

2022 ENVIRONMENTAL DATA ANNEX



**RESPONSIBLY
INVESTING
FOR TODAY
AND
TOMORROW**

OrchardStreet
INVESTMENT MANAGEMENT

2022 METHODOLOGY

We report our emissions in line with the Greenhouse Gas (GHG) Protocol which provides best practice guidance for corporate accounting and reporting. Environmental indicators are additionally reported according to the methodology set out in the 3rd edition of the EPRA Sustainability Best Practices Recommendations (sBPR).

Organisational boundaries

The information and data in this report covers assets under our direct operational control. As of 30 September 2022, this comprised 92 assets covering offices, industrial, leisure/other facilities, retail warehouses, standard retail units, shopping centres and our head offices.

Scope of data (reporting on landlord and tenant consumption)

Landlord obtained utilities consumption relates to all consumption that the landlord purchases and/or controls, including common areas and shared services, and spaces where the landlord has the authority to introduce and implement any or all of the operating and/or environmental policies. Also, where units and spaces become vacant, the associated utilities consumption falls under our operational control; this may include tenant areas where recharged and not sub metered. There can be delays in obtaining this consumption and therefore the previous reporting period may not have the most recent consumption data and may be subject to changes where invoiced utilities are corrected. This accounts for a small proportion of consumption and is therefore not considered material, nonetheless we are continuously reviewing our data management process and metering strategy to ensure the timely and accurate collection of consumption data. We have reported environmental data from our own office consumption separately as this does not form part of our assets under management.

Coverage

Absolute and like-for-like portfolio environmental data is only reported for assets that fall within our organisational boundaries and for which we can collect utilities data. In 2022, this included 92 out of 137 assets (excluding our head office) within the reporting scope, covering a floor area of 833,957 m². The scope of our like-for-like portfolio is determined using the EPRA sBPR definition of a portfolio that has been consistently in operation, and not under development, during the most recent two full reporting years. The levels of coverage, based on if the utility is present and if the data is available, for each indicator are provided in the tables presented on pages 4 and 5.

Segmental analysis (by property type, geography)

Segmental analysis by geography is not relevant for our portfolio as all properties are located in the UK. Segmental analysis is instead provided by asset type and is consistent with our financial reporting.

Reporting period

All data relates to our responsible investment reporting year which runs from the 1st October 2021 to the 30th September 2022.

Estimation of landlord-obtained utility consumption

We have applied estimations where consumption data is not available for the full reporting year. Estimated data is calculated on a pro-rata basis using an average daily consumption, which allows for any data gaps for full months to be estimated. The percentage estimated for each indicator is reported in the table on pages 4 and 5.

Calculations and units of measurement

Utilities data are reported based on absolute consumption measured in kWh (energy), tCO₂e (GHG emissions as tonnes of carbon dioxide equivalent), m³ (water) and tonnes (waste). We use the GHG Protocol dual reporting methodology where GHG emissions are reported using location-based conversion factors as published by Defra and market-based emission factors derived from contractual agreements with our energy suppliers which reflect the supplier's fuel mix; on-site renewable generation and 100% renewable tariffs have an emissions factor of zero. All landlord-obtained electricity is from 100% REGO backed renewable sources. We do not procure any renewable gas in our assets under management. Where solar installations are installed but metered consumption was not available for a period, we have estimated usage based on installed capacity for that period, assuming all generation is used on-site. We will report renewable energy generated separately next year. In some cases, where data is missing, or where we are expecting data, but meters have been reporting zero consumption, values have been estimated using either extrapolation of available data or using CIBSE industrial benchmarks. We calculate intensity indicators using floor area (m²) for whole buildings, including areas demised to occupiers. We are aware there is a mismatch between the nominator and denominator in our methodology for calculating intensities, as there are instances where we procure utilities that provide a shared-service and/or are supplied to occupier demises but the occupier element is unknown. We are actively improving our occupier energy data collection, which will enable us to report more accurately on landlord controlled areas as well as whole building energy.

Assurance

A third-party assurance of the 2021/22 environmental data has been carried out by JLL according to the AA1000 limited assurance standard. The statement is available in our Responsible Investment Report on page 68. Environmental tables have been marked as assured or unassured depending on whether the data is included in the 2021/22 assurance process.

OUR ENVIRONMENTAL PERFORMANCE DATA

PORTFOLIO (ASSURED)

