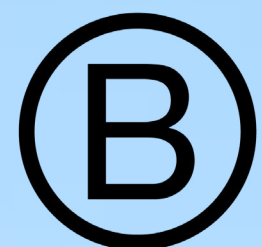


 PRECEDE

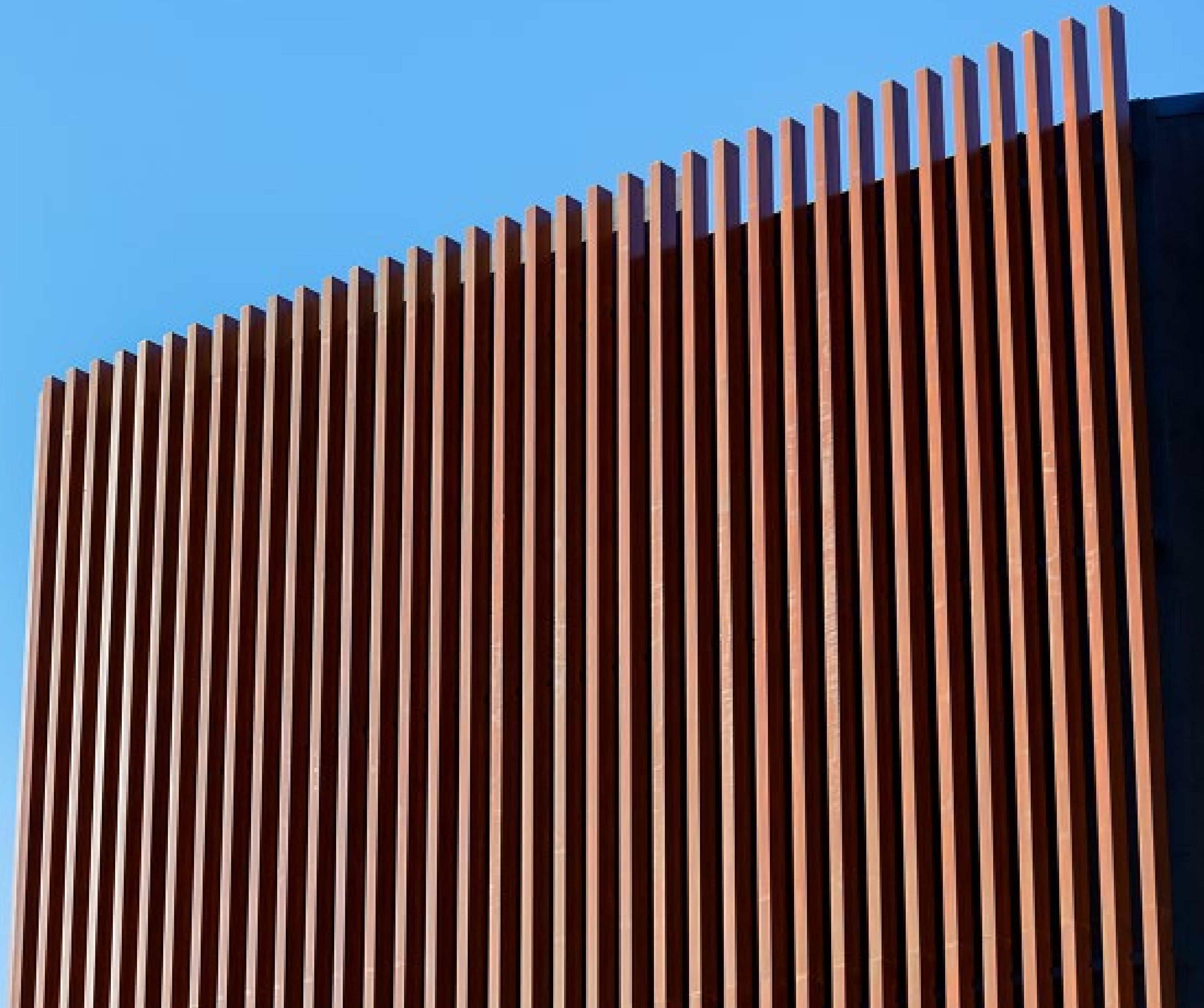
Impact Report 2025

*Better outcomes for
the built environment*

Certified



Corporation



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Thoughts from our COO

Welcome to Precede Capital's 2025 Impact Report. In a year shaped by economic uncertainty and continued change, we have remained firmly committed to our conviction that responsible real estate credit is a powerful driver of long-term value.

We are proud that 100% of our loans continue to be screened against robust ESG criteria. From office-to-residential transformations such as Chiswick High Road to pioneering modular developments like Enclave Acton, our capital is supporting projects that place sustainability, quality placemaking and resident wellbeing at their core.

As we look ahead, we do so with purpose and momentum. We have completed a B Corp gap analysis against the latest standards, ensuring our ESG strategy continues to evolve in line with global best practice.

At the same time, we are proactively strengthening our governance of emerging technologies, applying the same ethical discipline and accountability that underpin our credit decisions.

Our mission remains clear: to drive positive change in the built environment. Through mentorship, investment in our people and targeted green building incentives, we work to ensure that every project we support contributes to a more sustainable, resilient future.

Thank you for your continued partnership and trust as we progress on this journey.

Karen Dunstan
COO & General Counsel, Precede Capital

K Dunstan



2025 impact highlights

100%

screened loans against stringent ESG criteria

58.5%

reduction in office emissions*

*from 5.3 tCO₂e in 2024 to 2.2 tCO₂e in 2025

89%

employee satisfaction rate

4 yrs

consistently monitoring our electricity, gas and water usage

Annual 2025 reductions:

Electricity

↓ 56.9%

Water

↓ 62.2%

Gas

↓ 23.5%

1

B Corp gap analysis completed ahead of recertification in 2027



10

team-wide external training sessions led by industry specialists

100%

of screened loans with greater than 50% score in climate section of ESG screening

100%

participation in our annual employee engagement and satisfaction survey

3

mentorship programme participants

Our Mission

It's our belief that responsible lending has the power to drive positive change across the real estate sector. From bridging loans that unlock support for development sites, to development loans that enable the delivery of much-needed housing; our solutions are designed to create sustainable value.

£2bn

invested to date

4000

new homes built

Read more about what we do and how we do it



Our mission is to drive positive change in the built environment

Our ESG Strategy

Our ESG strategy evolves with our business and the global landscape. In 2022, we conducted a Materiality Assessment, identifying the environmental, social and governance issues most significant to our stakeholders.

