

HELICAL

Sustainability Performance Report / 2021



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2021 highlights

Reduction in our Scope 1 and Scope 2 Carbon Emissions

10%

Reduction in total electricity consumption - LfL

13%

Waste recycled at our managed assets

62%

Helical assets that achieved an EPC rating of 'B' or above (by value)

99%

Office buildings certified or targeting BREEAM 'Excellent' or above

6

Hours of employee training

c950

Charity donations

£45,000

Green energy procured for landlord areas

100%



SUSTAINABILITY REPORTS
Alongside our Annual Report and Accounts we have also published our Sustainability Strategy “Built for the Future” and our design guide “Designing for Net Zero”. Please refer to our Company website to view these reports.



MATTHEW BONNING-SNOOK
Chair of Sustainability Committee and Property Director



“I am pleased to present the second edition of our Sustainability Performance Report 2021, in an extraordinary year, I am happy to report that Helical has continued to perform strongly against its sustainability ambitions and has made excellent progress in embedding its sustainability principles into every part of the business.”

Last year we published “Built for the Future”, which set out our sustainability strategy and targets. We have seen a strong performance against those targets and a detailed review can be found on page 2. Notably, our development at 33 Charterhouse Street has been awarded a BREEAM “Outstanding” rating at the design stage making it the first building in the UK to achieve this rating under the 2018 BREEAM guidelines.

In April 2021 in support of our carbon ambitions, we launched “Designing for Net Zero”, a guide to aid our professional teams as we collaborate on development projects. A key pillar of our approach is the appointment of a Carbon Champion and this individual will ensure carbon is continually challenged from the design stage through to post occupancy. We believe this guide will be instrumental in creating low carbon buildings which are adaptable for future climate-change risks.

As we continue to investigate how best we can reduce carbon at our development sites and at our existing assets, we have also chosen to address the emissions we produce at a corporate level. We have worked hard to reduce our head office energy usage and associated emissions over the past 3 years by 54%. This has been achieved by championing energy saving initiatives and replacing our company vehicles with pure electric or hybrid models. We have chosen to offset our residual carbon emissions using Gold Standard verified credits as recommended by the UK GBC. We have calculated our emissions for the year to include; head office electricity, water, waste and company car mileage.

Going forward we will extend our reporting scope to include all staff travel, and head office procurement.

With our portfolio now primarily focused in London, we have a portfolio of assets with high performing “Green” credentials. Seven of the assets we held at 31 March 2021 hold an EPC rating of B or above, equating to 96% of our lettable floor area or 99% by value, thereby minimising our exposure to the minimum EPC ratings proposed by the government. I am also pleased to say that six of these assets hold a BREEAM rating of “Excellent” or above, again highlighting the sustainable nature of our portfolio and the high calibre of buildings we hold.

The significant progress in the year has been validated through the improvement in our benchmark scoring. We have seen our GRESB score improve by 20%, taking us to a 3 star rating, we have been awarded a Silver by the EPRA Sustainability Best Practice Recommendation and most notably our CDP score has improved from a C to a B rating.

Sustainability is at the heart of what we do at Helical and we have made significant headway in embedding sustainability within all our activities, however we will continue to challenge ourselves to ensure we make meaningful progress. In May 2021, we joined the UK Green Buildings Council and The Better Build Partnership, we will use these platforms to share knowledge and improve the understanding of the challenges the industry faces. We truly believe being part of a collective voice is the best way to create positive change in our industry and influence market transformation.

Strong progress against:

Built for the Future



Our Environment

TRANSITION TO A LOW CARBON BUSINESS

How this will be measured	Comments	Progress
Exceed current Part L Building Regulations for target emissions rate in all new and refurbished buildings through passive design and energy efficiency.	33 Charterhouse Street, our only major development is on track to exceed Part L Building regulations for emissions rate.	Progress to date◆
Reduce embodied carbon by a 20% percentage improvement against the current RIBA benchmark of 1100 KgCO ₂ e/ m ² GIA ie. 880 KgCO ₂ e/m ² GIA.	33 Charterhouse Street has an estimated embodied carbon of 856 KgCO ₂ e/m ² exceeding our baseline target.	Progress to date◆
Using a science-based target we will reduce our combined Scope 1 and Scope 2 emissions by 25% by 2025 compared with 2019 base year.	Since 2019 there has been a 13% reduction in our Scope 1 and Scope 2 emission meaning we are on track to meet our 2025 target.	Progress to date◆
Purchase 100% green tariff electricity for managed portfolio.	All electricity procured for our office developments are via green tariffs.	Progress to date◆

BUY, USE AND REUSE RESOURCES EFFICIENTLY

How this will be measured	Comments	Progress
All new developments above a contract value of £5 million to achieve a minimum of BREEAM Excellent and all new major refurbishments to achieve a minimum of BREEAM Very Good.	33 Charterhouse Street, our only new development on site has achieved a BREEAM "Outstanding" rating at the design stage.	Progress to date◆
Divert at least 90% of construction and demolition waste from landfill for all new developments and major refurbishments and aim for minimum of 50% recycling.	98% of construction and demolition waste was diverted from landfill and recycled.	Progress to date◆
Achieve a recycling rate of 50% at managed properties.	Our managed portfolio achieved a recycling rate of 62%.	Progress to date◆
Develop site specific Biodiversity Action Plans as appropriate on individual sites.	We have a Biodiversity Action Plan in place at 33 Charterhouse Street and look to implement where appropriate at other sites.	Progress to date◆
Reduce landlord purchased water consumption by 2% from 2019 baseline.	We saw a 61% reduction in our landlord purchased water consumption from 2020, however this is likely to be skewed due to reduced occupancy rates through the pandemic.	Progress to date◆

Below we have detailed how we are performing against each of our sustainability targets.



