

Sustainability Performance Report

Year ended March 2023

GPE.
Greater together





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Our Sustainability ecosystem

How our sustainability strategy supports our business

Statement of Intent for 2030, 'The Time is Now V2.0'
Sets out the four pillars of our approach to sustainability



Our Brief for Creating Sustainable Spaces

Sets out how we implement the four pillars of our approach as we design, construct, fit out and manage our spaces



www.gpe.co.uk/documents/sustainable-spaces-brief

Supported by strong governance and reporting

Transparent disclosure through our annual sustainability performance report

www.gpe.co.uk/sustainability/governance-reporting

Cover image taken by Nico Freidlich, winner of our Future London Photography Award.

➔ Read more on [page 17](#)

Introduction

‘During the year to March 2023 we made encouraging progress across a number of our sustainability key performance indicators.’

With the pandemic largely over, and the return of business as usual to office buildings in London, our expectation was that our energy consumption would rise in line with increased building occupancy. However, 2022/23 was a year where we made significant progress across a number of our strategic targets and goals, delivering a 19% reduction in energy consumption during the year bringing our energy intensity reduction since 2016 to 32.2%.

During the year, we also delivered our first net zero carbon building at 50 Finsbury Square, EC2, and embarked upon our biggest circular economy project to date at our development, 2 Aldermanbury Square, EC2.

During 2022/23, we also took the opportunity to update our Sustainability Statement of Intent and Our Brief for Creating Sustainable Spaces to reflect our evolving approach to sustainability. Since first issued in 2020 and 2018 respectively, knowledge has increased considerably on carbon emissions across the built environment sector.

In particular, sector knowledge on embodied carbon measurement and the use of operational energy benchmarks has moved at pace. Initiatives such as the Task Force on Climate-related Financial Disclosures (TCFD) and CDP (previously the Carbon Disclosure Project) have supported a much greater awareness on what it might take to make a business climate change resilient. Key updates on these aspects of our sustainability strategy have been summarised on [page 05](#).

As previously noted, we significantly reduced our energy consumption when compared with the previous year and we were also pleased to deliver a social value contribution of £1.16 million. For a full breakdown and commentary on our performance see [pages 15 to 17](#) for social value and [pages 08 to 12](#) for resource consumption.

Legislation and best practice on data and reporting continues to evolve. Within this report we have provided an update on how we are progressing with our net zero carbon targets, as set out in our Roadmap to Net Zero, and aligned with the EPRA ‘Sustainability Best Practice Recommendations’ (sBPR) and the relevant real estate Sustainability Accounting Standards Board (SASB) metrics. Global Reporting Initiative (GRI) references are also noted as appropriate. Reporting on our carbon footprint also discharges our obligations under the Better Buildings Partnership Climate Commitment.

Deloitte LLP have provided independent limited assurance for certain data metrics. This assurance is in accordance with the International Standard on Assurance Engagements (ISAE3000) and all assured metrics are clearly marked with a ‘D’ throughout the report. The assurance statement, as well as our Basis of Reporting, is included from [page 40](#) onwards. More information on our approach and sustainability strategy can be found at www.gpe.co.uk/sustainability

In line with recommendations that disclosures are provided in mainstream annual reports, our **Task Force on Climate-related Financial Disclosure (TCFD)** response can be found in our Annual Report and Accounts.

www.gpe.co.uk/investors
Pages 44 to 50



Janine Cole
Sustainability
and Social Impact
Director



Participation and industry engagement

We recognise that we cannot tackle the climate crisis in isolation and that collectively we need to come together with our customers, supply chain, lenders, investors and the wider industry.

We work with the wider industry through our membership of groups such as the British Property Federation, Better Buildings Partnership and EPRA, all of whom support a sustainable built environment.

We also disclose our performance to numerous external benchmarks and are signatories to relevant commitments detailed below.

UK Net Zero Carbon Building Standard

GPE is fully supportive of the UK Net Zero Carbon Buildings Standard initiative, as we agree that a single, credible methodology for identifying net zero buildings is required for the UK real estate industry.

The availability of agreed metrics against which net zero carbon performance is evaluated will also provide much needed clarity for future customers, investors and lenders.

We have provided our embodied carbon and in-use operational energy performance data to the technical standards committees who are working to aid the development of an appropriate benchmark for the Standard.

Sustainable City Charter

In May 2023, we became a signatory to Westminster City Council's Sustainable City Charter.

The Charter, supported by Westminster City Council and the Westminster Property Association (WPA), provides access to networking events and an evolving toolkit to help organisations, big or small, on their journey to achieving net zero.

As a signatory of the Charter, we have committed to reduce emissions by focusing on eight key areas including energy, emissions, procurement, construction, deliveries, transport, waste and continuing to collaborate with other signatories on how we implement those commitments in practice.



Our commitment will also provide us with opportunities to engage with stakeholder groups that are often overlooked including initiatives such as the Local Area Energy Plan Workshops. Additionally participation in the upcoming Westminster Citizens' Climate Assembly will support the delivery of a fair and just transition to net zero.

We participate in:



2022:
Standing Investments: 84/100 – 4*
Development: 95/100 – 5*
2021:
Standing Investments: 81/100 – 4*
Development: 93/100 – 5*



2022:
Climate Change: A-
Supplier Engagement: A
2021:
Climate Change: B
Supplier Engagement: B



2023:
ESG Rating: AAA
2022:
ESG Rating: AAA



2023:
Current ESG Rating: B-
2022:
Current ESG Rating: B-



2023:
Percentile ranking: 72
2022:
Percentile ranking: 89



Gold Award received for consecutive years from 2014 for reporting in line with EPRA Sustainability Best Practice Recommendations

We are signatories of:



Creating and evolving our strategy

2019

April

Materiality review identified priorities including:

- Sustainable Building Design;
- Energy Efficiency; and
- Climate Adaptation and Resilience.

Results led to setting our 40% energy intensity reduction target and the outcomes of the materiality review informed the creation of our Sustainability Statement of Intent.

June

Physical climate risk modelling exercise undertaken to improve understanding of physical risks. The results were integrated within our Sustainability Statement of Intent.

September

GPE signed the **Better Building Partnership (BBP) Climate Commitment** as a founding signatory.

2020

January

Signed innovative **ESG-linked Revolving Credit Facility (RCF)**. It was the first to be issued by a UK REIT and incorporates three ESG-linked KPIs which align with our ambitious sustainability strategy.

➔ See page 19

May

Statement of Intent ‘The Time is Now’ launched which sets out our long-term strategy to 2030 across four pillars:

- Decarbonise our business to become net zero by 2030;
- Design climate change resilient and adaptable spaces;
- Create a lasting positive social impact in our communities; and
- Put health and wellbeing front and centre.

November

Launched our Roadmap to Net Zero detailing our approach to become a net zero carbon business by 2030.

➔ See page 10



2021

July

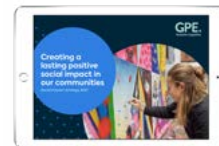
Launched our **Sustainable Finance Framework**, available here:

➔ www.gpe.co.uk/media/4125/gpe-sustainable-finance-framework-july-2021.pdf

November

To address the third pillar of our Statement of Intent, we launched our **Social Impact Strategy** which sets out our four priority areas and how we can create a lasting positive impact in our communities.

➔ See pages 15 to 17



2022

February

Embarked upon our **biggest circular economy project to date** at 2 Aldermanbury Square, EC2.

➔ See page 07

April

Launched our three-year charity partnerships with **XLP and National Energy Action**. XLP unlocks the potential of young people from disadvantaged backgrounds growing up in inner city London.

➔ See page 17

XLP youth workers and GPE employees at our 2022 Community Day



So far in 2023

March

Delivered our first net zero carbon building at 50 Finsbury Square, EC2.

➔ See page 09

May

Launched our updated **Statement of Intent** and **Our Brief for Creating Sustainable Spaces** available here:

➔ www.gpe.co.uk/sustainability



The Time is Now v2.0

During the year, we updated our Statement of Intent. In particular, we enhanced and repositioned our Climate Resilience pillar reflecting our evolving approach as we integrate climate resilience across our business. Additionally, we updated all four pillars of our approach to better reflect our strategic approach to sustainability.

We are:



Integrating climate resilience across our business

Climate resilience is centre to our sustainability strategy, designing our buildings to be more resilient, whilst ensuring they meet evolving legislation and the future requirements of our stakeholders. We will use nature-based solutions to support the resilience of our spaces



Decarbonising our business to become net zero by 2030

Given the urgency of the climate crisis, we must decarbonise the whole building life cycle by reducing embodied carbon, reducing energy intensity and increasing renewable energy generation at our buildings



Putting health and wellbeing front and centre

A sustainable building should also contribute to the wellbeing of our customers and the local community, supporting healthier, happier and more productive lives



Creating a lasting positive social impact in our communities

We know that the socially disadvantaged members of our communities will be most impacted by climate change. We are therefore committed to supporting the people, and the communities, in which we work to have a better quality of life, whilst also supporting a thriving economy for London's future

Our performance headlines for the year:

43.4%

Of our portfolio rated EPC B or above

8.6%

Increase in biodiversity net gain when compared with the previous year

£74k

Donated to charities supporting climate resilience in our communities

32.2%

Reduction in energy intensity when compared to our 2016 baseline

66.2%

Reduction in carbon intensity when compared to our 2016 baseline

28%

Reduced the (design stage) embodied carbon of our developments over £5 million in construction value*

* Subject to external verification.

£16k

Funding for local air quality initiatives

Five

SKA gold spaces delivered during the year

2,800

Customer employees reached through health and wellbeing events delivered at our buildings

£1.16m

Social value created

29

Weeks of internships provided through 10,000 Black interns programme

£380k

Directly spent with voluntary, community and social enterprises during the year



We are integrating climate resilience across our business

During the year, we repositioned climate resilience in our strategy. In order to become a climate resilient business, we must address transitional climate risk, integrate climate adaptation and resilience measures into building design, and work to support the resilience of our customers, suppliers and communities. Our strategy now reflects those priorities.

UN Sustainable Development Goal



Our commitments

Address the transitional risk of climate change and implement net zero carbon plans at each asset

Integrate climate adaptation and resilience measures into our buildings

Work with our supply chain partners to improve the resilience of our supply chain

Support the climate resilience of our communities

Looking forward

- We will continue our risk review process by undertaking an assessment to better understand the climate risk embedded within our supply chain;
- As our metering project is delivered at each building, we will use the revised data to create a net zero carbon asset plan; and
- The work we undertake with our supply chain and also on our net zero carbon asset plans will be used to form our climate transition plan to be launched by March 2024.

Integrating climate resilience across our business

Advancing our thinking on climate resilience

Since we first published our Statement of Intent 'The Time is Now' in May 2020, we have released 'Our Roadmap to Net Zero' and an ambitious Social Impact Strategy and knowledge on carbon emissions in the built environment has substantially advanced. In particular, embodied carbon measurement and the use of operational energy benchmarks has moved at pace.

Initiatives such as the Task Force on Climate-related Financial Disclosures (TCFD) and CDP (formally Carbon Disclosure Project) have supported a much greater awareness on what it takes to make a business climate change resilient.

The COVID-19 pandemic also impacted business thinking on social impact and health and wellbeing, fast tracking many emerging concepts.

Three years on, after delivering our first net zero carbon building at 50 Finsbury Square, we have updated our Statement of Intent and our overall approach to delivering sustainable spaces by embedding climate resilience and nature-based solutions throughout.

The physical impacts of climate change are already evident and are likely to become more extreme. Our customers rightly expect our buildings to be resilient to these changes.

Supporting the resilience of our local community



To have a resilient business, our buildings must be located in resilient communities. Through partnering with like-minded organisations, we contributed £74,000 during the year to charities working to future-proof London.

This included the London Wildlife Trust's urban oasis at Camley Street Natural Park, Bankside Open Spaces Trust's management of green spaces in SE1 and National Energy Action's 'Warm Welcome' programme to overcome fuel poverty for new parents.

Adapting building design to support building climate resilience at 2 Aldermanbury Square

In order to deliver the climate resilient buildings our customers rightly expect, we integrate climate adaption measures into the building design from the outset.

Our 2 Aldermanbury Square, EC2 development is a great example of this approach with climate resilience a key driver of the design brief. The building is being designed to meet BREEAM Outstanding and WELL Gold levels but also takes account of a number of wide ranging factors with regards to climate resilience.

It is a pioneer of the NABERS UK Design for Performance approach, tackling the issue of the energy performance gap and strengthening the building with regards to the transitional risks of climate change as well as ensuring the ability for our customers to operate in an energy efficient manner. The installation of renewable energy systems, such as photovoltaic (PV) panels, provide on-site generation of electricity reducing demand on the national grid.

The PV panels will also be combined with planting on the roof of the building – in addition to planting on the podium level – to not only add to the biodiversity of the development but also prolong the life of the roof membrane, reduce building energy use through insulation, support drainage and reduce storm-water runoff relieving pressure on the local network, and improve local air quality.

2 Aldermanbury Square, EC2 is also being heavily influenced by the principles of the circular economy, not just in terms of reusing the materials already on-site (see Steel Reuse case study) but also designing the new building for longevity, adaptability, flexibility, reusability, and finally recoverability. This is being tracked through the projects Whole Life Carbon assessment and an independent review process.





We are decarbonising our business to become net zero by 2030

Climate change is the biggest long-term challenge we face and, as the risk and need for urgent action increases, the climate crisis has become both a moral and an economic imperative.

By prioritising the actions set out in our Roadmap to Net Zero, we delivered strong performance during the year including significant energy intensity reductions and our first net zero carbon development. Looking forward, the real estate sector needs to overcome the challenges around data availability, sourcing renewable energy and the complexities of offsetting.

UN Sustainable Development Goal



Our commitments

Reduce energy intensity by 40% across our occupied portfolio by 2030*

Reduce our carbon intensity by 69% across our occupied portfolio by 2030*

Reduce our embodied carbon by 40% by 2030 across our new build developments and major refurbishments**

Become a net zero carbon business by 2030, offsetting residual carbon only once the preceding measures have been addressed

Looking forward

- We will continue to implement NABERS UK Design for Performance and NABERS UK Energy for Offices;
- We will set out our carbon offsetting strategy;
- We will implement 'Our Brief for Creating Sustainable Spaces'; and
- Through the delivery of our metering project across our portfolio we will identify further opportunities to make energy efficiency savings.

* When compared to our 2016 baseline.

** When compared to our 2020 baseline.

Decarbonising our business to become net zero by 2030

Delivering our first net zero carbon building – 50 Finsbury Square, EC2

Completed in January 2023, our development at 50 Finsbury Square, EC2, was recently verified as our first net zero carbon building.

At original design stages, it was not envisaged that the development would reach net zero. However, the implementation of our internal carbon price and the significant evolution of our sustainability thinking on our development schemes allowed us to go further than we had originally intended with 82% of the original structure retained.

The total embodied carbon footprint for the development was evaluated and totalled 270kgCO₂e/m² GIA using latest RICS best practice standards. In line with the UKGBC framework on net zero carbon buildings, the residual emissions (4,646 tonnes of carbon) were offset through the UN Gold Standard scheme into renewable energy and biodiversity restoration projects.

To ensure that our full internal carbon price was applied, the remaining carbon payment of £360,000 (once UN Gold standard offsets had been purchased) was paid by the scheme into our decarbonisation fund. This fund supports the retrofitting of energy efficiency projects into our existing portfolio. The design also minimised operational energy consumption, in addition to fossil-fuel-free energy systems with renewable energy generation on-site.

Now verified by a third party as net zero carbon, the building achieves all measures required in line with the UK Green Building Council (UKGBC) Net Zero Carbon Building framework. This marks a significant step forward in the Company's ambition to achieve net zero by 2030.



Delivering energy efficiency improvements for our customers at 200 Gray's Inn Road, WC1

During the year, a 12% (2,057MWh) reduction in whole building energy consumption was achieved at our largest energy consuming building, 200 Gray's Inn Road, WC1.



As part of our improved operational strategy, we have optimised plant, improved zonal control and reduced run times to better align with building occupancy.

200 Gray's Inn Road was the first recipient of monies from our decarbonisation fund, with our joint venture partner matching our investment enabling funds to go further. We invested in LED lighting upgrades and Building Management System (BMS) improvements. Together, these actions are expected to save 3,226MWh annually.

Purchasing Renewable energy 100% of REGO backed energy

Geopolitical events significantly impacted the availability of new energy contracts and significantly increased energy costs during the year ended March 2023. Against this backdrop, it was necessary to retender our energy contracts. We have continued to buy 100% of our energy backed by REGOs or in the case of gas backed by RGGOs or gas with emissions offset by the supplier.¹

However, in a sellers market, it is increasingly difficult to obtain transparency on the sourcing of our energy and gas supplies.

