

Sustainability performance data report

for year ended March 2020



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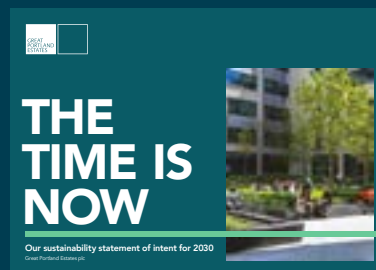
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For more information on our long-term sustainability strategy, our performance and how we integrate sustainability across our business:

www.gpe.co.uk/sustainability



Annual Report 2020



Our sustainability statement of intent



Community strategy



Sustainable development brief

Introduction



A handwritten signature in black ink that reads "Janine Cole".

Janine Cole
Director of Sustainability and Community

We are pleased to provide our annual sustainability data report for the year ended 31 March 2020 aligned with EPRA "Sustainability Best Practice Recommendations". Detailed data is provided for our portfolio, (including those buildings held in Joint Ventures), developments and also head office operations.

We use the operational control consolidation method, as this best reflects our property management arrangements and our influence over energy consumption. Included in our operational control data are emissions and energy usage from our managed properties (including 100% of emissions from joint venture properties) and head office usage. We have not included data from our FRI portfolio or the property managed by an external managing agent, except in the case of building certifications. In line with our commitment to disclose progress against our trajectory to net zero carbon on an annual basis a full carbon footprint disclosure will be made next year.

This report supplements the Streamlined Energy and Carbon Reporting on page 70 of our Annual Report and Accounts 2020.

The scope of this report includes data for energy, carbon, water, waste, building certification and health and safety for our managed portfolio and our committed onsite developments and refurbishments. The report also includes social and governance KPIs such as community activity, Board make up and training data.

For our approach to sustainability and additional information on the management of environmental, social and governance aspects more information can be found at www.gpe.co.uk/sustainability.

Deloitte LLP have provided limited assurance for certain data metrics to provide a level of scrutiny of our data and processes these are marked with a 'D' and their assurance statement is attached to the end of this report

Environmental performance measures

Energy performance measures

Table 1: Total energy consumption electricity from occupied buildings Elec-Abs 4.1

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total electricity consumption (kWh) ^D	32,841,444	32,881,480	0.1%
Total electricity purchased and consumed from indirect non-renewable sources (kWh) ^D	0	0	–
Total electricity purchased and consumed from indirect renewable sources (kWh) ^D	32,841,444	32,881,480	0.1%
Percentage of total electricity consumed from indirect renewable sources ^D	100%	100%	0%
Total self-generated electricity exported (kWh)	0	0	–
Total purchased electricity sub-metered to occupiers (kWh) ^{*D}	20,401,351	20,147,359	-1%
Total electricity consumed within head office (kWh)	184,055	187,803	2%

* Due to constraints collecting data during the pandemic lockdown, 3% of occupier sub-metered electricity usage was estimated. No other usage has been estimated.

Table 2: Like-for like total energy consumption electricity from occupied buildings Elec-LfL 4.2

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total electricity consumption (kWh) ^D	31,949,673	31,674,499	-1%
Total electricity purchased and consumed from indirect non-renewable sources (kWh) ^D	0	0	–
Total electricity purchased and consumed from indirect renewable sources (kWh) ^D	31,949,673	31,674,499	-1%
Percentage of total electricity consumption sourced from indirect renewable sources	100%	100%	0%
Total self-generated electricity exported (kWh)	0	0	–
Total purchased electricity sub-metered to occupiers (kWh)	19,832,806	19,564,634	-1%
Total electricity consumed within head office (kWh)	184,055	187,803	2%

Environmental performance measures

continued

Energy performance measures

continued

Table 3: Total energy from district heating and cooling from occupied buildings DH & C-Abs 4.3

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total energy consumption from district heating and cooling (kWh) [Ⓓ]	0	0	–
Total district heating and cooling purchased and consumed from non-renewable sources generated on and/or offsite (kWh) [Ⓓ]	0	0	–
Total district heating and cooling purchased and consumed from renewable sources generated on and/or offsite (kWh) [Ⓓ]	0	0	–
Percentage of district heating and cooling consumed from renewable sources [Ⓓ]	0	0	–

Table 4: Like-for-like total energy from district heating and cooling from occupied buildings DH & C-LfL 4.4

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total energy consumption from district heating and cooling (kWh) [Ⓓ]	0	0	–
Total district heating and cooling purchased and consumed from non-renewable sources generated on and/or offsite (kWh) [Ⓓ]	0	0	–
Total district heating and cooling purchased and consumed from renewable sources generated on and/or offsite (kWh) [Ⓓ]	0	0	–
Percentage of district heating and cooling consumption consumed from renewable sources	0	0	–

Table 5: Total energy consumption from fuels from occupied buildings Fuel-Abs 4.5

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total direct fuel consumption (kWh) ^{*Ⓓ}	12,564,341	9,826,113	22%
Total direct fuel consumed or purchased from renewable sources (kWh) [Ⓓ]	9,615,682	9,826,113	3%
Total direct fuel consumed or purchased from non-renewable sources (kWh) [Ⓓ]	2,948,659	0	100%
Percentage of total fuel consumption from renewable sources [Ⓓ]	77%	100%	31%
Total fuel consumed by onsite self-generated (kWh)	0	0	–

* No fuel consumption is estimated.

