



SOG Limited

Heath Park GRESB Review
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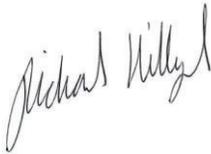
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SOG – Heath Park GRESB Review

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1.0 INTRODUCTION

- 1.1 Greengage have been appointed by EcoResponsive Environments on behalf of SOG, to review the proposed Heath Park redevelopment feasibility study in line with the GRESB Development criteria in order to ascertain the Environmental, Social & Governance (ESG) credentials of the development so that the concept can be presented to potential real estate investors for financial investment.
- 1.2 At this stage this review is to support and demonstrate both the financial and ESG viability of the project. Using GRESB provides the ability to align the ESG considerations to a recognised sustainability reporting programme for real estate.

GRESB

- 1.3 GRESB, formerly the Global Real Estate Sustainability Benchmark, is a world leading sustainability reporting programme for Real Estate. It reviews, scores and benchmarks, investment fund and portfolio ESG management and performance covering policy, reporting, risk management, stakeholder engagement as well as building certificates and environmental performance of the assets within the funds across weighted questions and criteria.
- 1.4 GRESB provides an overall score out of 100 and compares to other participants as well as relative industry peers to the reporting company. A green star rating from 0-5 is then awarded depending on the participating company's performance as well as the overall performance from all participants for that year.
- 1.5 GRESB focuses on the top-down governance and management of the fund/entity owning organisation through its 'Management' component as well as the bottom up from asset performance, targeting and monitoring as part of its 'Performance' component in order to assess the ESG performance of the reporting entity/fund.
- 1.6 In addition to these two components, is a third focusing on developments. GRESB reviews the ESG performance from a fund/entity level, assessing the overarching governance, management and implementation of sustainability across all projects in the reporting entity, not individual projects.
- 1.7 A formal GRESB development submission would require the participating company to submit a response to both the management and development components with the overall score reflecting the performance in both. This is used to determine the GRESB Star rating achieved.

- 1.8 GRESB does not prescribe how ESG strategies and practices should be implemented, it scores and benchmarks the approaches adopted and reported by participating companies. Depending on the approaches taken and the coverage of ESG strategies will impact the score achievable by participating companies.
- 1.9 The GRESB rating system applies 'green stars' from 1 to 5 based on performance quintiles which are relative to the participating companies within the GRESB scheme. These quintiles are annually calibrated in relation to the performance and scoring achieved by participating companies in each reporting year. For example, If a company is placed in the top quintile, it will receive a GRESB 5-star rating; if it is in the bottom quintile, a GRESB 1-star rating is awarded.
- 1.10 For developments, to achieve a minimum of a 1-Star rating, the reporting company must score of 50% in the management component and 50% in the development component. The weighting between these 2 components is 30% management and 70% development.
- 1.11 Typically to achieve a 5-Star rating, the reporting company needs to be in the top 20% performing entities in both components.
- 1.12 An example of the GRESB Scoring matrix can be seen below in figure xx

Figure 1.1 Example GRESB 2020 Scoring Matrix



2.0 APPROACH

- 2.1 To conduct this GRESB review of the Heath Park feasibility study, Greengage is treating the development as the reporting entity so that the GRESB criteria and scoring can be applied. Therefore, where the term 'entity' is referred to in GRESB terminology and references used, this refers to the Heath Park development.
- 2.2 This review is in line with the development component of GRESB. It does not include the Management section as this is specific to the company who will ultimately own the Heath Park development. For this review, it is implied that the owning entity achieves the maximum management component score available as part of its existing GRESB reporting programme.
- 2.3 Due to the nature of the Heath Park development at this stage, the management component cannot be completed due to end owner of the development yet to be determined. Therefore this review is focused on the development component of GRESB only. A formal GRESB submission would require the owner of the development to submit responses to both the management and development components to GRESB.
- 2.4 The GRESB assessment scoring excel spreadsheet has been used to grade the Feasibility Study in line with the GRESB Development module questions. This has been used in conjunction with the GRESB Scoring Simulator spreadsheet to calculate an anticipated score should the ESG criteria identified be followed through the development to completion and operation.
- 2.5 The GRESB Intent has been extracted from the GRESB Reference Guide 2021¹ to provide clarity as to why each question is being asked to provide context of the ESG criteria being assessed for the development.
- 2.6 The GRESB scoring applied is based on the information in the Feasibility Study in order to provide an aspirational scoring for the development to be 'GRESB Ready' and to ensure high ESG standards are built-in right from the outset, maintained and delivered. The concepts and overarching ESG aspirations set out in the feasibility study will need to be formally established into the development's delivery strategy. Commitments and targets
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¹ GRESB. Real Estate Reference Guide. 2021 available from [[GRESB Documents](#)].

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- must be set and applied throughout design, construction, handover, operation and end-of-life in order for sustainability to be embedded into the development.
- 2.7 It should be acknowledged that this is not a formal GRESB submission, and the score provided from this review is purely aspirational to provide a benchmark for comparison against a recognised ESG reporting scheme (GRESB). For the development to be included in a formal submission, the final owning company will need to submit a response to the GREB programme either as part of the fund the development is included with or if it is a standalone investment entity, in its own right.
- 2.8 The following section will provide commentary on the review of the Feasibility statement with regard to the GRESB development module, highlighting where the criteria is met, where evidence would be required and where there is a gap in achieving full GRESB points.
- 2.9 The recommendations section of this report draws on the actions and priority focus points that need to be taken forward in order to ensure the ESG aspirations are adopted as the development progresses.