Whilst the use of REGOs satisfies assurance processes for the purchase of green energy, we are increasingly concerned by the availability and reliability of REGOs. General practice across the energy industry means that certificates can be sold separately from the associated power generation, this reduces the likelihood that their purchase will incentivise further generation of renewable energy.

During the next financial year, we will be reviewing our policies on how we purchase, generate and offset the carbon associated with our energy supplies.

1. REGO-backed electricity is a contractual instrument backed by a Renewable Energy Guarantees of Origin (REGO) certificate. It is a zero carbon tariff. Renewable Gas Guarantees of Origin (RGGO) apply to gas and are certificates issued for each kWh of biomethane or other green gas injected into the grid.



Progress against Our Roadmap to Net Zero

In 2020, we launched Our Roadmap to Net Zero, setting out our approach on how we plan to become a net zero carbon business by 2030. Targets and progress to date are set out below:

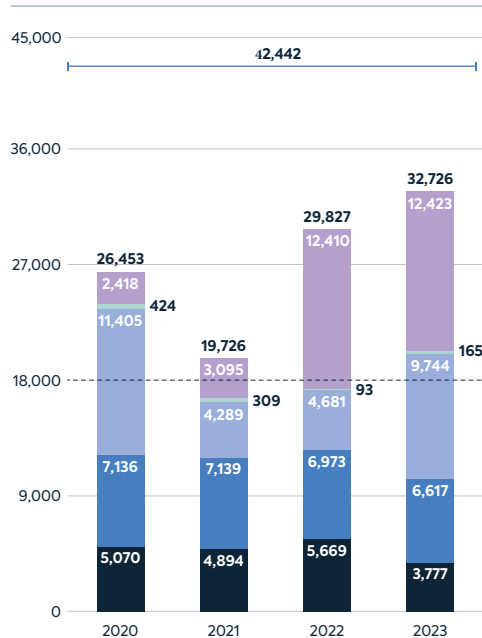
Actions	 Reduce embodied carbon	 Reduce energy intensity	 Increase renewable energy supply	 Offset residual emissions
Target	Reduce embodied carbon (A1–A5) by 40% by 2030, compared to 2020 baseline	Reduce energy intensity by 40% by 2030, compared to 2016 baseline	Generate 600MWh of renewable energy across our portfolio and support UK grid decarbonisation	
Progress to date	<ul style="list-style-type: none"> – Completed first net zero carbon building, 50 Finsbury Square, EC2 in line with all aspects of the UKGBC net zero framework with total embodied carbon of 270kgCO₂e/m²; – Project included offsetting of 4,646 tonnes of carbon; £76K was spent offsetting carbon to UN Gold standard offset projects; – Further £365K transferred into our Decarbonisation Fund, ensuring our full internal carbon price of £95 per tonne was levied on the development; – Established a consistent framework for embodied carbon monitoring to be applied to all projects, including embodied carbon analysis and third-party verification for projects over £5 million; – 28%* improvement on 2020 embodied carbon baseline at committed and near-term developments at design stage. 	<ul style="list-style-type: none"> – Reduction in energy intensity of 32.2% when compared with our 2016 baseline, and 18.4% when compared to previous reporting period; – Commenced substantial project to upgrade and fully automate our metering: infrastructure across our portfolio, including electricity, heat and water metering – Completed NABERS UK Energy for Offices readiness assessments at three of our buildings: The Hickman, E1, City Tower, EC2, and 200 Gray’s Inn Road, WC1; – Carried out optimisation works, such as adjusting plant controls to better align with building occupancy, estimated to save 2,198MWh; – Invested £284,000 in LED lighting upgrades expected to save a combined 986MWh per year with a two year pay-back period; and – Completed detailed feasibility studies for the removal of gas boilers at three buildings. 	<ul style="list-style-type: none"> – Continue to procure Renewable Energy Guarantees of Origin (REGO)-backed electricity and certified green gas or carbon offset gas for 100% of procured supplies; – All projects within our development pipeline confirmed as on track for net zero carbon, incorporating renewable energy on-site with no on-site use of fossil fuels: <ul style="list-style-type: none"> – Completed our first net zero building, 50 Finsbury Square, EC2 with 6.6MWh solar PV capacity; – Ongoing development 2 Aldermanbury Square, EC2 with solar PV capacity of 35.9MWh; – Commenced surveys on solar PV feasibility for our existing portfolio; – Ongoing participation in Local Energy Action Plan working groups with local councils and stakeholders for boroughs within which our buildings are located. 	<ul style="list-style-type: none"> – Internal carbon price of £95 per tonne contributed £768k to our Decarbonisation Fund; – Carbon offsetting strategy currently being developed: <ul style="list-style-type: none"> – Total offsets for the year were 4,651 tonnes to cover net zero carbon verification for 50 Finsbury Square and employee Community Day; – Offsetting is a last resort once all actions have been undertaken to reduce embodied carbon and energy intensity as far as is practical with every effort made to increase on-site renewable energy; – All purchased energy is sourced from REGO-backed electricity and gas is either biogas or carbon offset by the supplier.

* Subject to external verification

Performance against our carbon footprint

As a signatory of the Better Buildings Partnership’s (BBP) Climate Commitment, we are required to disclose progress annually against our Roadmap to Net Zero. Our carbon footprint and narrative on progress during the last year is set out below.

Carbon footprint progress: annual carbon emissions (tCO₂e)¹



- Scope 1 & 2: Owner generated energy emissions
- Scope 3: Occupier generated energy emissions
- Scope 3: Embodied carbon emissions from development activities
- Scope 3: Corporate emissions
- Scope 3: Other (non-energy) emissions from investment portfolio
- Roadmap target²
- 2019 baseline emissions

Overall performance

Our total carbon footprint (Scopes 1, 2 and 3) increased by 10% or 2,900tCO₂e during the year. This was expected and primarily driven by increased development activity, both on our two major developments 50 Finsbury Square, EC1, and 2 Aldermanbury Square, EC2, as well as increased refurbishments for our ‘Fitted’ and ‘Fully Managed’ products. Nevertheless, we have made significant reductions where carbon emissions are in our direct control.

Scope 1 and 2 emissions

Whilst we saw an increase across total carbon footprint, our direct Scope 1 and 2 emissions decreased by 33% or 1,891 tCO₂e compared to last year. This decrease was driven by energy efficiency projects and portfolio change, as detailed in the previous section.

Indirect energy related Scope 3 emissions

Our Scope 3 emissions from our customer’s energy consumption decreased marginally, with a combined 5% reduction compared to last year (for electricity sub-metered to customer and energy procured directly by our customers). This highlights that it is critical for us to continue to collaborate, and engage with, our customers to reduce energy consumption. Only by doing so we will be able to meet our net zero carbon ambitions, which encompass Scope 3 emissions.

Indirect non-energy related Scope 3 emissions

The majority, 88%, of our total carbon emissions fall outside of our direct control and form our Scope 3 emissions; these are emitted by our supply chain and the customers occupying our spaces. The 20% uplift in Scope 3 carbon emissions for the year was driven primarily by increased development activity, both at our two major development projects and due to increased levels of refurbishment across the portfolio.

During this reporting period, our refurbishment at 50 Finsbury Square, EC2, accounted for the 379% increase in emissions from construction materials and services for new developments. 2 Aldermanbury Square, EC2, which underwent demolition throughout the entire reporting period, accounts for the 305% uplift in emissions from waste generated during demolition. Our Carbon Measurement Framework ensures that we report embodied carbon consistently across our projects and supply chain.

Emissions from corporate business travel and employee commuting have increased this year as restrictions lifted post the pandemic. Taken together, business travel, employee commuting and working from home emissions have increased by 77% compared to last year. This is also impacted by a 6% increase in employee headcount from last year.

Emissions from operational procurement, including maintenance and repair materials and services, have increased as a proportion of our footprint as we have updated our methodology to use more accurate, up-to-date carbon emissions factors for the past two reporting years. The 32% increase this year is partly due to the ongoing roll out of our ‘Fitted’ and ‘Fully managed’ offering, which has driven more procurement.

Longer-term performance

In Our Roadmap to Net Zero, we set out our ambition to reduce emissions from our baseline of 42KtCO₂e to 18KtCO₂e by 2030.

The graph on the left shows our progress to date, demonstrating that our performance towards net zero needs to be monitored over the longer term as our normal cycle of business activity, such as our decision to sell or develop assets, will inevitably cause short-term fluctuations in emissions. Although this is to be expected, our overriding aim must be to reduce the impact of economic activity on our carbon emissions if we are to reach our goals. Over the next year, a key priority is to fully engage with our customers on energy efficiency and to provide smart, low energy consuming spaces that are fit for the future.

[➔ See our detailed carbon footprint on page 12](#)

1. 2022 data has been restated.
2. Target aim for all Roadmap to Net Zero indicators.



Performance against our carbon footprint continued

		2021/2022	2022/2023
		tCO ₂ e	tCO ₂ e
Scope 1 Greenhouse gas emissions		2,245	1,556
Emissions from the combustion of fuel: gas used for shared services in managed portfolio		2,058 ¹	1,337 ^D
Emissions from operations of facilities: fugitive emissions from refrigerant losses		187	219 ^D
Scope 2 Greenhouse gas emissions		3,424	2,221
Emission from the purchase of electricity used in common parts areas for the managed portfolio (location-based)		3,424 ¹	2,221 ^D
Electricity consumed in GPE head office (included in total location-based above)		31	37 ^D
Scope 3 Greenhouse gas emissions		24,158 ²	28,949
Purchased goods and services	Fuels used in construction	0	148
	Operational Procurement incl. maintenance and repair materials and services	5,156 ^{1,3}	6,828
	Water consumption during construction	29	5
	Water consumption in standing assets	35	30 ^D
	Electricity consumption during construction	293	45
Capital goods	Construction materials and services for new developments	1,708	8,189
	Construction materials and services for refurbishments	2,565	1,312
Fuel and energy related activities	Well-to-tank and T&D emissions from electricity	2,685	2,004
	Well-to-tank emissions from natural gas	284 ¹	228
Upstream transportation and distribution	Transportation of construction materials for developments and refurbishments	78	25
Waste generated in operations	Waste generated during construction	3	1
	Waste generated during demolition	5	20
	Waste generated in operations	9 ¹	16 ^D
Business travel	Employee air, TfL, rail travel and taxi	24	91 ^D
Employee commuting	GPE employee commuting and emissions from home working	69	73
Use of sold products	Expected lifetime energy consumption of assets sold during reporting year	4,195	3,272
End-of-life treatment of sold products	Waste generated from demolition of sold assets	47	45
Downstream leased assets	Landlord procured electricity sub-metered to customers	3,797 ¹	3,464 ^D
	Customer procured electricity and gas consumption	3,176	3,153
Total carbon footprint (Scope 1, 2 and 3)		29,827	32,726

D Metrics with independent limited assurance provided by Deloitte LLP in accordance with the International Standard on Assurance Engagements (ISAE3000).

1. Some of our 2021/22 data has been restated due to actual data having been obtained to fill gaps which were previously estimated, or as more granular data has been obtained.

2. Scope 3 categories 8 (upstream leased assets), 9 (downstream leased assets), 10 (processing of sold products) and 14 (franchises) are not applicable to our business and so are not reported above. Category 15 (investments) is captured elsewhere.

3. Our methodology for calculating emissions from Operational Procurement incl. maintenance and repair materials and services changed this year, as outlined in our Basis of Reporting at the back of this report. We have restated last year's figure to ensure the new methodology is consistent across the two reporting years.



We are putting health and wellbeing front and centre

The role our buildings play in supporting our customers and our local communities to have healthier, happier and more productive lives cannot be underestimated. A sustainable building has to put health and wellbeing front and centre.

Throughout the year, we have been focusing on how we integrate these considerations into the design of our spaces, as well as delivering a number of initiatives and activities with our people, our customers and supply chain partners. Our Wellbeing Brief is now fully incorporated into our Creating Sustainable Spaces Brief, ensuring that all of our spaces are designed and enabled to achieve ratings systems such as Fitwel or the WELL Building Standard.

UN Sustainable Development Goal



Our commitments

Integrate wellbeing considerations into the design of our spaces

Support improved external air quality across our portfolio and communities

Manage and monitor indoor air quality for the health and wellbeing of our customers

Promote initiatives to support the health and wellbeing of our people, customers and supply chain partners

Looking forward

- Implement 'Our Brief for Creating Sustainable Spaces', which includes all requirements from our Wellbeing Brief;
- Achieve a further uplift in biodiversity net gain to improve the quality of our green spaces to support the health and wellbeing of our customers; and
- Continue to implement the outcomes of our inclusive spaces audits.



Putting health and wellbeing front and centre

Healthy Buildings

Our Flex Design Guidelines, established during the year, ensure that we provide a consistent standard of design across all of our spaces. Measures to support wellbeing and sustainability are integral to this and by following these Guidelines, we have delivered a further five SKA Gold certified spaces during the year.

Measures include:

Indoor air quality plan: Developed and established to encourage a healthy internal environment through the specification of appropriate ventilation, finishes and management processes

Ergonomics: Focusing on the relationship between our customers and the physical environment in which they work and socialise, ensuring good physical and mental health

Healthy Materials: Taking account of the impact of materials on health, reducing exposure to VOCs, chemicals and other pollutants

Biophilia: Integrating nature in the design and operation of the building, to provide a connection to the outside world and wider environment and give the project a unique identity, inspiring the building users and our customers

Post Occupancy Evaluation: Continually reviewing, learning and improving the process through which we design, construct and operate our spaces, seeking feedback from our customers on building performance and satisfaction

Improving external air quality

Tackling the impact of construction and development on our local communities is a major focus for us and the contractors that we partner with.

Reducing the negative impact that construction can have on local air quality requires engagement across stakeholder groups and innovative thinking. A number of our projects within our development pipeline are doing just that. Through early contractor involvement and thorough supply chain engagement we are able to run feasibility studies on alternative transport modes for both material deliveries and waste removal from sites.

The intention is to remove a significant number of construction vehicles from the road network, reducing pollution and traffic as well as overall carbon emissions related to transport. We will be tracking the performance of these initiatives to provide findings later in the reporting year.

Through our long-standing relationship with Groundwork London, we have also funded research with Islington Council to assess the effect of construction traffic on local air quality, and how effective road washing can mitigate this impact.



Creating inclusive Spaces



Working with leading disability organisation, Purple, we commenced a project to create more inclusive spaces for people with hidden and physical disabilities.

Purple carried out four building audits to increase our understanding of how we can improve the customer experience for people with disabilities. Learnings such as signage for the visually impaired, the use of colour and toilet specifications are being fed into the design of our spaces. The audits were supported by over 130 hours of training delivered across the GPE team, starting with those who have

customer facing, project delivery or line management responsibilities.

Recognising the value people with a disability can bring to the workplace, we have also been looking internally at our own processes. In March 2023, we achieved Level 2 Disability Confident Employer status, with plans in place to achieve Level 3 soon.

In Summer 2023, we will be hosting our first interns through Change 100, Leonard Cheshire's flagship programme for young people with a disability.





We are creating a lasting positive social impact in our communities

We want to build a sustainable legacy for London with positive social impact at its heart, as when our community thrives, our business thrives too. Our goal is to create £10 million of social value by 2030.

Our Social Impact Strategy, published in 2021, sets out how we will deliver our vision to create a lasting positive impact through four pillars, which will contribute to the needs of the London boroughs in which we are working. Progress to date is set out on [page 16](#). During the year, we focused on helping our people to understand how they can create a positive impact within their own roles and worked with our service partners to amplify our impact. We created £1.16 million in social value through our Social Impact Strategy, bringing our total social value creation to £2.4 million over three years.

UN Sustainable Development Goal



Our commitments

Create at least £10 million of social value in our local communities by 2030 and improve access to nature

Support charitable and non-profit organisations that challenge inequality, and tackle health and wellbeing

Champion diverse skills and accessible employment opportunities

Support the growth of local business and social enterprise

Looking forward

- We will continue to increase the number of social enterprises with which we are engaging, introducing them to our customers and our supply chain.
- We will set out our biodiversity offsetting strategy to support our communities, where there is no scope to increase biodiversity net-gain at our buildings.
- We will continue to look for additional opportunities to let space to charities.