Environmental performance measures

continued

Energy performance measures

continued

Table 6: Like-for-like total energy consumption from fuels from occupied buildings Fuel-LfL 4.6

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total direct fuel consumption (kWh) ^D	12,186,770	9,543,256	22%
Total direct fuel consumed or purchased from renewable sources (kWh) ^D	9,238,111	9,543,256	3%
Total direct fuel consumed or purchased from non-renewable sources (kWh) ^D	2,948,659	0	-100%
Percentage of total direct fuel consumption purchased from renewable sources ^D	76%	100%	32%

Table 7: Building energy intensity from occupied buildings Energy-Int 4.7

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total building electricity and fuel consumption ^D	45,405,785	42,707,593	-6%
Gross internal floor area (m ²) ^D	192,745	189,306	-2%
Building intensity (kWh/m ² /year) ^D	236	226	-4%

Table 8: Total energy consumption from developments

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total electricity consumption (kWh)	1,204,499	1,648,949	40%
Total direct fuel consumption (litres)	213,784	10,410	-95%

Energy performance trend commentary

For the year ended 31 March 2020 overall energy usage has decreased by 6.32% on the previous year.

Both absolute and like-for-like electricity usage have remained in line with the previous years performance within 0.12% and 0.87% respectively.

Whilst we have seen electricity reductions at some of our properties, there has been increased usage at our managed portfolio properties 54 Jermyn Street and at 35 Portman Square where occupancy has increased on previously vacant floors which has negated the energy usage reductions made throughout this reporting year for the rest of the portfolio.

Environmental performance measures

continued

Energy performance measures

continued

Following completion of our refurbishment at 160 Old Street and subsequent occupation of the building, there has been a significant uplift in consumption from this property, due to the nature of our occupiers business we expect that this will have a significant impact on energy intensity of the building during the forthcoming year. As part of our commitment to working with our occupiers to reduce energy consumption, we will be working with the building occupants to understand how we can operate the building as efficiently as possible.

During the year, we made significant progress in reviewing contractual requirements for our mechanical and electrical supply partners, to incorporate requirements in connection with energy efficiency innovation across our portfolio. We anticipate that this will improve focus on energy efficiency.

The significant decrease of natural gas usage of 22% has been the main contributor for the overall energy reduction across the portfolio.

This can be directly attributed to the reduction in gas consumption at our largest consumer of natural gas – 200 Gray's Inn Road. The significant reduction at this property can be attributed to our energy efficiency programme, during the year we replaced boilers and reduced running times. Due to the percentage of our portfolio energy consumption that is consumed by 200 Gray's Inn Road, this has had a significant impact on our overall energy performance for the year

For the first time we were able to procure all gas and electricity supplies across our managed portfolio from renewable supplies for the duration of the financial year.

Environmental performance measures

continued

Carbon performance measures

Table 9: Total direct greenhouse emissions from occupied buildings (Scope 1) GHG-Dir-Abs 4.8

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total direct greenhouse gas emissions (tCO₂e) ^D	2,631	1,808	-31%
Direct greenhouse gas emissions (Fuels burned on site) (tCO ₂ e) ^D	2,311	1,807	-22%
Direct greenhouse gas emissions (Refrigerant gases) (tCO ₂ e) ^D	320	1.9	-99%

Table 10: Total indirect greenhouse emissions from occupied buildings (Scope 2) GHG-Indir-Abs 4.9

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total indirect greenhouse gas emissions (tCO₂e) ^D	3,521	3,255	-8%
Indirect greenhouse gas emissions from purchased electricity (location based) (tCO ₂ e) ^D	3,469	3,207	-8%
Indirect greenhouse gas emissions from purchased electricity (market based) (tCO ₂ e) ^D	0	0	–
Indirect greenhouse gas emissions from Head office (tCO ₂ e) ^D	52	48	-8%

Table 11: Total greenhouse gas emission intensity from occupied building energy GHG-Int 4.10

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total direct and indirect greenhouse gas emission (location based) (tCO₂e)* ^D	11,608	10,211	-12%
Gross internal floor area (m ²) ^D	192,745	189,306	-2%
Direct and indirect greenhouse gas emission (location based) (kgCO ₂ e/m ² /year) ^D	60	54	-10%

* Total direct and indirect greenhouse gas emission (location based) includes emissions associated with purchased landlord energy and sub-metered energy occupier consumption but excludes refrigerant gases, business travel, water and waste disposal.

