log. Each Surveyor completed their required CPD varying levels of CPD's depending on their qualifications. All Property Services Regulatory Authority (PSRA) registered surveyors completed the mandatory five CPD hours during 2022.

During 2022, Bannon hosted a number of in house CPD's across a variety of topics including:

- The Irish retail market and consumer
- Professional Service and Valuations
- Retail Agency
- Office Agency
- Microsoft SharePoint and DocuSign
- Marketing and LinkedIn
- Anti Money Laundering 5<sup>th</sup> Directive

### Social, Health and Wellness Initiatives

At Bannon the health and wellbeing of employees is paramount. All employees have access to adjustable sit/stand desks in additions to multi adjustment ergonomic chairs. Bannon offer employees access to a VHI Group Health Insurance Scheme which a number of staff member avail of. In addition to this the firm offer the flu vaccine free of charge to staff members at the nearby Fitzwilliam Medical Centre.

As financial wellbeing is a focus for employees, Bannon operate a pension scheme through Finance One who are also retained as Financial Advisors at no additional cost for all Bannon staff.

The Bannon social committee strives to arrange multiple indoor and outdoor events each year. One notable event in 2022 was a hike to the summit of Bray Head in Co. Wicklow. This proved to be a wonderful open air teambuilding exercise for all who partook. In addition, the social committee organised a table quiz and the annual Christmas Party.

### Health and Safety Performance

All fire and explosion issues are dealt with centrally by Savills (Property Manager for Hambleton House) who run regular fire alarm testing and fire evacuation drills. Under this system Bannon have

appointed a designated fire officer. The most recent fire alarm testing and fire evacuation drill took place in May 2022.

Bannon engage Sea Change to conduct annual health and safety audits of the office the most recent of which was completed in May 2022. As part of the findings from the 2021 audit manual handling training was recommended for the Office Administration Team, this was completed in March 2022.

Bannon maintains a full record of all accidents and incidents which take place within the office and within the individual schemes using a standardised form available at reception. There were no accidents or incidents reported during 2022. In the event of an accident there are a number of first aid kits within the office with two members of staff trained as first aiders.

### **Interaction with the Community**

Bannon has strong links to the community and nearby educational institutes. In early 2022, Bannon worked with a local school, Loreto College Stephen's Green, to produce sustainability focused educational posters for the office including messaging on waste management, PC power down policy and printing. In addition, Bannon works closely with the Technological University of Dublin in relation to their undergraduate Property Economics and post graduate Masters of Real Estate. The firm welcomed four third year Property Economics interns in 2022. In addition to this Bannon sponsor a valuations based module on the Property Economics course which is led and graded by the Managing Director.

The Bannon Charity Committee organised Property Picnic 2022, an industry wide fundraising concert in memory of our late colleague Louise Creevy, with proceeds going towards Cancer Trials Ireland. Funds raised on the night between event ticket sales, corporate sponsors and a raffle totalled in excess of €170,000.

Lead by the Executive Chairman, 38 members of staff completed the 100 Miles in February in aid of the Mater Foundation, raising €3,227.40

In addition to the above, the Bannon Property Management Team volunteered with homeless charity Alone at one of their city centre residential locations. The team carried out property maintenance.

## Governance

### Contactors Sustainability Rating and Performance

Contractors appointed by Bannon are required to sign up to Site Passport, a procurement and compliance platform. As part of this all contractors are required to furnish Bannon with relevant environmental sustainability information during the course of the business relationship together.

### Anti-corruption Measures

As per the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, Bannon employees as Property Service Providers are Designated Persons who may be exposed to money laundering due to the nature of their business. As such Bannon has completed a full business risk assessment in respect of the money laundering and/or terrorist financing risks posed to the business. This assessment identifies and evaluates the relevant risk factors and the associated control measures in place. The risk assessment is reviewed and updated by senior management as risks emerge/develop. The firm carries out an individual risk assessment on all clients. Based on the Irish National Risk Assessment for Money Laundering/Terrorist Financing, it is expected that the majority of clients of the business will be relatively low risk in this regard. Exempted clients include those that are regulated by the Central Bank such as PLC's and ICAV's

Following the changes introduced as part of the 5<sup>th</sup> Anti Money Laundering Directive, Bannon held a CPD to inform employees of the relevant changes.

### Tax Transparency Declaration

Bannon prepares abridged financial statements pursuant to section 353 of the Companies Act 2014, from the statutory financial statements prepared under section 290 of that Act. These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 Financial Reporting Standard applicable in the UK and Republic of Ireland. The most recent version of which was approved by the Board of Directors on 23<sup>rd</sup> September 2022 and is available from the Company Registration Office.

In relation to properties under management, rent and service charge funds are held in separate client accounts for each asset. This allows full transparency on all transactions. Service charge accounts are audited on an annual basis while auditing of rent accounts is the responsibility of the property owners which Bannon frequently assist with.

### Board Reporting and Oversight

Bannon holds monthly Board of Director meetings, with separate monthly meetings including all Divisional Directors and Associate Directors. Minutes are recorded as per the integrated management system procedures and recorded on file.



## United Nations Sustainable Development Goals

Bannon are focused on managing our company’s impact on the local environment, in particular managing and reducing our business’s carbon footprint, and reducing our activities resource utilisation. In doing so we aim to support the Irish Government’s strategy to reduce harmful greenhouse gas emissions and achieve the national climate budget targets. Bannon is also acutely aware of our global obligations. We therefore track our progress to the UN Strategic Development Goals (SDGs). Our objective is to ensure that our improvements programme, in fact all that we do in our everyday activities, is fully aligned to as many of the listed SDGs as possible.



The Table below sets out our progress in this regard:

### Environmental

- |   |                    |
|---|--------------------|
| • Carbon footprint tracking & reduction     | 7,9,11,12,13,14,15 |
| • Resource utilisation tracking & reduction | 7,9,11,12,13,14,15 |
| • ESG and TBL reporting                     | 7,9,11,12,13,14,15 |
| • Environmental legislative compliance      | 7,9,11,12,13,14,15 |
| • Stakeholders’ environmental communication | 7,9,11,12,13,14,15 |
| • Environmental signage usage               | 7,9,11,12,13,14,15 |

### Social

- |  |                                 |
|--|---------------------------------|
| • Staff and community employment law compliance          | 1,2,5,8,9,10,16,17              |
| • Staff and community Human Resource (HR) law compliance | 1,2,5,8,9,10,16,17              |
| • Staff education support                                | 1,2,4,5,7,8,9,10,11,12          |
| • Internship and graduate employment scheme              | 1,2,4,5,7,8,9,10,11,12          |
| • Sponsorship/financial support                          | 1,2,5,6,7,8,9,10,11,12,13,14,15 |
| • Staff social activities and fitness support            | 3,7,13,14,15                    |
| • Staff community and charity work support               | 1,2,5,6,7,8,9,10,11,12,13,14,15 |
| • Cycle to work scheme promotion                         | 3,7,13,14,15                    |

### Governance

- |                         |                              |
|-------------------------|------------------------------|
| • Tax compliance        | 1,2,5,8,9,10,11,16,17        |
| • Board oversight       | 4,5,8,9,10,11,13,14,16,16,17 |
| • ESG and TBL reporting | 7,9,11,12,13,14,15           |

It is demonstrated that all 17 of the UN Strategic Development Goals are being considered and achieved by the processes in place at Bannon under the ISO 14001 system. We commit to continuing to track and report our progress in this regard as part of our annual ESG reporting.