Indicator	Performance measure code	Boundaries	Unit of measure	Whole portfolio			Offices			Industrial			Leisure			Retail Warehouses			Standard Retail			Shopping Centres			
				2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2019/20	2019/20	2021/22	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	
Total electricity consumption	Elec-Abs	Total landlord-obtained energy consumption from electricity ^c	kWh	24,062,539	21,730,187	20,316,496	19,912,434	17,804,574	16,642,837	716,564	653,428	637,157	650,873	618,394	686,584	1,011,182	1,150,390	922,218	806,285	414,680	388,889	965,202	1,088,721	1,038,810	
		Coverage		79 out of 79	87 out of 87	83 out of 83	26 out of 26	28 out of 28	26 out of 26	22 out of 22	26 out of 26	27 out of 27	2 out of 2	3 out of 3	3 out of 3	22 out of 22	23 out of 23	21 out of 21	5 out of 5	4 out of 4	3 out of 3	2 out of 2	3 out of 3	3 out of 3	
		Landlord estimated	%	N/D	0.04%	2%	N/D	0.04%	1%	N/D	0%	20%	N/D	0%	0.3%	N/D	0.04%	3%	N/D	0%	0%	N/D	0%	0.3%	
Like-for-like electricity consumption	Elec-LFL	Total like-for-like landlord-obtained energy consumption from electricity ^c	kWh	7,734,187	6,597,064	4,293,706	5,965,377	5,012,258	3,679,878	205,549	180,067	234,770	650,873	522,818	2,964	493,217	483,801	315,323	419,171	398,120	0	0	0	60,771	
		Coverage		33 out of 33	33 out of 33	19 out of 19	8 out of 8	8 out of 8	7 out of 7	9 out of 9	9 out of 9	7 out of 7	2 out of 2	2 out of 2	1 out of 1	13 out of 13	13 out of 13	3 out of 3	1 out of 1	1 out of 1	0 out of 0	0 out of 0	0 out of 0	1 out of 1	
		Landlord estimated	%	N/D	0%	5%	N/D	0%	3%	N/D	0%	21%	N/D	0%	0%	N/D	0%	5%	N/D	0%	0%	N/D	0%	1%	
		like-for-like % difference	%	N/D	-15%	-35%	N/D	-16%	-27%	N/D	-12%	30%	N/D	-20%	-99%	N/D	-2%	-35%	N/D	-5%	-100%	N/D	0%	0%	
Total energy consumption from fuel	Fuels-Abs	Total landlord-obtained energy consumption from fuels	kWh	18,210,418	11,086,250	9,177,020	16,281,757	10,204,073	8,300,011	127,471	403,973	328,507	627,837	876	706	251,790	4,557	1,680	0	0	0	921,564	472,770	546,116	
		Coverage		39 out of 39	42 out of 42	35 out of 35	18 out of 18	18 out of 18	16 out of 16	10 out of 10	14 out of 14	9 out of 9	2 out of 2	1 out of 1	2 out of 2	6 out of 6	6 out of 6	6 out of 6	1 out of 1	1 out of 1	0 out of 0	2 out of 2	2 out of 2	2 out of 2	
		Landlord estimated	%	N/D	0.6%	0.9%	N/D	0.4%	0.3%	N/D	6.6%	17%	N/D	0%	0%	N/D	0%	0%	N/D	0%	0%	N/D	0%	0.2%	
Like-for-like consumption from fuel	Fuels-LFL	Total like-for-like landlord-obtained energy consumption from fuels	kWh	7,046,955	4,648,578	1,738,773	6,108,408	4,300,161	1,737,230	240,584	343,204	0	627,837	876	0	70,126	4,337	1,543	0	0	0	0	0	0	
		Coverage		17 out of 17	17 out of 17	9 out of 9	7 out of 7	7 out of 7	5 out of 5	5 out of 5	5 out of 5	1 out of 1	2 out of 2	2 out of 2	1 out of 1	3 out of 3	3 out of 3	2 out of 2	0 out of 0	0 out of 0	0 out of 0	0 out of 0	0 out of 0	0 out of 0	
		Landlord estimated	%	N/D	1%	0%	N/D	0%	0.4%	N/D	8%	0%	N/D	0%	0%	N/D	0%	0%	N/D	0%	0%	N/D	0%	0%	
		like-for-like % difference	%	N/D	-34%	-63%	N/D	-30%	-60%	N/D	43%	-100%	N/D	-100%	-100%	N/D	-94%	-64%	N/D	0%	0%	N/D	0%	0%	
Building energy intensity	Energy-Int	Energy intensity ^c	kWh/m ²	60	40	36	263	192	157	3	3	3	56	21	17	6	5	4	61	33	26	65	31	29	
Direct GHG emissions (total) Scope 1	GHG-Dir-Abs	Scope 1 emissions from landlord-obtained consumption of fuels (only)	tCO ₂ e	3,348	2,031	1,578	2,994	1,869	1,417	23	74	60	115	0	0.1	46	1	0.3	0	0	0	169	87	100	
Indirect GHG emissions (total) Scope 2	GHG-Indir-Abs	Scope 2 emissions (location-based) from landlord-obtained consumption of electricity	tCO ₂ e	5,610	4,614	4,167	4,642	3,780	3,385	167	139	136	152	131	146	236	244	196	188	88	83	225	231	221	