Environmental performance measures

continued

Carbon performance measures

continued

Table 12: Total indirect greenhouse emissions from occupied buildings (Scope 3) GHG-Indir-Abs 4.9

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total reported indirect greenhouse gas emissions (tCO₂e) *^D	6,691	5,984	-11%
Indirect greenhouse gas emissions from purchased electricity sub-metered to occupiers (location based) (tCO ₂ e) ^D	5,775	5,150	-11%
Indirect greenhouse gas emissions from business travel (tCO ₂ e) ^D	121	73	-40%
Indirect greenhouse gas emissions from the transmissions and distribution losses from purchased electricity (T&D) (tCO ₂ e) ^D	792	714	-10%
Indirect greenhouse gas emissions associated with waste disposal (tCO ₂ e) ^D	14	15	9%
Indirect greenhouse gas emissions associated with municipal water supply and treatment (tCO ₂ e) ^D	124	121	-2%

* For emissions that we have been unable to include in our Scope 3 emissions please see scope of reporting.

Table 13: Total indirect greenhouse emissions from developments (Scope 3)

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Direct greenhouse gas emissions (Fuels burned on site) (tCO ₂ e)	634	2	-99%
Indirect greenhouse gas emissions from purchased electricity (location based) (tCO ₂ e)	370	467	26%

Carbon performance trend commentary

The DEFRA Scope 2 carbon conversion greenhouse gas emissions factors for purchased electricity have reduced by 10% this year against the previous year while the Scope 1 carbon conversion greenhouse gas emissions factors for natural gas reduced by 0.1%.

Scope 1 location based direct greenhouse gas emissions from fuels reduced by 22% and is in line with the reduction in fuel consumption. The greenhouse gas emissions related to refrigerant emissions from our occupied buildings decreased by 99% against the previous year where we replaced equipment that had come to the end of its life.

Scope 2 location based electricity emissions reduced by 8% and is in line with the 10% reduction in carbon conversion factors used in location based reporting.

There has been a 99% reduction in the greenhouse gas emissions associated with fuel usage at our developments sites, this is due to two of our developments moving from the demolition phase last year into the construction phase this year.

All our electricity and gas from managed properties are procured on renewable green contracts.

Environmental performance measures

continued

Water performance measures

Table 14: Total water consumption from occupied buildings Water-Abs 4.11

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total volume of municipal water withdrawn (m ³) ^D	117,766	115,189	-2%

Table 15: Total water consumption from occupied buildings Water-Lfl 4.12

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total volume of municipal water withdrawn (m ³) ^D	108,969	110,452	1%

Table 16: Occupied building water intensity Water-Int 4.13

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total volume of water municipal withdrawn (m ³ /m ² /year) ^D	0.611	0.608	0%

Table 17: Total water consumption from developments

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total volume of municipal water withdrawn (m ³)	19,955	4,046	-80%

Water performance trend commentary

Water usage decreased overall by 2%, and increased by 1% like-for-like.

Whilst overall consumption reduced by 2,500 m³ this was due to a number of properties leaving the portfolio or entering refurbishment. The properties concerned were responsible for 1,145 m³ of water usage. This coupled with a consumption reduction at 160 Old Street accounts for our absolute reduction.

On a like-for-like basis however, usage increased by 1% due to increased occupancy at New City Court and City Place House, this was due to higher density of occupancy in these buildings due to our flex space offering.

Environmental performance measures

continued

Waste performance measures

Table 18: Total waste by disposal route from occupied buildings Waste-Abs 4.14

	Percentage by disposal route	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total waste reused (t) ^D	0%	0%	0%	0%
Total waste recycled (t) ^D	60%	363	439	17%
Total waste composted (t) ^D	0%	0	0	0%
Total waste sent to materials recovery facility (MFR) (t) ^D	0%	0	0	0%
Total waste incinerated with energy recovery (t) ^D	31%	208	227	9%
Total waste landfilled (t) ^D	0%	0	0	0%
Total waste other (anaerobic digestion) (t) ^D	3%	64	65	1%
Total waste collected (t) ^D	100%	635	731	13%
Total hazardous waste (t) ^D	00.1%	2	4	50%
Total non-hazardous waste (t) ^D	0.99%	633	724	13%

Environmental performance measures

continued

Waste performance measures

continued

Table 19: Total like-for-like waste by disposal route from occupied buildings Waste-Lfl 4.15

	Percentage by disposal route	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total waste reused (t) ^D	0%	0	0	0%
Total waste recycled (t) ^D	60%	353	439	20%
Total waste composted (t) ^D	0%	0	0	0%
Total waste sent to materials recovery facility (t) ^D	0%	0	0	0%
Total waste incinerated with energy recovery (t) ^D	31%	195	227	14%
Total waste landfilled (t) ^D	0%	0	0	0%
Total waste other (anaerobic digestion) (t) ^D	9%	57	65	12%
Total waste collected (t) ^D	100%	605	731	17%
Total hazardous waste (t) ^D	0.01%	2	4	50%
Total non-hazardous waste (t) ^D	0.99%	603	727	17%

Table 20: Total waste by disposal route from developments Waste-Abs 4.14

	Percentage by disposal route	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change
Total waste diverted from landfill from developments (t)	99%	40,136	3,074	-92%
Total waste from developments (t)	100%	40,547	3,563	-91%

Waste performance trend commentary

We achieved a recycling rate at our managed portfolio of 60% this year, we continue to engage with our occupiers and supply chain partners to improve our recycling rates. The remaining 40% of waste was sent for incineration with energy recovery and to anaerobic digestion, creating biogas for the generation of renewable energy for the grid.

