

Fiera Real Estate UK

Sustainable Design Brief

June 2022





Scope

This Sustainable Design Brief (SDB) applies to all Fiera Real Estate UK (“FRE UK”) funded development projects and outlines specific minimum requirements and targets for the development of office, logistics, industrial and residential buildings. It also includes sustainability requirements for our residential land entitlement projects.

Minimum Requirements for



Office



Logistics



Industrial

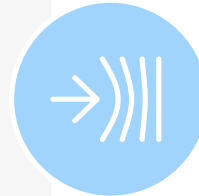


Residential



Our Vision and Commitments

The foundation of our ESG strategy is based on the primary belief that the way in which we manage our funds should be responsible, resilient and engaged. Our vision is to design buildings which support the transition to a low carbon economy, catalyse the circular economy, reverse biodiversity decline, meet local / place-based needs, improve air quality and maximise occupant wellbeing and productivity.



Responsible

- ▶ Develop projects with leading environmental certifications.
- ▶ Select building materials with environmental attributes and with responsible sourcing certification.
- ▶ Design buildings to use less energy and to use resources more efficiently.
- ▶ Increase the amount of renewable electricity generated on site and pioneer low carbon technologies.
- ▶ Protect, restore, conserve and enhance the natural environment.



Resilient

- ▶ Incorporate climate change mitigation and adaptation features into building design.
- ▶ Design buildings that are fit for the future and which support the transition to a low carbon economy.



Engaged

- ▶ Create spaces which fairly support and uplift local communities, businesses and labour.
- ▶ Deliver safe, healthy buildings without incident and which are designed to maximise occupant wellbeing and productivity.

The requirements and commitments laid out in our SDB support the Sustainable Development Goals (SDGs) and in particular are aligned to the following:



Sustainable Design Minimum Requirements, Targets and KPIs

| →) RESPONSIBLE | | | | | | | | | | |
|--|---|---|-------------|-----------------------|-----------|-------------|---------|------------------|--------|--|
| CATEGORY | REQUIREMENTS AND PERFORMANCE INDICATORS | OFFICE | | INDUSTRIAL/ LOGISTICS | | RESIDENTIAL | | LAND ENTITLEMENT | | |
| | | MIN REQ | TARGET | MIN REQ | TARGET | MIN REQ | TARGET | MIN REQ | TARGET | |
| Site Selection | Site selection to exclude greenbelt land that hasn't been previously developed or allocated in an existing or emerging local plan | Requirement | | | | | | | | |
| Environmental Certifications & Ratings | Obtain BREEAM certification (new build) | Excellent | Outstanding | Very Good | Excellent | N/A | N/A | N/A | N/A | |
| | Obtain Home Quality Mark certification (new build) | N/A | N/A | N/A | N/A | Level 3 | Level 4 | N/A | N/A | |
| | EPC rating | B | A | B | A | B | A | N/A | N/A | |
| Building Fabric and Materials | Locally sourced materials | Requirement; percentage monitored and reported on each project | | | | | | N/A | N/A | |
| | Timber sourced from sustainable sources | | 100% | | 100% | | 100% | N/A | N/A | |
| | Maximise the use of materials with low environmental impact and low embodied carbon | Requirement; percentage monitored and reported on each project | | | | | | N/A | N/A | |
| | Measure embodied carbon of materials | Requirement; kgCO ₂ eq. monitored and reported on each project | | | | | | N/A | N/A | |
| | Paints and sealants with low or zero volatile organic compounds | Requirement; µg/m ³ monitored and reported on each project | | | | | | N/A | N/A | |
| Energy | Undertake feasibility study for on-site renewable energy generation | Requirement | | | | | | N/A | N/A | |
| | Prioritise electricity based heating, cooling and hot water systems to reflect grid decarbonisation | Requirement | | | | | | N/A | N/A | |
| | Fossil fuel free development (unless explicit approval is obtained) | Requirement | | | | | | N/A | N/A | |