Creating a lasting positive social impact

Actions

Enabling healthy and inclusive communities

Championing diverse skills and accessible employment opportunities

Supporting the growth of local business and social enterprise

Connecting people with urban nature

Progress made during the year

- Successful first year of charity partnerships with XLP (see [page 17](#)) and National Energy Action (NEA) where our funding of NEA's 'Warm Welcome' programme supported 194 new parents struggling with energy bills.
- Over 170 hours of time donated pro bono to charities and not-for-profit organisations; included health and safety advice to XLP, project management support to Centrepoint's Independent Living Programme and trustee support to Outward Bound Trust.
- Future London Art Bursary programme launched (see [page 17](#)).
- Inclusive spaces project launched with disability organisation, Purple (see [page 14](#)).
- Increased the value of space donated to charities and community organisations to £280,000 (2022: £227,000).
- Executive Committee completed a nine-month inclusive leadership programme focused on co-mentoring diverse talent.
- Our people provided mentoring and employability support for young people, donating over 470 hours (target: 240 hours).
- Early Careers Programme launched to promote entry-level roles at GPE and reach a wider, more diverse talent pool, with our first two directly employed apprentices starting in March 2023.
- Hosted our first work placements through 10,000 Black Interns, which led to 29 weeks of internships in total; all interns paid at least the London Living Wage.
- Re-affirmed that all people working on our behalf at our buildings are paid the London Living Wage.
- First partnership established with social enterprise, SEND Coffee, for our fully managed spaces (see [page 17](#)). In total, our direct spend with voluntary, community and social enterprises (VCSEs) was £380,000, generating £46,000 in social value.
- Our service partners have joined Hidden Disabilities Sunflower and committed to train their employees working in our buildings.
- Measured our financial spend with local micro, small and medium (MSMEs) for the first time where our procurement created £93 million in local economic value.
- 380 hours volunteered with Bankside Open Spaces Trust and London Wildlife Trust to support the maintenance of London's green space.
- Delivered 8.6% improvement in biodiversity net gain across our like-for-like investment portfolio.
- Continued to support groups focused on biodiversity and nature-based solutions through our involvement in Wild West End.
- Provided financial support to London Wildlife Trust's Camley Street Natural Park and Bankside Open Spaces Trust Future Gardener's programme, which provides participants with the skills and training to gain entry level jobs in the horticulture industry.

Looking forward

- Amplify impact of charity partnerships through collaboration between XLP, NEA and BOST.
- Review consultation approach to measuring wellbeing.
- Facilitate workshops to help develop the green skills needed to transition to a low carbon economy through training.
- Develop supplier reporting on their ethical business practices as set out in our Supplier Code of Conduct.
- Develop formal scoring process for social and environmental impact in tenders.
- Further explore opportunities to procure goods and services from social enterprises through membership of Social Enterprise UK.
- Continue to identify opportunities to open up spaces for use by charities and community groups.
- Review maintenance strategy for all portfolio green spaces.
- Establish biodiversity offsetting strategy.

We use The National Social Value (TOMs) Measurement Framework to calculate the financial value we create and to track progress towards our goal to create £10 million in social value by 2030. The framework involves applying a monetary value to the benefit created by a particular measure.



Creating a lasting positive social impact cont'd

Greater together with XLP

Our three-year charity partnership with XLP aims to create positive futures for disadvantaged young people living in areas of London that experience high levels of anti-social behaviour and gang violence.

In addition to a financial donation of £75,000, a further £62,000 was contributed during the year through donations in kind, fundraising, and volunteering (including volunteering by our service partners). In total, 575 hours volunteering was donated by GPE, exceeding our 240 hour target.

Over 100 GPE employees volunteered for our biggest ever Community Day. This included transforming the XLP youth hub at The Stratford Centre. There is now greater pride in the space as a result with over 90 young people attending regularly.



“

The work that GPE did at our hub is amazing and has really changed the space. We are able to provide value to young people, not just through the work that we do, but through the space that we open up to them.”

Lou
Youth Worker, XLP



Supporting social enterprises to grow

Supporting social enterprises, either through procurement or access to our spaces, is a meaningful way to magnify our positive impact. Choosing to work with small, local businesses which have an environmental or social purpose at their core, supports both our learning and that of our customers' who are increasingly demanding sustainable workplaces.



SEND Coffee, our first partnership across our 'Fully Managed' spaces, provides employment opportunities for young adults living with special educational needs and disabilities. Their mission is to empower young adults with comprehensive barista training to enable them to secure good quality employment. By procuring SEND coffee for our spaces, we provide them with a stable income stream to enable SEND Coffee to grow.

Other partnerships now include cake supplier, Luminary Bakery, who provide training, employment and community to women in London who have experienced multiple disadvantages including domestic abuse, sexual exploitation and trafficking.

Celebrating London's communities

Our Future London Photography Award, designed with ArtAcumen, support emerging street photographers at the critical early stages of their career.

Nico Freidlich, the winner of this year's Awards, has been commissioned by GPE to create a new body of work that will be exhibited for 10 months at our building 45 Mortimer Street, W1. Nico will be hosting his own central London exhibition in June 2023, giving the ability to reach a wider audience with his art.

Nico's work perfectly captures the themes around Community and Spaces in Between in London, which is why we are showcasing his work in this report (cover image and below) and throughout our Annual Report and Accounts 2023. Nico will also be working with XLP to run a short course on street photography.

All artists who participate in the Award process are provided with mentoring, workshops, continued critique, and networking opportunities.





Our data

In this section we fully report on our performance for the period 1 April 2022 to 31 March 2023. We include annual performance disclosure on our ESG-linked Revolving Credit Facility.

We also include voluntary disclosure against the European Public Real Estate Association (EPRA), Sustainability Best Practice Recommendations (sBPR) reporting, carbon footprint reporting and other sustainability metrics disclosed by GPE such as the Sustainability Accounting Standards Board (SASB). We believe that the chosen reporting frameworks are the most appropriate and relevant within our industry.

Our mandatory Streamlined Energy and Carbon (SECR) reporting and Task Force on Climate-related Financial Disclosure (TCFD) response can be found within our Annual Report & Accounts on pages 44–53.

The full scope and boundary to our reporting can be found in our Basis of Reporting from [page 40](#) onwards.

Annual update on performance against our ESG-linked RCF

We became the first UK-REIT to issue a Revolving Credit Facility (RCF) with a margin linked to performance against ESG-linked KPIs back in 2020. We chose KPIs that would drive behavioural change both within our business and across our supply chain, whilst ensuring that they align with our ambitious Sustainability Statement of Intent. Our energy consumption KPI is also integrated with our remuneration structure.

See [page 50](#) of our Annual Report and Accounts for more detail

This is the third year where we are reporting performance against the three KPIs chosen. Our third KPI performance measurement date was 31 March 2023 and our results exceeded expectations demonstrating the impact of linking sustainability performance to financial metrics.

The sustainable finance market (both globally and in the UK) has dramatically grown over the last few years, which has led to increased scrutiny over sustainability disclosure. Investors are increasingly looking for credible, quantifiable sustainability metrics that verify sustainability claims. By annually reassessing our ESG-linked KPIs, we ensure that the targets of our chosen KPIs remain relevant and challenging for GPE.

Our ICMA aligned Sustainable Finance Framework, launched in 2021, complements our RCF.

www.gpe.co.uk/media/4125/gpe-sustainable-finance-framework-july-2021.pdf

Three long-term sustainability KPIs are integrated into our ESG-linked RCF.



KPI 1 Reduction in energy consumption

We will reduce our portfolio energy intensity (kWh per m²) by 25.5% by 2026, when compared with our 2016 baseline of 234kWh/m². This is consistent with our existing stated target set out in 'Our Roadmap to Net Zero' to achieve a 40% reduction in energy intensity by 2030.

This target applies to energy consumed within our portfolio and to all energy purchased by GPE, including electricity sub-metered to our customers. Detailed information on energy consumption and energy intensity (including scope of independent limited assurance) can be found in our Sustainability Performance Report.

Target

For March 2023, the RCF target was a 15% reduction in energy consumption (199kWh/m²), when compared with our 2016 baseline.

Achievement

For the year ended March 2023, we achieved a reduction in energy intensity of 32.2% (158kWh/m²) when compared with our 2016 baseline.

After two years where performance was significantly impacted by the pandemic, our expectation was that our energy intensity would increase during the year. However, as a result of our investment in energy saving initiatives, particularly at our most energy intensive site, 200 Gray's Inn Road, WC1, our performance improved.



KPI 2 Reduction in carbon impact

We have set a target to reduce the embodied carbon of our developments by 40% by 2030. This is measured against a 2020 baseline of 954kg CO₂e per m².

This target is tested from RIBA Stage 3, throughout the design and construction phase and again at practical completion to verify reductions.

Embodied carbon reviews are undertaken by a competent, independent consultant, using recognised guidance, in line with the RICS professional statement for Whole Life Carbon Assessment for the Built Environment, 1st Edition.

Target

For March 2023, we targeted a 20% reduction in embodied carbon against our 2020 baseline for all developments in design or construction phases.

A 10% reduction was targeted for buildings reaching practical completion in 2023.

Achievement

We achieved an average reduction of 28%* for the four projects in scope, which included 2 Aldermanbury Square, EC2, 6 St Andrews Street, EC4, Egyptian & Dudley House, W1, and Alfred Place, WC1.

There were no projects in scope for practical completion target due to the sale of 50 Finsbury Square, EC2.

* Subject to external verification.



KPI 3 Increase in biodiversity

We are committing to an increase in biodiversity net gain across our existing buildings by 18% by 2026.

Due to our development at Hanover Square, W1, contributing to a 62% uplift in biodiversity net gain during the first year of the KPI, the target has now been re-baselined to require a 3% uplift in biodiversity net gain on a like-for-like basis.

Target

For March 2023, we targeted a 3% increase in biodiversity net gain across our existing portfolio on a like-for-like basis.

Achievement

For the year ended March 2023, we achieved an 8.6% uplift in biodiversity net gain across our portfolio.

This increase was driven by enhancements at two sites, 1 Newman Street, W1, and Hanover Square, W1. Nearly 1,000 m² of existing biodiverse living roofs were improved through increased planting across the two sites. Additional ground-floor planters were also installed in the Medici Courtyard, W1, covering 13.8 m².

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics

The EPRA sustainability performance measures are largely based on the Global Reporting Initiative (GRI) Standards and so these have been cross-referenced throughout this section. We have also referenced the relevant SASB metrics, where relevant.

Environmental performance measures Energy

Table 1: Absolute direct and indirect energy consumption of managed operational portfolio

EPRA sBPR Elec-Abs 4.1, DH & C- Abs 4.3, Fuel-Abs 4.5, Energy-Int 4.7, GRI 302-1, 302-3, 302-4 (Building Energy Intensity), IF-RE-130a.1, IF-RE-130a.2

	Unit	2020/21	2021/22	2022/23	% change YOY
Elec-Abs	Total energy consumption electricity from managed buildings				
Total landlord purchased grid electricity from renewable sources	kWh	29,806,491	34,006,010	29,401,574^D	-14%
Total landlord purchased grid electricity from non-renewable sources	kWh	0	0	0^D	0%
Proportion of grid electricity from renewable sources	%	100%	100%	100%^D	0%
Self-generated renewable electricity	kWh	9,295	26,578	8,420^D	-68%
Total grid purchased electricity consumed in landlord (common parts) area from renewable sources	kWh	12,074,825	16,123,958	11,486,161^D	-29%
Total grid purchased electricity sub-metered to customers from renewable sources	kWh	17,603,917	17,882,052	17,915,413^D	0%
Grid electricity consumed within head office	kWh	127,749	147,109	189,914^D	29%
Fuels-Abs	Total energy consumption from fuels from managed buildings				
Total direct fuel consumption for shared services	kWh	10,326,265	11,233,508	7,325,541^D	-35%
Total direct fuel consumed or purchased from renewable sources	kWh	10,326,265	11,233,508	1,847,632^D	-84%
Total direct fuel consumed or purchased from non-renewable sources	kWh	0	0	5,477,909^D	
Percentage of total fuel consumption from renewable sources	%	100	100	25^D	-75%
Total Energy-Abs	Total energy consumption from managed buildings				
Total building energy (electricity and fuel) consumption	kWh	40,132,756	45,239,518	36,727,115^D	-19%
Total building energy (electricity only) sub-metered to customers	kWh	17,603,917	17,882,052	17,915,413^D	0%
Energy-Int	Building energy intensity of managed buildings				
Gross internal floor area (m ²)	m ²	229,640	233,081	231,781	-1%
Total building energy consumed across the portfolio divided by normalised floor area	kWh/m ² GIA	175	194	158^D	-18%

^D Metrics with independent limited assurance provided by Deloitte LLP in accordance with the International Standard on Assurance Engagements (ISAE3000).

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Environmental performance measures Energy continued

Table 2: Like-for-like direct and indirect energy consumption of managed operational portfolio
EPRA sBPR Elec-Lfl 4.2, DH & C-Lfl 4.4, Fuel-Lfl 4.6, Total Energy-Lfl, GRI 302-1, IF-RE-130a.3

	Unit	2020/21	2021/22	2022/23	% change YOY
Elec-Lfl	Total energy consumption from electricity from managed buildings				
Total landlord purchased grid electricity from renewable sources	kWh	27,061,691	25,209,513	23,174,972^D	-8%
Total landlord purchased grid electricity from non-renewable sources	kWh	0	0	0^D	0%
Proportion of grid electricity from renewable sources	%	100	100	100^D	0%
Self-generated renewable electricity	kWh	0	0	6,771^D	
Total grid purchased electricity consumed in landlord (common parts) area from renewable sources	kWh	10,402,898	9,461,547	8,668,604^D	-8%
Total grid purchased electricity sub-metered to customers from renewable sources	kWh	16,658,793	15,747,966	14,506,368^D	-8%
Fuels-Lfl	Total energy consumption from fuels from managed buildings				
Total direct fuel consumption for shared services	kWh	9,136,018	7,182,107	5,083,299^D	-29%
Total fuel consumed or purchased from renewable sources	kWh	9,136,018	7,182,107	1,091,190^D	-85%
Total fuel consumed or purchased from non-renewable sources	kWh	0	0	3,992,109^D	
Percentage of total fuel consumption purchased from renewable sources	%	100	100	21^D	-79%
Total Energy-Lfl	Total like-for-like energy consumption from managed buildings				
Total building energy (electricity and fuel) consumption	kWh	36,197,708	32,391,620	28,258,271	-13%
Total building energy sub-metered to customers	kWh	16,658,793	15,747,966	14,506,368	-8%

^D Metrics with independent limited assurance provided by Deloitte LLP in accordance with the International Standard on Assurance Engagements (ISAE3000).

Table 3: Absolute direct and indirect energy consumption of development portfolio

	Unit	2020/21	2021/22	2022/23	% change YOY
Absolute direct and indirect energy consumption of development portfolio					
Total grid electricity purchased	kWh	2,462,266	1,269,199	187,864	-85%
Total fuel purchased	l	540	0	54,643	

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Environmental performance measures Energy continued

Performance trend commentary

Energy consumption

During the year, total energy consumption reduced by 19%, despite an increase in average office occupancy as business as usual resumed, post COVID-19. Our like-for-like energy consumption reduced by 13%. The reduction was primarily driven by reductions in energy consumption for landlord areas. Electricity sub-metered to our customers remained level year on year. Direct electricity consumption for landlord-controlled common parts areas reduced by 29% whilst gas consumption for shared services reduced by 35%.

Absolute energy reductions were also driven by the exclusion of two large sites from operational energy reporting during the period – 2 Aldermanbury Square EC2 (formerly City Place House), where demolition commenced in March 2022, and 160 Old Street, EC1, which was sold in September 2021. Three smaller buildings were sold in June 2022, which falls within this reporting period, being 6, 7/8, and 9/10 Market Place, W1. Data is normalised to account for properties entering and leaving the portfolio through the development, sales or acquisition process.

This year, we outperformed our energy intensity target by achieving 158kWh/m², against a benchmark of 199kWh/m² and a stretch target of 181kWh/m². Compared with last year, our energy intensity dropped 18.4% from 194kWh/m². Compared to our 2016 baseline, we achieved a 32.2% reduction in energy intensity this year.

An increase in floor area due to better data availability and a change in carbon emissions factors will also have impacted our intensity figures.

Energy efficiency actions

Energy reductions were achieved by optimising building plant run times, continued financial investment in LED-lighting upgrades and the implementation of recommendations from energy audits. Primary energy efficiency actions taken during the reporting year include:

- optimisation works in our buildings, such as adjusting plant controls to better align with building occupancy- estimated to have saved 2,198MWh;
- investing £284,000 in LED lighting upgrades at three of our buildings – expected to save a combined 986MWh per year and a pay back in two years; and
- NABERS UK Energy for Offices readiness assessments at three of our buildings: The Hickman, E1, City Tower, EC2, and 200 Gray's Inn Road, WC1.

We also commenced a substantial programme of works to upgrade our metering infrastructure, which will improve and fully automate metering across our portfolio. The project includes electricity, heat and water metering, Building Management System controls and networks, as well as gas metering on shared services. Once completed, we will have access to automated, granular data, which will enable us to develop fully costed building-level net zero carbon transition plans, in line with our Roadmap to Net Zero.