The overall 13% increase in absolute waste generation against the previous year was due to the occupation of 160 Old Street and the conversion of a number of floors at City Place House to flex space. We also created a new co-working amenity space and restaurant for our occupiers at 200 Gray's Inn Road which contributed to an overall increase in waste.

We continued our waste initiatives across the portfolio with an occupier engagement programme and bin audits at City Tower leading to a decrease of 9% in waste generation at the property.

At our committed development schemes and major refurbishments the total waste generation decreased by 91% on the previous year which was due to two developments completing the demolition phase and progressing into the construction phase during the year ended 31 March 2020.

Environmental performance measures

continued

Building certification performance measures

Table 21: Total Building certification Cert-Tot 4.16

	Total number of assets that have achieved a certification, rating or labelling	Year ended 31 March 2020 Percentage of portfolio total floor area
Energy Performance Certification (EPC's) ^D	A	2 7%
	B	24 7%
	C	105 15%
	D	68 25%
	E	18 5%
	F	1 0.03%
	G	2 0.11%
BREEAM* ^D	Excellent	10 6%
	Very good	6 12%
SKA ^D	Gold	7 4%
	Silver	23 9%
	Bronze	2 1%
Ecohomes ^D	Very Good	1 1%

* BREEAM ratings include certification at Design Stage and New Construction for our major developments and for residential buildings.

Building certification performance trend

At our major refurbishments we achieved SKA Silver rating at Elsley House and at our Piccadilly properties, Foxglove House and Egyptian House. We are on track to achieve BREEAM Excellent at our committed schemes at Hanover Square, 1 Newman Street and at The Hickman.

During the year, we continued to reduce our exposure to F and G rated EPCs with less than 0.1% of our certified portfolio rated as F or G.

As part of our approach towards becoming a net zero carbon business, we have set a target to achieve a 40% reduction in energy intensity across our occupied buildings, from our 2016 baseline. To support this target we are developing individual energy trajectories for each of our buildings. 3,771 Mwh of energy efficiency recommendations were identified as part of the Energy Saving Opportunity Scheme (ESOS) audits undertaken during the year. These recommendations will be implemented across the portfolio.

Social performance measures

Employee performance measures

Table 22: Direct employee gender diversity Diversity-Emp 5.1

	Gender	Year ended 31 March 2020
Governance board percentage	Female	38%
	Male	62%
Senior managers percentage*	Female	29%
	Male	71%

* The definition of Senior Managers is the members of the senior management team, who have a strategic role but are not Board Directors.

Table 23: Employee training and development Emp-Training 5.3

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change %
All employees average number of hours training	25 hours	20 hours	-20%
Governance board average number of hours training	31 hours	32 hours	3%
Executive committee average number of hours training	47 hours	45 hours	-4%
Senior managers average number of hours training	27 hours	17 hours	-37%

Table 24: Employee performance appraisals Emp-Dev 5.4

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change %
Total employees receiving performance review percentage	100%	100%	0%

Social performance measures

continued

Employee performance measures

continued

Table 25: Employee turnover and retention Emp-Turnover 5.5

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change %
Total number of employees at year end	107	116	8%
Rate of new employee hires	3%	8%	167%
Total employee turnover	15	14	-7%
Rate of employee turnover	14%	8%	-43%

Social performance trend commentary

We continue to increase the diversity of the Board with the appointment of Vicky Jarman as a Non-Executive Director with effect from 1 February 2020. Our 8% increase in employee headcount reflects additional focus on Occupier Services and HR which led to recruitment in both teams.

This year our training hours reduced by 20% due to focused training the year before on the GPE Values programme, GDPR and IT compliance which did not need to be repeated this year. Looking forward we are focused on supporting our employees with the challenges of working from home as a result of the COVID-19 pandemic, delivering virtual work and IT training programmes and virtual lunchtime seminars on wellbeing, communication and resilience.

Social performance measures

continued

Health and Safety performance measures

Table 26: Employee health and safety H&S-Emp 5.6

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change %
Direct employees			
Injury Rate (IR) ^D	1.55	1.40	-0.97%
Lost day rate (LDR) ^D	0	0	–
Absentee rate (AR) ^D	0.026	0.018	-0.38%
Work related fatalities ^D	0	0	–
Enforcement Notices or fines	0	0	–
Work related fatalities	0	0	–
*Managed Portfolio			
Enforcement notices or fines	0	0	–
Work related fatalities	0	0	–
Reportable injuries/incidents	2	2	0.00%
First aid injuries	13	14	8%
*Developed Portfolio			
Enforcement notices or fines	0	0	–
Work related fatalities	0	0	–
Reportable injuries/incidents	1	4	300%
First aid injuries	6	14	133%

Social performance measures

continued

Health and Safety performance measures

continued

Table 27: Asset health and safety assessments H&S-Asset 5.7

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change %
Percentage of asset for which health and safety impacts are assessed or reviewed for compliance or improvement %	100%	100%	0%

Table 28: Asset health and safety compliance H&S-Comp 5.8

	Year ended 31 March 2019	Year ended 31 March 2020	Percentage change %
Incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts assessed	0	0	0%

Health and safety performance trend commentary

During the year there were three accidents involving direct employees, the same as the previous year, none of the employee related accidents reported during 2019 or 2020 were RIDDOR reportable and none of the three accidents resulted in any days lost as a result of an injury. The -0.97% change refers to the accident frequency rate difference between the two years, this variance is due to a growth in employee numbers. The decrease in absentee rate of 0.37% can be attributed to fewer employees with long term sickness absence.

