

# ESG REPORT 2023

APACHE  CAPITAL

PRESENT  
MADE



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## INTRODUCTION

Apache Capital launched our ESG Strategy in 2022, this document sets out our themes and commitments in terms of ESG in relation to Corporate, Asset Management & Development operations.

Apache's group ESG report 2022 set out three areas of focus for the following 1 – 3-year period, these being:

01

**Climate resilience / TCFD gap analysis**

COMPLETE

02

**Enhance charitable endeavours at a corporate level**

COMPLETE

03

**Finalise strategic acquisition & development brief to support the Investment Committee process**

COMPLETE

## 2023 APACHE BUSINESS UPDATE

Apache celebrated achievements throughout the business in 2023.

We successfully re-financed four assets in the Apache/ Moda JV, totaling at debt commitment of £409,000,000 from four leading lender partners, PBB, Tristan Capital, AIG and PIMCO. These transactions solidify Apache as a leading Asset Manager of prime BTR Real Estate in the U.K.

Present Made, our Single-Family Housing platform, completed its first funding transaction in Cambridge. The equity and debt funding was secured for Present Made's £200m+ SFH debut project, Present Made of Eddington, Cambridge.

The Apache and Present Made team enjoyed a year of team events including a whole team offsite training day, multiple social events and charity fundraising initiatives.

## BUSINESS ACHIEVEMENTS 2023



### CORPORATE OPERATIONS:

- Planet Mark Carbon Neutral Business
- 3\* GRESB scores
- Hosted 9 work experience students
- Climate resilience process implemented
- DEI in person training completed
- REGO Energy supply secured for Apache / Present Made head office
- Company Values embedded with the team
- £3,613 raised for charities over the year (St Mungos & Movember)



### MULTI FAMILY – MODA JV

- 9 sites
- 7 cities
- 3,000 operational homes
- 312 wellbeing resident events
- 3-star Fitwel achieved on Holland Park
- Moda Life Management Limited (the operational management business we own with Moda) was crowned Number 1 Owner/Operator by Homeviews 2023.



### SINGLE FAMILY – PRESENT MADE

- Funding secured for first site, Present Made of Eddington, Cambridge
- New development partners identified
- Acquired second site, Mill View, Bedfordshire

# CORPORATE UPDATE





## CORPORATE ACHIEVEMENTS

### CLIMATE RESILIENCE/ TCFD GAP ANALYSIS

The Apache ESG Committee completed a TCFD gap analysis. From this process the Committee have finalised a robust risk management process including an annual Climate Risk workshop to assess and prioritize climate related risks.

A Climate risk register has been drafted to govern this process internally, the risk register will be updated annually and shared with the Executive Team and Apache Board.

### STRATEGIC DESIGN & ACQUISITION BRIEF

The Apache ESG Committee drafted and implemented an ESG Investment Committee (IC) process document. The document provides an overview of the typical ESG design requirements by our investments. The requirements cover themes including Environmental, Building Certifications, Social & Governance. Each transaction brought to the IC will complete the document with the IC having ultimate discretion on transactional approvals.

## CORPORATE ACHIEVEMENTS – GOOD GOVERNANCE

### DIVERSITY EQUITY AND INCLUSION (DE&I) TRAINING

Apache recognise the value derived from the diversity of our staff. To bring DEI to the top of the agenda, Apache invested in a whole team in person DEI training programme hosted by Linbert Spencer. Linbert's programme "Inclusion, Diversity and Equality: What It Is And Why It Matters", was an engaging and practical session.

The Executive Committee approved the below commitments to enhance the inclusivity of the team following the outcomes of the session.