1.0 GRESB REVIEW

ESG REQUIREMENTS

**Does the entity have an ESG Strategy in place for development Projects? (DRE1)
4 governance points available.**

- 1.1 **GRESB Intent:** *'This indicator describes the entity's ESG strategy for development projects. A well-defined ESG strategy for development projects helps organisations to identify material issues and focus areas during different phase of these projects.'*
- 1.2 If yes, there are 20 options that can be selected for inclusion in the ESG strategy. These are: Biodiversity and habitat; Building safety, Climate/climate change adaptation; Energy consumption; Green building certification, Greenhouse gas emissions, Health & Wellbeing, Indoor environmental quality, Life-cycle assessments/embodied carbon; Location and transportation, Material sourcing; Net-zero/carbon neutral design; Pollution prevention; Renewable energy; Resilience to catastrophe/disaster; Site selection and land use; Sustainable procurement; Waste management; Water consumption; and Other.
- 1.3 For GRESB, a minimum of 6 should be targeted to get 3 of the 4 points. To maximise the sustainability potential for the development, it is recommended that as many of these criteria are included in the overarching ESG strategy for develop.

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- 1.4 As it stands, the Feasibility Study addresses 12 of these criteria with attention required on the following: Green building certifications; Indoor environmental quality; Material sourcing; Resilience to catastrophe/disaster; Sustainable procurement; waste management (construction) and Other.
- 1.5 Upon review of these 20 criteria, they are all interlinked and therefore by identifying at least 6 priority criteria, all themes should be covered by the ESG strategy. Appendix 1 provides a matrix to show how the criteria are linked.
- 1.6 To obtain the 4th point, the ESG must be publicly available via a website or in a report/brochure that is accessible to everyone. An investors brochure would be recommended at this stage of the development. Currently, the ESG strategy for the development is not publicly available.
- 1.7 In addition, a description of the strategy, objectives and approach as well as the scope of implementation should be provided in the GRESB response.

1.8 Current Points Scored based on Feasibility Study: 3 / 4

Does the entity require sustainable design site selection criteria to be considered for development projects? (DRE2) 4 environmental points available.

- 1.9 **GRESB Intent:** *'This indicator examines the entity's approach to sustainable site selection. Sustainable site selection encourages the use of previously occupied or contaminated land. It also encourages development on land that already has limited value to wildlife and protect existing ecological features from substantial damage during site preparation of construction works. The site selection process should be based on structured, predefined methodologies that include limits on the development for inappropriate sites or projects with a negative impact on the immediate surroundings, and on the environment in general.'*
- 1.10 If yes, there are 9 options for selection in response to this question. A minimum of 3 must be selected to obtain maximum points. The criteria are: Connect to multi-modal transit networks; Locate projects within existing developed areas; Protect, restore and conserve aquatic ecosystems; Protect, restore and conserve farmland; Protect, restore and conserve floodplain functions; Protect, restore and conserve habitats; Protect, restore and conserve historical and heritage sites; redevelop brownfield lands and Other.
- 1.11 From the Feasibility study, at least 5 of these criteria can be selected for the development due to the connection to multi-modal transit networks, the project is within an existing developed area, improvements are being made to habitats, floodplain functions and vertical farming.

1.12 Current points scored based on Feasibility Study: 4 /4.

Does the entity have sustainability site design/development requirements for development projects? (DRE3) 4 environmental points available

- 1.13 **GRESB Intent:** *'Sustainable site development requirements help to minimise the negative direct and indirect impact of construction sites'.*
- 1.14 If yes, there are 8 criteria available for selection with a minimum of 4 requiring selection to obtain maximum points for this question. The criteria available are: Manage waste by diverting construction and demolition waste from disposal; Manage waste by diverting reusable vegetation, rock sand soil from disposal; Minimise light pollution to the surrounding community; Minimise noise pollution to the surrounding community; Perform site environmental assessment; Protect air quality during construction; Protect and restore habitat and soils disturbed during construction and/or during previous development; Protect surface water and aquatic ecosystems by controlling and retaining construction pollutants and Other.
- 1.15 Currently the Feasibility study would be able to select 4 (Minimise noise pollution to the surrounding community, Perform environmental assessment; Protect and restore habitats and soils disturbed during construction and/or during previous development; and Protect surface water and aquatic ecosystems by controlling and retaining construction pollutants) of the 8 criteria, awarding 4 points. The remaining criteria would need to be reviewed as part of the development's progression with environmental assessments that also review possible light and air pollution impacts. In addition, a review of how the approach to managing construction waste to maximise reuse and recycling methods.
- 1.16 Current points scored based on Feasibility Study: 4 /4.**
- 1.17 Total points for ESG Requirements: 11 /12**

MATERIALS

Does the entity have a policy requiring that the environmental and health attributes of building materials be considered for development projects? (DMA1) 6 environmental points.