Our communities

- ◆..... More to do
-◆ On track to meet
-◆ Target met

BRING SOCIAL, ECONOMIC AND ENVIRONMENTAL BENEFITS TO THE AREAS WHERE WE OPERATE

How this will be measured	Comments	Progress
Register all sites above £500,000 with Considerate Constructors' Scheme and achieve a minimum score of 40/50.	33 Charterhouse Street received a CCS score of 43/50.	Progress to date◆
Host a number of our local community events, talks and initiatives.	A monthly newsletter is sent to the local community surrounding 33 Charterhouse Street. At our managed assets we continue to host fundraising events along with volunteering and donations. See page 6 for more details.	Progress to date◆
Facilitate a number of our apprenticeship schemes on construction sites.	One apprentice is currently employed at 33 Charterhouse Street. We continue to look at ways to can encourage apprenticeships on site however we are limited by local labour supply.	Progress to date◆

DESIGN AND OPERATE OUR BUILDINGS TO SUPPORT HEALTH AND WELLBEING

How this will be measured	Comments	Progress
Consideration of WELL building certification or WELL Enabled to enable future tenants to get certification for one scheme above £5 million.	33 Charterhouse Street has been designed to be WELL Platinum enabled which will allow future tenants to apply for the formal certification.	Progress to date◆
Number of cycle storage spaces.	There are 992 number of cycle spaces within our managed portfolio.	Progress to date◆
Number of tenant onsite health and wellbeing initiatives.	We run health and wellbeing initiatives at all our sites, this is supported by the Equiem app which provides a number of resources to tenants surrounding health and wellbeing.	Progress to date◆

Strong progress against:

Built for the Future continued



Our People

ATTRACT AND RETAIN THE BEST PEOPLE

How this will be measured	Comments	Progress
Analysing employee turnover performance.	See page 15 for employee turnover details.	Progress to date◆
Measuring the number of training hours.	See page 15 for training hours.	Progress to date◆

MAINTAIN STRONG RELATIONSHIPS WITH OUR BUSINESS PARTNERS

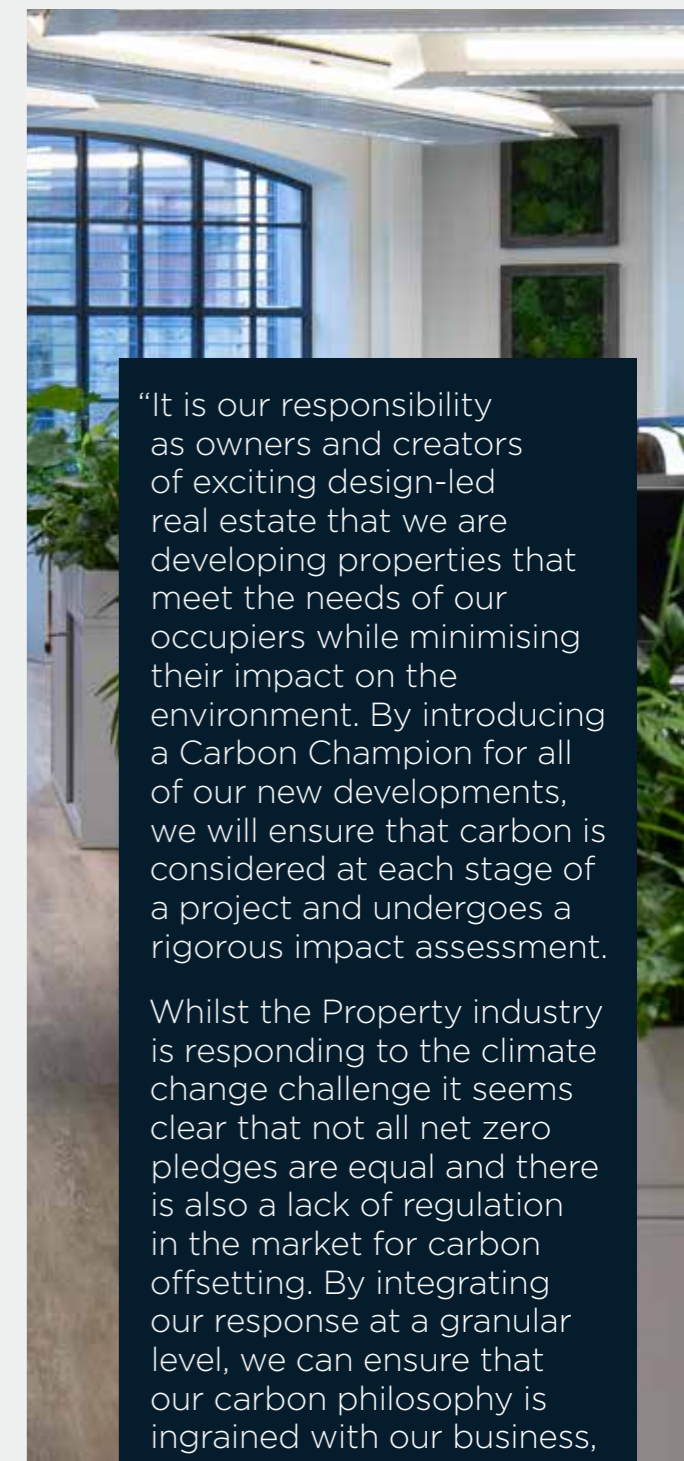
How this will be measured	Comments	Progress
100% of capital projects to complete site sustainability checklist.	All our sites have submitted a sustainability checklist and their responses incorporated into this report.	Progress to date◆
Monitor adherence to Supplier Code of Conduct.	All our major contractors sign our Supplier Code of Conduct and we review their compliance quarterly.	Progress to date◆
Monitor RIDDOR Accident Frequency Rate (AFR) and Lost Time Accidents Frequency Rate (LTAFR).	Please see page 15 for details.	Progress to date◆