For our managed portfolio there was no change on the number of RIDDOR reportable accident figures, first aid injuries increased by 8%. For our development portfolio there were three more RIDDOR reportable accidents which resulted in the 300% increase, whilst an additional 8 first aid injuries equated to a 133% change. The increase in accidents reported is partly due to improved accident and incident management procedures, which has led to an uplift in reporting. Where RIDDOR reportable accidents have occurred we have worked with the contractors concerned to understand where improvements in site procedures or training were required.

For more details on the scope of reporting please see the health and safety section in Reporting Scope and Methodology.

We undertake health and safety assessments at all our occupied buildings (reviewing fire safety, safety checks, water safety, asbestos and air quality), we also undertake an annual health and safety and fire safety review of our head office. During the year, there were no enforcement notices issued to GPE or its subsidiaries. In March 2020, there was an accident at one of our occupied buildings where a subcontracted window cleaner fell from height. The operative concerned was seriously injured. We are working closely with our internal team and our supply chain to undertake a full accident investigation and understand if there are any opportunities to improve our current processes and procedures. The Board are kept fully updated on the investigation with progress reports on the investigation provided to them in April and May 2020. Our development sites are subject to regular health and safety inspections by external health and safety consultants and in addition by our senior management team, health and safety team and project management teams.

Social performance measures

continued

Community performance measure

Table 29: Community engagement, impact assessments and development programmes Comty-Eng 5.9

	Year ended 31 March 2020
Highlights include: £99,500 raised for our charity partner Centrepoin and a further £10,000 raised in gifts in kind. Four 100 hour work placements at our occupied portfolio. 36 apprenticeships within our supply chain at our active development sites. Employees nominated the following charities to received £5000: North London Hospice Sebastian's Trust £10,000 donated to Bankside Open Spaces Trust (BOST) Future Gardeners Scheme. £15,000 donated for a second year to Groundwork London to support urban greening projects in London schools. For more see our community impact report at www.gpe.co.uk/sustainability/our-performance	100%

Community performance trend commentary

During the year we continued to implement our community strategy across our business. The above table includes a number of highlights, however a full report is provided within our Community Impact report. In May 2020, in response to the COVID-19 pandemic, we created an additional community fund to be distributed to London based charities and not for profit organisations, which are being particularly impacted by COVID-19, focused on homelessness and other vulnerable groups, mental health and wellbeing and educational initiatives. Donations will be made to support the immediate response to COVID-19 and longer term recovery.

Corporate governance performance measures

Corporate Governance

Table 30: Composition of the highest governance body Gov-Board 6.1

	Year ended 31 March 2019	Year ended 31 March 2020
Number of executive board members	2	2
Number of independent/non-executive board members	6	6
Average tenure on the governance body years	5.4	5.6
Number of independent/non-executive board members with competencies related to social/environmental topics*	5	6

*We consider that all our Board of Directors have competencies related to social/environmental topics.

In particular our independent/non-executive board members have specific competencies in relation to the charities sector, health and safety, diversity and inclusion .

Table 31: Nominating and selecting the highest governance body Gov-Select 6.2

	Year ended 31 March 2020
Process for nominating and selecting the highest governance body	See our Annual Report and Accounts for the year ended 31 March 2020, page 92 and 102–108

Table 32: Process for managing conflicts of interest Gov-Col 6.3

	Year ended 31 March 2020
Process for managing conflicts of interest	See our Annual Report and Accounts for the year ended 31 March 2020, page 98

Basis of reporting

The information has been prepared using the operational control approach based on guidance issued by The Greenhouse Gas Protocol, DEFRA GHG conversion factors and HSE Guidance. For electricity reporting we have used the Greenhouse Gas Protocol’s dual reporting method, referencing market based emission factors issued by energy suppliers to verify the purchase of renewable contracts for electricity supplies.

Deloitte LLP have provided limited assurance for the data ended 31 March 2020 and their statement is attached to this report.

Like-for-like analysis

Our like-for-like data sets are inclusive of 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.

Normalisation calculation

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 impact on the level of usage. Resource usage per m² is calculated using common areas plus net lettable area. The data is normalised to reflect the disposal and acquisition of properties during each reporting period.

We also normalise gas consumption using degree day data. 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.

Carbon conversion

The table below shows the conversion factors for each resource type used from kWh to kg of carbon (kg CO₂e), which were sourced from 2019 DEFRA GHG Conversion Factor Guidelines.