We established a baseline understanding of ESG priorities and relative importance of different ESG issues and defined two levels of influence:

Loan Product: A lending framework that delivers transparency to investors on the sustainability characteristics of funded assets and drives continuous borrower engagement to improve sustainable practices.

Corporate: Responsible operations underpinned by a strong commitment to employee wellbeing.

As we have matured, our focus areas have become more defined. We have transitioned from broad foundational goals to a targeted 2026 strategy centered on three core pillars of impact.



By addressing both aspects, we ensure our approach is holistic and robust. Our B Corp certification reinforces this, providing a framework for continuous improvement and rigorous due diligence.

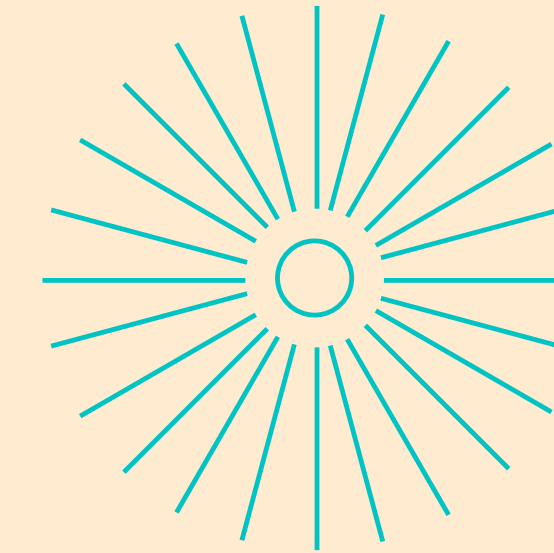


Value Creation

Climate change adaptation and resilience

Sustainable building design

Local community engagement and support



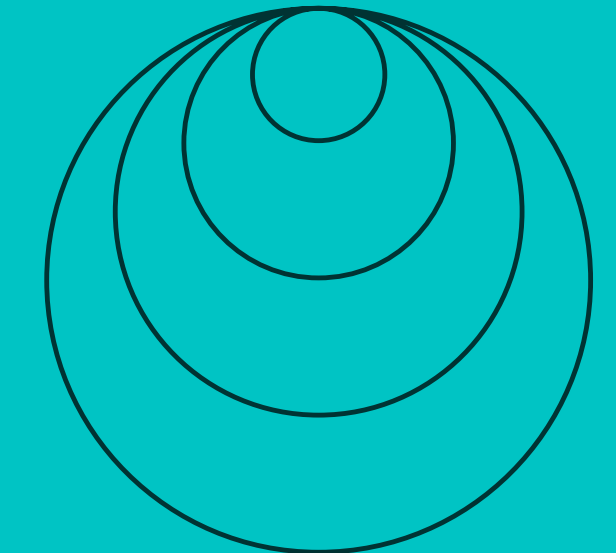
Culture of Ethics

Employee satisfaction

Employee wellbeing

DEI

Security and governance



Resource Efficiency

Energy and water consumption for business operations

Carbon emissions for business operations



“We continue to be impressed by how Precede integrates Responsible Ownership (RO) principles into the core of its strategy rather than treating them as a standalone initiative. The team works closely with borrowers to support thoughtful, sustainable developments designed to deliver long-term benefits for communities. At the same time, Precede’s commitment to transparency helps provide investors with clear insight into what they are lending against and how capital is being deployed. That balance of responsibility, partnership and openness is a key driver of the business’s long-term positioning.”

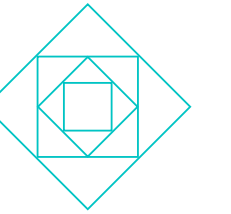
Adélaïde Mion, ESG & Responsible Ownership Associate, TowerBrook

Value Creation

Future proofing against climate risks through value creation

As global infrastructure demand accelerates and the built environment continues to drive more than a third of carbon emissions, the role of capital has never been more consequential. At Precede Capital, we create value by financing real estate projects that are built to last — assets that are resilient to climate risk, aligned with evolving regulation and designed to deliver long-term benefits for communities as well as investors.





Responsible lending

We actively promote sustainable practices across the real estate sector through our lending activities and ongoing engagement with borrowers. While we recognise that developers often face competing commercial priorities, we believe the financing we provide should actively support the transition to a more sustainable built environment. To ensure full transparency, we provide all ESG screening results to our investors, offering a clear view of the impact and standards of our lending portfolio.

Integrating ESG into lending

Every loan we provide is assessed against ESG criteria to help borrowers identify and manage potential risks at an early stage.

100%

of our loans are screened against stringent ESG criteria

Scorecard assessment: Each application is evaluated using bespoke underwriting scorecards assessing governance, environmental sustainability and social value creation.

Expert collaboration: We work closely with expert partners to evaluate projects against our framework and identify ESG opportunities.

Future proofing: We share screening results with borrowers, providing insights to help them improve performance and protect their assets against regulatory shifts and rising climate risks.

We embed ESG into all lending decisions





Responsible lending in practice

Barclay House

We provided a £20.8 million bridge loan to Broad Street Real Estate for the acquisition and fit-out of Barclay House in Manchester. This project is another example of our focus on urban renewal, converting an underutilised office building into a high-quality Build to Rent (BTR) residential scheme.

Consistent with our purpose-driven approach to lending, the development prioritises high-quality, amenity-rich rental housing.



Strategic conversion

The project repurposed a central office building into residential use to meet local housing demand.

Strategic Location

Provides central housing within walking distance of Spinningfields and major universities

Wellness-led

The scheme prioritises resident experience and connectivity, offering a range of lifestyle amenities including a gym, spin studio, cinema, lounge and private dining room.

Trusted Funding Partner

The loan was provided through Precede’s partnership with LCM Partners, a private credit manager whose ESG credentials align with our own approach.

Total loan:

*£20.8 million
bridge loan*

Total units:

*94 high-quality
residential
apartments*

Asset type:

*Office-to-
residential
conversion*

Responsible lending in practice

Chiswick

In partnership with LCM Capital Partners, Precede provided a £28 million bridge loan facility to Great Marlborough Estates to refinance its original development loan. We are proud to have supported this project through its full lifecycle—from the initial redevelopment phase to operational maturity and its redemption in 2025.

Aligned with our ESG screening, the development priorities sustainability and resident wellbeing, repurposing existing structures and supporting urban renewal.



Energy Efficiency & Low Carbon:

The project achieved an EPC B rating across all 137 units. The site operates without combustion appliances, instead utilising an on-site Energy Centre powered by Air Source Heat Pump (ASHP) technology and Solar PV panels installed at Matcham House.

Commercial Sustainability:

The 9,000 sq. ft. of ground-floor retail and leisure space is on track to achieve a BREEAM Very Good certification, ensuring high environmental standards for the commercial units.