Renewable energy purchase and on-site generation

We have a target to increase our renewable energy generation to 600MWh per year by 2030. We recognise that we have a considerable way to go, partially due to competing priorities for roof and terrace space. This year we were able to report on-site solar power generation of 8MWh from our photovoltaic panel array at Hanover Square, W1, and 1 Newman Street, W1. This figure considerably dropped compared to last year (2022: 27MWh) due to the sale of 160 Old Street, EC1, in 2021.

Going forward, we continue to commit to increasing on-site generation of renewable energy at all of our development projects across the portfolio. Retrofitting photovoltaic arrays at our existing buildings, using the proceeds of our Decarbonisation Fund, will support achieving our targets.

We have continued to procure REGO-backed electricity for all supplies across our managed portfolio for the duration of the financial year. Gas used for shared services in our managed portfolio is either biogas or carbon offset by the supplier.

Optimising operations and working with our customers



We significantly reduced electricity and gas consumption at our buildings this year due to our updated and improved operational strategy.

The strategy sets out how to operate our buildings more efficiently and includes:

- Controlling and fixing heating and cooling supply to specific outside temperature set points
- Harmonising building plant operation with customer occupancy hours
- Controlling access to BMS controls

In addition to this, we:

- Engaged stakeholders – both internally and externally – in energy efficiency awareness raising activities
- Ran Customer Energy Councils to communicate the impact of rising Energy prices and share learnings on how to reduce energy consumption

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Environmental performance measures Greenhouse gas emissions

Table 4: Absolute direct and indirect greenhouse gas emissions of managed operational portfolio
EPRA sBPR GHG-Dir-Abs 4.8, GHG-Indir-Abs 4.9, EPRA sBPR GHG-Int 4.10, GRI 305-1, GRI 305-2

	Unit	2020/21	2021/22	2022/23	% change YOY
GHG-Dir-Abs Scope 1					
Greenhouse gas emissions from purchased fuels combusted on-site	tCO ₂ e	1,899	2,058	1,337^D	-35%
Greenhouse gas emissions from refrigerant gases (fugitive emissions)	tCO ₂ e	151	187	219^D	17%
Total Scope 1 emissions	tCO ₂ e	2,049	2,245	1,556	-31%
GHG-Indir-Abs Scope 2					
Greenhouse gas emissions from purchased electricity consumed in landlord (common parts) areas (location-based) ¹	tCO ₂ e	2,815	3,424	2,221^D	-35%
Greenhouse gas emissions from purchased electricity consumed in landlord (common parts) areas (market-based)	tCO ₂ e	0	0	0^D	
Greenhouse gas emissions from purchased electricity consumed in head office (location-based)	tCO ₂ e	30	31	37^D	18%
Total Scope 2 emissions¹	tCO ₂ e	2,845	3,424	2,221	-35%
GHG-Indir-Abs Scope 3					
Greenhouse gas emissions from purchased electricity sub-metered to customers	tCO ₂ e	4,104	3,797	3,464^D	-9%
Greenhouse gas emissions from business travel (flights, trains, taxis)	tCO ₂ e	0	24	91^D	279%
GHG emissions from purchased electricity transmissions and distribution losses	tCO ₂ e	598	639	520^D	-19%
GHG emissions from waste treatment and disposal	tCO ₂ e	5	9	16^D	83%
GHG emissions from municipal water supply and treatment	tCO ₂ e	68	35	30^D	-14%
Total Scope 3 emissions	tCO ₂ e	4,775	4,503	4,122	-8%
GHG-Int Greenhouse gas emission intensity from building energy consumption of standing investment portfolio					
Total GHG emission from energy (location-based) ¹	tCO ₂ e	8,998	9,278	7,023^D	-24%
Gross internal floor area (m ²) ²	m ²	229,640	233,081	231,781	-1%
GHG emission intensity from energy (location-based)	kgCO ₂ e/m ² GIA/year	39	40	30^D	-24%

D Metrics with independent limited assurance provided by Deloitte LLP in accordance with the International Standard on Assurance Engagements (ISAE3000).

1. GHG emissions from purchased electricity consumed in head office for 21/22 and 22/23 is already included within the total GHG emissions from purchased electricity consumed in landlord (common parts) areas (location-based) but included as a separate line item for reporting purposes.

2. Floor area (GIA) was restated at a number of properties where measured surveys had taken place and accurate GIA now known.

Table 5: Absolute direct and indirect greenhouse emissions of development portfolio

	Unit	2020/21	2021/22	2022/23	% change YOY
Scope 3 – Absolute direct and indirect greenhouse emissions of development portfolio					
GHG emissions from purchased fuels burned on-site	tCO ₂ e	1	0	148	
GHG emissions from purchased electricity (location-based)	tCO ₂ e	629	293	45	-85%

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Environmental performance measures Greenhouse gas emissions continued

Performance trend commentary

Carbon emissions

Our absolute Scope 1 emissions decreased by 31% from last year, which was primarily driven by the 35% decrease in gas consumption (see [page 20](#)) across the portfolio. We achieved significant gas savings by ensuring gas boilers remained off for as long as possible during the warmer summer months across all buildings in our portfolio. Emissions from refrigerant losses increased by 17% compared to last year, due to plant maintenance issues across three of our properties.

Our Scope 2 location-based emissions decreased by 35%. This aligns with the 29% reduction in electricity consumed in landlord (common parts) area, as detailed on [page 20](#) of this report.

Together, our Scope 1 and 2 (location-based) emissions decreased by 33% or 1,891tCO₂e compared to last year. This decrease was driven by energy efficiency projects and portfolio changes, as detailed in the previous sections of the report.

Carbon intensity

Carbon intensity (kgCO₂e/m²) for the period decreased by 24% from last year and by 66% when compared to our 2016 baseline.

We have continued to procure REGO-backed electricity since 2014 and certified green gas (biogas and gas offset by our supplier) since 2018 for all supplies across our managed portfolio.

➔ See the REGO case study on [page 09](#)

However, we strongly believe that to respond to the climate crisis it is necessary to deliver improvements in energy efficiency, therefore we are focused on our location-based emissions. Our carbon intensity this year is based on more accurate gross internal floor area data (decreasing this year's total floor area of the portfolio).

As expected, our Scope 3 emissions from business travel and waste treatment and disposal increased by 279% during the reporting period. This is primarily due to our employees and customers in our buildings returning to the office in hybrid working models, which have in turn led to increased travel activity. We have noted that increased social events at businesses to encourage employees to return to the office have affected the amount of waste generated, particularly across our sites which offer on-site catering, restaurants or cafes.

Progress towards our science-based target

Our approved science-based target commits us to reduce our absolute Scope 1 and 2 emissions by 50% by 2030 from a 2018 baseline, as specified by the Small and Medium Enterprises (SME) criteria. The SME criteria was introduced in April 2020 as the only available validation route for non-subsidiary, independent companies with fewer than 500 employees.

We have decreased our Scope 1 and 2 emissions by 52.4% to date (2018: 7,936tCO₂e and 2023: 3,777tCO₂e), meaning that we have met our science-based target this year. However, this reduction is driven largely by the changes in the emission factor for electricity generation, which has reduced by 45% since 2018 due to the ongoing decarbonisation of the grid. The scale of the reduction demonstrates why targets to reduce Scope 3 emissions are critical to decarbonising our business and so full disclosure is provided on [page 12](#) outlining progress against our energy intensity and embodied carbon targets.

Our corporate targets to reduce investment portfolio energy intensity by 40% and carbon intensity by 69% by 2030, and to reduce the embodied carbon of our developments by 40% by 2030, have been externally tested against the Science Based Targets initiative (SBTi) criteria for businesses falling outside of the SBTi classification of an SME. They have been confirmed as in-line with a 1.5°C scenario and covering more than two-thirds of our Scope 3 emissions.

Whilst we were pleased to meet the target, this also demonstrates the limitations of the SBTi classification process for SME businesses. During the forthcoming months, we will be reviewing our response and considering next steps with the SBTi.

Decarbonising our portfolio: Removing gas and finding low carbon alternatives

At GPE, we recognise that a low-carbon future means transitioning our existing portfolio away from fossil fuel reliant systems.

Throughout the year, we have been exploring low-carbon alternatives and have signed off our first heat pump pilot project at our office complex, 45 Mortimer Street, W1. The learnings from this pilot will be essential to enable us to scale up low-carbon alternatives across the portfolio and we are currently carrying out suitability studies of our existing buildings.

In addition, we have also committed to ensuring that where planning allows, all major refurbishments and developments are fossil fuel free.



EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Environmental performance measures Water

Table 6: Absolute water consumption of managed operational portfolio
EPRA sBPR Water-Abs 4.11, Water-Int 4.13, GRI 303-1 IF-RE-140a.2

		Unit	2020/21	2021/22	2022/23	% change YOY
Water-Abs	Total water consumption from occupied buildings					
	Total municipal water withdrawn	m ³	64,638	82,193	70,395^D	-14%
Water-Int	Water intensity of occupied buildings					
	Gross internal floor area	m ²	195,373	209,705	217,488	4%
	Building municipal water intensity (m ³ /m ²)	m ³ /m ²	0.3	0.39	0.32^D	-17%

Table 7: Like-for-like water consumption of managed operational portfolio
EPRA sBPR Water-LfL 4.12, GRI 303-1, IF-RE-140a.3

		Unit	2020/21	2021/22	2022/23	% change YOY
Water-Lfl	Total water consumption from occupied buildings					
	Like-for-like total municipal water withdrawn (m ³)	m ³	63,425	62,548	56,672^D	-9%

Table 8: Absolute water consumption of development portfolio

		Unit	2020/21	2021/22	2022/23	% change YOY
Absolute water consumption of development portfolio						
	Total municipal water withdrawn	m ³	3,228	4,621*	11,421	147%

D Metrics with independent limited assurance provided by Deloitte LLP in accordance with the International Standard on Assurance Engagements (ISAE3000).

Performance trend commentary

Standing portfolio

Total water consumption across the portfolio decreased by 14% on an absolute basis, and by 9% on a like-for-like basis compared to last year.

This is primarily due to water usage optimisation works that we have carried out across the portfolio to rectify inefficient water-use.

We carried out several NABERS Energy for Offices-readiness exercises across our portfolio, which further identified opportunities for greater water efficiency savings.

This achieved huge water savings particularly at two of our largest buildings: City Tower, EC2, where we reduced water consumption by 41% compared to last year, and 200 Gray's Inn Road, WC1, where we achieved a water saving of 16% from last year.

In contrast to energy – required for heating and cooling buildings throughout the entire working day – water consumption is heavily dependent on occupancy at point of use. Whilst occupancy increased compared to last year, we continued to experience more flexible working patterns

across our portfolio due to hybrid working models. This will have also had an impact on consumption.

Going forward, we are looking to establish water reduction targets for our assets in the operational portfolio.

Development portfolio

Our water consumption across the development portfolio increased by 147% compared to last year, as 2021/22 has now been restated. The increase is due to the phase in which our larger developments sit during the reporting year. Both 50 Finsbury Square, EC2, and

2 Aldermanbury Square, EC2, were in water intensive stages of the project, commissioning and deconstruction respectively.

The restatement (*) was required to account for meter read errors in the previous reporting year, resulting in a 93% reduction in the actual water consumption for last year compared to what was originally reported (69,547 m³).

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Environmental performance measures

Waste

Table 9: Absolute water consumption of managed operational portfolio

EPRA sBPR Waste-Abs 4.14 GRI 306-2

	Unit	2020/21	2021/22	2022/23	% by disposal route	% change YOY
Waste-Abs						
Total weight of waste by disposal route and by proportion						
Total waste collected	t	258	490	829 ^D		69%
Total hazardous waste	t	2	2	0.2 ^D	0.02%	-90%
Total non-hazardous waste	t	256	488	829 ^D	99.98%	70%
Waste by type (non-hazardous and hazardous) disposed of by the following disposal routes:						
Total waste reused	t	0	0	0 ^D	0%	
Total waste recycled	t	135	259	469 ^D	57%	81%
Total waste anaerobically digested	t	35	71	114 ^D	14%	61%
Total waste sent to materials recovery facility (MFR)	t	0	0	0 ^D	0%	0%
Total waste incinerated with energy recovery	t	88	158	247 ^D	30%	57%
Total waste landfilled	t	0	0	0 ^D	0%	0%

D Metrics with independent limited assurance provided by Deloitte LLP in accordance with the International Standard on Assurance Engagements (ISAE3000).

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Environmental performance measures Waste continued

Table 10: Like-for-like waste by disposal route of managed operational portfolio
EPRA sBPR Waste-LfL 4.15 GRI 306-2

	Unit	2020/21	2021/22	2022/23	% by disposal route	% change YOY
Waste-LfL						
Total waste consumed from occupied buildings						
Total waste collected	t	256	366	507 ^P		39%
Total hazardous waste	t	2	2	0.2 ^P	0%	-89%
Total non-hazardous waste	t	254	364	507 ^P	100%	39%
Waste by type (non-hazardous and hazardous) disposed of by the following disposal routes:						
Total waste reused	t	0	0	0 ^P	0%	0%
Total waste recycled	t	134	200	286 ^P	56%	43%
Total waste anaerobically digested	t	34	42	50 ^P	10%	18%
Total waste sent to materials recovery facility (MFR)	t	0	0	0 ^P	0%	
Total waste incinerated with energy recovery	t	87	122	172 ^P	34%	41%
Total waste landfilled	t	0	0	0 ^P	0%	0%

D Metrics with independent limited assurance provided by Deloitte LLP in accordance with the International Standard on Assurance Engagements (ISAE3000).

Table 11: Absolute waste by disposal route of development portfolio

	Unit	2020/21	2021/22	2022/23	% change YOY
Absolute waste by disposal route of development portfolio					
Total waste from developments	t	4,128	7,583	20,830	175%
Total waste diverted from landfill from developments	t	4,053	7,567	20,682	173%

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Environmental performance measures

Waste continued

Performance trend commentary

Standing portfolio

The total amount of waste generated across our standing portfolio increased by 69% to 829 tonnes compared to last year (2022: 490 tonnes). This was expected, due to a hybrid return to the office post the COVID-19 pandemic, but primarily, this increase can be attributed to higher occupancy rates across the portfolio and more accurate waste weighing practices. Increased office occupancy and more social events will also have impacted the amount of waste generated, particularly in our 'Fitted' and 'Fully Managed' products, approach where the increased amenity offer can produce additional waste arisings.

57% of total waste has been recycled and 14% of waste has been sent for anaerobic digestion. This has reduced our reliance on incineration with energy recovery to only 30% of total waste collected. Zero operational waste was diverted to landfill. The 61% increase in anaerobically digested waste across the years can be attributed to two of our largest customers at Hanover Square Estate, who have on-site restaurant and catering facilities that operate for 24 hours every day within their spaces.

ThinkGreen waste management systems have been integrated at three key waste producing sites: Hanover Square Estate, The Hickman and 200 Gray's Inn Road. This system enables us to accurately segregate waste by waste stream based on sophisticated waste weighing scales, which in turn allows us to charge customers for the waste that they produce only, incentivising them to continuously reduce waste.

The total amount of waste generated across our like-for-like portfolio increased more moderately by 39% to 507 tonnes compared to last year (2022: 366 tonnes). The like-for-like analysis excludes recently completed developments for which we do not hold 24 month of data, such as 1 Newman Street, W1, The Hickman and our largest waste producing site, Hanover Square Estates.

Development portfolio

Our development portfolio is very dynamic, and diverse, so a number of the environmental performance metrics we report are heavily influenced by the stage of the projects. Our 2 Aldermanbury Square, EC2 development has been in demolition and deconstruction phases and as such we have seen a significant increase in waste from our development portfolio, however we have still maintained high levels of diversion from landfill and indeed reuse and recycling of waste material.

Hanover Square – winner of an International Green Apple Environmental Award

ThinkGreen, an innovative waste management system, at our Hanover Square Estate has enabled us to accurately segregate waste by waste stream – and only charge customers for their usage for each stream.

The system allows us to provide our customers with accurate waste recycling statistics and motivates customers to identify problem areas and take action – all with the added incentive of cutting costs. Since implementation, Hanover Square's average recycling rate is consistently >80%, and is still rising.

At the National Recycling Awards in September 2022 we received an International Green Apple Environmental Award for our ThinkGreen system at Hanover Square.



EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Environmental performance measures Building certification

Table 12: Total Building certification
EPRA sBPR Cert-Tot 4.16, IF-RE-130a.4

	Level of certification	% of portfolio 2020/21	% of portfolio 2021/22	% of portfolio 2022/23	% change YOY
Cert-Tot					
Energy Performance Certification (EPCs)	A	11%	11%	11% ^D	1%
	B	17%	27%	33% ^D	23%
	C	15%	23%	24% ^D	4%
	D	20%	16%	19% ^D	19%
	E	5%	6%	6% ^D	-1%
	F	0.03%	0	0% ^D	0%
	G	0.07%	0	0% ^D	0%
	Uncertified (Managed)	20%	4%	1% ^D	-74%
	Uncertified (FRI)	3%	2%	0% ^D	-100%
Energy Performance Certification (EPCs) targeted under development	A	3%	7%	7%	2%
	B	6%	5%	0%	-100%
BREEAM	Excellent	16%	20%	19% ^D	-4%
	Very Good	15%	10%	9% ^D	-14%
SKA	Gold	4%	7%	8% ^D	12%
	Silver	12%	15%	14% ^D	-7%
	Bronze	0.20%	0.20%	0.2% ^D	2%
Ecohomes	Very Good	0.70%	1%	1% ^D	2%

^D Metrics with independent limited assurance provided by Deloitte LLP in accordance with the International Standard on Assurance Engagements (ISAE3000).

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Environmental performance measures Building certification continued

Performance trend commentary

Our portfolio is fully compliant with 2023 EPC legislation, with no F or G rated space. Due to ongoing upgrading works, we are already 43.4% compliant with the 2030 requirements of a minimum EPC B or above, up from 37.2% last year.

Following on from our work to establish a trajectory for each building to reach an EPC B rating, last year we commenced a project to create net zero carbon asset level plans. The findings of the initial phase of this work resulted in the implementation of an 18-month portfolio wide metering project, which will substantially improve the quality and granularity of our performance data, enabling more rapid identification of the energy efficiency measures required to reach energy-use.

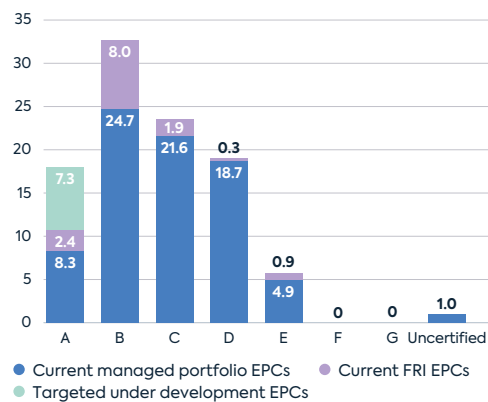
We achieved BREEAM Excellent as targeted at our recently completed 50 Finsbury Square, EC2. We continue to target BREEAM Excellent at our 2 Aldermanbury Square, EC2, development.

As we continue to roll out our fully fitted and fully managed offering, we target the delivery of a SKA Silver rating as a minimum. During the year, we achieved five SKA Gold certificates for three separate floors at Kent House, W1, The Hickman, E1, and Elm Yard, WC1. We achieved a further three SKA Silver certificates for 134 Wigmore Street, W1, The Woolyard, SE1, and 35 Portman Square, W1.

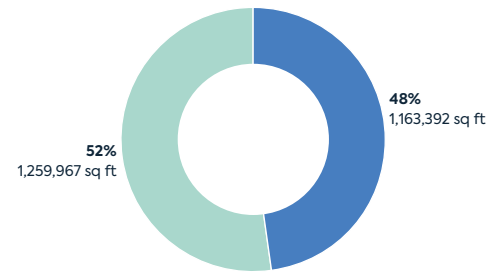
Building certification figures include our FRI portfolio.

To address the gap between how a building is designed and how it actually consumes energy in operation, we are NABERS UK Design for Performance Pioneers and have also been piloting NABERS UK Energy for Offices, a performance-based rating scheme, launched by the Building Research Establishment in late 2022. We will continue to implement NABERS UK Design for Performance and NABERS UK Energy for Offices and remain supportive of the government's intention to introduce a similar operational energy performance in-use rating scheme to focus on driving down operational carbon emissions.

EPC ratings: percentage of portfolio (by sq ft)



Current floor area certifications



- Total certified portfolio (buildings with one or more ratings)
- Uncertified portfolio (no ratings)

43.4%

of our buildings are now EPC A or B rated (2030 compliant)

1%

the percentage of our portfolio with unrated space has fallen from 6% to 1%, with most of the unrated space currently undergoing major refurbishment

BREEAM rated	Excellent/ Very Good	675,217 sq ft
SKA rated	Bronze/Silver/Gold	522,163 sq ft
WiredScore rated	Platinum	364,241 sq ft
ActiveScore rated	Platinum	221,493 sq ft
Committed buildings	Under development targeting BREEAM Excellent	176,030 sq ft

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Social performance measures Employees

Table 13: Employee performance measures

EPRA sBPR Diversity-Emp 5.1, Emp-Training 5.3, Emp-Dev 5.4, Emp-Turnover 5.5, Gov-Board 6.1, GRI 405-1, GRI 404-2, GRI 401-3, GRI 401-1

		Unit	2020/21	2021/22	2022/23	Percentage change %	
Diversity-Emp	Direct employee gender diversity						
	Governance board	Female	%	38%	36%	40%	10%
	Other director/senior management	Male	%	63%	64%	60%	-6%
		Female	%	46%	35%	33%	-6%
		Male	%	54%	65%	66%	2%
	All employees	Female	%	N/A	50%	48%	-3%
		Male	%	N/A	51%	51%	1%
		Other	%	N/A	N/A	N/A	1%
Emp-Training	Direct employee training and development						
	Average number of hours training (all employees)	# hrs		13	7.75	10.50	35%
	Governance board	# hrs		7	7.00	7.00	0%
	Executive committee	# hrs		7	7.50	8.50	13%
	Other directors/senior management	# hrs		15.45	7.00	13.00	86%
Emp-Dev	Direct employee performance appraisals						
	Total employees receiving performance review at least once a year	%		100%	100%	100%	0%
Emp-Turnover	Direct employee turnover and retention						
	Total number of employees at year end	#		116	131	139	6%
	Total number of new employees	#		11	36	29	-19%
	Rate of new employee hires ratio	%		13%	27%	21%	-24%
	Total number of employee turnover	#		11	21	21	0%
	Rate of employee turnover ratio	%		13%	16%	16%	-2%

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Social performance measures Employees continued

Performance trend commentary

At GPE, we recognise that the ability to attract, retain and develop our people is increasingly critical to the success of the business.

This year we revisited our people ambition and it remains inextricably tied to our business purpose. Where GPE, as a company, is focused on unlocking potential and creating sustainable spaces for London to thrive, our people ambition is to unlock potential, creating opportunities for our people and our customers to thrive. At our core, we aim to be the place where the best people do their best work. In order to achieve this we provide an environment where our people can have the best work experience, where they can exemplify our company values through collaboration, open-mindedness, diligence and boldness.

As at 31 March 2023, we have 139 number employees, with more in the pipeline to join over the forthcoming 12 months, forming part of our ambitious aspirations for GPE's population to be representative of the rich diversity of London itself. With a lean headcount, we have a workforce where teamwork and pulling together for a common objective are core to how we operate and people know they can depend on each other to deliver.

During the period, 29 individuals joined the business and 21 individuals left the business, including 7 by way of end of contracts. Our workforce comprises a good balance in terms of length of service and this both refreshes and reinforces our progressive culture. Additionally, we have continued to evolve the shape of the organisation to reflect our commitment to putting our customers first and growing our flex office footprint with our fitted and fully managed spaces, and as such, we have made some key management changes and appointments over the last 12 months.

Care and attention is paid to ensuring that communication channels are open and effective. Weekly 'All Company' calls ensure that people know what is happening in the business at any given time and the publication of internal newsletters enables insight into the full spectrum of people related activity in and around the Company.

This contributes to unlocking potential and giving our people the tools that they need to do their best work. Moreover, feedback from our people plays a vital role in continuing to retain top talent and we regularly survey our population. Our most recent engagement scores (March 2023) remain overwhelmingly favourable with 90% of our population responding.

In addition, we have launched a new listening initiative, where small groups meet monthly with an informal 'what's on your mind' format, hosted by a member of the Executive Committee, encouraging employees to speak up, share opinions and make suggestions for improvement.



Our People Strategy

OneGPE is our People Strategy and reflects our belief that we are both 'greater together' and 'united' in achieving our people ambition. It sets out six key areas of focus, all of which are contributing to improving the working environment at GPE for everyone.

Diversity & Inclusion

This is intentionally at the centre of OneGPE, as it reflects our commitment to increase diversity and further cultivate inclusion as a central aspect of our culture.

Employee Experience

We have introduced new technology to automate and streamline key aspects of the employee experience and feedback process.

Leadership Capability

We have developed and published a bespoke leadership competency framework for leaders, managers and individual contributors, whilst introducing two development programmes.

Growth & Progression

We enhanced our annual Talent Review process and more than doubled our internal GPE Mentorship scheme, whilst formalising Personal Development Plans for all employees.

Performance & Reward

We revised our performance management process and introduced new language for ratings, whilst also improving our annual personal bonus assessment process.

Health & Wellbeing

We continue to offer competitive health benefits including private healthcare, an EAP and trained mental health first aiders. We have hosted awareness events on a number of important issues related to mental and financial health.



EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Social performance measures Health and Safety

Table 14: Employee health and safety
EPRA sBPR H&S-Emp 5.6, GRI 403-2

		2020/21	2021/22	2022/23	% change YOY
H&S-Emp	Direct employees				
	Injury rate (IR)	0	0.41	0 ^D	-100%
	Lost day rate (LDR)	0	0	0 ^D	0%
	Absentee rate (AR)	0.016	0.005	0.006 ^D	20%
	Work-related fatalities	0	0	0 ^D	0%
	Enforcement Notices or fines	0	0	0	
H&S-Emp	Managed Portfolio				
	Reportable injuries/incidents	0	1	1	0%
	First aid injuries	4	8	1	-88%
	Work-related fatalities	0	0	0	0%
	Enforcement Notices or fines	0	0	0	0%
H&S-Emp	Development Portfolio				
	Reportable injuries/incidents	0	1	0	0%
	First aid injuries	4	4	1	-75%
	Work-related fatalities	0	0	0	0%
	Enforcement Notices or fines	0	0	0	0%

^D Metrics with independent limited assurance provided by Deloitte LLP in accordance with the International Standard on Assurance Engagements (ISAE3000).

Performance trend commentary

Occupancy levels within our managed portfolio have increased this year in comparison to COVID-19 conditions in previous years, although it remains apparent that some customers continue to work in hybrid conditions. We have seen a slight increase in near-miss reporting across the portfolio, which in turn has aided health and safety improvements. Our accident rate compared to previous years is significantly lower, with hybrid working practices most likely being a contributing factor.

Across our Developments, we have seen a decrease in injuries compared to previous years. Where accidents may occur, we aim to support and collaborate with our supply chain to better understand and maximise opportunities for improvement so that any future risk can be mitigated.

Overall, less sickness absence occurred during the year, possibly due to flexible working patterns under our hybrid working policy.

We have maintained a proactive approach and during the most recent employee engagement survey.

91%

Of our employees agreed that GPE cares about of their health and safety. We will continue to engage with colleagues to ensure they have the support that they need.

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Social performance measures Community

Table 15: Community engagement, impact assessments and development programmes
EPRA sBPR Comty-Eng 5.9 GRI 413-1

		2022/23
Comty-Eng	Percentage of assets that have implemented local community engagement, impact assessments and/or development programmes	<p>100% of our buildings supported community engagement activity throughout the year with £1.16 million in social value created (2022: £631,000). Key activities included:</p> <ul style="list-style-type: none"> – £280,000 value of space provided in our buildings to charities and community groups free of charge; most valuable was the support provided to The Story of Christmas Appeal, a charity supporting the homeless and disadvantaged children. – Supported XLP, our charity partner, with a £75,000 financial donation. A further £62,000 was contributed through donations in kind, fundraising, and volunteering (including volunteering by our service partners). – 170 hours of pro bono employee time spent providing advice to charities, generating £17,000 in social value. – Payment of the London Living Wage for 100% of people working on our behalf in our buildings. – Supported more accessible employment opportunities with eight weeks of apprenticeships supported directly by GPE, alongside a further 162 weeks supported by service partners in our buildings. – £119,000 in social value generated through emission reduction programmes (carbon offsetting at 50 Finsbury Square and carbon savings through energy reductions at our buildings). – £112,000 invested to improve biodiversity and nature-based solutions, both at our buildings and through charities to support London's climate resilience.

Performance trend commentary

Our Social Impact Strategy aims to ensure that we leave a lasting, positive legacy for our communities – this is set out in more detail on [pages 15 to 17](#).

During the year, we created £1.16 million in social value (2022: £631,000) through our community programmes and direct business activities, measured using the National Social Value (TOMs) Measurement Framework. This includes activities in our buildings but through our service partners, e.g. apprentices hosted by our engineering teams.

We saw a significant increase in social value outcomes created throughout the year. This was primarily due to the increase in space donated within our buildings, skills development (including diversity, equality and inclusion training), and capturing environmental initiatives within our social value reporting for the first time.

EPRA Sustainability Best Practice Recommendations (sBPR) Metrics continued

Corporate governance performance measures Corporate governance

Table 16: Corporate governance measures

EPRA sBPR Gov-Board 6.1, Gov-Select 6.2, Gov-Col 6.3, GRI 102-22, GRI 102-24, GRI 102-25

		Unit	2020/21	2021/22	2022/23
Gov-Board	Composition of the highest governance body				
	Number of executive board members	#	2	3	3
	Number of independent/non-executive board members	#	6	8	7
	Average tenure on the governance body (years)	#	6.6	5.6	5.9
	Number of independent/non-executive board members with competencies related to social/environmental topics	#	6	6	7
Gov-Select	Nominating and selecting the highest governance body				
	Process for nominating and selecting the highest governance body		See our Annual Report and Accounts for the year ended 31 March 2023, pages 101 to 105.		
Gov-Col	Process for managing conflicts of interest				
	Process for managing conflicts of interest		See our Annual Report and Accounts for the year ended 31 March 2023, page 95.		

Performance trend commentary

Wendy Becker stepped down from the Board in July 2022 and Champa Magesh joined the Board in August 2022 as an independent Non-Executive Director.

This has kept the number of women on our Board consistent with 2022. Charles Philipps stepped down from the Board on 30 March 2023.

SASB Sustainability Accounting Standard – Real Estate Metrics

Energy management		
Code	Accounting Metric	Location or Commentary
IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector	Energy consumption data coverage for our operational control boundary equates to 75% of total floor area. As part of our carbon footprint on page 12 , we have estimated consumption for the remainder of our portfolio.
IF-RE-130a.2	Total energy consumed by portfolio area with data coverage	See EPRA KPI Elec-Abs 4.1 and Fuel-Abs 4.5 on page 20 .
	Percentage grid electricity	See EPRA KPI Elec-Abs 4.1 on page 20 . 100% of electricity consumption was purchased from the grid.
	Percentage renewable, by property subsector	See EPRA KPI Elec-Abs 4.1 on page 20 . 100% of electricity consumption was from certified (REGO-backed) renewable sources. We have two solar PV arrays and have a target to generate 600MWh by 2030. During the reporting year, we generated 8,420kWh of renewable electricity.
IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	See EPRA KPI Elec-LfL 4.2 and EPRA KPI Fuel-LfL 4.6 on page 21 .
IF-RE-130a.4	Percentage of eligible portfolio that has an energy rating and is certified to ENERGY STAR*, by property subsector	See EPRA KPI Cert-Tot 4.16 on pages 29 to 30 .
IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Energy management is a strategic priority, as evidenced by our target to reduce energy intensity by 40% as part of our ESG-linked RCF, see page 19 ; this also feeds into Executive Committee remuneration.

* Energy Performance Certificates (EPCs) have been used as the relevant UK alternative to ENERGY STAR.