- 1.18 **GRESB Intent:** *'This indicator examines the entity's strategy to understand and manage health and environmental risks associated with building material supply chains. Including environmental and health requirements in the selection of construction materials assists entities with conserving resources, reducing waste and limiting the impact (including embodied carbon) of new buildings. It also mitigates health risks associated with the use of harmful materials.'*

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- 1.19 The response is split in to two parts, the first asking if there is a requirement for disclosure about the environmental and/or health attributes of building materials. There are three options, selecting Environmental Product Declarations and Health Product Declarations will score 1 point each, totalling 2 points.
- 1.20 From the information provided, the intent is for materials to be sustainably sourced with environmental and health impacts a key part of the selection process. Therefore, maximising the scoring potential for the first part of the question.
- 1.21 The second part of the question provides a list relating to the material characteristics specification preferences with 10 options that can be multiply selected. These topics are: Locally extracted or recovered materials; Low embodied carbon materials; Low emitting VOC materials; Material and packaging that can easily be recycled; Material that disclose environmental impacts; Material that disclose health hazards; Rapidly renewable materials and recycled content materials; “Red list” of prohibited materials or ingredients that should not be used on the basis of their human and/or environmental impacts; Third-party certified wood-based materials and products and Other. Four selections are required to achieve the 4 points available for this part of the question.
- 1.22 Additional evidence to support the criteria selected is being applied and how is also required as part of this response.
- 1.23 From the information provided and Feasibility study information, it has been clarified that at this stage Low emitting carbon materials; Low emitting VOC materials; Rapidly renewable materials and recycled content materials can be selected. With this in mind and the sustainable focus of the Feasibility study, Third party certified wood-based materials and products has also been selected.
- 1.24 It is imperative that the ethos and approach to material selection and use is embodied in to the project delivery to achieve the desired sustainability objectives of the proposed development as well as ensuring the GRESB points can be claimed.

1.25 Current points scored based on Feasibility Study: 6 /6.

**Does the entity assess the life cycle-emissions of its development projects?
(DMA2.1) Not scored, used for reporting purposes.**

- 1.26 **GRESB Intent:** *'This indicator examines the entity's approach to life cycle assessments and emissions methodology. GHG emissions or energy consumption are linked to every stage of the life cycle of buildings – starting from extraction and manufacturing of materials and their transportation, through construction, use phase and to final demolition of buildings. Understanding and consistent measuring of life cycle emissions of built*

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- projects is important for identifying the best opportunities for reducing lifetime emissions and target setting'*
- 1.27 The question is split in to 3 sections, the first asks for clarification on the type of assessment (quantitative/qualitative). The second regarding the boundaries for the calculation with 7 options and the third, the type of standards/methodologies and tools applied with 12 options available.
- 1.28 At this stage of the development, life-cycle assessments are yet to be applied. This something that should be considered for inclusion as the design develops.
- 1.29 No points are currently applied to this question.

Embodied Carbon Disclosure: Has the entity disclosed the embodied carbon emissions of its development projects completed within the last three years? (DMA2.2) Not scored, used for reporting purposes.

- 1.30 **GRESB Intent:** *'This indicator assesses the level of embodied carbon disclosure undertaken by the entity. Assessment of the embodied carbon emissions is necessary to acquire an overall understanding of a built project's total carbon impact. This indicator provides investors and data users with information on the embodied carbon of building that have been completed in the last three years. Disclosure of embodied carbon demonstrates an entity's transparency in explaining the efforts towards embodied carbon emissions assessments.'*
- 1.31 The questions is straight forward yes or no responses with additional information requested to demonstrate if the information is publicly available.
- 1.32 Although GRESB is asking a wider question over a 3-year period relating to embodied carbon, it identifies an opportunity for the Heath Park project to take stock of the embodied carbon at the existing site and provide an opportunity to identify which elements will be maintained, retaining the embodied carbon of the development going forwards.
- 1.33 From the feasibility study, embodied carbon is being addressed through the retaining and repurposing of existing buildings as well as the selection of low carbon materials such as timber and local supply chains are also being considered at this stage.
- 1.34 The key element here, is to review the opportunity to make embodied carbon statements and information available to the public to demonstrate transparency as well as alignment to this GRESB question.
- 1.35 No points are currently applied to this question as it is used by GRESB for reporting only.
- 1.36 Total points for Materials: 0 /6.**

BUILDING CERTIFICATION

Does the entity's development portfolio include projects that are aligned with green building rating standards? (DBC1.1) 4 environmental points available.

- 1.37 **GRESB Intent:** *'This indicator is focused on green building certification rating standards utilised as part of the development process. Green building standards provide a measure of intrinsic quality of the asset and its design in order to meet environmental standards requirements. Building certifications provide external assurance on the ESG performance of an asset.'*
- 1.38 The question has 3 options available should yes be selected as an answer. These are: The entity requires projects to align with a third-party green building rating system but does not require certification; The entity requires projects to achieve certification with a green building rating system but does not require a specific level of certification; The requires projects to achieve a specific level of certification.
- 1.39 A maximum of 2 points are awarded where green building schemes are aligned to, with a maximum of 3 points available for the application of certification but no specific level targeted. The maximum 4 points are only available if specific ratings are applied to development projects.
- 1.40 As part of the response, the green building certification scheme(s) being applied are to be declared.
- 1.41 In addition, the percentage of projects the response applies to is also required. This percentage will impact the scoring achievable.
- 1.42 At this stage, the Feasibility study does not directly address green building certification. BREEAM Communities should be considered for inclusion as it focuses on master planning and regeneration projects. In addition, individual buildings being developed should be reviewed for BREEAM. Ska, NABERS Design for Performance, Home Quality Mark (HQM) application.