Adaptive Reuse & Innovation:

Transformed a dormant office building into modern homes using prefabricated offsite construction to reduce environmental impact and construction waste.

Community & Wellbeing:

Every home offers private outdoor space, such as a balcony or garden. The scheme also created a new pedestrian-friendly zone between Chiswick Park station and Essex Place, complemented by soft landscaping and new tree planting.



Total loan:

*£28m 1-year
development
exit bridge loan*

Total units:

137 units

Asset type:

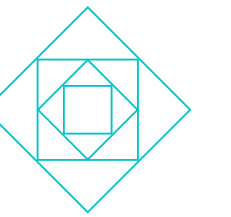
*Office-to-
residential
conversion*

EPC Rating:

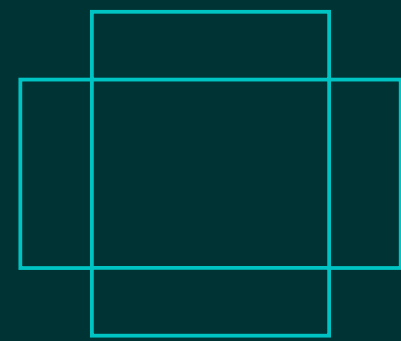
B

BREEAM Rating:

Very Good



Green development loans



Structure

These loans are documented using a specialised Green Loan Facility Agreement developed by the Loan Market Association (LMA), which sets out tailored ESG key performance indicators aligned to the eligible green project. The structure also incorporates financial incentives linked to the achievement of these ESG targets.



Eligibility

Our proprietary Green Loan Framework assesses projects across five key categories: Energy & Carbon; Circular Economy; Biodiversity; Water; and Health & Wellbeing. Projects must achieve a minimum qualifying score to be eligible. We also accept projects with recognised certifications like LEED v4.1, WELL, BREEAM, and HQM.



Tailored ESG KPIs

We work closely with borrowers to set tailored KPIs aligned with their specific sustainability targets. These KPIs are monitored throughout the loan term by our experienced loan management team and reported to our ESG Committee.

As part of our Development Loan product, we offer Green Loans. These are designed to support the construction of environmentally sustainable, predominantly residential, developments. We offer financial incentives to encourage the adoption of green building practices and the achievement of ambitious ESG targets.

Green Loans form a significant and growing part of our lending activity. We recognise, however, that wider market adoption can be constrained by factors such as higher upfront costs and the operational demands of KPI monitoring. Rather than viewing this as a limitation, we see it as an opportunity to take a pragmatic, flexible approach — ensuring that where a loan is not formally classified as green, it can still deliver meaningful sustainability improvements. In this way, we work to ensure that every financing we provide contributes positively to more resilient, future-proofed outcomes for borrowers and the built environment.

Read more about the complexities of green loans here



Green loan completion

Enclave Acton

In January 2024, Precede Capital provided a £105.2 million green loan facility to support the development of Enclave Acton, a pioneering BTR scheme in North Acton, London. Following the project’s successful completion, a Post-Construction Review (PCR) has confirmed that the development has not only met but exceeded several of its original sustainability and performance targets.

As a realised green loan project, Enclave Acton serves as a blueprint for how technical ESG targets translate into a landmark, high-performing residential community.



Best practice building design and construction:

The building has achieved an “Excellent” BREEAM rating, with the latest construction stage performance reaching 83.85%, surpassing the original target of 81.41%.

Modular excellence:

The majority of construction was completed in a controlled factory environment, which increased quality control and cost predictability while reducing on-site environmental impact and local congestion.

Enhanced material sourcing:

The construction stage successfully exceeded design stage predictions for responsible sourcing of materials, gaining additional credits for sustainable procurement.



Green loan facility:

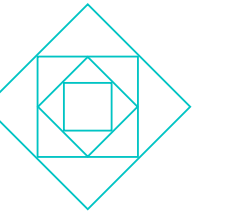
£105.2 million

BREEAM rating:

*Excellent
(83.85%
achieved)*

Resident amenity:

*462 co-living
rooms with
curated
communal
spaces and
a new public
house*



Dedicated to making a difference

Over the past year, we have enhanced our community impact by focusing on partnerships with charities aligned to our mission. We continue to foster social value through hands-on engagement and a core commitment to mentorship, supporting young people with practical industry experience and the tools required to build successful careers in the built environment.



Single Homeless Project (SHP)

The Single Homeless Project is a London-based charity dedicated to preventing homelessness and helping people reclaim their futures.

Hands-on volunteering:

Our team participated in a corporate volunteering day to renovate and build out a new therapy room, creating a welcoming space for healing and support for those on their journey out of homelessness.

Fundraising:

To further support SHP's mission, our COO, Karen Dunstan, completed the Hackney Half Marathon. With the backing of our wider network and stakeholders, she was one of the event's highest individual fundraisers.



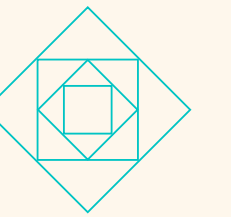
Run Kids Run

Run Kids Run is a social impact charity dedicated to funding primary schools by connecting them with their communities and promoting active lifestyles for children and families.

Precede provided a corporate donation to fund the nutrition for the race event in Battersea Park, ensuring young participants were supported as they engaged in healthy, community-focused activity.

Mentorship

We create value by providing meaningful industry exposure and professional development opportunities for young people through our mentorship programmes. In 2025, we supported three participants across different areas of the business. The reflections below highlight the value of this experience and the impact of structured, hands-on mentorship.



“Learning the inner workings of company law and property finance challenged my thinking, forced me to be definitive, and ultimately inspired me to pursue a law degree”

– Freya

“I gained a deep understanding of private equity and loan functions. Reviewing partnership agreements within such a supportive team significantly sharpened my commercial and legal knowledge”

– Jeevan

“My time at Precede was incredibly rewarding. Working with a knowledgeable team gave me unique insight into the investment process and how disciplined capital drives long-term value.”