Indirect GHG emissions (total) Scope 2	GHG-Indir-Abs	Scope 2 emissions (market-based) from landlord-obtained consumption of electricity	tCO ₂ e	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Building GHG emissions intensity	GHG-Int	GHG emissions (location-based) intensity	kgCO ₂ e/m ²	13	8	7	56	39	31	1	1	0.6	12	5	4	1	1	0.9	14	7	5	14	6	6	
Total water consumption	Water-Abs	Total landlord-obtained mains water	m ³	118,483	53,207	89,366	79,846	30,251	52,715	992	2,072	518	30,956	12,811	26,716	772	601	2,113	402	800	0	5,515	6,673	7,304	
		Coverage		37 out of 37	41 out of 41	48 out of 48	19 out of 19	21 out of 21	24 out of 24	6 out of 6	6 out of 6	12 out of 12	2 out of 2	2 out of 2	2 out of 2	7 out of 7	7 out of 7	7 out of 7	1 out of 1	2 out of 2	0 out of 0	2 out of 2	3 out of 3	3 out of 3	
		Landlord estimated	%	N/D	4%	4%	N/D	6%	2%	N/D	3%	11%	N/D	0%	8%	N/D	2%	11%	N/D	0%	0%	N/D	1%	1%	
Like-for-like water consumption	Water-LFL	Total like-for-like landlord-obtained mains water	m ³	14,480	5,747	35,904	14,152	5,462	7,061	0	0	15	327	223	26,565	1	62	1,894	0	0	0	0	0	369	
		Coverage		9 out of 9	9 out of 9	12 out of 12	5 out of 5	5 out of 5	6 out of 6	0 out of 0	0 out of 0	2 out of 2	1 out of 1	1 out of 1	1 out of 1	3 out of 3	3 out of 3	2 out of 2	0 out of 0	0 out of 0	0 out of 0	0 out of 0	0 out of 0	1 out of 1	
		Landlord estimated	%	N/D	0%	7%	N/D	0%	0.5%	N/D	0%	0%	N/D	0%	8%	N/D	0%	12%	N/D	0%	0%	N/D	0%	11%	
		like-for-like % difference	%	N/D	-60%	525%	N/D	-61%	29%	N/D	0%	0%	N/D	-32%	11804%	N/D	11263%	2950%	N/D	0%	0%	N/D	0%	0%	
Building water consumption intensity	Water-Int	Landlord-obtained water	m ³ /m ²	0.4	0.2	0.1	1	0	0.3	0.01	0.03	<0.01	1	1	1	0.01	0.01	0.01	0.05	0.1	0	0.2	0.1	0.1	
Weight of waste by disposal route (total and proportion)	Waste-Abs	Total weight of waste	Tonnes	1,171	1,209	2,018	908	413	775	0	0	0	172	668	1,137	71	100	71	8	6	7	12	21	28	
		Total weight recycled (inc AD) ^B		597	688	1,241	492	217	482	0	0	0	84	434	714	4	11	12	7	6	6	11	21	27	
		Total weight to energy recovery		472	517	777	387	196	293	0	0	0	54	234	423	28	86	59	108	1	1	1	1	0.4	1
		Total weight sent to landfill		102	3	0	29	0	0	0	0	0	34	0	0	39	3	0	0.04	0	0	0	0.02	0	0
		Proportion of weight recycled (inc AD) ^B		51%	57%	62%	54%	53%	62%	0%	0%	0%	49%	65%	63%	5%	11%	17%	85%	92%	92%	91%	98%	98%	
		Proportion of waste energy recovery		40%	43%	38%	43%	47%	38%	0%	0%	0%	31%	35%	37%	40%	86%	83%	14%	8%	8%	9%	2%	2%	
		Proportion of waste sent to landfill		9%	0.3%	0%	3%	0.01%	0%	12%	0%	0%	20%	0%	0%	55%	3%	0%	1%	0%	0%	0%	0.2%	0%	0%
Weight of waste by disposal route (%)	Waste-LFL	Total weight of waste	Tonnes	833	976	369	628	380	287	0	0	0	123	500	82	63	69	0	8	6	0	12	21	0	
		Total weight recycled (inc AD) ^B		402	618	211	313	194	192	0	0	0	71	397	19	0.4	1	0	7	6	0	11	21	0	
		Total weight to energy recovery		366	354	135	290	186	96	0	0	0	51	103	39	23	64	0	1	1	0	1	0.4	0	
		Total weight sent to landfill		66	3	0	26	0.03	0	0	0	0	0	0	0	39	3	0	0.04	0	0	0	0.02	0	0
		Proportion of weight recycled (inc AD) ^B		48%	63%	61%	50%	51%	67%	0	0%	0%	58%	79%	33%	1%	2%	0%	85%	92%	0%	91%	98%	0%	
		Proportion of waste energy recovery		44%	36%	39%	46%	49%	33%	0	0%	0%	42%	21%	67%	36%	93%	0%	14%	8%	0%	9%	2%	0%	
		Proportion of waste sent to landfill		8%	0.3%	0%	4%	0.01%	0%	0	0%	0%	0%	0%	0%	63%	5%	0%	1%	0%	0%	0%	0.15%	0%	0%
Coverage		20 out of 20	20 out of 20	11 out of 11	14 out of 14	14 out of 14	5 out of 5	0 out of 0	0 out of 0	0 out of 0	0 out of 0	1 out of 1	1 out of 1	3 out of 3	3 out of 3	3 out of 3	1 out of 1	1 out of 1	1 out of 1	0 out of 0	1 out of 1	1 out of 1	0 out of 0		