Fuel type	2018/19 Conversion factor	2019/20 Conversion factor
Natural Gas	0.18396	0.18385
Gas Oil (Scope 1)	Not applicable, no gas oil used across the portfolio	Not applicable, no gas oil used across the portfolio
Purchased Electricity (Scope 2 & 3)	0.28307	0.2556
Electricity transmission and distribution (Scope 3)	0.02413	0.0217
Water supply and treatment (Scope 3)	1.052	1.052

We have made allowance for energy purchased on zero carbon tariffs (market based emissions) in the net emissions total in our summary tables above. All carbon emissions totals (location based emissions) within the EPRA summary are gross emissions totals and as such do not account for the purchase of zero carbon tariffs. All electricity and natural gas purchased is on zero carbon tariffs. Natural gas generated from renewable sources, has been certified by our supplier as zero grams of carbon per kWh.

Reporting scope and methodology

The approach to performance reporting is as described below.

Great Portland Estates Services Limited, a wholly owned subsidiary of Great Portland Estates plc (the 'Company'), is responsible for the day-to-day operational management of properties owned by Great Portland Estates plc, its subsidiaries and joint venture arrangements (together 'the Group'). We have therefore chosen to report on an operational control basis.

Due to the impact of our development portfolio on our carbon emissions and waste consumption we have provided additional information outside the operational control scope. This includes data on energy, carbon, water, waste, building certification and health and safety data.

Excluded from this year's reporting are buildings where Full Repairing and Insuring (FRI) leases are in place, as occupiers are wholly responsible for managing their building and where the property is owned by the Group but managed by other managing agents on our behalf.

Our scope of reporting is dependent on the indicators which is summarised as below.

Environmental

Energy and water (tables 1–8, 14–17)

- For energy and water consumption 36 managed properties are in scope, head office is included and is separately itemised.
- Electricity produced from on-site generating installed photovoltaics at 160 Old Street has not been included within the reporting year due to metering recording errors which are being corrected, will be included next year.
- Figures are inclusive of all landlord obtained energy supplies – where this energy is sub-metered to occupiers this is separately itemised but included within total usage.
- Development related energy and water are reported as a separate item but not included within the total usage.
- Energy consumed at vacant units is included where energy is supplied from the landlord's meter. Energy from vacant units, not supplied by the landlord's meter is not material and is therefore excluded.
- Where energy and water supplies are under the sole control of our occupiers these are excluded.
- All landlord obtained water supplies are in scope.

Greenhouse Gas emissions (tables 9–13)

- Scope 1 emissions is inclusive of location based purchased fuel and fugitive refrigerant emissions from landlord maintained air conditioning systems.
- Scope 2 emissions is inclusive of location based purchased electricity.
- Scope 3 emissions is inclusive of business travel, water supply and treatment, waste disposal and electricity transmission and distribution loss. Electricity sub-metered to occupiers is included within our Scope 3.
- Development related energy and water emissions are separately reported and not included in the total.
- Scope 3 emissions do not include purchased goods and services and employee commuting.
- For a fuller Scope 3 emissions disclosure, the Radiative Forcing conversion factor has been applied to all flight travel using the DEFRA carbon conversion factor.
- There are no company owned vehicles or grey fleet to be reported within business travel emissions.

Reporting scope and methodology

continued

Waste (tables 18–20)

- Data includes all waste collected from properties where Great Portland Estates Services Limited provide waste management services on behalf of occupiers.
- Waste collections that are under the sole control of our occupiers are excluded (e.g. pavement collections), additionally waste collected from FRI properties and properties managed by agents on our behalf (one property) is excluded.
- Waste demolition and construction data from our development sites and refurbishments are reported separately but not included in the total.

Building certification (table 21)

- Includes Sustainable Building Ratings for properties subject to FRI leases, properties managed by managing agents and at our active developments.
- Energy Performance Certificates lodged by our occupiers and by our managing agents have been included.

Social

Diversity and employment (table 22–25)

Number of employees in scope

Year ended 31 March 2020 – 116 employees

Year ended 31 March 2019 – 107 employees

Year ended 31 March 2018 – 104 employees

Year ended 31 March 2017 – 101 employees

- Employee training is inclusive of vocational and topic specific training.
- All employees receive six monthly appraisals, which includes an end of year annual performance review and personal development planning.

Health and Safety (tables 26–28)

Methodology – RIDDOR reporting

The reporting criteria relates to RIDDOR reporting and first aid injuries for all Great Portland Estates plc activities for our employees, managed and development portfolios where GPE act as client/Landlord.

All GPE employees, contractors and sub-contractors are required to report all fatalities and specified injuries that occur to any worker including contractor and visitor and member of public to the Health and Safety Executive (HSE) or the relevant local authority. This requirement is set out under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR). In relation to RIDDOR an accident is a separate identifiable unintended incident which causes physical injury.

Scope of health and safety reporting

The below parameters relate to direct employees of GPE only.

The **Accident Frequency Rate (AFR)** is calculated by multiplying the number of recordable accidents per year times by 100,000, and then dividing that number by the number of labour hours worked.

The **Lost Day Rate** is a similar calculation, only it uses the number of cases that contained lost work days.