### DEI COMMITMENTS

Commitment	KPIs or Action plan	Status Dec 2023
Host inclusive meetings which encourage active participation from all attendees.	<ul style="list-style-type: none"> <li>Coach the whole team in the 'Six thinking hats' model to broaden discussion and decision making. Encourage those who are hosting / leading a project to refer to this model in decision making.</li> <li>Facilitate active participation at Team Meetings by implementing a 'Help &amp; Highlights' format, giving all employees the opportunity to contribute on a regular basis.</li> </ul>	COMPLETE
Celebrate smaller wins and successes.	<ul style="list-style-type: none"> <li>Celebrate how employees have handled a situation, not just a completed task/ deal by defining and embedding Apache Corporate Values.</li> <li>Employee 'Prize Giving' initiative implemented at whole team training day to recognise those who have gone above and beyond.</li> </ul>	COMPLETE
Encourage cross team engagement and knowledge sharing.	<ul style="list-style-type: none"> <li>Host a full team training event annually in Q3/4.</li> <li>Activate framework for knowledge sharing including "The Quarterly Quandary" &amp; "Knowledge Share".</li> </ul>	COMPLETE
Gather quality feedback/ insight to how employee's feel working at Apache/ Present Made.	<ul style="list-style-type: none"> <li>Review questions on annual employee survey, how can the questions improve data collection for greater insight.</li> </ul>	COMPLETE
Embed the Apache/ Present Made company values.	<ul style="list-style-type: none"> <li>Display the company values at head office.</li> <li>Embed company values in people processes at the business e.g., appraisals and recruitment.</li> <li>Culture &amp; values to form an agenda item at the whole team training agenda Q4 2023.</li> </ul>	COMPLETE



# APACHE & PRESENT MADE – TEAM HIGHLIGHTS

## HEALTH & WELLBEING



### HEKA HEALTH

*Wellbeing & lifestyle platform.*

All employees have access to the Heka platform, with the company providing £25 a month credit to all staff. During 2023 the business committed £6,950 to employees Heka accounts.

## PRIVATE MEDICAL INSURANCE



### AVIVA

*Insurance*

All Apache/ Present Made employees are invited to join the company Private Medical Insurance upon completion of their probationary period. The company's current provider is AVIVA.

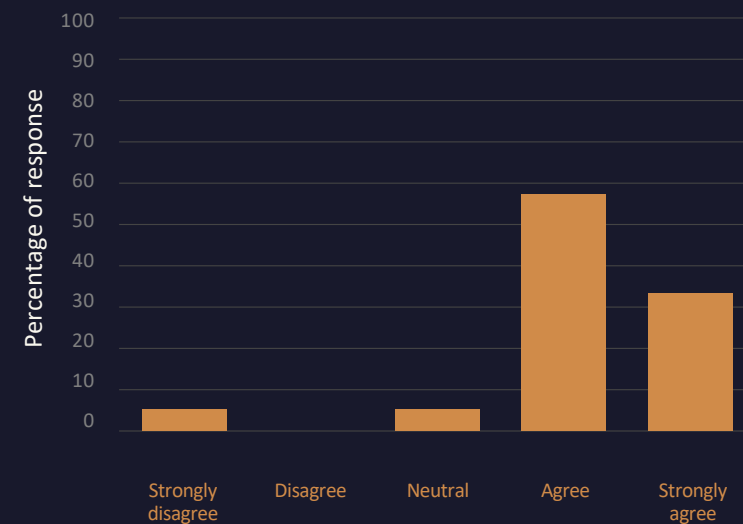
## BIKE2WORK.



### BIKE2WORK

All employees are invited to take advantage of the Bike2Work scheme.