N/D = data is not available

A. All landlord-obtained electricity is from 100% REGO backed renewable sources. Renewable gas is only procured for our head office.

B. Anaerobic digestion is included in our recycling figures.

C. Overestimation of electricity kWh in units where solar is installed, as it is all assumed to be used on-site.

OUR ENVIRONMENTAL PERFORMANCE DATA

CORPORATE OFFICE (ASSURED)

Indicator	Performance measure code	Boundaries	Unit of measure	Whole portfolio		
				2019/20	2020/21	2021/22
Total electricity consumption	Elec-Abs	Total energy consumption from electricity	kWh	36,302	37,032	69,212
		Coverage		1 out of 1	1 out of 1	1 out of 1
		Estimated	%	N/D	0%	0%
Like-for-like electricity consumption	Elec-LFL	Total like-for-like energy consumption from electricity	kWh	36,302	37,032	69,212
		Coverage		1 out of 1	1 out of 1	1 out of 1
		Estimated	%	N/D	0%	0%
		like-for-like % difference	%	N/D	2%	87%
Total energy consumption from fuel	Fuels-Abs	Total energy consumption from fuels	kWh	919,910 ^D	74,354	94,351
		Coverage		1 out of 1	1 out of 1	1 out of 1
		Estimated	%	N/D	0%	0%
Like-for-like consumption from fuel	Fuels-LFL	Total like-for-like energy consumption from fuels	kWh	919,910 ^D	74,354	94,351
		Coverage		1 out of 1	1 out of 1	1 out of 1
		Estimated	%	N/D	0%	0%
		like-for-like % difference	%	N/D	-92%	27%
Building energy intensity	Energy-Int	Energy intensity by floor area	kWh/m ²	2,127	248	364
		Energy intensity per headcount	kWh/hc	32,973	4,125	5,842
Direct GHG emissions (total) Scope 1	GHG-Dir-Abs	Scope 1 emissions from consumption of fuels	kgCO ₂ e	169,144 ^D	13,619	17,281
Indirect GHG emissions (total) Scope 2	GHG-Indir-Abs	Scope 2 emissions (location-based) from consumption of electricity	kgCO ₂ e	8,463	7,863	14,696
Indirect GHG emissions (total) Scope 2	GHG-Indir-Abs	Scope 2 emissions (market-based) from consumption of electricity	kgCO ₂ e	0	0	0
Building GHG emissions intensity	GHG-Int	GHG emissions (location-based) intensity	kgCO ₂ e /m ²	395	48	71
Total water consumption	Water-Abs	Total mains water	m ³	6,202	370	7,099
		Coverage		1 out of 1	1 out of 1	1 out of 1
		Estimated	%	N/D	0%	0%
Like-for-like water consumption	Water-LFL	Total like-for-like mains water	m ³	6,202	370	7,099
		Coverage		1 out of 1	1 out of 1	1 out of 1
		Estimated	%	N/D	0%	0%
		like-for-like % difference	%	N/D	-94%	1,818%
Building water consumption intensity	Water-Int	Water intensity	m ³ /m ²	14	1	16
Weight of waste by disposal route (total and proportion)	Waste-Abs	Total weight of waste	Tonnes	0	1	1
		Total weight recycled		0	0	1
		Total weight to energy recovery		0	0	1
		Total weight sent to landfill	%	0	0	0
		Proportion of waste recycled		0%	45%	37%
		Proportion of waste to energy recovery		0%	55%	63%
		Proportion of waste sent to landfill		0%	0%	0%
Coverage		0 out of 0	1 out of 1	1 out of 1		
Weight of waste by disposal route (total and proportion)	Waste-Lfl	Total weight of waste	Tonnes	0	1	1
		Total weight recycled		0	0	1
		Total weight to energy recovery		0	0	1
		Total weight sent to landfill	%	0	0	0
		Proportion of waste recycled		0%	45%	37%
		Proportion of waste to energy recovery		0%	55%	63%
		Proportion of waste sent to landfill		0%	0%	0%
Coverage		0 out of 0	1 out of 1	1 out of 1		

N/D = data is not available
 D. In 2019, head office data was assured without being apportioned by floor area. We continue to report the assured data, however it is as a result higher than the subsequent years.

PROPORTION OF PORTFOLIO WITH A BUILDING CERTIFICATION (CERT-TOT) (NOT ASSURED)

Energy Performance Certificate rating ^E	Percentage of Energy Performance Certificates weighted by value (ERV) ^F
A+	1%
A	8%
B	30%
C	34%
D	19%
E	5%
F	0%
G	1%
Residential	0%
Not Applicable	2%
Missing	0%

BREEAM/WELL Performance rating	Percentage of BREEAM/WELL performance ratings weighted by total portfolio value ^F
BREEAM Excellent	12%
BREEAM Very Good	7%
WELL Gold	1%

E. Wherever a Scottish EPC includes an English Equivalent rating, this has been used in order to increase comparability across our assets under management.
 F. Rounded to the nearest percentage.

NET ZERO PATHWAY PROGRESS REPORT



By **2030**, all operational landlord emissions, corporate emissions and embodied carbon from refurbishments and landlord fit-outs achieve net zero carbon



By **2040**, occupier operational building energy emissions and embodied carbon from occupier fit-outs, including FRI assets, achieve net zero carbon

Our net zero carbon pathway, launched in 2021, is supported by 2025 and 2030 targets aligned with the net zero carbon hierarchy. Targets for 2035 and 2040 will be set in 2030 to ensure they are sufficiently ambitious and reflect current best practice. As signatories of the BPP's Climate Commitment and the NZAMI, we are required to report annually against our net zero carbon pathway.