| | | | | | | | | | |
|--------------|--|--|-------------------------------|------------|--|------------|-------------------------------|-----|------|
| Energy | Work with the development partner to reduce energy intensity against a measured baseline for the project | Requirement; energy intensity (kWh/m ²) during construction and total energy intensity by end-use (kWh/m ² /year) monitored and reported on each project | | | | | N/A | N/A | |
| | Completion of EN 15978:2011 WLC template (in RICS Professional Statement on WLC) | Requirement | | | | | N/A | N/A | |
| | Measure total embodied carbon | Requirement: undertake a life cycle assessment (LCA) to measure the total embodied carbon for each project | | | | | N/A | N/A | |
| | Operational energy performance modelling | CIBSE TM54 | NABERS Design for performance | CIBSE TM54 | NABERS Design for performance | CIBSE TM54 | NABERS Design for performance | N/A | N/A |
| | Energy efficiency measures to be incorporated into the design of the project | Passive design principles - natural ventilation, daylight, optimise building form and utilise thermal mass Zoned systems for heating, lighting and ventilation LED lighting Motion sensors and timers Energy efficient plant, machinery & electrical systems | | | | | N/A | N/A | |
| | Installation of smart meters across all energy connections to the grid | Requirement | | | | | N/A | N/A | |
| | Net zero plan | Target net zero carbon construction | | | Net zero ready by 2025 and target net zero carbon construction | | | | |
| Water | Operational water consumption | | Compliant with BREEAM Wat01 | | Compliant with BREEAM Wat01 | N/A | N/A | N/A | N/A |
| | Maximise use of highly efficient sanitary fittings and appliances | Waterless urinals, low flush/dual flush cisterns, proximity sensors, spray taps, water leak detection, automatic flushing systems | | | | | | N/A | |
| | Design to incorporate water recycling measures including rain and/or grey water recycling | Requirement | | | | | N/A | N/A | |
| | Installation of smart meters across all water connections to the grid | Requirement | | | | | N/A | N/A | |
| | Measure water consumption | Requirement; water consumption (m ³) during construction and in-use net water consumption (L/person/per day) monitored and reported on each project | | | | | N/A | N/A | |
| Waste | Total non-hazardous construction waste generated | Requirement; tonnes monitored and reported on each project | | | | | N/A | N/A | |
| | Non-hazardous demolition waste diverted from landfill | Requirement; tonnes monitored and reported on each project | | | | | N/A | N/A | |
| | Material for reuse | Requirement; tonnes monitored and reported on each project | | | | | N/A | N/A | |
| | Material for recycling | Requirement; tonnes monitored and reported on each project | | | | | N/A | N/A | |
| | Material for energy recovery | Requirement; tonnes monitored and reported on each project | | | | | N/A | N/A | |
| | Hazardous waste to disposal | Requirement; tonnes monitored and reported on each project | | | | | N/A | N/A | |
| | Design of building to incorporate waste segregation facilities for occupiers | Requirement | | | | | N/A | N/A | |
| Biodiversity | Appoint ecologist on all projects to undertake a biodiversity assessment | Requirement | | | | | | | |
| | Increase biodiversity net gain | | >10% | | >10% | | >10% | | >10% |



