

HEXCITE GROUP

Concept Group

cygnia

blaze

Environmental, Social and Governance Policy

Hexcite Holdings Ltd and Subsidiaries

(Inc. Concept Group, Cygnia Maintenance & Blaze Signs)

Revised August 2022

Previously Reviewed NA

Next Review No later than 31 st January 2023

Hexcite Holdings Ltd BPO-HSE-37

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Introduction

The Hexcite Group comprises Concept Signs, Blaze Signs and Cygnia Maintenance. Hexcite Group is committed to responsible investment, and has a robust Environmental, Social and Governance (“ESG”) policy in place to ensure that its approach to ESG is appropriately applied and, where necessary, tailored to each company within the Group.

Hexcite Group regularly reviews its ESG policies and related initiatives to ensure they remain relevant and ambitious.

The policy will, necessarily, be implemented in different ways and to different degrees within the various companies. However, the aim is to continuously improve wherever possible.

This policy was prepared to ensure that Hexcite Group maximises opportunities and positive impacts on the communities within which our companies are located, whilst minimising any adverse effects of our processes. The document outlines the overarching standards that Hexcite Group adheres to in relation to ESG issues. It provides all Hexcite Group staff with ESG-related guidelines and principles to follow in their respective roles. In addition, the policy describes our commitment to maximising the benefits to our key stakeholders, including investors, employees, and suppliers.

Our commitment to the environment

At Hexcite Group, environmental sustainability means minimising the environmental impact from our operations and activities. Our priority is to deliver solutions for our clients that are designed and finished to a high standard with minimal environmental impact. Our aim is for our products to be manufactured with a holistic sustainability view.

Hexcite Group’s environmental sustainability focus areas and the related commitments and initiatives are outlined below.

Resource management

- In seeking to minimise our environmental footprint, Hexcite Group aims to establish relevant quantifiable year- on-year reduction targets (for example, waste generation, water and energy use, and CO2 emissions).
- In order to benchmark performance against industry best practice, Hexcite Group undertakes an annual Carbon Emissions Audit.
- Group-wide environmental targets and KPIs will be measured and monitored by Hexcite Group ESG committee.

Energy

- HEXCITE GROUP aims to improve energy efficiency and reduce greenhouse gas emissions across our portfolio by:
- Aiming to replace appliances and systems with energy efficient options if feasible during all major refurbishments or renovations.
- Aiming to reduce energy consumption to the lowest practical level commensurate with the operational needs of the company and to satisfy the current and future requirements of our processes.

Waste

- Hexcite Group strives to achieve best practices in waste management by following the 'reduce, reuse, recycle' waste hierarchy, avoiding purchasing materials that are unable to be recycled or reused, and diverting as much waste from landfill as possible. Hexcite Group will also continue to undertake all reasonable precautions to avoid pollution and contamination from waste generated by our manufacturing processes.
- We aim to complete waste audits for all our waste partners, and we aim to effectively manage and reduce waste.
- We aim to minimise waste directly produced at the companies we manage by engaging with them around this topic.

Water

- We strive to minimise indoor and outdoor water consumption at all our companies. We work to continuously increase our water management efforts and identify new opportunities for water savings.
- Additionally, we strive to prevent water contamination at our sites. It is important to us that all our employees have access to safe, clean water sources.

Climate change adaptation and resilience

- With climate change being one of the biggest challenges our society faces, Hexcite Group is committed to ensuring that each company has enough support and is strong enough to implement our approach to achieving our climate change goals:
 - Zero manufacturing waste to landfill
 - Measurable reductions in our carbon footprint

Biodiversity and ecology

- We aspire to minimise the harm caused to the natural environment by our company's activities and to take advantage of opportunities to enhance it where possible. This will be done by integrating biodiversity considerations into our activities, identifying good working practices, and engaging with our communities and partners to preserve the natural environment.
- To facilitate biodiversity in urban areas, Hexcite Group will strive to implement the following as a minimum at one of the sites we manage:
 - Bird boxes
 - Beehives
 - Green walls or roofs.

Materials

- We will ensure we source materials in accordance with our ESG Standards.
- The materials used to manufacture our products can have a big impact on the environment. Hexcite Group aspires to offer a sustainable alternative on all new tenders and aims to consider the embodied carbon of materials used in manufacturing to reduce our overall carbon footprint.
- We aim to only partner with third parties that have in place, at a minimum, an environmental sustainability policy.