- Case studies and a narrative of our actions is provided in our [Responsible Investment Report](#) (see pages 12 to 27)
- We are reporting progress against four key metrics for our 2025 targets in our net zero carbon pathway for the first time and these have been assured by an independent third-party (see page 68 of our Responsible Investment Report for the 2022 assurance statement)
- The following section provides a summary of key delivery actions, methodology for carbon calculations, future aspirations, and our performance on the scope of our targets laid out in our [net zero carbon pathway](#)

Key delivery actions

We have engaged in several key activities over the reporting year:

- Degasification: transitioned 10 units across 6 sites from gas to fully electric heating in addition to a further 2 multi-let office buildings partly degasified.
- Building optimisation: conducted building management optimisation on 27 Mortimer Street.
- Energy efficiency improvements: we upgraded the EPC letter rating of 10% of all units, with 6% of units increasing their score to B or above.^G
- Embodied carbon: asset managers began to incorporate Orchard Street's Sustainability Principles guidance on embodied carbon into capital expenditure proposals to the Investment Committee and included embodied carbon measurement in specifications for flagship projects. We also released an occupier retail fit-out guide to engage and educate occupiers on low embodied carbon fit-outs. We set a target to measure embodied carbon on six refurbishment or development projects by September 2025.
- Offsetting: after pursuing all elements of our net zero carbon pathway, we will procure high-quality offsets for the residual carbon emissions that we cannot eliminate. As our pathway does not include any offsetting until 2030, we have prioritised activities in the other three areas in 2021/22. No offsets were purchased to date.

Methodology & scope of carbon calculations

We report our emissions in line with the Greenhouse Gas (GHG) Protocol which provides best practice guidance for corporate accounting and reporting. Environmental indicators are additionally reported according to the methodology set out in the 3rd edition of the EPRA Sustainability Best Practices Recommendations (sBPR).

Landlord obtained utilities consumption relates to all consumption that the landlord purchases and/or controls, including common areas and shared services, and spaces where the landlord has the authority to introduce and implement any or all the operating and/or environmental policies. Also, where units and spaces become vacant, the associated utilities consumption falls under our operational control; this may include occupier areas where recharged and not sub metered. There can be delays in obtaining this consumption and therefore the previous reporting period may not have the most recent consumption data and may be subject to changes where invoiced utilities are corrected. This accounts for a small proportion of consumption and is therefore not considered material, nonetheless we are continuously reviewing our data management process and metering strategy to ensure the timely and accurate collection of consumption data.

Estimates on landlord refrigerant leakage in 2022 are from known equipment and available air conditioning inspection reports only. We are working to improve data collection to improve these estimates.

Occupier obtained utilities consumption relates to all consumption for occupier units where the occupier is responsible for procurement or if a unit specific meter is recharged and can be allocated to specific unit(s). Data can be provided by occupiers or estimated using CIBSE benchmarks for all units where the occupier is responsible for energy procurement. Where possible, we work with our occupiers to include actual consumption however, collecting complete data for Scope 3 downstream leased assets remains an ongoing challenge for the industry. Where data was not available or we have been unable to map landlord procured supplies, we have estimated using CIBSE benchmarks for asset types. If an occupier unit has solar generation this has been included additionally.

Where we have been unable to map to an occupier unit, supply has been deemed landlord; we have used CIBSE benchmarks to estimate occupier data. The 2021/2022 carbon footprint has been calculated by Carbon Intelligence part of Accenture, utilising its Adapt platform where they manage and track electricity, gas, waste, water and solar PV data, and calculate GHG emissions using Defra and Quantis emission factors. We calculate intensity indicators using floor area (m²) for whole buildings, including occupier areas. We are aware there is a mismatch between the nominator and denominator in our methodology for calculating intensities, as there are instances where we procure utilities that provide a shared-service and are supplied to occupier demises, but the occupier element is unknown. We are actively improving our occupier energy data collection and meter mapping and expect this will result in more accurate carbon emissions reporting in 2023.

Future aspirations

We have done a thorough review of carbon footprint calculation methodologies in 2022 and identified the following opportunities to improve data quality:

- Meter mapping
- Refrigerant data
- Floor areas
- Property manager led capital projects
- Actual occupier consumption data
- Embodied carbon

G. Excluding properties purchased/sold during period.

ORCHARD STREET'S CARBON FOOTPRINT

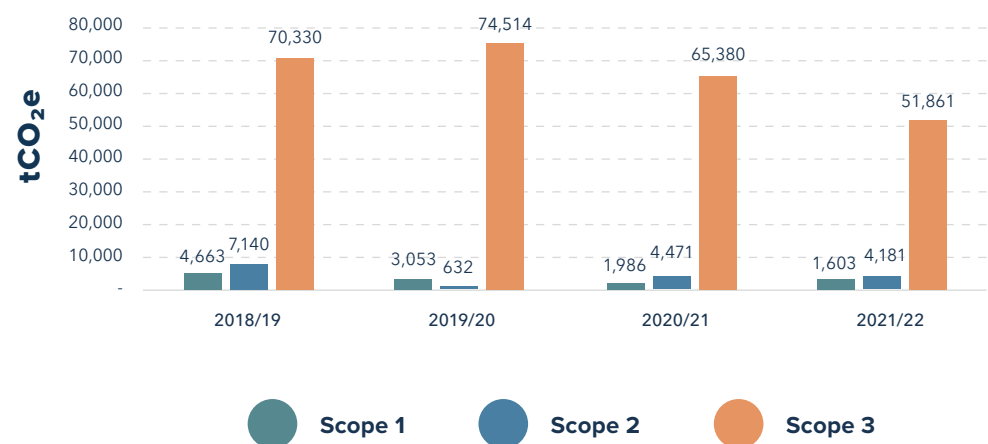
The following visuals reflect Orchard Street's carbon footprint including Scope 1, 2 and 3 emissions. In 2021/22, our total carbon footprint reduced by an estimated 30%, equal to 24,488 tCO₂e, compared to the 2018/19 baseline (location-based emissions factors).^I Reductions in our emissions are driven by a combination of: changes in the portfolio due to sales and acquisitions (19% reduction in floor area compared to baseline year), refurbishments and voids, variable building occupancy levels as a result of remote working, and our efforts to increase the environmental efficiency of buildings. Due to the impact of changes in portfolio size over time, which can increase and decrease, we have set carbon emissions intensity targets that are normalised by floor area. Our estimated reduction in Scope 1, 2, and 3 carbon intensity was 13% compared to the 2018/19 baseline (location-based emissions factors). During this reporting year, we have reported reduced Scope 1 and 2 emissions which vary between utilities and asset types depending on the main driver of consumption. It's important to notice that COVID-19 restrictions were still in place across different sectors. We are pleased to see that our Scope 1 and 2 landlord-controlled emissions have reduced. This is due to improved operational control of the assets and improved data quality.