Severity Rate (SR) is a calculation that gives a company an average of the number of lost days per recordable incident.

Absentee Rate is calculated using the number of work days lost to **absenteeism** divided by the total number of available work days, expressed as a **percentage**.

Annual counts of **fatalities** can also be influenced by multiple **fatalities**; that is one incident resulting in more than one death.

Reporting scope and methodology

continued

Health and Safety Asset

44 assets within our reporting scope are made up as follows:

9 properties are outside our reporting scope as these are either FRI leases or there is no day to day operational control with the exception of 1 property which is part FRI.

3 properties are currently under construction.

2 properties have been sold but are included within the reporting scope for reportable year.

GPE's head office falls within scope although the building is not owned or managed by GPE.

33 properties are multi-let properties within which health and safety data applies to the common parts and vacant space. Space occupied and managed directly by occupiers is outside our reporting scope.

Risk Assessments

The percentage of completed Health and Safety assessments is based on the number of occupied properties managed by us. Risk assessments are undertaken by our Health and Safety Consultants which include Health and Safety, Fire, Asbestos which are completed annually and Water Risk Assessments which are completed every six months.

Developments

For our developments, it is recognised that there may be inconsistencies with the data collated from the reporting of health and safety accidents/incident statistics, due to the variance in reporting as defined by each contractor company's management system.



Independent assurance statement by Deloitte LLP to Great Portland Estates plc on reported environmental and health and safety performance indicators for the year ended 31 March 2020.

Our assurance opinion

Based on the assurance work performed we have concluded that for the indicators described in the scope of our work below, nothing has come to our attention that causes us to believe that the indicators have not been prepared, in all material respects, in accordance with Great Portland Estates Reporting Criteria, as disclosed within the Annual Report & Accounts, the Great Portland Estates plc website, and the Environmental Data Report 2019/20.

Scope of our work

Great Portland Estates plc ("the Company") engaged us to provide limited assurance on selected key performance data for inclusion in the Annual Report & Accounts, the Company website, and the Environmental Data Report, its subsidiaries and joint ventures ("the Group") for the year ended 31 March 2020. Indicators included in the scope of our work are set out below:

EPRA KPIs

Energy

- **Total electricity consumption (kWh)**
 - Total electricity purchased and consumed from indirect non-renewable sources at managed properties
 - Total electricity purchased and consumed from indirect renewable sources at managed properties
 - Proportion of electricity consumption from purchased and consumed from indirect renewable sources
 - Total purchased electricity sub-metered to occupiers
 - Total electricity consumed within head office
- **Like-for-like electricity consumption (kWh)**
 - Total electricity purchased and consumed from indirect non-renewable sources at our managed properties
 - Total electricity purchased and consumed from indirect renewable sources at our managed properties
- **Total energy consumption from district heating and cooling (kWh)**
 - Total district heating and cooling purchased and consumed from non-renewable sources generated on and/or offsite at managed properties
 - Total district heating and cooling purchased and consumed from renewable sources generated on and/or offsite at managed properties
 - Proportion of district heating and cooling consumed from renewable sources



- **Like for like energy consumption from district heating and cooling (kWh)**
 - Total district heating and cooling purchased and consumed from non-renewable sources generated on and/or offsite at managed properties
 - Total district heating and cooling purchased and consumed from renewable sources generated on and/or offsite at managed properties
- **Total direct fuel consumption (kWh)**
 - Total direct fuel consumed or purchased from renewable sources
 - Total direct consumed or purchased from non-renewable sources
 - Percentage of total fuel consumption from renewable sources
- **Like-for-like consumption from fuels (kWh)**
 - Total direct fuel consumed or purchased from renewable sources
 - Total direct fuel consumed or purchased from non-renewable sources
 - Percentage of total fuel consumption from renewable sources
- **Building energy intensity (kWh/m²)**
 - Total amount of direct and indirect energy used (including renewable and non-renewable sources) across the portfolio, divided by normalized floor area

Carbon

- **Total direct greenhouse gas emissions (tCO₂e)**
 - Direct greenhouse gas emissions from fuels
 - Direct greenhouse gas emissions from refrigerant gases
- **Total indirect greenhouse gas emissions (tCO₂e)**
 - Total indirect greenhouse gas emissions from the offsite generation of purchase electricity, heat or steam (location-based)
 - Total indirect greenhouse gas emissions from the offsite generation of purchase electricity, heat or steam (market-based)
 - Indirect greenhouse gas emissions associated with head office
- **Greenhouse gas intensity from building energy consumption (tCO₂e/m²)**
 - Total amount of direct and indirect (location-based) GHG emissions generated from energy consumption, divided by normalised floor area
- **Total indirect greenhouse gas emissions (Scope 3) (tCO₂e)**
 - Purchased electricity sub-metered to tenants
 - Business travel (flights, trains, taxis)
 - Transmission and distribution losses from purchased electricity
 - Waste disposal
 - Municipal water supply and treatment

Water

- **Total volume of municipal water withdrawn (m³)**
- **Like-for-like volume of municipal water withdrawn (m³)**