*'Health and wellbeing of all stakeholders is important to Apache/Present Made'*





# APACHE & PRESENT MADE – TEAM HIGHLIGHTS

## EMPLOYEE ENGAGEMENT



### EMPLOYEE SURVEY

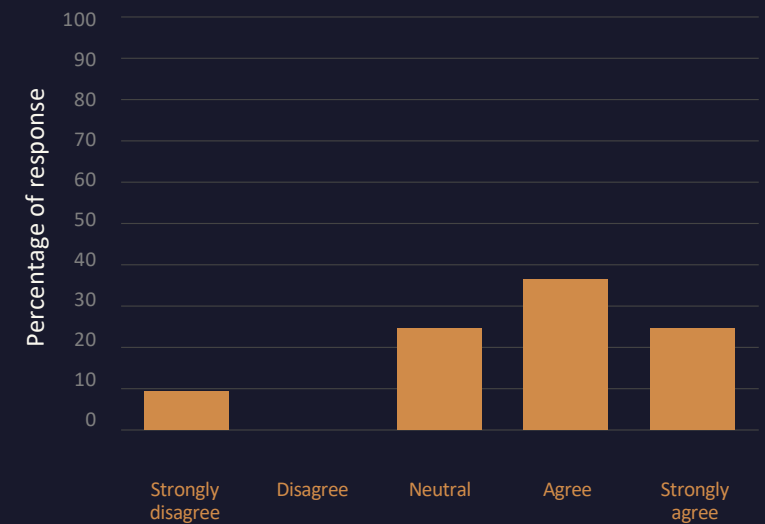
Apache / Present Made conducted our third annual employee survey. We celebrated a positive set of results and held an employee workshop to address topics that arose from the feedback.



### QUARTERLY QUANDARY & KNOWLEDGE SHARE

We launched a two further employee engagement initiatives, Quarterly Quandary & Knowledge Share. These initiatives encourage the team to explore topical discussion points and develop solutions and ideas that they present to the ExCo / wider team. These initiatives encourage cross-team collaboration and facilitate solutions from the bottom up. The first Quarterly Quandary topic was Artificial Intelligence.

*‘Overall, I would recommend Apache/Present Made to a job applicant’*



## CORPORATE ACHIEVEMENTS – CHARITY

### CHARITABLE ENDEAVOURS

In early 2023, the Apache and Present Made Charity Committee was formed to expand on the business' existing charitable endeavours at an individual and company level with particular focus on the following:

01

#### The “S” in ESG

02

#### Employee Engagement

Individual and Corporate

03

#### Giving Back

Focus on assisting those from a lower socio-economic background - “Changing lives by raising aspirations”

### COMMITTEE INITIATIVES

The Committee focused on the following initiatives:

- We established **Give As You Earn** with the **Charities Aid Foundation**; this is the leading UK workplace giving scheme that enables employees to give to any UK charity through salary sacrifice.
- We established a selection criteria for the business to select a **‘Charity of the Year’** to support; all employees were given the opportunity to nominate a charity and all employees were able to vote from a shortlist. The business selected **St Mungo’s, one of the UK’s leading homelessness charities**, as an alignment with our business in real estate.

By supporting St Mungo’s, the firm was raising funds to help prevent homelessness and support people at every step of their recovery. We set ourselves the **goal of raising £2,710** (being a representation of the 271,000 people reported in January 2023 as experiencing homelessness) which we surpassed in December 2023.

- Extending and expanding the work experience scheme by hosting students from a broad socio-economic background. Developing partnerships with Inspire and Reading Access Internship Scheme, we offered placements to those who wouldn’t otherwise have the opportunity / access to the Real Estate business.

## CORPORATE ACHIEVEMENTS – GOOD GOVERNANCE

### FUNDRAISING AND TEAM BUILDING

- The Cycle Challenge involved the Apache and Present Made teams **cycling 271,000 metres (168 miles) on 2 exercise bikes**, each bike metre representing a person without a home in the UK.
- The aim was to reach the target distance on each exercise bike within 12 hours and we successfully completed this in just under 10 hours, with employees taking up 30-minute slots throughout the day.
- The event was a great success and created a high level of positive team morale and spirit, as well as helping us to reach 80% of our fundraising target.



## CORPORATE ACHIEVEMENTS – WORK EXPERIENCE 2023

In July and August, we hosted 9 A-level and undergraduate students across 3 one-week programmes. The students came through various links with organisations, including Inspire & The Reading Real Estate Access Internship Scheme.



### INSPIRE

Inspire is an educational charity based on the Education Business Partnership Model. Inspire focus their support on primary & secondary school children from year 5 – year 13, in the East London area, specifically Hackney, Camden, Islington and surrounding areas. Apache hosted students from City Academy, Hackney.