RESILIENT

| CATEGORY | REQUIREMENTS AND PERFORMANCE INDICATORS | OFFICE | | INDUSTRIAL/ LOGISTICS | | RESIDENTIAL | | LAND ENTITLEMENT | |
|---------------------------|---|---------|---|-----------------------|---|-------------|---|------------------|---|
| | | MIN REQ | TARGET | MIN REQ | TARGET | MIN REQ | TARGET | MIN REQ | TARGET |
| Climate Change Risk | Site selection restricted to flood risks zones 1 and 2 (or where flood defences reduce risk to equivalent status) | | | | | | | | Requirement |
| | Undertake a Flood Risk Assessment to assess future climate impacts from storms and flooding | | | | | | | | Requirement |
| | Feasible steps taken to improve flood resilience pre-development levels where risk has been identified in flood risk report. | | | | | | | | Requirement |
| | MSCI Climate Value-at-Risk (CVaR) report to be undertaken to identify the current and future climate risk at the site | | | | | | | | Requirement |
| | MSCI Physical Climate Value-at-Risk (%CV)? | | >5% | | >5% | | >5% | | >5% |
| Circular Economy | To limit waste and extend the lifespan of a built asset, the design of the building should allow adaptability and flexibility of use type | | | | | | | | Requirement |
| | Design for deconstruction so that materials and elements can be recovered effectively. | | | | | | | | Requirement |
| Transport & Accessibility | Electric vehicle charging points | | If more than 10 spaces, one in five spaces should have an EV charging point | | If more than 10 spaces, one in five spaces should have an EV charging point | | Every building with an associated parking space to have one EV charging point | | Every building with an associated parking space to have one EV charging point |
| | Selection of sites restricted to those within 750m of a public transport node | | | | | | | | Requirement |