SASB Sustainability Accounting Standard – Real Estate Metrics continued

Water management		
Code	Accounting Metric	Location or Commentary
IF-RE-140a.1	Water withdrawal data coverage as a percentage of total floor area, by property subsector	Water consumption data coverage for our operational control boundary equates to 76% of total floor area.
	Water withdrawal data coverage as a percentage of floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	100% of properties are located within central London, which is categorised as a region with high water stress according to the World Resource Institute's (WRI) Water Risk Atlas tool, available: www.wri.org/aqueduct
IF-RE-140a.2	Total water withdrawn by portfolio area with data coverage	See EPRA KPI Water-Abs 4.11 on page 25 .
	Total water withdrawn in regions with High or Extremely High Baseline Water Stress, by property subsector	100% of properties are located within central London, which is categorised as a region with high water stress according to the World Resource Institute's (WRI) Water Risk Atlas tool, available: www.wri.org/aqueduct . We last undertook an independent assessment of physical climate risk in 2019 where our properties were found to be at high risk of water stress.
IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	See EPRA KPI Water-LfL on page 25 .
IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	<p>The embodied carbon of our water use is included within our carbon footprint and our commitment to be a net zero carbon business by 2030. Beyond this, whilst we do not currently have water management targets in place, our Brief for Creating Sustainable Spaces clearly outlines our requirements for water conservation within our development schemes. The document can be accessed at www.gpe.co.uk/sustainability/creating-sustainable-spaces</p> <p>We conducted an independent assessment of physical climate risk in 2019 and our properties were found to be at high risk of water stress, made worse due to the long-term trend for longer drought periods in the summer.</p> <p>Ensuring we design climate change resilient and adaptable spaces is the third pillar of our Statement of Intent and we intend to publish our climate resilience strategy by 2023.</p>

SASB Sustainability Accounting Standard – Real Estate Metrics continued

Management of Tenant Sustainability Impacts		
Code	Accounting Metric	Location or Commentary
IF-RE-410a.1	Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements and associated leased floor area, by property subsector	Green lease clauses are included within 100% of our leases, subject to approval by the customer. These include a commitment from the landlord and the customer to be accountable for the energy efficiency and the wider sustainability performance of the building and use reasonable endeavours to improve it. It does not explicitly include a cost recovery clause for resource efficiency related capital improvements, though increased resource efficiency would reduce service charges.
IF-RE-410a.2	Percentage of tenants that are separately metered or sub-metered for grid electricity consumption	100% of customers are separately metered or sub-metered for grid electricity consumption. 61% of our portfolio is sub-metered from property owner supplies, with customers in the remaining 39% of the portfolio procuring their own electricity.
	Percentage of tenants that are separately metered or sub-metered for water withdrawals, by property subsector	Customer water use is apportioned relative to their floor area; there is limited sub-metering in place.
IF-RE-410a.3	Discussion of approach to measuring, incentivising, and improving sustainability impacts of tenants	We hold six monthly meetings with our customers at each of our buildings and this includes updates on sustainability performance. The energy used by customers in our buildings contributed 20% to our total carbon footprint last year, demonstrating why this consumption needed to be included within our energy intensity target. Increasing collaboration with our customers on energy usage, engaging with them on energy reduction opportunities and continuing to roll-out green leases (where applicable) to support change are critical parts of our Roadmap to Net Zero. We are looking to strengthen this process in the forthcoming reporting year by piloting a Memorandum of Understanding, where both GPE and our customers make joint commitments to sustainability performance before they move into our spaces.

SASB Sustainability Accounting Standard – Real Estate Metrics continued

Climate Change Adaptation		
Code	Accounting Metric	Location or Commentary
IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	No properties are in 100-year flood zones according to the Environment Agency's flood risk mapping service (fluvial).
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	See how we address this within our separate Task Force for Climate-related Financial Disclosure (TCFD) on pages 44 to 50 in our Annual Report for 2023, available at www.gpe.co.uk/sustainability
Activity metrics		
Code	Accounting Metric	Location or Commentary
IF-RE-000.A	Number of assets, by property subsector	33 buildings within our operational control boundary, 39 in total.
IF-RE-000.B	Leasable floor area, by property subsector	The net lettable floor area of properties within our operational control boundary is 168,049m ² and the gross internal floor area is 231,781m ² .
IF-RE-000.C	Percentage of indirectly managed assets, by property subsector	No indirectly managed properties are included within our operational control boundary. Refer to Basis of Reporting from page 40 onwards.
IF-RE-000.D	Average occupancy rate, by property subsector	Our preferred intensity ratio is kWh/m ² rather than occupancy rates, however, we are currently reviewing additional reporting metrics to provide further clarity on building resource efficiency.

Our scope of reporting



Basis of reporting

Our approach to performance reporting is set out below. It applies to our Streamlined Energy and Carbon (SECR) reporting found within our Annual Report & Accounts, European Public Real Estate Association (EPRA) Sustainability Best Practice Recommendations (sBPR) reporting, carbon footprint reporting and other sustainability metrics disclosed by GPE such as the Sustainability Accounting Standards Board (SASB).

Scope and reporting boundary

The information has been prepared using the 'operational control' approach based on guidance issued by The Greenhouse Gas Protocol, UK Government's Environmental Reporting Guidelines and Health and Safety Executive (HSE) Guidance.

Our reporting covers the period from 1 April 2022 to 31 March 2023. This period aligns to our financial reporting and our other voluntary sustainability disclosures. This includes all buildings on a 100% basis which are joint ventures where GPE have operational control.

Prior year metrics are reported alongside the current reporting period, providing a comparator against this reporting year.

Independent assurance

We have worked with Deloitte LLP to provide 'limited assurance' of a number of key performance indicators and the associated data behind that performance. The KPIs that are subject to assurance are highlighted in each of the Reporting Metrics sections above. The Deloitte Independent Assurance Statement can be found from [page 52](#) onwards and has been carried out in line with ISAE 3000 (Revised) and ISAE 3410.

Reporting portfolios

Operational buildings

The operational control approach reflects our influence over energy consumption and covers 75% of our portfolio by floor area or 33 buildings, including our head office.

33 Cavendish Square, W1, is GPE's Head Office, and although not owned or managed by us, we still report utility consumption against it.

Exclusions

Excluded from our EPRA sBPR reporting are buildings where Full Repairing and Insuring (FRI) leases are in place as customers are wholly responsible for managing their building. We also do not include Retail spaces in our reporting. Where a property is owned by the Group but managed by other managing agents on our behalf, these are considered to fall outside the scope of this reporting.

Extending data coverage to include FRI and customer-procured energy is an area that we continue to address as part of Our Roadmap to Net Zero. We have estimated this consumption and disclosed it for the third year in a row as part of our carbon footprint (category 13 – downstream leased assets) on [page 12](#). We do however include customer utility consumption sub-metered from landlord purchased supplies.

Whilst FRI properties are excluded from our reporting scope, 95/96 New Bond Street, W1 has been included until October 2022 when electricity supplies transferred to the customer following the resolution of metering issues.

In addition, the following buildings are excluded from our reporting scope:

- Orchard Court, W1. This is excluded from our operational portfolio due to ongoing metering challenges which we are working with the supplier and UKPN to resolve;
- 6/10 St Andrew Steet, EC4. This building was purchased with vacant possession in May 2022 and is in GPE's development pipeline. Any consumption is reported separately within our development figures;
- 50 Finsbury Square, EC2. This building underwent major construction during the reporting period. It was sold upon completion in February 2023 and so did not enter the operational portfolio.

Intensity metric

For our Operational Buildings, we utilise the Gross Internal Area (GIA) of the space to provide consistent reporting year on year and the ability to benchmark our portfolio through an intensity metric. GIA is calculated through on-site surveys as our preferred source of data, however where properties are unavailable for survey, we utilise existing documentation such as insurance records or as built information. Where this is not available, estimates are made based on the best available sources of data such as marketing material or other publicly available information such as planning applications.

For our Scope 1 and 2 intensity metric, Common Parts Area is used. This is Net Internal (Lettable) Area subtracted from Gross Internal Area.

Like-for-like analysis

In line with EPRA sBPR guidelines, we report our like-for-like portfolio that covers buildings that have been consistently in operation for the data period specified, e.g. not acquired, sold, or developed during either of the reporting periods for 24 months.

Definitions

- **Managed:** where GPE own the building and also manage the facility with regards to the functionality, comfort, safety, sustainability and efficiency of the space;
- **Landlord:** refers to GPE as owner of the space;
- **Occupied:** a space that is owned by GPE but occupied by one of our customers (tenants) through leasing arrangements;
- **Common Parts Area:** areas of a whole building that are managed and operated by GPE, including receptions, access corridors, lifts, stairwells etc. and are not demised to a customer;
- **Sub-metered:** the practice of splitting the measurement of gas, electricity and/or water from the whole building down to separate demises, floors or circuits to support the management of energy efficiency and reporting practices;
- **Shared Areas:** where whole buildings are multi-tenanted but certain spaces can be used by all Customers (tenants) such as bookable meeting rooms and social areas such as cafes;
- **Floor Area:** GPE utilises Gross Internal Area (GIA) as outlined above.

Basis of reporting continued

Reporting portfolios continued

Development pipeline

We provide additional information in relation to the development portfolio due to the impact of construction activities on our carbon footprint. This includes data on energy, carbon, water, waste, building certification and health and safety data.

We define our Developments as Major – our typical Headquarters repositioning projects both new build and major refurbishments – and Minor – our smaller refurbishments either whole building or on floor fit-outs.

The diversity of our development pipeline means that we have several minor fit-out projects throughout the year as well as major development projects. We completed our 50 Finsbury Square, EC1, development (which was subsequently sold in the reporting period) and continued deconstruction activities on our 2 Aldermanbury project, EC1. The performance of both, and the minor projects, is included within the Development-related KPIs.

Exceptions, variations and restatement

Some of our 2021/22 figures have been re-stated to account for the replacement of some estimated data with actual data where it is now available to ensure it is accurate and comparable between years. Our restatement threshold is 1%. These adjusted figures were not assured as part of our year-end processes this year.

In some cases, we have used different metrics or assumptions to calculate impacts:

- Due to constraints of collecting data at the end of the reporting year, there was an increase in the percentage of supplies estimated. Based on utility type, these estimations were as follows:

- 2.47% of landlord purchased electricity;
- 0.80% of landlord purchased gas;
- 1.00% of landlord purchased water;
- 80% of self-generated renewable electricity;
- Self-generated solar PV at Hanover Square, W1 was estimated for the entire reporting period due to a faulty meter. We have estimated an annual generation of 6,771kWh for the site, based on the operation and maintenance manual of the system;
- Some of our 2022 data has been restated due to actual data having been obtained to fill gaps which were previously estimated. Within the Carbon footprint table on [page 12](#) these are footnoted. These have also been footnoted within the Streamlined Energy and Carbon Disclosure (SECR) table on pages 44 to 50 of our Annual Report and Accounts;
- Floor area (Gross Internal Area) was restated at a number of properties where measured surveys had taken place during the year and accurate GIA now known. In previous years, GIA (and therefore landlord-controlled common parts area) was sourced from insurance records or estimated;
- During the reporting period, our like-for-like portfolio analysis excluded the following buildings:
 - 1 Newman Street, W1. We do not hold 24 months of data for this building as it was a development project that re-entered the portfolio in July 2021;
 - 6, 7/8, 9/10 Market Place, W1, which were sold in June 2022;

- 95/96 New Bond Street, W1S, which was an FRI property for the majority on 2022 and returned to FRI status in October 2022 during the current reporting period;
- 2 Aldermanbury Square (formerly City Place House), EC1, which underwent major demolition during the reporting period.

Normalisation and intensity

We measure carbon and energy intensity by reference to consumption per m². We recognise that this may not always reflect the occupancy level of the building, which may also have an impact on the level of usage. Resource usage per m² is calculated using gross internal area (common parts areas plus net lettable area).

The data is normalised to reflect the disposal and acquisition of properties during each reporting period. During the year, 6, 7/8, and 9/10 Market Place, W1, were sold on 22 June 2022 with data reported up until the sale date. 50 Finsbury Square, EC1 was sold on 8 February 2023, following practical completion of the development project.

There were two acquisitions during the year. 6-10 St Andrews Street, EC4, was purchased on 13 May 2022, with consumption included within our development pipeline reporting. 2 Cathedral Street, SE1, was purchased on 23 May 2022 and is excluded from our reporting as it is let on a Full Repairing and Insuring (FRI) lease meaning that GPE do not have management control.

In order to calculate total normalised water consumption for each reporting period we have used the total common areas plus net lettable area for all properties consuming water.

Reported metrics

Environment

Utilities

Electricity

KPIs – assured and other

- EPRA Tables 1, 2 and 3;
- Indirect energy refers to electricity generated elsewhere and consumed at building level;
- Energy Intensity Metric (kWh/m²/year) is calculated by dividing the Total Building Energy (electricity and fuel (gas)) by the building GIA.

Reporting boundaries

- Operational and Development Pipeline.

Disclosure alignment

- SECR, EPRA, SASB.

Data and collection methods

- We recognise that utility data comes in various different forms and can often dictate our ability to report within certain timeframes. To that end we utilise the following utility data hierarchy:
 - Automatic Meter Readings;
 - Manual Meter Readings;
 - Actual and Estimated Invoice Data;
 - Estimations based on historic performance;
- We recognise that manual processes are often prone to error, therefore we have addressed this risk by proactively investing into automated metering systems, smart metering and digital twin technologies, all of which sit part of a wider business strategy to automate and collect all of our data within a wholly owned data warehouse. Full ownership of our data will further improve data accuracy and visibility;

Basis of reporting continued

Reported metrics continued

- Our energy bureau service is responsible for collecting and collating utilities information, providing commentary on trends and raising issues with data collection;
- Our facilities management contractors are responsible for conducting monthly meter readings where required;
- Within our Development Pipeline utilities data is tracked by our Contractor partners in their own data platforms, such as Smartwaste or Optimise, or where that is not available we provide tracking templates. We are currently in the process of working with our own data partner, QFlow, to update their platform to track gas, electricity and water data;
- To support our market-based emissions reporting confirmation is provided by our Energy Broker, Brook Green, that our purchased electricity is generated through renewable tariff. We also request evidence of the utilities contract or Renewable Energy Certificate in line with the GHG Protocol Scope 2 Guidance Quality Criteria;
- From 1 September 2022, our gas contract changed from biogas to carbon offset gas.

Estimations

- Landlord electricity consumption at Alfred Place was estimated based on manual meter reads as a non-MPAN meter was present at this site.

Other relevant items

- Self-generated renewable energy can be attribute to the following buildings in the reporting year – 1 Newman Street, W1 and Hanover Square, W1;

- As with incoming utilities we follow a hierarchy of data quality with regards to energy produced on our sites. Where available we utilise direct output from the generation system, as is the case for 1 Newman Street, W1. During the reporting period there have been issues with the metering equipment at Hanover Square, W1 and as such energy produced has been estimated based on the size of the PV array, its efficiency, orientation, and weather files to model the output. The model is the recognised European Commission JRC Photovoltaic Geographical Information System.

Gas

KPIs – assured and other

- EPRA Tables 1, 2 and 3;
- Direct energy refers to Gas consumption and refrigerant leakage at building level.

Reporting boundaries

- Operational and Development Pipeline.

Disclosure alignment

- SECR, EPRA, SASB.

Data and collection methods

- As above for Operational Portfolio gas consumption;
- Refrigerants and their associated losses (kilograms) are calculated through service records and invoices for top up gases;
- For the Development Pipeline, on-site gas use is minimal as most Contractor Partners are committed to fossil fuel free sites but where it is used it is captured in data platforms and tracking templates.

Estimations

- None.

Exceptions and variations

- None.

Other relevant items

- None.

Water

KPIs – assured and other

- EPRA Tables 6, 7 and 8;
- Building Water Intensity is calculated by dividing Total Municipal Water withdrawn by total GIA of buildings where GPE supplies water. This differs from the GIA used for Energy intensities, as we do not supply water to our entire operational portfolio.

Reporting boundaries

- Operational Portfolio and Development Pipeline.

Disclosure alignment

- SECR, EPRA, SASB.

Data and collection methods

- All water data reported in this report covers freshwater withdrawn from mains supply;
- For operational portfolio, water consumption (m³) from supplier invoices and manual meter reads;
- For development pipeline, water consumption (m³) from supplier data for major and minor projects;

Estimations

- None.

Exceptions and variations

- None.

Other relevant items

- Municipal water in the EPRA reporting tables refers to Potable water consumption.

Carbon

KPIs – assured and other

- Page 12 and EPRA Tables 4 and 5;
- GHG Emission Intensity from building energy consumption (kgCO₂e/m²) is calculated by dividing Total direct and indirect greenhouse gas emission (location-based) (emissions associated with purchased landlord energy and sub-metered energy occupier consumption but excluding refrigerant gases, business travel, water and waste disposal) by total GIA.

Reporting boundaries

- Corporate, Operational Portfolio and Development Pipeline.

Disclosure alignment

- GHG Protocol, SECR, EPRA, SASB.

Data and collection methods

- See following page.

Basis of reporting continued

Reported metrics continued

Carbon Footprint Reporting Methodology

The table below outlines the methodology used to calculate our carbon footprint, calculated annually as part of assessing progress towards our Roadmap to Net Zero.