- **Building municipal water intensity m³/m²/year**

Waste

- **Total weight of waste by disposal route and by proportion (tonnes)**
 - Hazardous waste
 - Non-hazardous waste
 - Waste by type (non-hazardous and hazardous) disposed of by the following disposal routes:
 - Reuse
 - Recycling
 - Composting
 - Sent to materials recovery facility
 - Sent to recovery
 - Incineration
 - Landfill
 - Other (anaerobic digestion)
- **Like-for-like waste by disposal route and by proportion (tonnes)**
 - Hazardous waste
 - Non-hazardous waste
 - Waste by type (non-hazardous and hazardous) disposed of by the following disposal routes:
 - Reuse
 - Recycling
 - Composted
 - Sent to materials recovery facility
 - Sent to recovery
 - Incinerated
 - Landfilled
 - Other (anaerobic digestion)

Sustainable assets

- **Total number of sustainably certified assets**
 - Percentage of the portfolio's total value and level of certification attained and/or
 - Percentage of the portfolio's total floor area or units (in the case of residential portfolios) and level of certification attained

Social

- Employee health and safety, for all direct employees (i.e. GPE staff at head office and managed portfolios; this will exclude any other employees / people (e.g. contractors, public etc.)):

- Injury Rate (IR);
- Lost Day Rate (LDR);
- Absentee Rate (AR); and
- Work-related fatalities.

Additional carbon and energy KPIs (for Annual Report & Accounts)

- Scope 1 – Combustion of fuel and operations of our facilities (tCO₂e) (including Energy use of combustion of fuel (kWh))
- Scope 2 – Electricity, heat, steam and cooling purchased (tCO₂e) (including Energy use of purchase electricity, heat, steam and cooling (kWh))
- Scope 2 – Head Office usage (kgCO₂e) (including Energy use of electricity at head office)
- Scope 3 – Emissions associated with purchased electricity sub-metered to occupiers (tCO₂e) (including Energy use of purchased electricity sub-metered to occupiers (kWh))
- Total carbon footprint (tCO₂e) (including Total energy use (kWh))
- Intensity measure
 - Emissions per m² gross internal area (tCO₂e/m²/year)
 - Energy use per m² gross internal area (kWh/m²/year)
- Absolute emissions on a like-for-like basis (tCO₂e) (including Energy use on a like-for-like basis (kWh))
- Emissions per m₂ on a like-for-like basis (tCO₂e) (including Energy use per m² gross internal area on a like-for-like basis (kWh/m²/year))

Basis of our work and level of assurance

We carried out limited assurance on the selected key performance indicators in accordance with the International Standard on Assurance Engagements 3000 (Revised) (ISAE 3000). To achieve limited assurance the ISAE 3000 requires that we review the processes, systems and competencies used to compile the areas on which we provide assurance. This is designed to give a similar level of assurance to that obtained in the review of interim financial information. It does not include detailed testing of source data or the operating effectiveness of processes and internal controls.

Our engagement provides limited assurance as defined in ISAE 3000. 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 and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

To form our conclusions we undertook the following procedures:

- Interviewing management at the Company's head office, including the Sustainability team and those with operational responsibility for performance in the areas we are reporting on;
- Understanding, analysing and testing on a sample basis the key structures, systems, processes, procedures and controls relating to the aggregation, validation and reporting of the environmental and health and safety performance data set out above; and
- Reviewing the content of the Sustainability Data Report and the Sustainability section of the Annual Report & Account against the findings of our work and making recommendations for improvement where necessary.



Our work was based at Great Portland Estates plc Group level only and did not include visiting and reviewing data collection, collation and validation of other Great Portland Estates plc operations. We did not visit any sites or properties and we did not test performance data back to the underlying source such as meter reads at sites.

Responsibilities of Directors and independent assurance provider

Great Portland Estates plc's responsibilities

The Directors are responsible for the preparation of the Sustainability Data Report, Annual Report & Accounts, GPE website and the Basis of Reporting. They are responsible for determining the Company's objectives in respect of sustainability performance and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Deloitte's responsibilities, independence and team competencies

We complied with Deloitte's independence policies, which address and, in certain cases, exceed the requirements of the International Federation of Accountants' Code of Ethics for Professional Accountants in their role as independent auditors, and in particular preclude us from taking financial, commercial, governance and ownership positions which might affect, or be perceived to affect, our independence and impartiality, and from any involvement in the preparation of the Reports. The firm applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have confirmed to Great Portland Estates plc that we have maintained our independence and objectivity throughout the year and in particular that there were no events or prohibited services provided which could impair our independence and objectivity.

Our team consisted of a combination of sustainability and assurance professionals with environmental and health and safety expertise, including many years' experience in providing sustainability report assurance.

Our responsibility is to independently express a conclusion on the Reports as defined within the scope of work above to Great Portland Estates plc in accordance with our letter of engagement. Our work has been undertaken so that we might state to Great Portland Estates plc those matters we are required to state to them in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Great Portland Estates plc for our work, for this statement, or for the conclusions we have formed.

Deloitte LLP
London, United Kingdom

2 June 2020



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