1.43 Current points scored based on Feasibility Study: 0 /4.

Does the entity's development portfolio include projects that obtained or are registered to obtain a green building certificate? (DBC1.2) 9 environmental points available.

- 1.44 **GRESB Intent:** *'This indicator is focused on green building rating standards utilised as part of the development process. Green building standards provide a measure of intrinsic quality of the asset and its design in order to meet environmental standards requirements. Building certifications provide external assurance on the ESG performance of the asset.'*

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- 1.45 If yes is selected the question requires a breakdown of the green building certifications applied, the floor area covered, percentage of portfolio covered, number of registered projects and a percentage of the GAV (optional).
- 1.46 The response also requires each project that has obtained a certificate or official pre-certification to be listed with the same information as 4.49 above.
- 1.47 Depending on the answer response and validation by GRESB a validation status and weighting is applied to the percentage of portfolio covered in order to score the response.

As it stands, due to building certification not yet being applied to the development as a whole or for individual buildings within the development, The current score based on the Feasibility Study is 0 / 9.

1.48 Total points for Building Certification: 0 /13

ENERGY

Does the entity have minimum energy efficiency requirements for development projects? (DBEN1) 6 environmental points available.

- 1.49 **GRESB Intent:** *'This indicator is intended to describe the entity's strategy to integrate energy efficiency measures throughout design and construction activities. Implementing energy efficiency measures in the design and construction of a building contributes to reducing energy consumption of the building during the operational phase.'*
- 1.50 If yes is selected, there are 3 parts required for completion, the first relating to planning for 1 point, requiring a minimum of 2 responses. The second part regarding energy efficiency measures being included of which a minimum of 4 are required to obtain 4 points. The third part is relating to operational energy monitoring, where two responses are required for one point.
- 1.51 For the planning element, the Feasibility Study is aligned to 2 responses: Integrative design process and; To exceed relevant energy codes or standards, meeting the scoring requirement. The remaining criteria: Development and implementation of a commissioning plan and Requirements for minimum energy use intensity post-occupancy should be reviewed as part of the project's progression.
- 1.52 Regarding the energy efficiency measures, the Feasibility Study addresses 5 of the categories: Energy modelling; Passive design; Space heating; ventilation and Water heating enough to be included in the scoring of the response to achieve the 4 points. The study addresses them from a site perspective and residential units with the use of LETI standards. More detailed reviews and modelling will be needed over time.

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- 1.53 The Feasibility Study does not address the following measures: Air conditioning; Commissioning; High-efficiency equipment and appliances; Lighting and Occupant controls. All will need to be addressed during detailed design and development of the project.
- 1.54 For the operational monitoring part of the question, the Feasibility Study does not currently address: Building energy management systems; Energy use analytics; post-construction energy monitoring; or Sub-metering. Therefore, no scoring can be obtained, missing out on 1 point. These items should be addressed as part of the development design, construction and operation.

1.55 Points scored based on Feasibility Study: 5 / 6.

Does the entity incorporate on-site renewable energy in the design of development projects? (DBEN2.1) 6 environmental points available.

1.56 **GRESB Intent:** *'This indicator intends to assess the entity's involvement in the design of on-site renewable energy generation. On-site renewable energy generation reduces environmental and economic impacts associated with fossil fuel energy use.'*

1.57 If yes is selected, the response requires the selection of on-site renewable sources being considered from: Biofuels; Geothermal; Hydro; Solar/photovoltaic, Wind and Other. In addition the percentage of all projects these are being applied to.

1.58 The question also asks for the average design target for the fraction to total energy demand met with onsite renewable energy.

1.59 The Feasibility Study covers energy consumption and renewable generation in detail, calculating demand and factoring solar PV into the design, along with Hydrogen should it become a viable low carbon solution. The study also refers to the inclusion of micro grids within the site to transfer generated energy around it depending on demand. All these elements provide the opportunity for the proposed development to score high at this stage.

1.60 Points scored based on Feasibility Study: 6 / 6.

Does the entity's portfolio include any buildings to meet net zero carbon completed with the last three years? (DBEN2.2) 2 environmental points available.

1.61 **GRESB Intent:** *'This indicator intends to examine the entity's approach to achieve net zero carbon performance for its development projects. Net zero carbon standards assist entities with achieving zero GHG emissions, through energy-efficient design and the use of renewable energy technologies. In line with TCFD recommendations, regulatory measures*

such as transition to low-carbon properties may affect the financial viability of buildings. Understanding the percentage of an entities development projects that were designed as net zero carbon provides stakeholders with an indication of the potential impact of regulatory measures on the business.'

- 1.62 If yes is selected, the response requires the selection of net zero carbon – construction and/or net zero carbon - operational energy as well as other. The question the requires the selection of which net zero energy code/standard is being applied from the following selections: National/local government standard; National/local green building council standard; International standard; or Other. For each selection, there is requirement to specify which standard is being applied.
- 1.63 The question also asks for the percentage of the development this covers. This question is not scored.
- 1.64 From the Feasibility study, net zero has been targeted for new residential buildings for both a construction and operational perspective. At this stage the feasibility study has not provided detail on the net zero opportunities for the non-residential buildings. A technical review should be considered to ascertain the feasibility for net zero to be applied on non-residential buildings.
- 1.65 From a standard perspective, London Energy Transformation Initiative (LETI) is being referenced in the study. With their involvement in the development of Net Zero standards in the UK with the UK Green Building Council (UKGBC), this demonstrates alignment to UK standards for net zero. It is recommended that further clarification on net zero commitments is confirmed as the development progresses.

