

Energy Consumption Report

2020/21

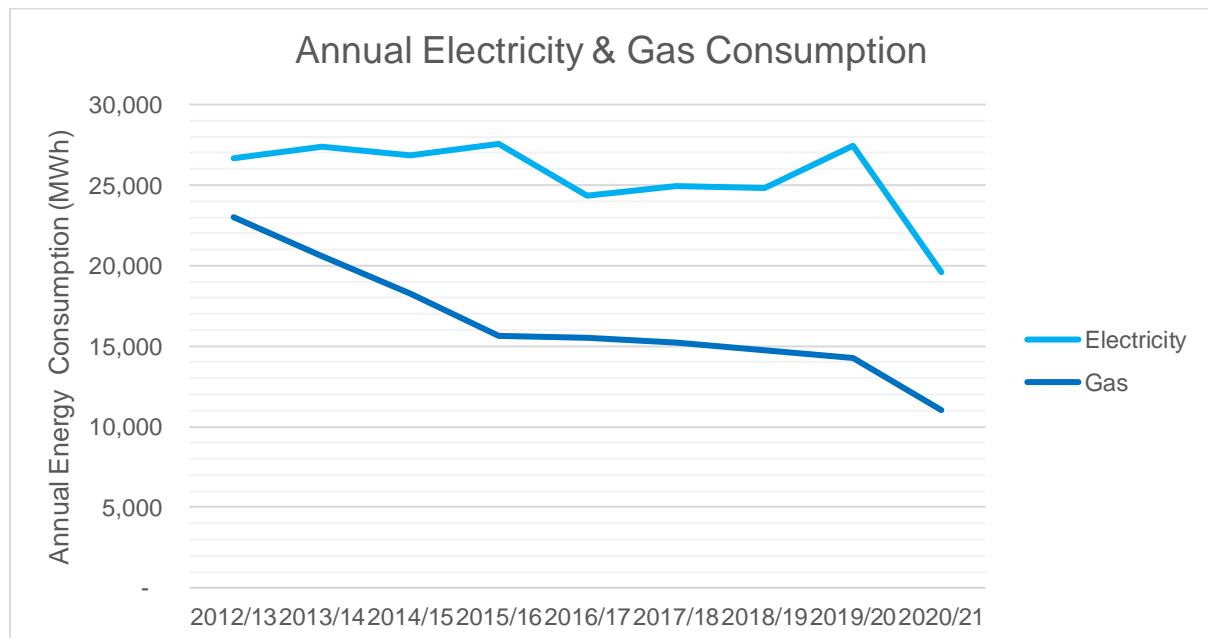
Energy Consumption

As the primary source of our carbon emissions, we aim to reduce our energy consumption. By reducing overall energy consumption and improving energy performance we also aim to reduce operational costs.

Total Energy Consumption

Our energy consumption includes both landlord and tenant consumption where we procure energy on our customers' behalf; our overall aim is to manage both areas as each needs to be addressed to ensure that our buildings are truly energy efficient.

Annual Energy Consumption



Notes:

1. Emissions from vacant units have been omitted from data collection as they are considered to immaterial.
2. Calculations based upon a 5% materiality threshold.
3. DEFRA Environmental Reporting Guidelines and the financial control approach applied.

Since our 2012-13 baseline year our absolute electricity consumption has decreased by 27% and our gas consumption has decreased by 52%. Although this can mainly be explained by a decrease in occupancy due to the pandemic, it can also be attributed to the on-going implementation of energy saving measures and the fact that we are moving away from gas central heating systems and installing air source heat pumps for heating and cooling. The gas reduction can also be attributed to ongoing engagement with our facilities management team.

During the year we have implemented LED and PIR lighting upgrades, smart building management systems, voltage optimisation and insulation improvements, all of which are expected to result in a 1,257 MWh saving in energy consumption. Most of these projects were recommendations from our