– Ollie



Our 2026 commitments

Climate change adaptation and resilience

- Ensure 100% of development loans are screened against ESG criteria
- A minimum of 30% of development loans to be targeted as green loans
- Review and revise ESG scorecard in line with updates to UK legislative measures and new best practices by June 2026

Sustainable building design

- Update ESG Scorecards to take into account any legislative requirements for sustainable building design in the UK by June 2026
- Review and update Green Loan Framework by Sep 2026

Local community engagement and support

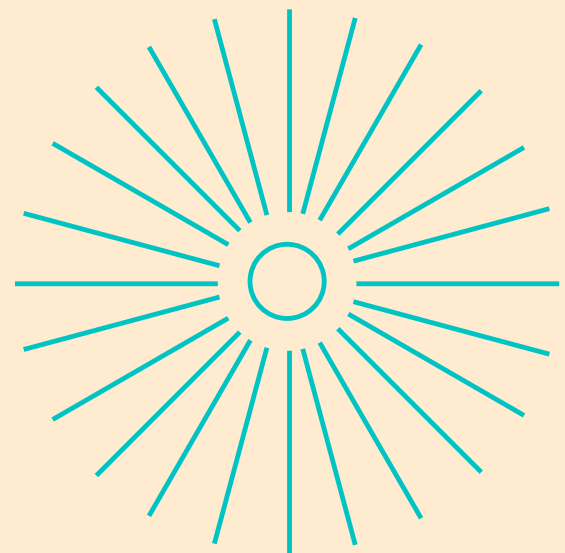
- Complete 2 charity days with a charity that focuses on supporting homeless people in the UK
- Integrate completed social value scorecard into our existing scorecards by June 2026 to streamline the process for Borrowers
- Offer at least 2 summer mentorship programmes

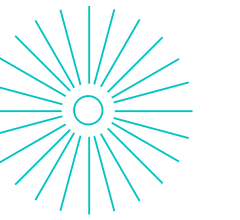


Culture of ethics

*Cultivating a culture of ethics
across all business operations*

Our industry is built on trust and long-term partnerships, which means our integrity is paramount. We foster a culture of ethics by investing in the wellbeing and development of our people, while maintaining rigorous standards of governance to ensure accountability across every level of our business. As AI becomes increasingly embedded in our operations, we are ever more focused on maintaining a robust culture of ethics and responsible decision-making.





Investing in our people

It's important to us that our people feel valued and professionally empowered. This is why we invest in their career development, role satisfaction and wellbeing.

100%

participation rate

89% ↑ +12% since 2024

employee satisfaction rate

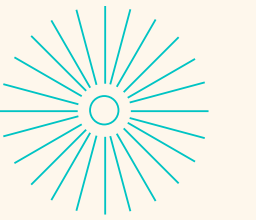
Employee satisfaction

Since 2023, we have conducted an annual employee engagement and satisfaction survey to better understand our people's experiences of working at Precede.

In 2025, the results showed clear progress, with improved role clarity reflecting our investment in structured training, alongside a strong increase in overall employee satisfaction. The survey also highlighted opportunities to further leadership communication and career progression.

We see this feedback as a positive driver for continued improvement and are building on this momentum by increasing leadership visibility, reinforcing the culture of trust and long-term development that defines Precede.





Career development

The real estate landscape continues to evolve at pace, which is why we invest in comprehensive external training for our team. Over the year, we delivered a programme of in-person and digital sessions covering key regulatory developments — including the Renters’ Rights and Building Safety Acts — alongside expert-led technical training on regulated lending and planning. This programme was delivered in collaboration with leading industry advisers, including Shoosmiths, Savills and Eversheds.

Diversity, Equity and Inclusion (DEI)

We continue to strengthen and evolve our DEI approach, supported by initiatives such as reverse mentoring and ongoing engagement across the business. By tracking DEI metrics, we gain valuable insight into the composition of our organisation and ensure actions are thoughtful, targeted and effective, while always respecting individual choice and confidentiality.

Our latest survey highlights encouraging progress across several areas:

Diverse leadership:

Representation on our Board among those identifying as a minority has increased significantly, from 25% in 2022 to 66% in 2025.

Equitable ownership:

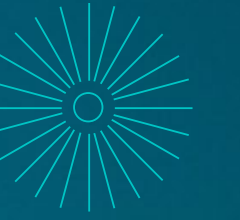
We maintain a diverse ownership structure, with 40% of equity owners identifying as a minority and 33% identifying as women.

Management pipeline:

We have continued to strengthen our pipeline, 20% of management roles held by women, up from 9% in 2023.

Together, these outcomes reflect our commitment to building an inclusive organisation that values diverse perspectives and supports long-term, sustainable leadership





“Precede’s entrepreneurial environment gives me the freedom to think creatively and influence how we grow as a business. I value working with a dynamic team that consistently strives for excellence.”

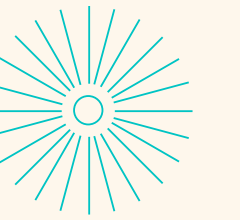
Elaine Rizzo, Finance Director



“I’m really proud to be part of a place where ambition and kindness go hand in hand. It’s truly energising to work with a team that cares about doing great work and about people too.”

Sandra Dewar, Personal Assistant





Trust, transparency and technology

Committed to our people, we lead with transparency and robust governance, maintaining high standards via the B Corp framework and applying them to emerging technologies, especially AI.

- We prioritise system resilience through continuous internal monitoring of LLMs. Our IT team conducts regular internal and mandatory external penetration tests to validate our security against evolving threats.
- We enforce comprehensive internal policies for AI tool interaction, strictly defining data upload/download channels to prevent leakage and ensure ethical AI use.

