

ENVIRONMENTAL POLICY STATEMENT

The board of Grainger plc accepts that the company's activities have an effect on the environment through the use of land and the consumption of resources as a result of its operation and in the development process.

The company recognises that environmental protection, resource efficiency and sustainable development are necessary to ensure environmental damage is limited and that positive actions should be taken to improve the existing environment for future generations.

The company will consider the environmental implication of its activities on an ongoing basis, in order that it can act in an environmentally responsible manner. It will implement management systems to ensure compliance with environmental legislation and codes of practice. Beyond this, Grainger is committed to continuously improving its environmental performance through regular reviews and ongoing monitoring of the group's performance against appropriate indicators.

Specific objectives will include:

- **Objective 1** proactively communicating with and educating customers to assist them in using our properties and services in an environmentally sensitive manner;
- **Objective 2** taking a long-term approach to asset management by integrating environmental considerations in the design of new developments and refurbishment projects, to ensure that houses and fittings minimise adverse impacts on both the natural and built environments. This will be beneficial to our customers, investors and the environment;
- **Objective 3** considering environmental issues within our corporate functions and everyday business decision-making processes and developing our commitment to an environmentally friendly working environment;
- **Objective 4** engaging with prioritised suppliers and contractors, including managing agents, to ensure that they are aware of and able to deliver the company's environmental commitments;
- **Objective 5** liaising with local communities and demonstrating that their concerns have been considered during the development process; and
- **Objective 6** minimising nuisance arising from construction activities and preventing pollution on development sites.

In order to achieve this, we require all managers and employees to demonstrate environmental awareness, and to implement the appropriate procedures. We will also communicate our environmental policies and performance to all relevant stakeholders via appropriate reporting mechanisms.

We review our policy regularly to address current issues and reflect best practice. This policy statement was reviewed and updated in January 2009.