Due to a review of our baseline carbon footprint by Carbon Intelligence, we have restated our baseline Scope 1 and Scope 3 emissions. Scope 1 emissions have been restated upwards by 2,046 tCO₂ to include landlord refrigerants. Scope 3 (location-based) emissions have been restated downwards by 3,922 tCO₂e due to a calculation error discovered during the review process.

Scope 3 emissions have been categorised according to the Corporate Value Chain Standard published by the GHG Protocol, which identified 15 broad categories of Scope 3 emissions. Orchard Street reports seven of these categories.

Downstream leased assets, representing occupier-related activities, accounts for 80% of our reported Scope 3 emissions and 72% of total emissions. This year we have reported an emission reduction of 15% associated with occupier energy consumption compared with 2020/21. This is mainly the result of UK grid decarbonisation (electrifying plant and equipment enables assets to benefit from grid decarbonisation), portfolio change, on-site PV generation and obtaining actual occupier data. Our employee commuting and business travel have increased after easing out of the COVID-19 restrictions, however these are immaterial and do not represent a significant proportion of the total Scope 3 emissions in absolute terms.

Total carbon footprint (tCO₂e, location-based)^H

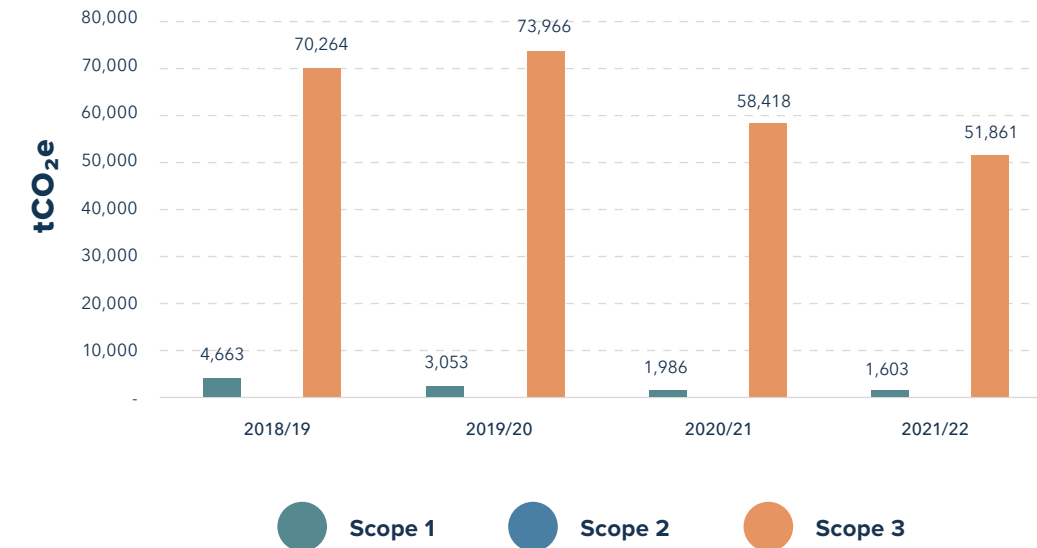


H. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

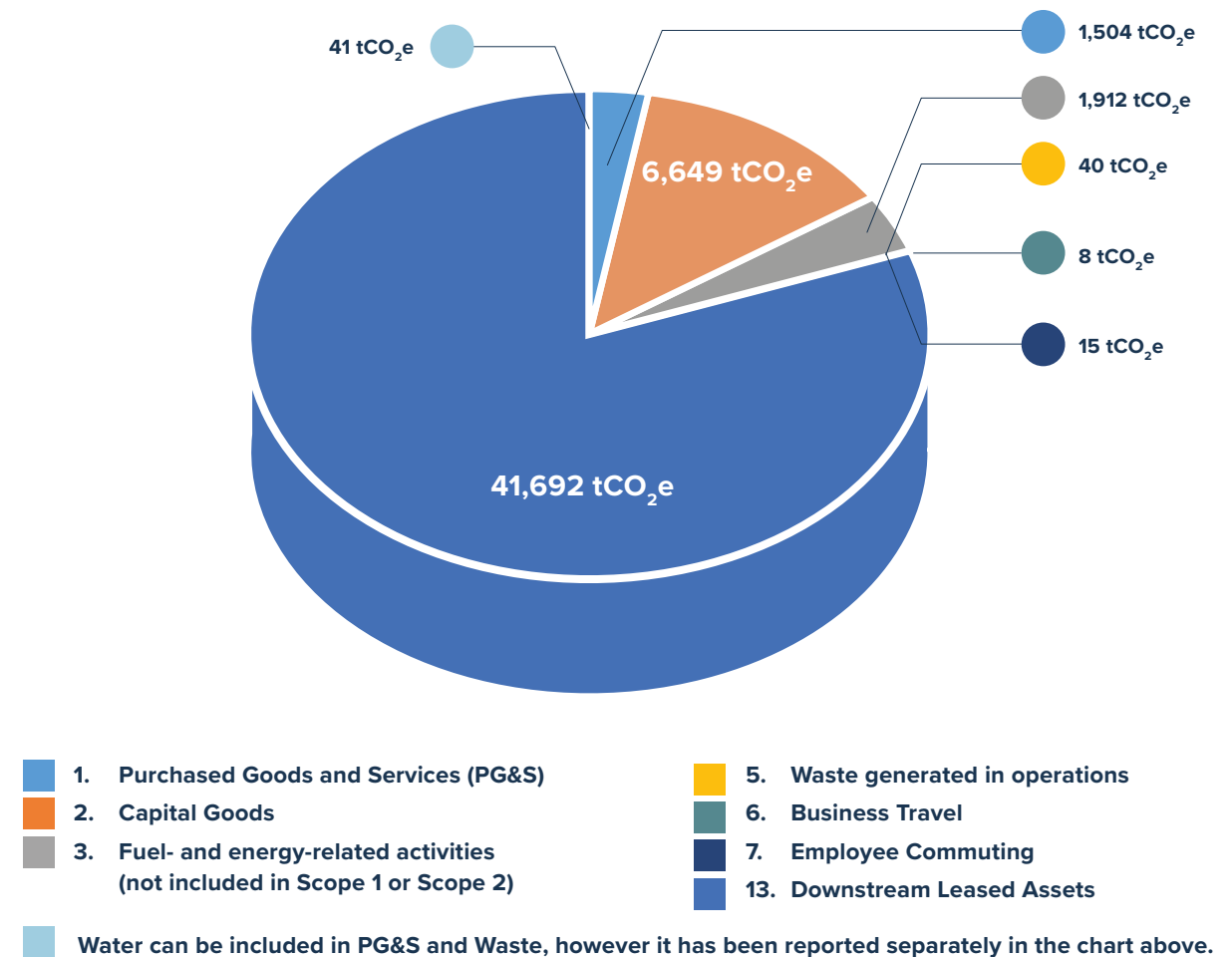
I. A market-based method reflects emissions from energy that companies have purposefully chosen. It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy. We procure 100% REGO backed renewable electricity for landlord-procured electricity.

J. Scope 3 details using a market-based method, please see footnote above for more details.

Total carbon footprint (tCO₂e, market-based)^I



Scope 3 emissions by category (tCO₂e, market-based)^J



Water can be included in PG&S and Waste, however it has been reported separately in the chart above.

OUR NET ZERO CARBON PATHWAY TARGETS AND PERFORMANCE (ASSURED)

The table below has been prepared to provide a clear and easy to digest summary of our net zero carbon pathway targets and progress towards these since our baseline year of 2018/19. It should be read in conjunction with our Better Buildings Partnership Climate Commitment – Orchard Street Net Zero Carbon Pathway Scope table, provided on the following page. We are reporting progress against Scope 1, 2 and 3 carbon emissions intensity,