Bi-annual 1

ESG committee

B Corp gap analysis completed

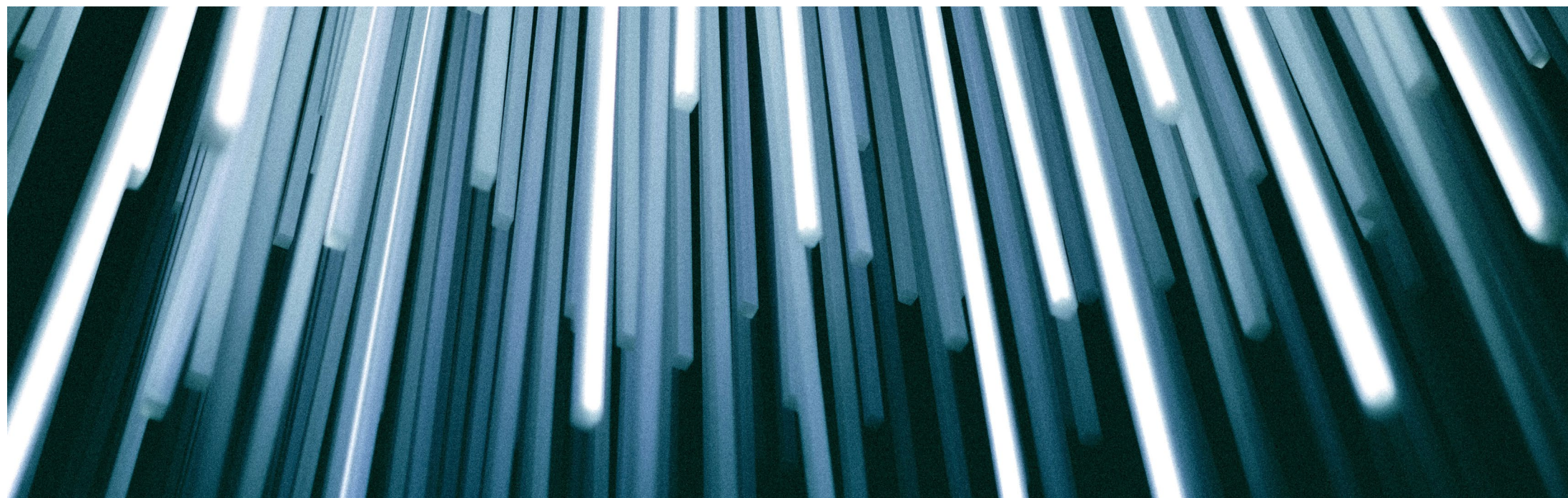


B Corp: our framework for good governance

As a B Corp, our business practices are certified on environmental, social and governance standards. We strive to be transparent and accountable for our impact, and adapt our practices to reflect evolving social and environmental issues.

In 2025, we worked with our sustainability partner, Seismic, to complete a gap analysis against the newly updated B Corp standards, ensuring we stay ahead of any changes. The results have shown us that Precede is already strongly aligned with the new requirements. We are now focused on closing minor gaps, and driving continuous improvement as we look towards recertifying in 2027.

One area we are investigating is our key supplier network, to help deepen our impact. Currently, **27% of our suppliers are local and independent**. We are reviewing our strategy to set realistic targets that prioritise local spend and ESG credentials for our most significant partnerships.





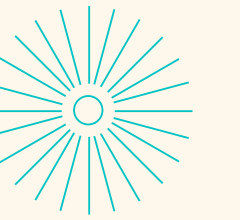
“On the whole, I’m cautiously optimistic that AI will complement—rather than replace—human judgment in real estate development lending. Used properly, AI can enhance decision-making, improve risk assessment, and strengthen consistency, but only within clear safeguards. We are focused on adopting AI in a responsible and controlled way, ensuring transparency, robust governance, and human oversight at every critical decision point. By doing so, we can benefit from AI’s capabilities while preserving the expert judgment, accountability, and trusted relationships that are fundamental to our industry.”

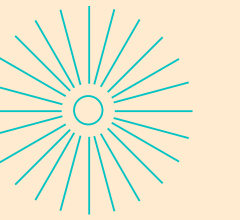
Karen Dunstan, COO

Integrity in the age of AI

As AI continues to evolve rapidly, we apply the same rigorous ethical standards to emerging technologies as we do across our core operations. Our approach to AI in real estate lending is anchored in transparency and the responsible management of bias, ensuring innovation enhances decision-making while upholding the highest legal and ethical standards.

Read Karen’s full piece on AI, real estate lending and law here.





Our 2026 commitments

Employee satisfaction

- Complete employee engagement and satisfaction survey by July 2026, with comparative review
 - Achieve a minimum engagement rate of 85%
 - Achieve a minimum overall satisfaction rate of 85%
- By end of 2026, design an updated employee engagement plan based on results
- Provide at least 3 training sessions per year from external professionals

Employee wellbeing

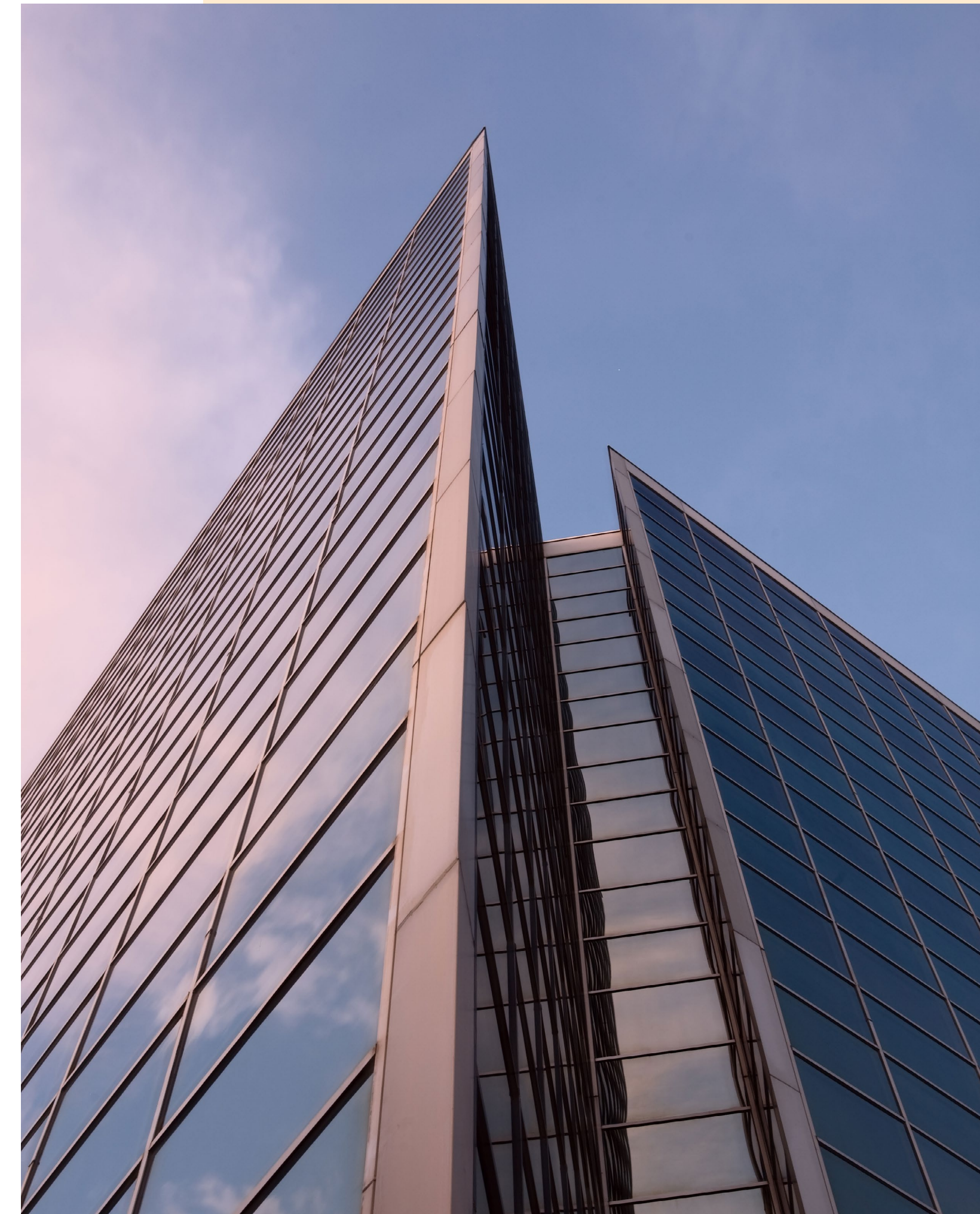
- Complete a structured company-wide review of well being needs for a predominantly homeworking business, covering mental health, ergonomics and social connectivity by Sept 2026