- To communicate our commitment to sustainability and to encourage sustainable behaviour, Hexcite Group aims to:
 - Publish updates on performance and potential improvements.
 - Arrange information campaigns and events around sustainability issues and initiatives.
 - To facilitate environmentally sustainable lifestyles and consumer choices, Hexcite Group will:
 - Provide waste segregation facilities;
 - Provide cycle storage facilities at all site;
 - Work with our employees to promote water- and energy saving opportunities;
 - Encourage our colleagues to purchase energy efficient equipment;
 - Aim to install electric vehicle charging points at each site;
 - Investigate the feasibility of decentralised energy production (e.g. rooftop solar photovoltaics) in all buildings.

Communities and wellbeing

Social sustainability for Hexcite Group means actively considering how our key stakeholders are impacted when making decisions. Hexcite Group aims to take into account the interests of all our investors, tenants, suppliers, contractors and the local economy. We strive to always make a positive contribution, creating jobs in the areas in which we manufacture.

Suppliers and contractors

- We will monitor and ensure our supply chain adheres to our business ethics, human rights, environmental product and on-site occupational safety standards. In doing so we will review the policies of our partners.
- Going forward, we will seek to integrate supplier sustainability assessment into our formal selection process.
- Where possible, we will engage with local suppliers and service providers to stimulate local economies and foster job creation.

Governance and transparency

Hexcite Group acknowledges that strong corporate governance is critical to protecting investors' capital and ensuring that only the highest quality and most relevant investment opportunities are considered. As a result, Hexcite Group and all of its companies operate under a robust framework of policies and procedures. Hexcite Group is committed to ensuring rigorous governance in order to continue to operate successfully in the long term.

Ultimately, our aim is to become one of the most successful and sustainable businesses in our sector in Britain. We recognise that this involves managing a variety of risks and materialising opportunities, both internally as well as for external stakeholders. We believe that whilst financial performance is one of our key drivers, there must be a balance between financial success, contributing to society, and protecting the environment. To ensure we have an up-to-date understanding of key ESG related risks and opportunities, we have committed to an annual review of this policy together with our designated sustainability advisors.

Governance processes

- Our financial governance principles and goals include the following:
- Retaining our balance sheet strength in order to remain financially stable and deliver on all our commitments
- Achieving excellent returns on investor equity in accordance with the level of risk
- Ensuring all suppliers and service partners go to competitive tender.
- Prior to making investments and/or incurring significant capital expenditure, a number of formal review procedures must be followed

Transparency and stakeholder engagement

Hexcite Group is committed to collaborating and sharing information with our internal and external stakeholders, including investors, employees, suppliers and contractors, and national and local governments. We will communicate to all parties through an annual sustainability report. Specific priorities and activities with regards to transparency and communication with the aforementioned stakeholder groups are described in the following section.

Investors

- We aim to keep our investors informed about our business activity and performance. We plan to update our investors on our ESG progress annually through a sustainability report. We believe that this engagement with our investors will help to reflect the value generated by sustainability and responsible investment
- We are looking to establish new ways to engage with our investors on ESG matters and demonstrate that our approach to sustainability adds value to our business.

Employees

- Hexcite Group is actively working to ensure all our employees fully understand and engage with our efforts to improve our performance in ESG issues. To do so, we plan to provide the required staff with sustainability and ESG training.
- We believe it is key that our employees feel they are able to influence and have ownership over the Hexcite Group ESG framework and its outcomes. Accordingly, we welcome comments from all employees on our approach and formally invite feedback at a minimum of once a year.

Customers

- Hexcite Group's reputation amongst our customers is critical to securing tenders and enhancing our reputation within our sectors. To meet the commitments outlined in this policy and to provide our customers with high quality sustainable products and, we will:
- Ensure transparency of our sustainability performance via our annual sustainability report and other communication channels.
- Conduct periodic customer surveys, as outlined in the previous section.

Suppliers and contractors

- We will encourage the uptake of sustainability activities for our contractors and provide guidance in line with our ESG framework when requested from National and Local Governments.
- Hexcite Group actively seeks out opportunities to work with all levels of government to inform their approach to sustainability.
- Helping to develop relevant industry-wide code of best practice.



CEO Wes Mulligan (Hexcite Holdings Ltd)

Dated August 2022

Review No later than 31 st January 2023