Scope & category	Activity	Methodology	Emissions factors
Scope 1			
	Natural gas	Gas consumption (kWh) from automated metering systems, invoices and manual meter reads. If no data available, then consumption has been estimated for the period based on previous known data for 2022. Consumption data is multiplied by UK Government GHG Conversion Factors.	Gaseous Fuels Natural Gas: 0.18kgCO ₂ e/kWh (Gross CV)
	Refrigerants	Kilogram (kg) lost calculated from service records and invoices for top up gases, and multiplied by UK Government GHG Conversion Factor for the relevant gas type.	Various Refrigerant and Other Product Dependent
Scope 2			
	Electricity landlord consumed	Electricity consumption (kWh) from automated metering system, invoices and manual meter reads. If no data available, then consumption has been estimated for the period based on previous known data for 2021. Consumption data multiplied by UK Government GHG Conversion Factors for location-based emissions and supplier factors for market-based emissions.	Location Based UK Electricity: 0.19338kgCO ₂ e/kWh Market Based Brook Green: 0kgCO ₂ e/kWh
Scope 3			
01. Purchased goods and services	Fuels used in construction	Volumes taken from supplier data, and multiplied by the UK Government GHG Conversion Factors for relevant fuel type.	Gaseous Fuels LPG: 2.929 kgCO ₂ e/kg Liquid Fuels Diesel (100% mineral oil): 2.7 kgCO ₂ e/litre
	Operational procurement incl. maintenance and repair materials and services	Spend data for managed properties categorised according to EPA's supply chain emissions factors 2016. Improved data coverage in 2023 enabled greater inclusion of relevant spend categories.	EPA (United States Environment Protection Agency) - Supply Chain Emission Factors for US Industries Commodities 2016
	Water consumption during construction	Water consumption (m ³) from supplier data for major and minor projects, and multiplied by the UK Government GHG Conversion Factors for water supply and water treatment.	UK Water Supply: 0.149kgCO ₂ e/m ³ UK Water Treatment: 0.272kgCO ₂ e/m ³
	Water consumption in standing assets	Water consumption (m ³) from supplier invoices and manual meter reads, and multiplied by the UK Government GHG Conversion Factors for water supply and water treatment.	UK Water Supply: 0.149kgCO ₂ e/m ³ UK Water Treatment: 0.272kgCO ₂ e/m ³
	Electricity consumption during construction	Water consumption (m ³) from supplier invoices and manual meter reads, and multiplied by the UK Government GHG Conversion Factors for water supply and water treatment. Electricity consumption (kWh) from supplier data, and multiplied by the UK Government GHG Conversion Factors for electricity.	Location Based UK Electricity: 0.19338 kgCO ₂ e/kWh Market Based Ecotricity: 0kgCO ₂ e/kWh

Basis of reporting continued

Reported metrics continued

Carbon Footprint Reporting Methodology continued

Scope & category	Activity	Methodology	Emissions factors
Scope 3 continued			
02. Capital goods	Construction materials and services for new developments	Total embodied carbon per asset calculated using GPE and Arup's known embodied carbon assessments (KgCO ₂ e m ²) and assigned proportionately to the days of construction in the year compared to the total construction period.	Emissions factors taken from Whole Life Carbon Assessments produced in line with RICS Professional Statement
	Construction materials and services for refurbishments	Total embodied carbon per asset calculated using GPE and Arup's known embodied carbon assessments (KgCO ₂ e m ²) and assigned proportionately to the days of construction in the year compared to the total construction period.	New Build: 662kgCO ₂ e/m ² GIA Refurb: 270kgCO ₂ e/m ² GIA
03. Fuel and energy related activities	Well-to-tank and T&D from electricity	Calculated based on actual Scope 2 data with relevant UK Government GHG Conversion Factors applied.	WTT UK Generation: 0.04625kgCO ₂ e/kWh WTT T&D: 0.00423kgCO ₂ e/kWh
	Well-to-tank from natural gas	Calculated based on actual Scope 1 data with relevant UK Government GHG Conversion Factors applied.	WTT Gaseous Fuels – Natural Gas: 0.0311 kgCO ₂ e/kWh (Gross CV)
04. Upstream transportation and distribution	Transport of construction materials for developments and refurbishments	Distance & emissions data provided by supplier for 50 Finsbury Square and 2 Aldermanbury Square. Transport emissions have not been included for minor projects, as these are included within the estimated procurement spend emissions.	Delivery Vehicles – Diesel – All HGVs – Average Laden: 1.43329 kgCO ₂ e/mile
	Waste generated during construction	Waste data from supplier data, and multiplied by the relevant UK Government GHG Conversion Factors.	Waste Disposal Average Construction – Open Loop: 0.985kgCO ₂ e/tonne Aggregates – Landfill: 1.234kgCO ₂ e/tonne
05. Waste generated in operations	Waste generated during demolition	Waste data from supplier data, and multiplied by the relevant UK Government GHG Conversion Factors.	Waste Disposal Average Construction – Open Loop: 0.985 kgCO ₂ e/tonne Aggregates – Landfill: 1.234kgCO ₂ e/tonne
	Waste generated in operations	Waste data from supplier data, and multiplied by the relevant UK Government GHG Conversion Factors.	Recycling and Recovery Waste: 21.280kgCO ₂ e/tonne Hazardous Waste: 21.280kgCO ₂ e/tonne
06. Business travel	Air, rail and taxi travel	Taken from employee travel booking and expense system, monthly invoices from private cab and courier company for employees, and employee travel surveys for our Community Day, with relevant UK Government GHG Conversion Factors applied.	Flights (With Radiative Forcing¹) Short Haul – Economy: 0.15102kgCO ₂ e/tonne Long Haul – Business Class: 0.42882kgCO ₂ e/tonne Long Haul – Premium Economy: 0.23659kgCO ₂ e/tonne International – Business Class: 0.40781kgCO ₂ e/tonne Rail National rail: 0.03549kgCO ₂ e/tonne International rail: 0.00446kgCO ₂ e/tonne London Underground: 0.02781kgCO ₂ e/tonne Taxi Regular: 0.20826kgCO ₂ e/km Black Cab: 0.30624kgCO ₂ e/km Cars Average car: 0.170824kgCO ₂ e/km

1. Radiative Forcing is associated with emissions at higher altitudes and results in a higher global warming potential. Air travel CO₂ emissions are multiplied by the radiative forcing factor to account for the higher global warming potential from emissions released at higher altitudes.

Basis of reporting continued

Reported metrics continued

Carbon Footprint Reporting Methodology continued

Scope & category	Activity	Methodology	Emissions factors
Scope 3 continued			
07. Employee commuting	GPE employees working from home	Emissions associated with working from home using EcoAct methodology, with a 72% factor applied to account for hybrid working model. The 72% factor was calculated as per employee survey carried out in 2022 given the average time spent working from home as well as observable behaviour in line with GPE hybrid working policy.	Homeworking Emission White Paper (EcoAct 2020) Relevant UK Electricity and Gas emissions factors
	GPE employee commuting	Employee commuting survey carried out in 2022 with 56% response rate, with distances multiplied by relevant UK Government GHG Conversion Factors based on an average of 3.6 days spent working in the office due to the hybrid model.	Rail National rail: 0.03549kgCO ₂ e/tonne International rail: 0.00446kgCO ₂ e/tonne London Underground: 0.02781kgCO ₂ e/tonne Taxi Regular: 0.20826kgCO ₂ e/km Black Cab: 0.30624kgCO ₂ e/km Cars Average car: 0.170824kgCO ₂ e/km
11. Use of sold products	Expected lifetime energy consumption of assets sold during the reporting year	All assets sold during the reporting period which were either developed or significantly refurbished by GPE were assumed to have a lifetime of 60 years, starting from the year of completion. The last full year of energy consumption of each asset was extrapolated for the remaining lifetime of the asset and converted to CO ₂ e using projections of the UK's future grid, provided by the UK BEIS. Four properties (6, 7/8, 9/10 Market Place and 50 Finsbury Square) sold in 2023 reporting period.	BEIS Projected UK Grid Carbon Intensity 2023-2083
12. End-of-life treatment of sold products	Waste generated from demolition/deconstruction of sold assets	All assets sold during the reporting period which were either developed or significantly refurbished by GPE were assumed to be demolished at end-of-life, which is assumed to be in 60 years' time. Four properties (6, 7/8, 9/10 Market Place and 50 Finsbury Square) sold in 2023 reporting period.	ISTUT/RICS Demolition intensity: 3.4kgCO ₂ e/m ² GIA
13. Downstream leased assets	Customer electricity consumption (landlord-procured)	Electricity consumption (kWh) from customer sub-meter data, and multiplied by the UK Government GHG Conversion Factors for electricity.	Location Based UK Electricity: 0.19338kgCO ₂ e/kWh
	Customer electricity consumption (customer-procured)	Actual consumption (kWh) data provided by customers used where this is available, this accounted for 16% of the 2022/23 total (2021/22: 0%). Where actual consumption data is not available, offices used an intensity based on GPE actual electricity data and floor areas, whereas other asset types used CIBSE benchmarks multiplied by floor areas to estimate consumption. Consumption was then multiplied by the UK Government GHG Conversion Factors.	Location Based UK Electricity: 0.19338kgCO ₂ e/kWh

Basis of reporting continued

Reported metrics continued

Corporate travel data for the financial year included within our reported Scope 3 GHG emissions includes air travel, domestic train journeys, taxis, personal car mileage and public transport journeys that have been expensed for all direct GPE employees. Data is collected from expensed travel, bookings made through a third-party travel booking provider, monthly invoices from a private cab and courier company, and internal employee travel surveys.

We have also included carbon emissions from home working and employee commuting to the office within our Scope 3 emissions reporting. We used a company-wide online survey to understand how many days employees typically commuted to the office and what type of transport their typical journey involves.

For employee travel and commuting, travel distances for calculating emissions per journey were manually calculated using the resources below:

- Where sufficient information was available, business related rail mileages was calculated using an online rail mileage calculator: www.lner.co.uk/tickets-savings/the-best-way-to-travel/our-commitment-to-the-environment
- Where insufficient information was available, a proxy of 0.10001651209kgCO₂e was assumed per GBP spent. This is based on GPE’s business travel emissions calculation from the previous reporting year 2021/22;
- Business related air mileage was calculated using an online air miles calculator: www.airmilescalculator.com/distance

- Business related mileage from TfL public transport was assumed to take place within London Zone 1, as all GPE buildings are located within Zone 1. The distance between East London to West London in Zone 1 is approx. 6 miles with a single journey price of £2.80. Therefore, a TfL price of £0.46 per mile travelled was applied. Mileage travelled and corresponding carbon emissions were derived by applying the £0.46 per miles travelled to the amount expensed;
- Business related mileage in Black Cabs or Taxis were calculated using a median price of £8.20 per mile travelled using the price bands provided by TfL: tfl.gov.uk/modes/taxis-and-minicabs/taxi-fares
- Where information was insufficient to determine the mode of travel, assumptions were made based on the following boundaries:

Amount expensed <£15.20	TfL travel (£15.20 as TfL Day Anytime Travelcard)
Amount expensed Amount >£15.20, but <£35	Taxi travel
Amount expensed >£35, but <£300	Train travel
Amount expensed >£300	Air travel

Estimations

- All estimations made regarding corporate business travel are detailed above.

Exceptions and variations

- None.

Other relevant items

- None.

Waste

KPIs – assured and other

- EPRA Tables 9, 10 and 11.

Reporting boundaries

- Operational Portfolio and Development Pipeline.

Disclosure alignment

- SEC, EPRA, SASB.

Data and collection methods

- GPE rely on a third-party contractor for capturing waste data and reporting this to us. Accuracy of the waste data depends on the method of waste collection at the building as some smaller buildings use ‘on street’ bag collections where an estimate of 5kg per bag is applied, aligned with industry standards. Larger buildings with space for on-site waste segregation have on-site weighing scales through the ‘Think Green’ platform and therefore have high data accuracy;
- Key waste streams reported on include paper, cans, plastic containers, biodegradable, cardboard, glass, compostable, toners and electronic;
- End destination treatment includes Reuse, Recycling, Anaerobic Digestion, Material Recovery, Incineration and Landfill;
- Waste data from the development portfolio is provided either directly from our contractors or captured within an online Power BI solution that uses scanned waste ticket data from our contractors to derive waste information.

Estimations

- In some instances, waste data is estimated due to the difficulty in measuring the weight of waste where no weighing facilities are available. For the following waste streams, weight is estimated based on benchmarks from our waste provider dependent on the receptacle the waste is collected in:
 - Glass;
 - Food Waste;
 - Cardboard;
 - Coffee Waste;
 - Security Paper;
 - Coffee Cups.

Exceptions and variations

- None.

Other relevant items

- Non-hazardous waste is any waste that does not cause harm to people or the environment;
- Hazardous waste is any material that contains substances, or have properties, that might make it harmful to human health or the environment.

Basis of reporting continued

Reported metrics continued

Sustainable assets

KPIs – assured and other

- EPRA Table 12.

Reporting boundaries

- Whole portfolio including buildings let on FRI leases;
- Certification is reported against the NIA for the building taken from our leasing database and based on-site surveys, leasing and insurance information.

Disclosure alignment

- EPRA, SASB.

Data and collection methods

- Building assessments and certifications include:
 - BREEAM – a building assessment methodology that focuses on the holistic sustainability performance of the space targeting areas such as materials, waste and pollution;
 - Ska – an environmental performance assessment focusing specifically on non-domestic fit-out projects targeting energy, transport and wellbeing;
 - Ecohomes – a building assessment methodology that focused on holistic sustainability performance specifically for residential dwellings;
 - EPC – an Energy Performance Certificate outlining how energy efficient the building or demise is, estimated energy costs and performance related features;

- Measurements for each of these certifications are based on the designed, built and operating performance of each of the assets and/or spaces and are provided by the 3rd party assessment body or an organisation acting on their behalf;

- Information used to support the certification includes architectural drawings, material specifications, schematics, as-built photographs, performance tests and technical statements. Further detail can be found on each of the websites for specific certification bodies;
- The metric is calculated by dividing the certified floor area by total portfolio NIA.

Estimations

- None.

Exceptions and variations

- Floor area is calculated using Net Internal Area.

Other relevant items

- None.

Health and Safety

KPIs – assured and other

- EPRA Table 14.

We measure and report on our health and safety performance across key areas including our:

- **Employees:** ensuring the health, safety and welfare of all employees measuring time lost due to absence which may occur from a health and safety incident (including RIDDORS*);
- **Managed Portfolio:** ensuring the safety and wellbeing, of our customers and members of the public, assessing RIDDOR reportable incidents and accidents;
- **Development Portfolio:** ensuring our principal contractors are working without risks to health and safety, assessing RIDDOR reportable incidents and accidents.

* Excludes incidents occurring in FRI (Full Repairing and Insurance leases), Retail, customer demised spaces (unless within GPE fully managed buildings), near miss, and incidents involving third-party contractors.

Health and safety performance reporting definitions

RIDDOR – as stated in the HSE Guidance for Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 – GPE report injuries for the following:

- The death of any person from work related activities;
- Specified Injuries to workers;
- Injuries to workers which result in their incapacitation for more than 7 days;
- Injuries to non-workers which result in them being taken directly to hospital for treatment, or specified injuries to non-workers which occur on hospital premises.

Injury definitions within GPE policy for health and safety performance, aligned to HSE Guidance:

- Fatality – resulting from workplace occupational activities;
- Minor Injury (under 7 days) – work related incident, not reportable to the (RIDDOR), sustained injury;
- Over 7 Days Injury/Lost time injury – resulting in an accident, reportable to RIDDOR.

Basis of reporting continued

Reported metrics continued

Metrics

- Injury rates = (No. of injuries, divided by person hours worked times by 100,000);
- Lost day rate = (No. of lost time days, divided by person hours worked, times by 100,000);
- Absentee rates = (No. of employee absence days, divided by total number of days worked);
- Work related fatalities;
- Enforcement Notices or fines;
- Reportable injuries/incidents (as defined by RIDDOR see above);
- Minor injury (under 7 days absent from work).

Data is collated from our key areas including:

Employees

- Includes all employees directly employed by the Company on full time, part time and fixed term contracts;
- Excludes individuals working as contractors on behalf of GPE, accidents involving contractors are recorded under managed or development portfolio depending on their place of work, for contractors based at head office, this will be reported under Managed portfolio.

Managed portfolio

Covers all managed properties (excluding FRI), employees and members of public visiting those buildings, totalling 35 buildings, covers all building owner demised/common areas, unless within our fully managed buildings which covers the whole building.

Development portfolio

Includes all developments where a Principal Contractor has been appointed.

Online data systems utilised for reporting

- Accidents/incidents are reported on our online H&S risk management system, QUOODA, assessed by the health and safety; team and all recorded data is reported to Board, Exec Com and H&S Committee on a quarterly basis respectively;
- Our online HR system BoB is used to record employee absence data through sickness and work related injuries.

Hours worked

- Total days worked figure is obtained from employee numbers on BoB multiplied by 47 working weeks. The figure will not take into account new starters or leavers. However, it is accepted that the impact on the final ratio is very limited;
- The total hours worked figure is obtained from the total days worked multiplied by 8 hours. There are a few staff who work reduced hours, however it is accepted that this has limited impact on any final figures;
- The total number of employee days off work due to illness/injury figure is obtained from the sickness absence reporting on BoB. Please note that this figure does not factor in compassionate leave which may be discretionary.