DEI

- 100% of employees to complete DEI training delivered by an independent third-party provider

Security and governance

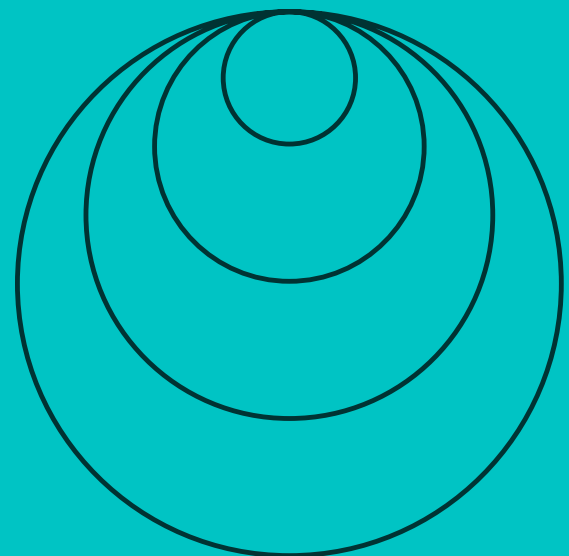
- Continue to avoid 100% of phishing and security threat incidents per year
- Uphold our AI governance framework throughout the company, ensuring AI security safeguards are integrated into every operational workflow
- Implement recommendations from our sustainability partner, Seismic, to ensure compliance with **new B Corp standards** by June 2026

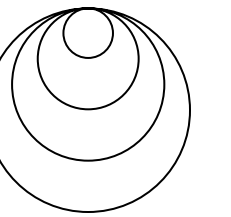


Resource efficiency

Maximising resource efficiency to combat climate change

While our greatest influence lies in the capital we deploy, we are committed to reducing our own operational footprint. We take a deliberate, considered approach to our internal practices — prioritising resource efficiency and ensuring our day-to-day operations reflect the sustainable outcomes we seek to achieve across the built environment.





Delivering more sustainable operations

In our fourth year of carbon footprint reporting, we successfully reduced our operational emissions through strategic office right-sizing and reduced business travel.

These results demonstrate our ability to maintain a **lean, high-efficiency core while remaining agile.**

Key resource highlights from 2025 include:

Electricity: A reversal of a three-year upward trend, showing a **year-over-year decrease.**

Gas & Water: Consumption levels have now **fallen below our 2022 benchmarks.**

Moving forward, we will continue to **prioritise data transparency** and analyse our consumption patterns to drive further efficiencies.

Electricity consumption:

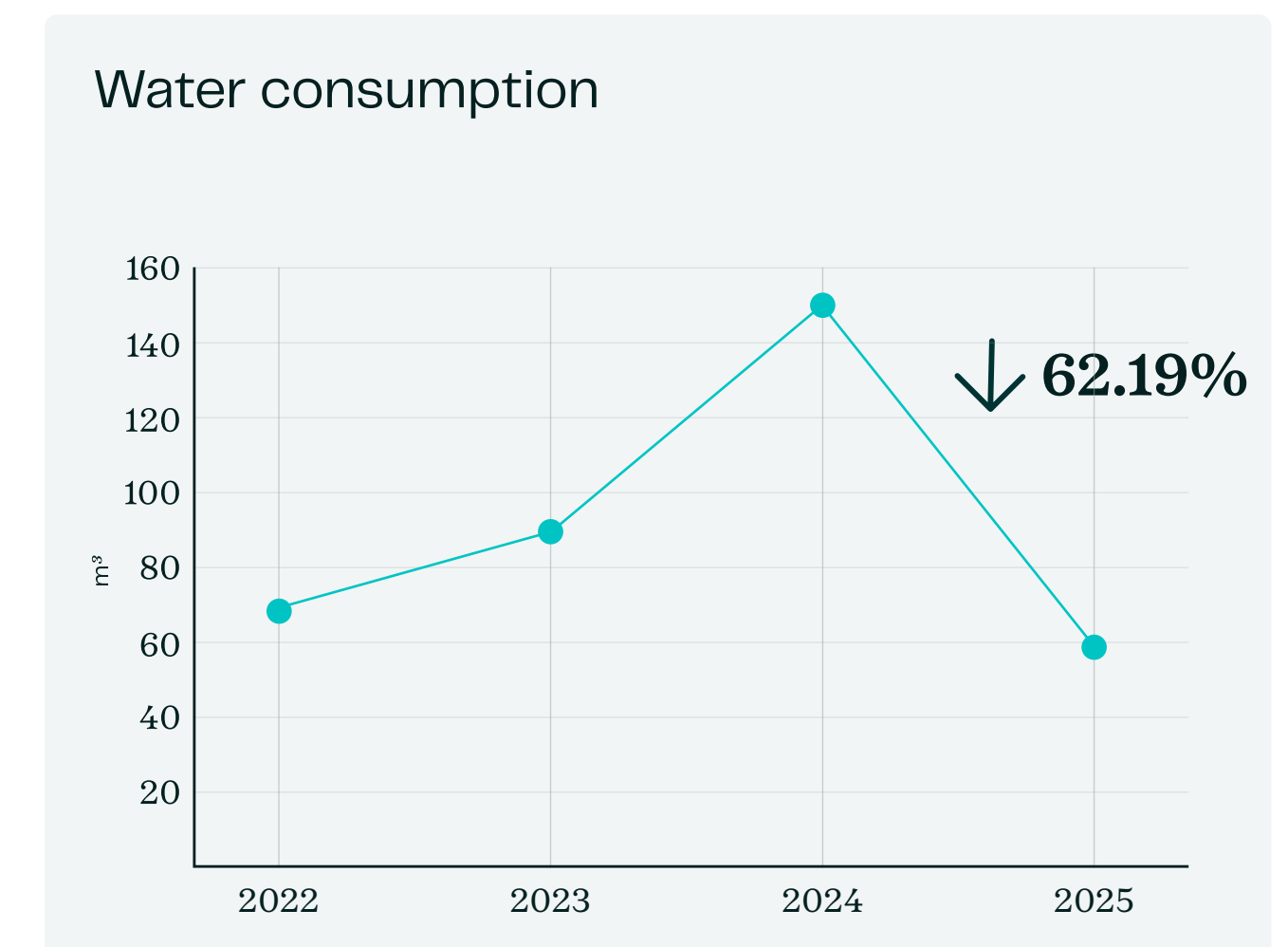
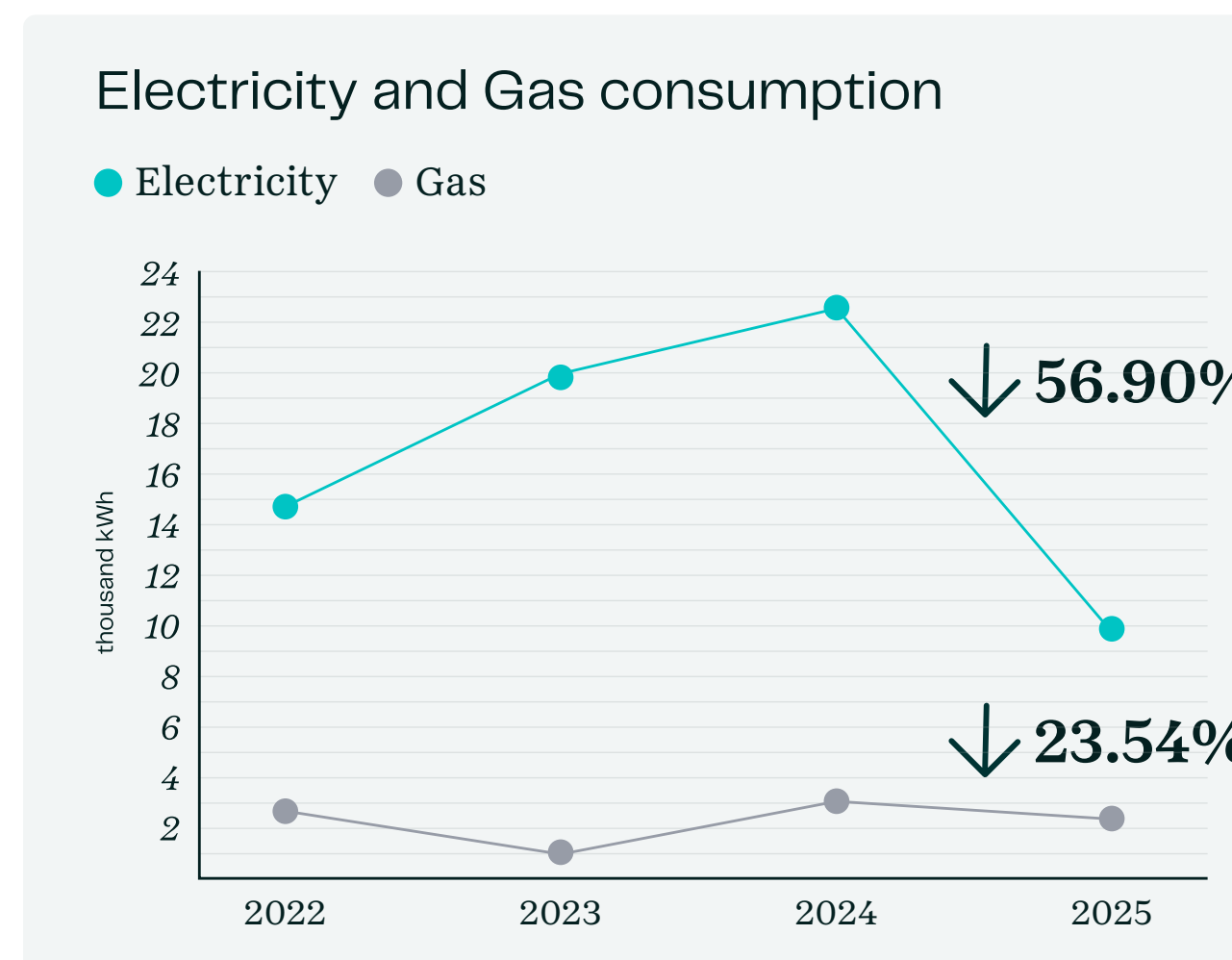
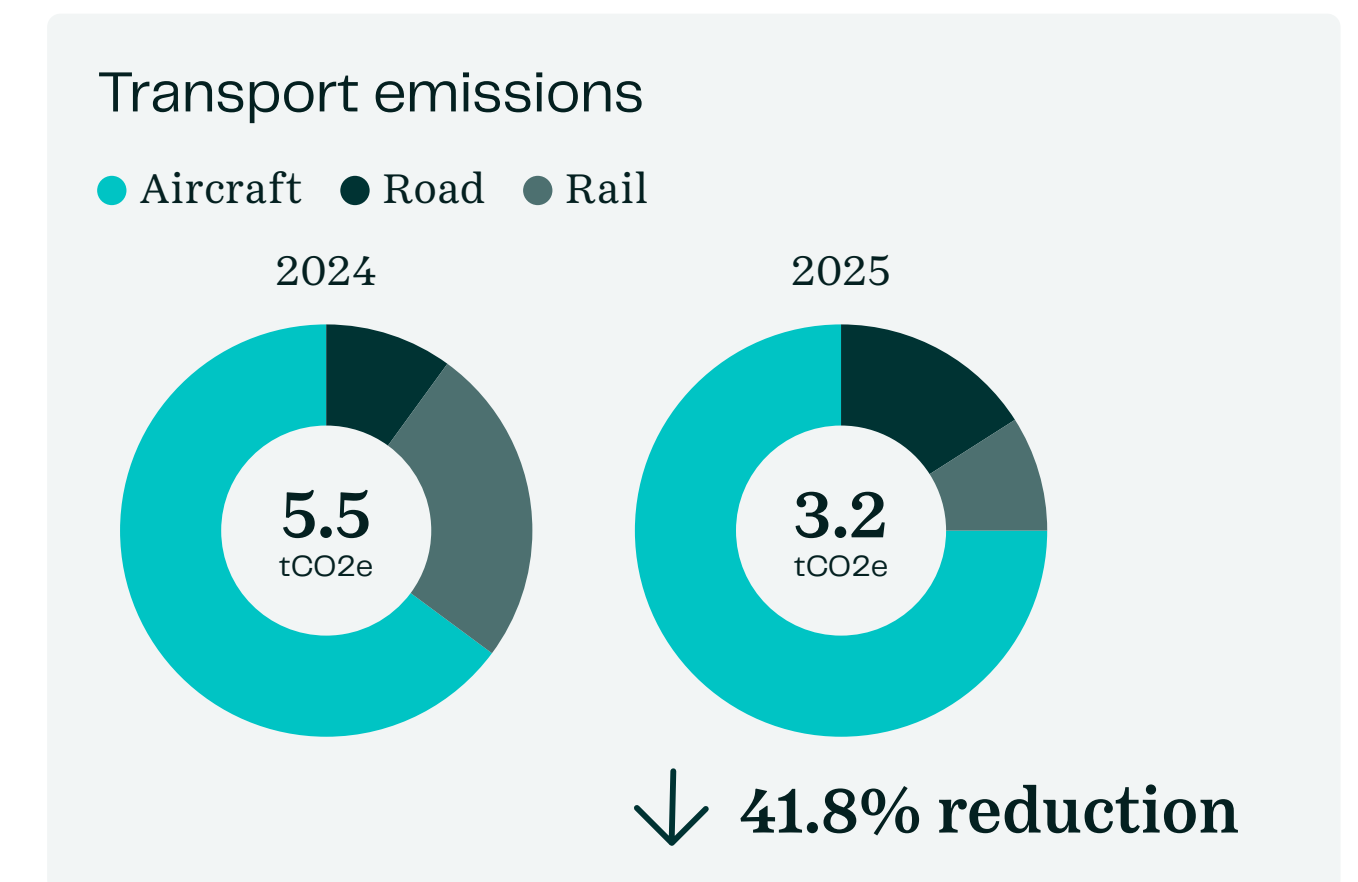
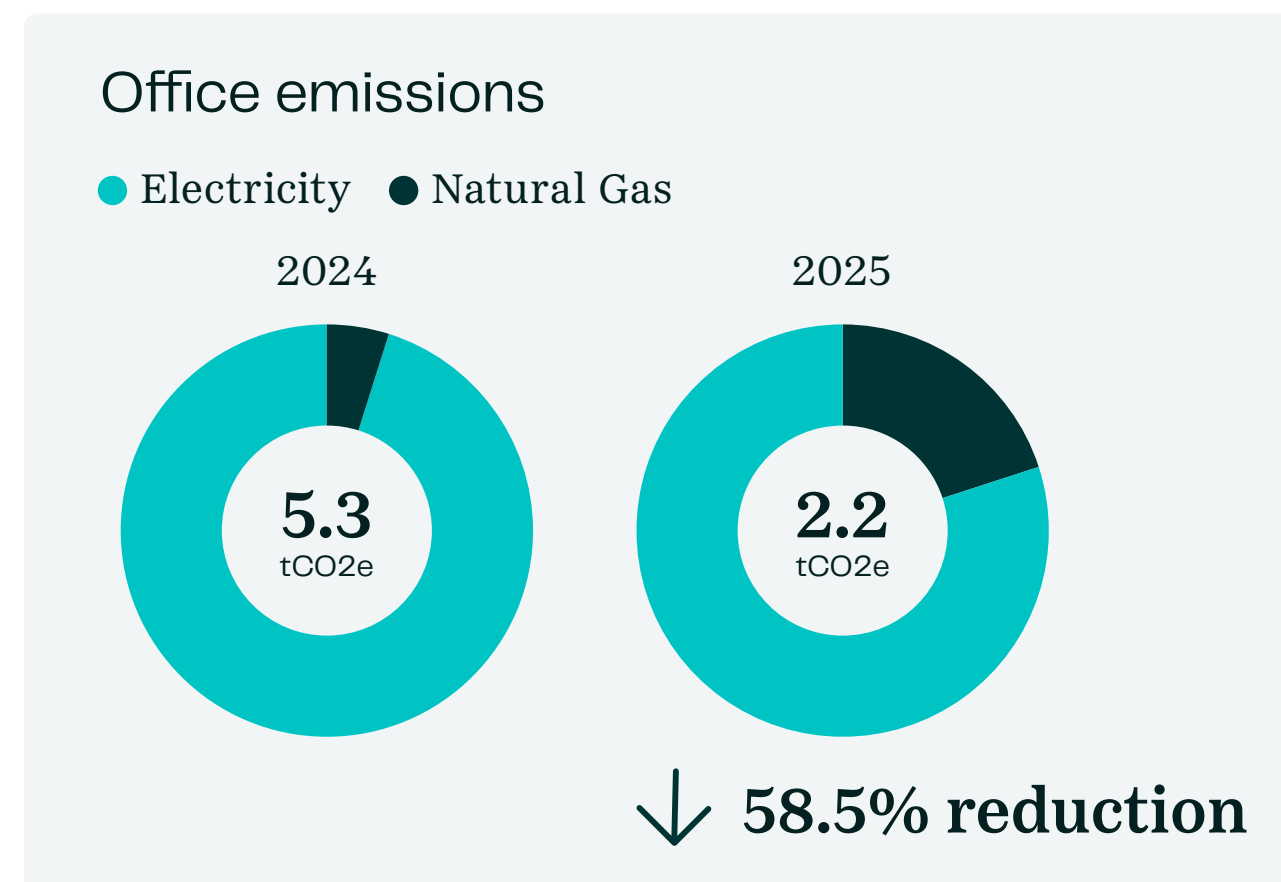
down
56.9%

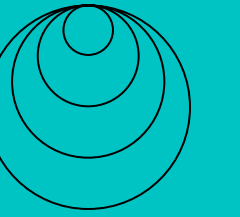
Gas consumption:

down
23.54%

Water consumption:

down
62.19%





Our 2026 commitments

Energy and water consumption for business operations

- Continue tracking **100%** of office and employee consumption data
- Reduce office space by **50%** by June 2026

Sustainable building design

- Design **carbon credit use** strategy by end of 2026
- Develop a public climate action plan in line with B Corp new standards



Let's create long-term *value together*

Connect with our team to find out more about our impact journey and to collaborate on positive solutions for the built environment, or to explore tailored finance solutions, strategic support and opportunities in UK real estate credit.

Credit Origination team

Discuss real estate finance opportunities

PrecedeOrigination@precedecapital.com

Asset Management team

Exploring funding partnerships

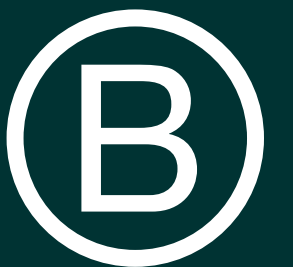
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