

Press Release

Issued: 3 August 2021

As of 2021, MORhomes received an MSCI ESG Rating of AA

In 2021, MORhomes PLC received a rating of AA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.



MSCI ESG Research provides MSCI ESG Ratings on global public and a few private companies on a scale of AAA (leader) to CCC (laggard), according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers. Learn more about MSCI ESG ratings here:

<https://www.msci.com/documents/1296102/1636401/MSCI+ESG+Rating+Brochure-V3.pdf/f2b4a27a-58f5-42c7-880b-cf8201039eaa>.

Patrick Symington, Chief Executive of MORhomes, said: "MORhomes has been leading the way in the sector on ESG, being the first Social Bond in 2019, an early adopter of the Sustainability Reporting Standard, launching a Sustainable Bond Framework in 2021 and introducing the sector-leading Sustainable Housing Assessment. We are therefore delighted to have received an unsolicited MSCI ESG Rating of AA ("Leader") in 2021 which is a strong independent external recognition of our ESG credentials and leadership in this area."

Dr Arthur Krebbers, Head of Sustainable Finance, Corporate, at NatWest Markets said: "It is very pleasing to see MORhomes' sustainability strategy and impact recognised by its latest MSCI ESG rating. ESG ratings are becoming an increasingly prominent feature of the capital markets, utilised by a broad range of responsible investors."

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Notes to editors

MORhomes is a unique and innovative borrowing vehicle for the UK social housing sector. It is constituted as a PLC and applies the highest standards of corporate governance. Its shares are owned by over 60 major not-for-profit UK housing associations. Its public debt is traded on the London Stock Exchange. It raises finance on the bond markets and lends it on to housing associations, who must be shareholders.

MORhomes provides its borrowers with

- Flexibility to borrow in amounts from £10m upwards - saving the cost of having to borrow larger amounts which might be more than is needed at any one time
- Quick access to the market, reducing uncertainty over the price of funds
- Flexibility on types of security offered and efficient use of security
- Immediate access to funds with up to a year to put security in place
- Simple documentation and reduced costs and resources in going to the market
- Minimal corporate financial covenants
- Transparent predictable credit process and annual credit limit.

MORhomes is 100% owned and controlled by housing associations. It is capitalized by equity and subordinated debt provided by its borrowers, and third-party junior debt. All MORhomes bonds are Social Bonds in accordance with the ICMA Social Bond Principles 2018, and in February 2021 MORhomes launched its Sustainability Bond Framework which will enable all future MORhomes bonds to be Sustainable Bonds.

MORhomes’ first issue was completed in February 2019 enabling it to on-lend £260m. The loan portfolio has now increased to £457m. Its current borrowers are:

| <u>Borrower Name</u> | <u>Borrower Group Name</u> |
|---|----------------------------|
| A2Dominion South Ltd | A2Dominion |
| Aster Communities Ltd | Aster Group |
| Synergy Housing Ltd | Aster Group |
| EMH Housing and Regeneration Ltd | EMH |
| Hafod Housing Association Ltd | Hendre |
| Local Space Ltd | Local Space |
| Melin Homes Ltd | Melin Homes |
| North Devon Homes | North Devon Homes |
| Heart of Medway Housing Association Ltd | MHS |
| Charter Housing Association Ltd | Pobl |
| Tai Gwalia Cyf | Pobl |
| South Yorkshire Housing Association Ltd | South Yorkshire HA |
| Wandle Housing Association | Wandle |

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|--|--|
| Thrive Homes Origin Housing Limited Eastlight Community Homes Housing Solutions Calico Homes | Thrive Homes Origin Eastlight Housing Solutions Calico |
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<https://www.msci.com/esg-investing>