### READING REAL ESTATE ACCESS INTERNSHIP PROGRAMME

Reading Real Estate Access Internship Programme aims to widen access to the real estate profession by raising awareness of and aspirations about the vast range of careers available within the industry.

*One student commented “I am incredibly grateful for the opportunity provided by Apache to complete this work experience. As a Real Estate university student, this experience helped me to know more about different pathways to my future career, ranging from investment to interior design from an industrial perspective. The hands-on tasks and site visit to Birmingham also developed my practical and interpersonal skills like Excel, research and presentation skills. Besides, the team at Apache is very welcoming and warm to guide us through our inquiries. I would definitely recommend this programme to students who are struggling to find out what they are interested in!”*

### INSPIRE

One student who took part in the work experience programme was offered temporary employment in the Apache Investment team in 2023. His positive approach to the role and responsibilities has led to him being employed under a permanent contract providing support to the business at a graduate position. This successful placement highlights the opportunities that arise through the Apache work experience programme.

## CORPORATE ACHIEVEMENTS – PLANET MARK



### PLANET MARK – BUSINESS CERTIFICATION

We're proud to announce that we have achieved **Planet Mark** Business Certification for reporting years 2020, 2021, 2022 and 2023, furthering our commitment to reducing our carbon emissions. Planet Mark Business Certification is an internationally recognised sustainability certification for all organisations acknowledging continuous progress, encouraging action and building an empowered community of like-minded individuals. The Planet Mark measurement methodology is fully aligned to Greenhouse Gas (GHG) Protocol and all data is verified with evidence provided by Apache Capital. We have been calculating our Scope 1 and 2 emissions and 'core' elements of Scope 3 through Planet Mark Business Certification and are committed to reducing these emissions annually.



### CARBON NEUTRAL

We're proud to announce that Apache has achieved carbon neutrality in accordance with **PAS 2060:2014** for our 2022 reporting year. This is an incredible achievement involving the entire business. Achieving Carbon Neutral status demonstrates our ongoing commitment to reducing our impact on the planet and society. This is done through measuring and reducing our carbon footprint and investing in **accredited** carbon offsetting programmes to offset our remaining carbon emissions. Apache Capital has offset 19 tCO<sub>2</sub>e through Gold Standard which is more than our measured location-based footprint of 18.7 tCO<sub>2</sub>e, and this has been independently verified by Planet Mark as meeting the criteria for PAS2060.

This is the first year Apache Capital Partners has achieved carbon neutrality with our revised baseline, and we have committed to reducing our operational carbon footprint by 5% in the period 01 January 2023 – 31 December 2023, which equates to 0.9 tCO<sub>2</sub>e.



### QUALIFYING EXPLANATORY STATEMENT (QES) FOR APACHE CAPITAL

#### **REGO (Renewable Energy Guarantees of Origin) Certified Energy**

In line with our QES commitment, Apache Capital's head office is now procuring REGO backed energy supply for our head office.

# CORPORATE ACHIEVEMENTS – GRESB

Apache submitted to GRESB during 2023 and achieved two- and three-star scores across our Multifamily Housing entities.

GRESB provides a robust framework and benchmarking assessment, the ESG team are reviewing results with the target of maintaining or improving scores annually.

**Apache entities scored above the Peer Average across the three submissions.**



# MULTI FAMILY HOUSING UPDATE



## MODA LIFE MANAGEMENT LIMITED – ACHIEVEMENTS

The 2023 ESG highlights of Moda Life Management Ltd (MLML), the operational business we formed and own with Moda to operate the Multifamily housing assets are set out below:

**312** **280** **390**

wellbeing events  
across five assets

health  
check slots

free Peloton  
workouts

**11**

mental health first aiders  
amongst the operational staff

**Engaging with our supply chain**, we are working with our energy providers, **Community Utilities**, who visit our assets regularly to offer advice to residents on reducing usage.