1.66 Points scored based on Feasibility Study: 2 / 2 .

1.67 Total points for Energy: 13 / 14

WATER CONSERVATION

**Does the entity promote water conservation in its development projects? (DWT1)
5 environmental points available.**

- 1.68 **GRESB Intent:** *'This indicator intends to assess the entity's strategy to water conservation through design and construction. Implementing water efficiency measures in the design and construction phases of a building contributes to reducing the water consumption of the building during the operational phase.'*
- 1.69 If yes is selected, the response is split into 3 sections: Requirements for planning; Common water efficiency measures included; and Operational water efficiency monitoring.

In order to maximising achieving maximum points, a minimum of 2/7 criteria need to be selected for planning, 4/8 criteria for measures included with supporting evidence and 2/4 criteria for operational monitoring.

- 1.70 For planning section, the information in Feasibility Study meets the following criteria: Integrative design for water conversation; Requirements for indoor water efficiency; Requirements for outdoor water efficiency; Requirements for process water efficiency; Requirements for water minimum ester use intensity post occupancy. The only criteria not covered is Development and implementation of a commissioning plan.
- 1.71 For the measures included section, the information in the Feasibility Study meets the following criteria at a high level: Drip/smart irrigation; Drought tolerant/low-water landscaping; High-efficiency/dry fixtures; Leak detection system; Occupant sensors; On-site wastewater treatment and Reuse of stormwater and greywater for non-potable applications. The only criteria not covered is Commissioning of water systems.
- 1.72 From the operational monitoring section, the Feasibility Study does not currently address the required criteria: post-construction water monitoring, sub-metering and water use analytics. These will require consideration for inclusion to maximise GRESB points and operational water efficiency and conservation.

1.73 Points scored based on Feasibility Study: 4 / 5 .

1.74 Total points for Water Conservation: 4 / 5.

WASTE

Does the entity promote efficient on-site solid waste management during the construction phase of its development projects? (DWS1) 5 environmental points available.

- 1.75 **GRESB Intent:** *'This indicator describes the entity's strategy to manage waste from construction and demolition. A waste policy assists entities with reducing waste from construction and demolition disposed of in landfills and incineration facilities, by recovering, reusing and recycling materials.'*
- 1.76 If yes, the response is split in to 2 parts. The first is regarding the promotion of efficient solid waste management and practices with a minimum of 3 out of 8 criteria to be selected in order maximise scoring potential. The criteria are: Construction waste signage; Diversion rate requirements; Education of employees/contractors on waste management; Incentives for contractors for recovering; reusing and recycling building materials;

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- 1.77 The Feasibility study focuses on waste management in operation and not during construction. Therefore, all 8 criteria need to be addressed for the construction stage of the development.
- 1.78 The second part relates to on-site waste monitoring, with both criteria: Hazardous waste monitoring; and Non-hazardous waste monitoring required to be in place to score points for this element of the question.
- 1.79 At present waste monitoring for the construction phase has not been addressed by the feasibility study. Therefore, no score can be awarded for this part of the waste question.

1.80 Points scored based on Feasibility Study: 0 / 5 .

1.81 Total points for Waste: 0 / 5.

STAKEHOLDER ENGAGEMENT

Does the entity take measures to incorporate occupant health & well-being in its development projects? (DSE1) 2 social points available.

- 1.82 **GRESB Intent:** *'This indicator is intended to describe the entity's strategy to design and build buildings that promote occupant health and well-being. Buildings designed with occupant health and well-being in mind lead to increased employee satisfaction and greater productivity.'*
- 1.83 If yes selected, the response is split in to 3 sections with the first addressing health and wellbeing during design, the second relating to common measures that have been included and the third regarding occupancy performance in operation.
- 1.84 The first section has two responses, contributing to half a point for this question. Both the Health impact assessment and Integrated planning process criteria need to be selected to maximise the scoring. With regard to the Feasibility study, both these have been awarded at this stage due to the focus on health and wellbeing portrayed in the report.
- 1.85 The second section has a list of 16 criteria to select from with a minimum of 4 required to maximise the scoring of 1 point. The feasibility study addresses 8 of the criteria: Active design features, Biophilic design; Daylight; Inclusive design; Natural ventilation; Physical activity; Thermal comfort and Water Quality. This maximises the opportunity to score the required point.
- 1.86 The criteria not currently addressed are: Acoustic comfort; Commissioning; Ergonomic workplace; humidity; Illumination; Indoor air Quality; Occupant controls and other. These will require review for inclusion when the project reaches the appropriate stage.

1.87 To maximise the scoring opportunity for the third part of the question to score half a point, the response needs to select both Occupant education and Post construction and well-being monitoring with the number of years being considered.

1.88 At present, the post occupancy monitoring has not been addressed by the Feasibility study and therefore, points cannot be applied for this part of the question.

1.89 Points scored based on Feasibility Study: 1.5 / 2 .

Does the entity promote on-site safety during the construction phase of its development projects? (DSE2.1) 1.5 social points available.