occupier energy data collection, renewable energy installation and green certified assets for our 2025 targets in our net zero carbon pathway for the first time. These metrics have been assured by an independent third-party (see page 68 of our Responsible Investment Report for the 2022 assurance statement).

AREA	KPI	Unit of measure	Baseline per scope ^K	Total	Baseline Floor Area (m ²) ^M	Target 2025	Target 2030	Target 2040	2022 Floor Area (m ²) ^N	2022 total per scope	Total scopes	Percentage change from baseline (%)	Additional footnotes
Net Zero Targets	Landlord operational emissions (location-based)	tCO ₂ e	11,960	-	-	-	Net zero	Net zero	-	5,861	-	-51	O
	Landlord operational emissions (market-based)	tCO ₂ e	4,820		-	-				1,680		-65	P
	Corporate emissions	tCO ₂ e	1,992		-	-				1,512		-24	Q
	Embodied carbon from refurbishments	tCO ₂ e	3,066		-	300 kgCO ₂ e/m ² from 2025				3,632		+18	R
	Occupier operational emissions	tCO ₂ e	65,114		-	-				41,692		-36	S
	Embodied carbon from occupier fit-outs	kgCO ₂ e/m ² ^L	not measured		-	-				-		not measured	T
Emissions	Scope 1	tCO ₂ e	4,663	-	-	-	Absolute emission targets have not been set. See emission intensity targets below.	-	1,603	-	-66		
	Scope 2 (location-based)	tCO ₂ e	7,140		-	-			4,181		-41		
	Scope 2 (market-based)	tCO ₂ e	0		-	-			0		-0		
	Scope 3 (location-based)	tCO ₂ e	70,330		-	-			51,861		-26		
	Scope 3 (market-based)	tCO ₂ e	70,264		-	-			51,861		-26		
	Total (location-based)	tCO ₂ e	82,133		-	-			57,645		-30		
	Total (market-based)	tCO ₂ e	74,927		-	70,330			-		53,464	-29	
Emissions Intensities	Scope 1	kgCO ₂ e/m ²	3.6	63.5	1,293,718	44.6	No combined target for Scopes 1, 2 + 3 in 2030	1,049,564	1.5	54.9	-	-13	M
	Scope 2 (location-based)	kgCO ₂ e/m ²	5.5						4.0				
	Scope 3 (location-based)	kgCO ₂ e/m ²	54.4						49.4				
	Scope 1	kgCO ₂ e/m ²	3.6	9.1	1,293,718	-	3.0	828,042	1.9	7.0	-23	N	
	Scope 2 (location-based)	kgCO ₂ e/m ²	5.5	54.4	1,293,718	40.8	38.1	1,049,564	5.0	49.4	49.4	-9	
	Scope 3 (location-based)	kgCO ₂ e/m ²	54.4						49.4				
Energy Intensities	Whole building energy	MWh	242,600			-	204 kWh/m ²	-	243,433		+0.34	W	
Energy Data	Actual occupier energy data collected	%	0		-	50	80	18	18				
Green Certification	Assets by value green certified	%	not measured		-	50	90		44		-		U
Renewables	Total installed PV capacity	MW	circa 0.1		-	4	10		0.9		+800		V
	Landlord REGO-backed renewable electricity	%	100		-	100	100		100		0		