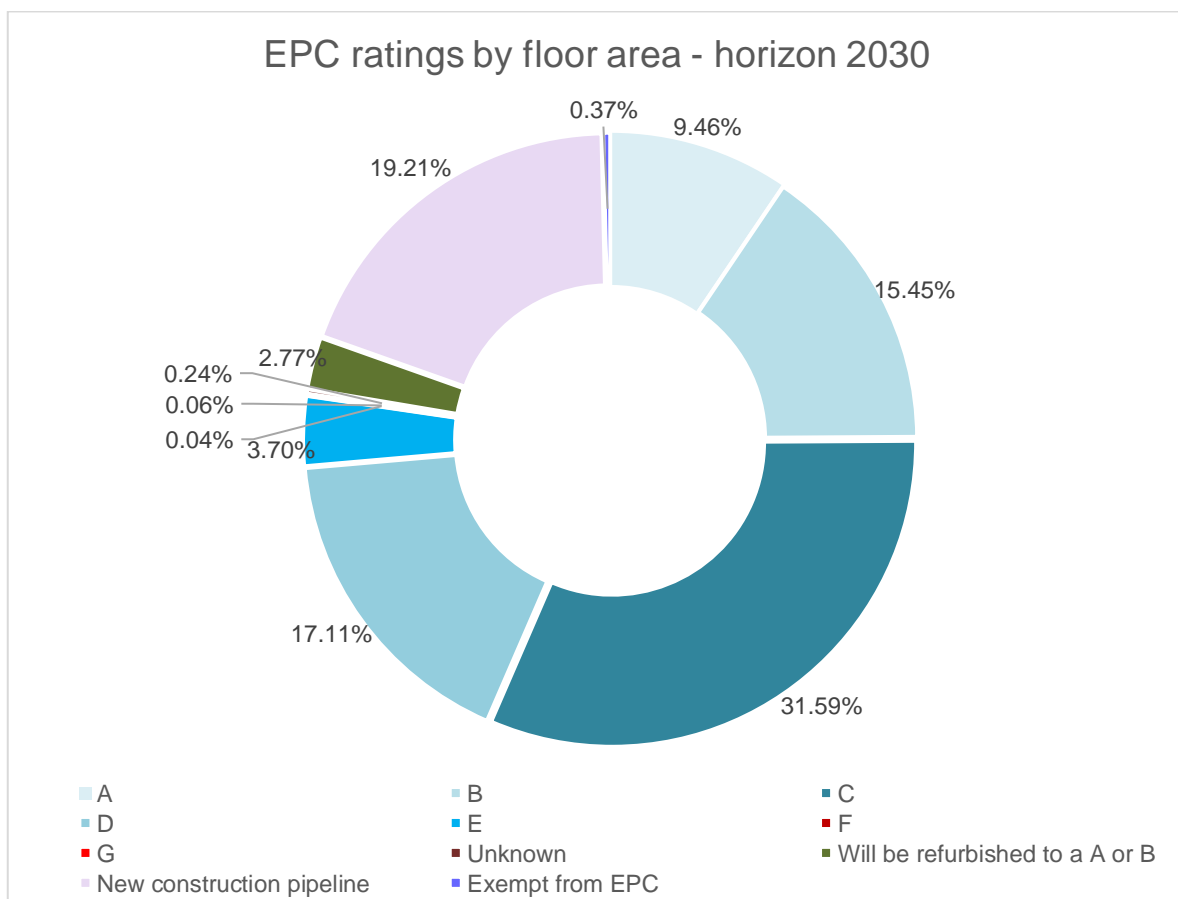
phase two ESOS (Energy Saving Opportunity Scheme) audits carried out in the previous year which identified 2,909 MWh of potential energy savings.

We have continued to roll out our Optergy Building Energy Management System (BEMS) which is a smart metering technology that has enabled real-time energy monitoring at the building level right down to individual plant equipment. The data provided by the BEMS is used by our in-house Facility Management teams to improve energy management practices and reduce GHG emissions. The Optergy customer portal is now live at 28 of our sites and enables our customers to log in to view and monitor their energy consumption profiles for their own unit.

Energy Performance

We look to improve the energy performance ratings of our buildings to ensure that each Energy Performance Certificate (EPC) we hold exceeds the minimum energy efficiency standards (MEES) required by 2018.

The pie chart below shows our current Energy Performance Certificates (EPCs) across the portfolio based on total square footage. Following a review of the entire portfolio in 2016/17, before the MEES legislation came in, significant energy efficiency measures were implemented to bring any F or G rated EPCs up to an E and above. Four years ago, 39% of our portfolio was rated between A and C, and following our improvement works, we now have 57% of the portfolio rated between A and C. Works included LED lighting upgrades, insulation improvements, and heating upgrades. Workspace is now in a very good position with 17 BREEAM rated energy efficient assets, with future refurbishment and redevelopment works planned for the year ahead to improve the standard further.



Notes:

1. Percentage split calculated from total square footage of EPCs.

Looking Forward

- Achieve minimum EPC A for new developments and B for major refurbishments
- All new developments and major refurbishments to target BREEAM Excellent standard
- Follow the RICS SKA Rating for suitable minor refurbishment projects
- Ensure all developments and refurbishments follow the energy metering specification requirements
- Engage with our customers on sustainability-related topics through events, workshops, newsletters, posters and social media platforms
- Continue to install Automatic Meter Reads (AMR) for all landlord energy meters across the portfolio to improve data accuracy and availability
- Ongoing support for Facilities Managers to improve the energy performance of assets through training and access to the energy portal
- Review and implement recommendations from our phase 2 Energy Savings Opportunity Scheme (ESOS) audits
- Set operational energy intensity targets for landlord areas
- Continue to source 100% renewable electricity
- Install solar PV installations at existing sites
- Deliver workshops and seminars to equip employees with the relevant skills and knowledge to deliver our ESG targets