1.90 **GRESB Intent:** *'The dangerous natures of project construction work and some building services work can lead to hazardous and harmful events, such as incidents, injuries and fatalities. These have the potential to undermine a business' brand and long-term success. Occupational health and safety (OHS) performance can be seen as a key measure of an entity's duty of care. Monitoring and reporting on on-site occupational health and safety is an indicator of prudent risk management.'*

1.91 If yes selected, there are 11 criteria to select from, with a minimum of 4 required to obtain the points for this question. These criteria are: Availability of medical personnel; Communicating safety information; Continuously improving safety performance; Demonstrating safety leadership; Entrenching safety practices; Managing safety risks; On-site health and safety professional; Personal protective and life saving equipment; Promoting design for safety; Training curriculum and Other.

1.92 Although not specifically addressed in the Feasibility Study. Health and Safety (H&S) is an important part of project delivery. All contractors have H&S standard practices, which will be deployed during the construction phase. With this in mind the 1.5 points have been awarded for this question.

1.93 It is recommended that a full H&S review and risk assessment of the development project is applied at the appropriate time with the required measures implemented and cross checked against GRESB for reporting requirements.

1.94 Points scored based on Feasibility Study: 1.5 / 1.5

Does the entity monitor safety indicators at construction sites? (DSE2.2) 1.5 social points available.

1.95 **GRESB Intent:** *'Monitoring of and reporting on on-site health safety is an indicator of prudent risk management. Keeping records of the number of incidents, injuries and fatalities over time help to identify patterns that can guide the implementation of measures needed to minimise health and safety risks.'*

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- 1.96 If yes selected, there are 7 criteria to select from, with a minimum of 4 required to obtain the points for this question. These criteria are: Injury rate with 250 word explanation of calculation methodology; Fatalities; Near misses; Lost day rate; Severity rate; and Other.
- 1.97 At this stage of the development, the agreed metrics have not been determined so scoring cannot be awarded for this question. This would require addressing further down the line of the project development as part of construction mobilisation.
- 1.98 **Points scored based on Feasibility Study: 0 / 1.5**
- Does the entity have ESG requirements in place for its contractors? (DSE3.1) 2 social points available.**
- 1.99 **GRESB Intent:** *'This indicator examines the entity's strategy to ensure contractors support the entity's ESG objectives and follow ESG management requirements. ESG-specific requirements for contractors can ensure proper implementation of the entity's ESG policies for development projects. Relationships with contractors and the written agreements that define those relationships make ESG requirements enforceable upon a wider range of stakeholders.'*
- 1.100 If yes selected, there are 11 criteria to select from, with a minimum of 4 required to obtain the points for this question. These criteria are: Business ethics; Child labour; Community engagement; Environmental process standards; Environmental product standards; Health and Well-being; Human rights; Human health-based product standards; Occupational safety; Labour standard and working conditions; and Other.
- 1.101 To maximise the scoring and achieve 2 points, a minimum of 4 of these criteria must be selected. In addition, the coverage of projects this applies to must also be declared.
- 1.102 Due to the current stage of Heath Parks proposed development, detailed supply chain engagement is yet to happen. However, SOG are actively seeking an investor with high ESG standards. In addition, the approach to material selection is already considering environmental and health and well-being criteria. This combined with the fact Health and safety standards will be applied. The following criteria can be considered included: Business ethics; Environmental product standards; Human health-based product standards and Occupational safety.
- 1.103 With this in mind, the full points can be awarded. It is also recommended that the remaining criteria are reviewed to be included as well.
- 1.104 **Points scored based on Feasibility Study: 2 / 2**
- Does the entity monitor its contractors' compliance with ESG-specific requirements in place for this entity? (DSE3.2) 2 social points available.**
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- 1.105 **GRESB Intent:** *'Monitoring measures ensure that contractors comply with the contractual specifications and requirements regard ESG issues.'*
- 1.106 If yes selected, there are 6 criteria to select from, with a minimum of 2 required to obtain the points for this question. These criteria are: Contractor ESG training; Contractors provide update reports on environmental and social aspects during construction; External audits by third party (with percentage of projects audited in reporting year); Weekly/monthly (on-site) meetings and/or ad hoc site visits (with percentage of projects audited in reporting year); and Other.
- 1.107 At this stage of the development, the agreed supplier ESG monitoring processes have not been determined so scoring cannot be awarded for this question. This would require addressing further down the line of the project development as part of the prelims for appointing suppliers, contractors and consultants.
- 1.108 **Points scored based on Feasibility Study: 0 / 2**
- Does the entity have a community engagement program through its development projects in place that included ESG-specific issues? (DSE4) 2 social points available.**
- 1.109 **GRESB Intent:** *'This indicator examines the strategies used by the entity to support communities associated with its development projects. A structured and comprehensive approach to community engagement demonstrates the extent of the integration issues into the entity's overall strategy.'*
- 1.110 If yes selected, there are 9 criteria to select from, with a minimum of 3 required to obtain the points for this question. These criteria are: Community health and well-being; Effective communication and process to address community concerns; Employment creation in local communities; Enhanced program for public services; ESG education program; Research and network activities; Resilience, including assistance or support in case of disaster; Supporting charity groups and Other.
- 1.111 Of these, 5 can be selected from the information provided in the Feasibility study, which has a strong community core to its proposed development, helping to achieve the points required. Attention is needed to address the following remaining criteria as the project develops: Effective communication and process to address community concerns; Resilience, including assistance or support in case of disaster; and Supporting charity groups.
- 1.112 **Points scored based on Feasibility Study: 2 / 2**
-

Does the entity assess the potential long-term socio-economic impact of its development projects on the community as part of planning and pre-construction? (DSE5.1) 2 social points available.