K. Baseline emissions for 1 October 2018 – 30 September 2019 obtained from carbon footprinting performed by JLL Upstream Sustainability Services. All occupier data in baseline year obtained from CIBSE benchmarks.

L. Poor data quality for mapping floor areas to consumption may result in under-estimated, area-weighted metrics.

M. Total floor area used as baseline for all emissions due to issues with mapping meters to individual floor areas.

N. Total floor area used as baseline for all emissions due to issues with mapping meters to individual floor areas.

O. Sum of location-based landlord energy consumption. Total landlord solar generation subtracted from landlord electricity consumption. Refrigerants in baseline year 100% estimated. In 2022 refrigerant data for 13 sites was obtained to improve data quality and no refrigerant emissions were estimated for properties not reporting use. Actual refrigerant data coverage will be continuously improved over time.

P. Sum of market-based landlord energy consumption. Total landlord solar generation subtracted from landlord electricity consumption. Refrigerants in baseline year 100% estimated. In 2022 refrigerant data for 13 sites was obtained to improve data quality and no refrigerant emissions were estimated for properties not reporting use. Actual refrigerant data coverage will be continuously improved over time.

Q. Corporate emissions defined as per Better Buildings Partnership pathway: business travel, employee commuting & purchased goods and services.

R. Baseline embodied carbon estimates based on RICS benchmarks. No embodied carbon assessments have been conducted within the reporting period. We are working to improve embodied carbon intensities. We are currently reporting the total amount and will work towards reporting intensities in future years.

S. Sum of location-based occupier energy consumption. 2018/19 baseline occupier energy consumption from CIBSE benchmarks.

T. No embodied carbon assessments have been conducted within the reporting period. Embodied carbon estimates based on RICS benchmarks.

U. Green certified is defined by Orchard Street as BREEAM, NABERS UK or equivalent and Energy Performance Certificates of B or above. The letter rating of an EPC has been used for calculating this metric. Unit level certifications and associated values have been considered when calculating the proportion of the portfolio by value that is Green Certified.

V. 2022 estimate has been rounded up from 883kW to fit table data conventions. The baseline year number is unassured and represents a best estimate based on available data.

W. We are working to improve energy intensity data reporting. We are currently reporting the total amount and will work towards reporting intensities in future years.

BETTER BUILDINGS PARTNERSHIP CLIMATE COMMITMENT - ORCHARD STREET NET ZERO CARBON PATHWAY SCOPE

Business Area	Sub Area	GHG Protocol Reporting Category	Carbon Scope	Commitment Inclusion (BBP Requirement)	Year Included in OSIM Net Zero Carbon Scope
Corporate	Head office energy use	Company facilities	1 and 2	Optional	2030
	Company vehicles	Company vehicles	1	Optional	2030
	Business travel (excluding commuting)	Business travel	3	Optional	2030
	Purchased goods and services	Purchased goods and services	3	Optional	2030
	Operational waste generated	Waste generated in operations	3	Optional	2030
	Operational water use	Purchased goods and services	3	Optional	2030
	Employee commuting	Employee commuting	3	Optional	2030
Direct Real Estate Holdings (including JVs with management control)	Landlord purchased energy (electricity and fuels)	Purchased electricity, heat, and steam	1, 2 and 3	Requirement	2030
	Occupier purchased energy (electricity and fuels)	Downstream leased assets	3	Requirement	2040
	Landlord refrigerants	Purchased goods and services	1	Requirement	2030
	Occupier refrigerants	Occupier Scope 3	3		-
	Landlord purchased water	Purchased goods and services	3	Requirement	2030
	Occupier purchased water	Occupier Scope 3	3		-
	Landlord managed operational waste	Waste generated in operations	3	Requirement	2030
	Occupier managed operational waste	Occupier Scope 3	3		-
	Occupier transport emissions	Occupier Scope 3	3		-
	Occupier supply chain emissions	Occupier Scope 3	3		-
	Landlord purchased capital goods and services (M&E and property management services)	Purchased goods and services	3	Requirement	2030
Development	New development (including those where funding is being provided)	Purchased goods and services	3	Requirement	2030
	Refurbishments	Purchased goods and services	3	Requirement	2030
	Fit-out (landlord-controlled)	Purchased goods and services	3	Requirement	2030
	Fit-out (occupier-controlled)	Occupier Scope 3	3	Requirement	2040
	End of life	End of life treatment of sold products	3		-

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