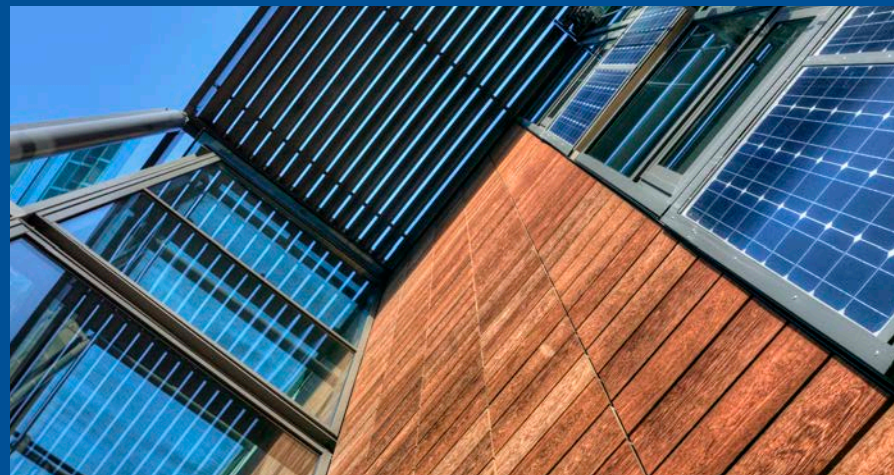
ENGAGED

| CATEGORY | REQUIREMENTS AND PERFORMANCE INDICATORS | OFFICE | | INDUSTRIAL/ LOGISTICS | | RESIDENTIAL | | LAND ENTITLEMENT | |
|----------------------|--|--|--|-----------------------|--|---|--|---|--------|
| | | MIN REQ | TARGET | MIN REQ | TARGET | MIN REQ | TARGET | MIN REQ | TARGET |
| Socio-economic | Considerate Constructor Scheme (CCS) | 37 points | 40 points | 37 points | 40 points | 37 points | 40 points | N/A | N/A |
| | Encourage supply chain workforce to be paid Living Wage | Requirement | | | | | | N/A | N/A |
| | Community engagement plan | At least one public consultation pre submission; Planning application to include a statement of community consultation; and 1 email or in person consultation with the relevant town or parish council as stakeholders | | | | | | | |
| | Housing supply | N/A | N/A | N/A | N/A | Target sites in boroughs with less than five year housing supply | | Target sites in boroughs with less than five year housing supply | |
| | Affordable housing | N/A | N/A | N/A | N/A | Comply or exceed Section 106 affordable housing policy requirements | | Comply or exceed Section 106 affordable housing policy requirements | |
| | Local labour used during construction | Requirement; percentage monitored and reported on each project | | | | | | N/A | N/A |
| | Community engagement initiatives | Requirement; percentage monitored and reported on each project | | | | | | N/A | N/A |
| | Number of community complaints | Requirement; percentage monitored and reported on each project | | | | | | N/A | N/A |
| | SME engagement | Requirement; percentage monitored and reported on each project | | | | | | N/A | N/A |
| Health and wellbeing | Number of injuries, near misses and fatalities | Requirement; percentage monitored and reported on each project | | | | | | N/A | N/A |
| | Certifications / frameworks | One of the following to be met: WELL Standard preconditions met, and evidence provided for future occupiers to pursue certification; Fitwel 2 Star Design Certification; OR 50% of BREEAM Health and Wellbeing credits to be achieved (five out of ten credits) | | | | N/A | N/A | N/A | N/A |
| | Air quality | | Total VOC and formaldehyde concentration to meet BREEAM requirements | | Total VOC and formaldehyde concentration to meet BREEAM requirements | N/A | N/A | N/A | N/A |
| | Prioritise natural ventilation strategies | Requirement | | | | | | N/A | N/A |
| | Minimise local outside air, noise and light pollution impacts | Requirement | | | | | | N/A | N/A |
| | Design to provide occupiers with access to healthy outdoor space | Requirement | | | | | | N/A | N/A |
| | Thermal comfort | | zoned temperature control systems | | zoned temperature control systems | | zoned temperature control systems | N/A | N/A |
| | Cycle storage | | One cycle space per 10 employees | | One cycle space per 10 employees | | 1 cycle space per home (home size studio, 1,2 or 3 bedrooms) 2 cycles spaces (home size > 4 bedrooms) | N/A | N/A |

Data collection

Data analytics and Sustainability combine as powerful allies in our risk assessment and performance management processes. A comprehensive list of sustainability data is collected on each development project. The data is submitted directly into our enterprise-wide cloud database where it is connected with operational, financial and strategic data points. Our dedicated ESG resource and Value-Add Team use these analytics and visualisation tools to monitor our environmental and social impact, assess our progress against targets and KPIs, identify opportunities, manage risk and inform decision-making.

All construction precedent documents have been updated so that there is a contractual obligation on professional teams to capture prescribed data lists in order for us to better understand our impact and to measure our performance against our targets and commitments.





Sustainability Development Questionnaire

Operating Partners



ESG Development Questionnaire

Project level sustainability data is submitted directly to Fiera Real Estate UK Hub via online form.



Fiera Real Estate UK Hub

Environmental Certification & Ratings | Environmental & Climate Change Risk | Building Fabric & Materials
Building Services | Socio-economic | Building Services | Energy | Water
Waste Management | Health, Wellbeing & Occupier Engagement | Bio-diversity | Accessibility



Reporting

Investor
Board
Development partners

Performance Measurement

GRESB
PRI

Target Setting

Establish baselines
and set reduction
and net zero
carbon targets

Identify Opportunities

Improve building
efficiency
Tenant
collaboration

Risk Management

ESG Resilience
Scorecard in our
Asset Risk Model



Roles and Responsibilities

Our SDB is incorporated into the project from the outset. FRE UK's Head of Value-Add REIM, ESG Strategy Lead, Associate Directors of Value-Add REIM and Development Partner review the project alongside the Sustainable Design Brief to set the overall targets and minimum requirements. The Development Manager appointed to the project, along with the support from the BREEAM assessor, is then responsible for **ensuring that the ESG requirements are met.**

The Development Manager and Associate Directors of REIM are responsible for ensuring that ESG project data is inputted within our central database.

Reviews and Revisions

This policy was last updated in June 2022 and is a working draft to allow us to trail and test our new sustainability requirements and targets with our development partners. Going forward, the Head of Value-Add REIM and Global Head of ESG will annually review the content of this document against investor expectations and regulatory changes to **ensure we are continually meeting our sustainability vision and commitments.**



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