- 1.113 **GRESB Intent:** *'The build environment has a significant direct and indirect socio-economic impact, for example on social wellbeing, quality of life, and the prosperity of local communities and individuals. Assessing the socio-economic impact helps minimise the potential negative impact of development projects and can create more liveable, prosperous and sustainable communities.'*
- 1.114 If yes selected, there are 8 criteria to select from, with a minimum of 2 required to obtain the points for this question. These criteria are: Housing affordability; Impact on crime levels; Liveability score; Local income generated; Local job creation; Local residents' well-being; Walkability score; and Other.
- 1.115 Community is a central part of the Heath Park development Feasibility Study with 5 of the criteria being selectable at this stage, meeting the requirement to achieve the GRESB score. The only 2 that have not been selected are: Liveability score and Walkability score. However, it is understood that with the approach been taken, these measures should provide the opportunity for the development to score highly in both Liveability and Walkability.

1.116 **Points scored based on Feasibility Study: 2 / 2**

Does the entity have a systematic process to monitor the impact of development projects on the local community during different stages of the project? (DSE5.2) 2 social points available.

- 1.117 **GRESB Intent:** *'Development projects are likely to impact/disrupt the local community. These disruptions will differ per project and per phase of the development process. Monitoring helps an entity manage and reduce impact of development projects on the local community during the development process.'*
- 1.118 If yes selected, there are 8 criteria to select from, with a minimum of 3 required to obtain the points for this question. These criteria are: Analysis and interpretation of monitoring data; Development implementation of a communication plan; Development and implementation of a community monitoring plan; Development and implementation of a risk mitigation plan; Identification of nuisance and/or disruption risks; Identification of stakeholders and impacted groups; Management practices to ensure accountability for performance goals and issues identified during community monitoring; and Other.
- 1.119 From the Feasibility Study, it is clear that monitoring impact and involving the community in Heath Parks development and legacy is important. At this stage Identification of

nuisance and/or disruption risks; Identification of stakeholders and impacted groups can be selected, providing a 1.5 out of 2-point score for this question. The implementation of community monitoring will need to be addressed as the development design moves forwards.

1.120 Points scored based on Feasibility Study: 1.5 / 2 .

1.121 Total points for Stakeholder Engagement: 10.5 / 15.

1.122 Total GRESB Development Component Score: 44.5 / 70.

2.0 GRESB SCORING

- 2.1 Following the review of the Heath Park Development Feasibility Study, the scoring exercised is now summarised in this section to provide an indication of the development's performance against the GRESB scoring requirements.
- 2.2 As previously indicated, a formal submission would require the company that ultimately owns Heath Park to submit a response to the GRESB Management component. As this cannot be scored at this time and with SOG targeting investors with high ESG standards, it is decided that a maximum score has been achieved for the management component. A high score he is crucial to achieving the maximum GRESB 5-Star rating.
- 2.3 Table 6.1 below breaks down Heath Park's GRESB scoring of the Development module based on the information provided in the Feasibility Study.
- 2.4 The Weighting percentages in table 5.1 are linked to the number of questions responded and therefore, will change depending on the scores awarded.

Table 2.1 GRESB Scoring Matrix for Heath Park

Category	Indicator	Pillar	Score	Max	Weight Aspect	Weight Component	Weight Total
ESG Requirements	DRE1	G	3	4	29.3%	8.1%	4.1%
	DRE2	E	4	4	36.4%	10.8%	5.4%
	DRE3	E	4	4	36.4%	10.8%	1.4%
Materials	DMA1	E	6	6	100%	16.2%	7.5%
	DMA2.1	E	0	0	0%	0%	0%
	DMA2.2	G	0	0	0%	0%	0%

Building Certifications	DBC1.1	E	0	4	0%	0%	0%
	DBC1.2	E	0	9	0%	0%	0%
Energy	DEN1	E	5	6	38.5%	11.4%	6.8%
	DEN2.1	E	6	6	46.2%	13.6%	8.1%
	DEN2.2	E	2	2	15.4%	4.5%	2.7%
Water	DWT1	E	4	5	100%	9.1%	5.4%
Waste	DWS1	E	0	5	100%	9.1%	5.4%
Stakeholder Engagement	DSE1	S	1.5	2	14.3%	3.0%	2.0%
	DSE2.1	S	1.5	1.5	14.3%	3.0%	2.0%
	DSE2.2	S	0	1.5	0%	0%	0%
	DSE3.1	S	2	2	19%	4.5%	2.7%
	DSE3.2	S	0	2	0%	0%	0%
	DSE4	S	2	2	19%	4.5%	2.7%
	DSE5.1	S	2	2	19%	4.5%	2.7%
	DSE5.2	S	1.5	2	14.3%	3.0%	2.0%
Total	-	-	44.5	70	63.5%		

2.5 Table 5.2 summarises Heath Park’s GRESB Development Benchmark performance based on the information provided in the Feasibility Study. The Pillar Score is out of 100 for each Pillar, reflecting a percentage for Environmental, Social and Governance performance. For GRESB this is reflected as a score out of 100 not a percentage.

2.6 Heath Parks overall score for the Development component only is 44.5 / 70 (63.5%). This is aligned to a GRESB 2-Star Rating purely for this component.

