

## Compliance and anti-corruption procedures

LondonMetric Property Plc (“LondonMetric” or the “Company”) places significant importance on the management of potential risks that may impact its business and stakeholders.

As set out more fully in the Risk management and internal controls section of the Annual Report, the Company maintains a comprehensive risk register. In accordance with the UK Corporate Governance Code guidelines, the Audit Committee reviews and challenges the Company’s internal controls and risk management systems. It also reviews whistle-blowing arrangements and procedures for detecting and preventing fraud and bribery and reports to the Board. The Board considers high level risks affecting the Company and mitigating procedures at each of its meetings and uses a risk dashboard to aid this process.

The Board has oversight for compliance and anti-corruption at the Company.

### **Compliance Procedure Manual**

As part of its risk management processes, LondonMetric places high importance on compliance by the Company and staff with:

- Laws and regulations which affect it;
- The Company’s Code of Conduct which establishes good practise in relation to its business and the conduct of its employees

The Company has a Compliance Procedure Manual (the “Manual”) to ensure that it and its employees act consistently with The Financial Services and Markets Act 2000, FCA principles, handbooks and other relevant financial regulations that affect them. The Manual is circulated to all staff on joining and the Company’s compliance officer is responsible for, inter alia, ensuring that:

- the Manual remains compliant, is effective and up to date;
- the Company and its employees remain compliant;
- in conjunction with senior management, the Company undertakes regular and suitable risk assessments of Company operations, including matters related to anti-corruption including bribery; and
- the Company has Whistle-blowing arrangements and procedures for detecting and preventing fraud, bribery and corruption.

The Company employs an external compliance adviser to ensure that its compliance procedures are up to date and relevant. It has procedures in place to investigate and report non-compliance. There have been no disciplinary actions or dismissals due to non-compliance with the Manual.

LondonMetric provides updates to and training on the Manual to all staff. Company-wide anti money laundering, market abuse, whistle blowing, conduct & ethics refresher training was last undertaken in January 2023 and was led by the Company’s external adviser.

### **Anti – Corruption**

Important components of the Manual relate to LondonMetric’s anti-corruption procedures, specifically covering:

- Anti-Money Laundering and Financial Crime; and
- Managing Conflicts of Interest including mitigating the risk of bribery

Notwithstanding the controls and systems in place to manage the risks relating to such corruption, the Board believes that the risks to the Company are low for the following reasons:

- all of the Company's staff are UK based operating from one main and one satellite office location, all of its investments are in the UK and parties it deals with are predominantly UK based;
- the Company is not involved in making political donations, applications for licences or permits outside the UK, public procurement projects or high value projects with many contractors; and
- prior to the establishment of any new commercial relationship or making investments, appropriate and detailed due diligence is carried out.

LondonMetric has not incurred any fines, penalties or settlements in relation to corruption.

#### **i. Anti-Money Laundering and Financial Crime Policy and procedures**

LondonMetric assesses the risk of fraud and other financial crimes as part of carrying out its business. Much of the Company's procedures governing anti-money laundering and terrorist financing focus on having sufficient information about the parties it deals with including tenants, joint venture partners, contractors, counterparties on investments and agents. Systems are in place to identify individuals and organisations which represent a higher risk to the Company of money laundering, such as Politically Exposed Persons and appropriate procedures operate to mitigate these risks including enhanced due diligence.

The Chief Executive and the Board have overall responsibility for the establishment and maintenance of the Company's anti-money laundering systems and controls. The senior management team are aware of the risk to the Company of being used in connection with financial crime and take appropriate measures to prevent it.

#### **ii. Managing Conflicts of Interest**

LondonMetric aims to take all reasonable steps to identify potential conflicts of interests and to prevent conflicts of interest from adversely affecting the interests of other parties.

The Board and senior management of LondonMetric are committed to ensuring that the resources of the Company are not used to assist in an act of bribery. They ensure that the business is run in a manner consistent with this policy, implement appropriate procedures to ensure the same and are also responsible for keeping records of the action taken when a conflict has arisen. Specific policies to counter conflicts of interest and the risk of bribery include:

- a policy on gifts and entertainment – All staff are required to annually disclose that they have reported all benefits given and received, or that they have not given or received any benefits during the course of the year (subject to a threshold). Normal business courtesies and reasonable hospitality may be accepted so long as it meets certain criteria. Outside of these criteria such activity must be disclosed and pre-approved by a senior line manager; and
- personal account dealing – Procedures exist in relation to the trading of LondonMetric and other restricted company shares. Share dealings must be pre-approved and evidenced. Approvals last for a short defined period and will only be provided outside of closed periods and in the absence of market sensitive transactions being undertaken by the Company.

**Updated September 2023**