We continue to procure **RECO backed energy** across our Platform One MFH assets:



All assets have supported a **local clothing bank** throughout the year 2023:



**BREEAM In Use Pre-Assessments** carried out on two assets, targeting to certify these assets in 2024.



# MLML – ACHIEVEMENTS

2023 Executive Summary from HomeViews resident satisfaction platform:

30

wellbeing events  
across five assets

All 5 schemes scored  
higher than the  
2023 HomeViews  
UK BTR Benchmark in  
every category

97%

of residents would  
recommend Moda  
Living to their friends  
and family in 2023

4.8/5



4.80 score out of 5 for  
Customer Service above the  
HomeViews UK 2023 BTR  
Benchmark

#1

Moda Life Management Limited  
awarded number one  
Owner/Operator to by HomeViews



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## Moda Living



4.87 (240 reviews)



Overall Facilities Design Location Value Management

Filtered by All Developers Moda Living Date Range 01/07/2023 - 12/12/2023 Resident Type All  
Age Range All

"Every Moda team member I have encountered has been extremely kind, helpful and welcoming."  
[Lena M, Verified resident on HomeViews The McEwan](#)

"Having been at Moda for 18 months, it's safe to say the experience helped ease us into an entirely new city."  
[Anonymous, Verified resident on HomeViews New York Square](#)

"Moving to Moda was the best decision! I enjoy a beautiful apartment, impeccable common areas, and all the activities organized by Moda such as yoga, movie nights, etc."  
[Gabriela S, Verified resident on HomeViews The Mercian](#)

## GREAT CHARLES STREET, BIRMINGHAM - DEVELOPMENT CASE STUDY

Working alongside Moda Living, our JV development partner, we continue to push the sustainability credentials of our development assets. The case study below sets out the ESG strategy on our latest asset under development in the city of Birmingham, Great Charles Street.

	ACCREDITATION/ CERTIFICATION	TARGET OR ACHIEVED SCORE
	EPC rating	Target: Level B across apartments
	Home Quality Mark	Target: HQM 4 Star Rating for Apartments.
	BREEAM Retail	Target: Excellent for Commercial Areas.
	Fitwel	Target: 3- Star Score (3 Star being the maximum)
MEP Strategy	All electric	All electric scheme, Air Source Heat Pumps.
	Onsite renewables	The development benefits from a solar PV (photovoltaic). Expected PV energy generation 44,191 (kWh/year)



Apache have implemented an ESG reporting process for all main contractors across the MFH platform. By engaging with our supply chain, we can ensure our partners reflect our sustainable values.

Snapshot of social initiatives undertaken by main contractor (Sisk) at Great Charles Street during 2023:

- Ten schools/ colleges visited including a presentation designed and delivered to pupils at Handsworth Wood Girls' Academy about 'Women into Construction'.
- Seven work placement weeks including a structured work experience plan completed to support a young person from Selly Park Girls' School.
- Over 400 hours of volunteering including volunteering at FareShare a UK national network of charitable food and offering re-distribution group.
- 206 apprenticeship weeks worked onsite.
- Supporting six disadvantaged people with work & training opportunities.
- 3 mental health trained ambassadors on site.

# SINGLE FAMILY HOUSING UPDATE



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## PRESENT MADE ESG UPDATE

Present Made, our Single-Family Housing Platform, have secured funding on their first scheme, Eddington Cambridge. Eddington will be the flagship site for the SFH platform and the ESG case study is set out below:

### EDDINGTON, CAMBRIDGE,

#### ESG CASE STUDY:

- Code for Sustainable Homes, pre-assessment signed off & construction underway to achieve Code 5.
- Designed to meet 100% Lifetime Homes Standard.
- Designed to achieve Biodiversity Net Gain.
- Largest grey water recycling system in U.K.
- Blue roof system.
- Community gardens including landscaped podium with gardening, wellness, play and exercise provisions.
- Onsite PV (photovoltaic) solar energy generation designed for all housing units, apartment & amenity building.
- Minimum ESG criteria stated in furniture tenders.
- Operational social strategy finalised.
- ActionFunder partnership established.