Table 2.2 GRESB Development Benchmark Heath Park

Component	Pillar	Score	Max	Total	Pillar Score
Development	Environmental	31	51	44.3%	61
	Social	10.5	15	15%	70

	Governance	3	4	4.3%	75
	Total	44.5	70	63.6%	100
Management	Environmental	0	0	0%	-
	Social	10.5	10.5	35%	100
	Governance	19.5	19.5	65%	100
	Total	30	30	100%	100
Overall	Environmental	31	51	31%	61
	Social	21	25.5	21%	82
	Governance	22.5	23.5	22.5%	96
GRESB Score		74.5	100	74.5%	100

- 2.7 When combining both the management (with maximum score achieved) and development components an overall score of 74.5 is achieved. This would potentially score a GRESB Star Rating of 3.
- 2.8 If the building certification questions were completed with the maximum score awarded for these questions, this would increase the overall score to 87.5 and a GRESB Star rating of 4. To maximise the opportunity to achieve a 5-Star rating, a score over 90 is required.
- 2.9 In addition to building certification, if all 5 points were achieved for waste management, this would take the overall GRESB score to 92.5% and in contention for a GRESB 5-Star Rating.
- 2.10 In order to achieve a 100% score for the Development Component, in addition to the above, addressing items 6.5, 6.6, 6.10 to 6.15 in Section 6 Recommendations would need to be addressed.

3.0 RECOMMENDATIONS

- 3.1 Due to the current status of the proposed Heath Park development, there a number of questions where scoring has not been possible. These sections require the project to be further along in its overall development and design for scoring to be applied. These questions are summarised in this section.
- 3.2 **Building Certifications.** A total of 13 points are available for the two questions (DBC1.1 and 1.2) for including building certifications in the development. By committing to a

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- specific building certification rating targeting and maximising the developments coverage of certification will help to achieve maximum points for building certification.
- 3.3 This element would make considerable contribution to the overall GRESB scoring as well as the developments for sustainability certification and recognition.
- 3.4 **Waste.** 5 Points are available for completing the waste question response (DWS1). The GRESB development component focusses on 'in construction' waste management. Currently, the Feasibility study addresses operational waste management. If this can be reviewed with an approach for inclusion applied, this would help to demonstrate action and achieve the points.
- 3.5 **Stakeholder Engagement: Health and Safety Monitoring (DSE2.2).** Specifying the safety indicators to be monitored during construction will achieve 1.5 points. This would need to be agreed with consultants and contractors as part of their engagement process.
- 3.6 **Stake holder Engagement: Contractor ESG Monitoring (DSE3.2).** Specifying the ESG indicators to be monitored with suppliers, contractors and consultants will achieve 2 points. This would need to be agreed with suppliers, consultants and contractors as part of their engagement process.
- 3.7 **Total points available: 21.5**
- 3.8 These additional points would increase the development components score from 44.5 to 66 / 70 (91% for the development component only) improving the developments contribution to support a GRESB 5-Star Rating.
- 3.9 The additional **4 points** to achieve 70 /70 (100%) in the development module can be achieved through addressing the following criteria.
- 3.10 **ESG Requirements (DRE1):** By making the developments ESG strategy and policies publicly available with accompanying evidence would provide the additional point for this section.
- 3.11 **Energy efficiency requirements (DEN1):** Addressing the 3rd part of the question with regard to operational energy efficiency monitoring by adopting at least 2 of the criteria will achieve the remaining point for this question.
- 3.12 **Water conservation measures (DWT1):** Addressing the 3rd part of the question with regard to operational water efficiency monitoring by adopting at least 2 of the criteria will achieve the remaining point for this question.
- 3.13 **Health and Wellbeing Measures (DSE1):** Addressing the 3rd part of the question with regard to the provision of health and well-being performance during occupancy will achieve the remaining 0.5 point for this question.
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- 3.14 **Community Impact Assessment (DSE5.2):** Reviewing the question criteria for ongoing community impact monitoring to address a minimum of 3 of the criteria (2 currently selected) will achieve the additional 0.5 point for this question.
- 3.15 Addressing these remaining items in the GRESB development component will achieve the remaining marginal gains to get 100% for this component only. This will significantly enhance the development to support a GRESB 5-Star rating should the owning entity achieve a maximum Management Component score.

– END –

4.0 APPENDICES

APPENDIX 1: ESG STRATEGY MATRIX

ESG Strategy Criteria	Biodiversity & habitat		Building Safety		Climate/Climate change adaptation		Energy Consumption		Green building Certification		GHG emissions		Health & Wellbeing		Indoor environmental quality		Life cycle assessments/embodied carbon		Material sourcing		Net zero/Carbon neutral design		Pollution prevention		Renewable energy		Resilience to catastrophe/disaster		Site selection and land use		Sustainable procurement		Waste management		Water consumption	
	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low				
Biodiversity & habitat	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Building Safety	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Climate/Climate change adaptation	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Energy Consumption	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Green building Certification	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
GHG emissions	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Health & Wellbeing	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Indoor environmental quality	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Life cycle assessments/embodied carbon	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Location & transportation	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Material sourcing	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Net zero/Carbon neutral design	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Pollution prevention	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Renewable energy	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Resilience to catastrophe/disaster	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Site selection and land use	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Sustainable procurement	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Waste management	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		
Water consumption	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low		

FURTHER INFORMATION

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