Social value measurement

KPIs – other

- EPRA Table 15.

This is the third year that we worked with the Social Value Portal to calculate the financial value we delivered through our community initiatives and direct business activities using The National Social Value (TOMs) Measurement Framework.

The National TOMs Framework (2022) is maintained by the National Social Value Taskforce which includes both public and private sector organisations. This Social Value Measurement Framework is widely used across the industry and by Local Authorities to quantify social value creation. It involves applying a monetary value, based on publicly available data sources, to the benefit created by a particular measure. Key to social value measurement is the focus on the 'additional' value created, over and above what already exists or would have happened anyway. For example, when measuring the number of jobs created, it is important to consider who is benefiting from the job. In other words, this means looking beyond the quantity to address the quality of opportunities we create or support.

Cost to upgrade portfolio to an EPC B rating

Definition

The total cost of upgrading all office buildings in the portfolio to EPC B (as of 31 March 2022).

Background:

As part of the Government's Energy Strategy, all non-domestic buildings will likely be required to achieve an Energy Performance Certificate (EPC) B rating by 2030.

Clarity on the implementation and enforcement of the EPC B requirement is still outstanding, however, to ensure the necessary upgrades can be integrated into Asset Business Plans, a project has been completed to cost required upgrades and understand financial impact.

In scope:

- All commercial office spaces within the 'asset management' portfolio.

Excluded:

- Development pipeline – both committed and near/medium term since as costs to achieve a minimum of an EPC B are already incorporated in development appraisals and will be delivered before 2030;
- For the purposes of this exercise, Orchard Court and 103/113 Regent St were excluded on the basis that they are already undergoing heavy refurbishment and are targeted to achieve an EPC B or above when they re-enter the investment portfolio;
- Retail and residential spaces;
- Any indirect costs arising from any building work are excluded.

Process:

- Site surveys were undertaken across 17 buildings. This included measuring fabric performance, air leakage and system efficiency and undertaking measurement surveys;
- Enhanced thermal dynamic modelling software (EDSL TAS building energy model) was then used to run multiple scenarios optimising façade, plant (or both) to achieve an EPC rating of 'B', with an EPC study provided to GPE summarising the results;
- Independent cost consultants then provided cost estimates for delivering the upgrades at current prices, based on upgrades proposed in the EPC studies;
- Eight smaller buildings NIA < 6,000 sq ft were not surveyed. The cost to upgrade these buildings was extrapolated, based on cost per sq ft, across similar performing buildings.

Note:

- Floor area is based on net internal area (square feet);
- The cost includes 10% for professional fees and 10% for contingencies;
- This project completed in March 2022 and costs have not been updated for inflation.

Due to acquisitions made during the year, and changes to the regulator calculation methodology, we expect to revisit this estimate during the forthcoming year as part of our transition plan.



Glossary

Biodiversity net gain (BNG)

Overall increase in habitat and/or quality of a natural environment. Provides targeted improvements of biodiversity and societal benefits.

Biophilia

A love of life and living things and utilising that in building design.

Blue roof

A roof is an urban drainage system which allows for controlled attenuation of rainfall during heavy and storm events.

Carbon Intensity

Calculated by multiplying the energy intensity figure by the appropriate greenhouse gas conversion factor appropriate for the fuel type.

Carbon offset

Emissions reductions or removals that are achieved by one entity that can be used to compensate for another's emissions.

Carbon Disclosure Project (CDP)

A not for profit charity that runs a global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

Circular economy

Ensures waste is designed out, materials are reused and natural systems are regenerated. Circular economy principles include designing for longevity, adaptability, standardisation etc.

Climate resilience

Climate resilience is the ability to anticipate, prepare for and respond to hazardous events, trends, or disturbances related to climate.

Embodied carbon

The greenhouse gas emissions emitted through the life cycle stages of a building. These include building material extraction and processing, transportation, construction, maintenance stages and final demolition of a building.

Energy intensity

The energy consumption of our buildings expressed as kWh/m².

EPRA

The European Public Real Estate Association (EPRA) sBPR Guidelines provide a consistent way of measuring sustainability performance in the same way that BPR for financial reporting have made the financial statements of listed real estate companies in Europe clearer and more comparable.

Fitwel

A building ratings system focused on health and wellbeing.

Fuel poverty

Occurs when a household must spend a high proportion of their income to keep their home at a reasonable temperature. At an adequate temperature their associated costs would leave them with a residual income below the official poverty line. The primary causes of fuel poverty are low incomes, high energy bills and energy inefficient homes.

Internal Carbon Price

The method of applying a cost of carbon, £/tonne, to business and financial decision making processes.

Fully Managed space

Fitted space where GPE handles all day-to-day services and running of the workplace in one monthly bill.

NABERS UK

A rating system for the energy efficiency of office buildings, it includes both Design for Performance and Energy for Offices rating schemes.

Nature-based solutions

Actions to protect, sustainably manage and restore natural ecosystems that address societal challenges, whilst simultaneously providing health and biodiversity benefit.

Net zero carbon

When carbon emissions are balanced to be zero or negative with the balance emissions that are either offset or sequestered. A building must be highly energy efficient, powered from on-site or off-site renewable energy, with any remaining balance offset.

REGO

A renewable energy contractual instrument with a Renewable Energy Guarantees of Origin (REGO) certificate. One REGO certificate covers one megawatt hour. Also referred to as a zero carbon tariff.

RGGOs

Renewable Gas Guarantees of Origin (RGGOs) are certificates issued for each kWh of biomethane or other green gas injected into the grid.

SASB

The Sustainability Accounting Standards Board (SASB) Standards identify the subset of environmental, social, and governance issues most relevant to financial performance in each of 77 industries. We have reported against the Real Estate Metrics.

SKA

A rating system that helps property owners and customers assess fit-out projects against a set of sustainability good practice criteria.

Social Value

The UK Green Building Council states that in the context of the built environment, social value is created when buildings, places and infrastructure support environmental, economic and social wellbeing, and in doing so improve the quality of life of people.

Task Force on Climate-related Financial Disclosures

A framework to help public companies and other organisations more effectively disclose climate-related risks and opportunities through their existing reporting processes. It is mandatory in the UK for public listed companies to make a disclosure in line with this framework in their annual report and accounts.

Transitional Risk

In the context of climate change, transition risk is the inherent business risk associated with the move towards a low carbon economy. These risks can include regulatory, market risks and reputational risks.

VOC

Volatile Organic Compounds are often found in household products, paints, varnishes and other finishes used for furniture, these chemicals can have an impact on health and wellbeing of building occupants.

WELL Building Standard

A rating system for measuring, certifying and monitoring aspects of the built environment that could impact human health and wellbeing. A WELL Enabled building ensures that all measures to achieve core credits have been implemented to allow a customer to proceed to a full WELL certification.



Independent Limited Assurance Report to the Directors of Great Portland Estates plc

Independent Limited Assurance Report by Deloitte LLP to the Directors of Great Portland Estates plc ('GPE') on selected Environmental, Social and Governance "ESG" metrics (the "Selected Information") within the Sustainability Performance Report for the reporting year ending 31 March 2023.

What we found: Our assurance conclusion

Based on our procedures described in this report, and evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information, as presented on pages 20 – 33 of the Sustainability Performance Report for the year ended 31 March 2023, and as listed below and [indicated with a D] in the Sustainability Performance Report has not been prepared, in all material respects, in accordance with the Basis of Reporting defined by the Directors.

What we looked at: scope of our work

GPE plc has engaged us to provide independent limited assurance in accordance with International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ("ISAE 3000 (Revised)") and the International Standard on Assurance Engagements 3410 *Assurance engagements on greenhouse gas statements* (ISAE 3410) issued by the International Auditing and Assurance Standards Board ("IAASB") and our agreed terms of engagement.



The Selected Information in scope of our engagement, as presented on pages 20 – 33 of the Sustainability Performance Report for the year ended 31 March 2023, and as listed below and [indicated with a D] in the Sustainability Performance Report is as follows:

European Public Real Estate Association (EPRA) KPIs

Energy

Total energy consumption from electricity from managed buildings (kWh)

- Total landlord purchased grid electricity from renewable sources
- Total landlord purchased grid electricity from non-renewable sources
- Proportion of grid electricity from renewable sources
- Self-generated renewable electricity
- Total grid purchased electricity consumed in landlord (common parts) areas from renewable sources
- Total grid purchased electricity sub-metered to customers from renewable sources
- Grid electricity consumed within head office

Like-for-like: Total energy consumption from electricity from managed buildings(kWh)

- Total landlord purchased grid electricity from renewable sources
- Total landlord purchased grid electricity from non-renewable sources
- Proportion of grid electricity consumption from renewable sources
- Self-generated renewable electricity
- Total grid purchased electricity consumed in landlord (common parts) areas from renewable sources
- Total grid purchased electricity sub-metered to customers from renewable sources

Total energy consumption from fuels from managed buildings (kWh)

- Total direct fuel consumption for shared services
- Total direct fuel purchased and consumed from renewable sources
- Total direct fuel purchased and consumed from non-renewable sources
- Percentage of total fuel purchased and consumed from renewable sources

Like-for-like: total energy consumption from fuels from managed buildings (kWh)

- Total direct fuel consumption for shared services
- Total fuel purchased and consumed from renewable sources
- Total fuel purchased and consumed from non-renewable sources
- Percentage of total fuel purchased and consumed from renewable sources



Total energy consumption from managed buildings (kWh)

- Total building energy (electricity and fuel) consumption
- Total building energy (electricity only) sub-metered to customers

Building energy intensity of managed buildings (kWh/m²)

- Total building energy consumed across the portfolio divided by normalised floor area

Carbon

Total Scope 1 emissions (tCO₂e)

- Greenhouse gas emissions from purchased fuels combusted on-site
- Greenhouse gas emissions from loss of refrigerant gases (fugitive emissions)

Total Scope 2 emissions (tCO₂e)

- Greenhouse gas emissions from purchased electricity consumed in landlord (common parts) areas (location-based)
- Greenhouse gas emissions from purchased electricity consumed in landlord (common parts) areas (market-based)
- Greenhouse gas emissions from purchased electricity consumed in head office (location-based)

Greenhouse gas intensity from energy (location-based) (tCO₂e/m²)

- Total amount of direct and indirect (location-based) greenhouse gas emissions generated from energy consumption divided by normalised floor area

Total Scope 3 emissions (tCO₂e)

- Greenhouse gas emissions from purchased electricity sub-metered to customers
- Greenhouse gas emissions from business travel (flights, trains, taxis)
- Greenhouse gas emissions from purchased electricity transmissions and distribution losses
- Greenhouse gas emissions from waste treatment and disposal
- Greenhouse gas emissions from municipal water supply and treatment

Total GHG emissions from energy (location based) (tCO₂e)

Water

- Total municipal water withdrawn (m³)
- Like-for-like total municipal water withdrawn (m³)
- Building municipal water intensity (m³/m²/year)

**Waste**

- Total weight of waste by disposal route and by proportion (tonnes)
 - o Total waste collected
 - o Total hazardous waste
 - o Total non-hazardous waste
 - o Waste by type (non-hazardous and hazardous) disposed of by the following disposal routes:
 - Total waste reused
 - Total waste recycled
 - Total waste anaerobically digested
 - Total waste sent to materials recovery facility (MRF)
 - Total waste incinerated with energy recovery
 - Total waste landfilled
- Like-for-like waste by disposal route and by proportion (tonnes)
 - o Total waste collected
 - o Total hazardous waste
 - o Total non-hazardous waste
 - o Waste by type (non-hazardous and hazardous) disposed of by the following disposal routes:
 - Total waste reused
 - Total waste recycled
 - Total waste anaerobically digested
 - Total waste sent to materials recovery facility (MRF)
 - Total waste incinerated with energy recovery
 - Total waste landfilled

Sustainable assets

- Percentage of the portfolio's total floor area and level of certification attained for:
 - o EPC: A, B, C, D, E, F, G, Uncertified (Managed), Uncertified (FRI)
 - o BREEAM: Excellent, Very Good
 - o SKA: Gold, Silver, Bronze
 - o Ecohomes: Very Good

**Social**

- Employee health and safety, for all direct employees (i.e. GPE plc staff at head office and managed portfolios; this will exclude any other employees / people (e.g. contractors, public etc.))
 - o Injury Rate (IR)
 - o Lost Day Rate (LDR);
 - o Absentee Rate (AR); and
 - o Work-related fatalities

Please note that assurance is also provided over indicators in the Annual Report, for which a separate Assurance Report is provided.

The Basis of Reporting defined by GPE plc; the nature of the Selected Information, and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact comparability of the Selected Information reported by different organisations and from year to year within an organisation as methodologies develop.

In relation to the Selected Information, as listed in the above table, the Selected Information needs to be read and understood together with the Basis of Reporting set out on pages 41 – 48 of the Sustainability Performance Report.

Inherent limitations of the Selected Information

We provided limited assurance over the preparation of the Selected Information in accordance with the Basis of Reporting. Inherent limitations exist in all assurance engagements.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

The self-defined Basis of Reporting, the nature of the Selected Information, and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact comparability of the Selected Information reported by different organisations and from year to year within an organisation as methodologies develop.



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Directors' responsibilities

The Directors are responsible for:

- Selecting and establishing the Basis of Reporting.
- Preparing, measuring, presenting and reporting the Selected Information in accordance with the Basis of Reporting.
- Publishing the Basis of Reporting publicly in advance of, or at the same time as, the publication of the Selected Information.
- Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected Information to ensure that they are free from material misstatement, including whether due to fraud or error.
- Providing sufficient access and making available all necessary records, correspondence, information and explanations to allow the successful completion of the Services.
- Confirming to us through written representations that you have provided us with all information relevant to our Services of which you are aware, and that the measurement or evaluation of the underlying subject matter against the Basis of Reporting, including that all relevant matters, are reflected in the Selected Information.

Our responsibilities

We are responsible for:

- Planning and performing procedures to obtain sufficient appropriate evidence in order to express an independent limited assurance conclusion on the Selected Information.
- Communicating matters that may be relevant to the Selected Information to the appropriate party including identified or suspected non-compliance with laws and regulations, fraud or suspected fraud, and bias in the preparation of the Selected Information.
- Reporting our conclusion in the form of an independent limited Assurance Report to the Directors.



Our independence and competence

In conducting our engagement, we complied with the independence requirements of the FRC's Ethical Standard and the ICAEW Code of Ethics. The ICAEW Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We applied the International Standard on Quality Management (UK) 1 ("ISQM (UK) 1"), issued by the Financial Reporting Council. Accordingly, we maintained a comprehensive system of quality including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

What we did: key procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the description of activities undertaken in respect of the Selected Information and of the reported figures are likely to arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the description of activities undertaken in respect of the Selected Information and of the reported figures, we performed the following procedures:

- Performed analytical review procedures and considered the risks of material misstatement of the Selected Information.
- Through inquiries of management, obtained an understanding of the GPE plc group, its environment, processes and information systems relevant to the preparation of the Selected Information sufficient to identify and assess risks of material misstatement in the Selected Information, and provided a basis for designing and performing procedures to respond to assessed risks and to obtain limited assurance to support a conclusion.
- Through inquiries of management, obtained an understanding of internal controls relevant to the Selected Information, the quantification process and data used in preparing the Selected Information, the methodology for gathering qualitative information, and the process for preparing and reporting the Selected Information. We did not evaluate the design of particular internal control activities, obtain evidence about their implementation or test their operating effectiveness.
- Performed procedures over the Selected Information, including recalculation of relevant formulae used in manual calculations and assessment whether the data had been appropriately consolidated.



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- Performed procedures over underlying data on a statistical sample basis to assess whether the data had been collected and reported in accordance with the Basis of Reporting, including verifying to source documentation.
- Performed procedures over the Selected Information including assessing management's assumptions and estimates.
- Accumulated misstatements and control deficiencies identified, assessing whether material.
- Read the narrative accompanying the Selected Information with regard to the Basis of Reporting, and for consistency with our findings.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance provided in a limited assurance engagement is substantially lower than the assurance that would have been provided had a reasonable assurance engagement been performed.

Use of our report

This report is made solely to the Directors of GPE plc in accordance with ISAE 3000 (Revised), ISAE 3410 and our agreed terms of engagement. Our work has been undertaken so that we might state to the Directors of GPE plc those matters we have agreed to state to them in this report and for no other purpose.

Without assuming or accepting any responsibility or liability in respect of this report to any party other than GPE plc and the Directors of GPE plc, we acknowledge that the Directors of GPE plc may choose to make this report publicly available for others wishing to have access to it, which does not and will not affect or extend for any purpose or on any basis our responsibilities. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than GPE plc and the Directors of GPE plc as a body, for our work, for this report, or for the conclusions we have formed.

Deloitte LLP

United Kingdom

8th June 2023

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