Designing for Net Zero

In April 2021, we announced the launch of “Designing for Net Zero”, a guide to aid the Company’s professional teams as we collaborate on development projects and aim to meet Helical’s ambitious targets as it transitions to a low carbon business. The guide covers the entire development process from design and construction through to operation and occupation.

A key pillar of the guide’s approach to future development is the appointment of a Carbon Champion. The Carbon Champion will help set the carbon agenda and strategy in the form of a Carbon Implementation Plan. The individual will agree the vision at the outset, brief the team and then support, monitor and document the carbon journey ensuring that carbon efficiencies are challenged at each stage of development process.

The design guide sets out 10 steps which should be followed on the journey to achieving a net zero carbon development. Each of the 10 steps details a series of prompts, helping the Carbon Champion to ensure that carbon is considered at every part of a development’s journey, from initial planning well into occupancy. The guide highlights that the greatest carbon saving opportunities lie in optimising facades and materials; design; optimising energy systems and monitoring their use; and tenant engagement.



“It is our responsibility as owners and creators of exciting design-led real estate that we are developing properties that meet the needs of our occupiers while minimising their impact on the environment. By introducing a Carbon Champion for all of our new developments, we will ensure that carbon is considered at each stage of a project and undergoes a rigorous impact assessment.

Whilst the Property industry is responding to the climate change challenge it seems clear that not all net zero pledges are equal and there is also a lack of regulation in the market for carbon offsetting. By integrating our response at a granular level, we can ensure that our carbon philosophy is ingrained with our business, within our professional teams and within our supply chain so that we can make a difference.”

MATTHEW BONNING-SNOOK
Chair of Sustainability Committee and Property Director



“We are developing properties that meet the needs of our occupiers while minimising their impact on the environment”

Our Communities



Protecting and supporting communities plays a vital role in our development activities and is a key priority for Helical. We recognise that the buildings that we own and develop have an impact on the local environment and the communities that live and work there. We create a calendar of events and initiatives to ensure we are positively engaging with our tenants, local residents, schools, community groups and businesses.



St Bartholomew Gatehouse

The church of St Bartholomew the Great was built in 1123 and the iron gates of this famous gatehouse were in much need of restoration after nearly a hundred years of use. Helical was delighted to donate to the Heritage of London Trust – a charity which champions heritage across the city – so that they could repair the handsome metalwork so that the approach to St Bart's would be transformed as the church nears its 900th birthday.

Helical is so pleased to support the Heritage of London Trust's work. As a business which started life in the early 20th century as a company making and selling reinforcing steel for the construction industry, we have much enjoyed watching the tender restoration of the historical gatehouse which sits amongst the sleek offices and flats around Bart's Square. The gatehouse to London's oldest parish church is an incredible reminder of a past city that can be otherwise hard to find, and the specialist conservation provided by the Heritage of London Trust will ensure this important landmark can be admired for many more centuries to come.

The Lord Mayor's Appeal

Helical is proud to be a long-standing corporate supporter of The Lord Mayor's Appeal and to be in our third year as a 'Collaborator' of the Appeal.

The Lord Mayor's Appeal aims to find solutions to the most pressing societal issues in London and beyond. Their strategy works on four key pillars to create a City that is Inclusive, Healthy, Skilled & Fair.

The Appeal partners with four organisations who are leading experts in addressing social issues to deliver ground-breaking programmes. These four Partners are:

- Place2Be who work to identify and support primary school children who are struggling with their mental health
- OnSide Youth Zones, a growing national youth charity providing 50,000 young people aged 8-19 years old with inspiring places to go
- Samaritans, a helpline for anyone in need of someone to talk to day and night, 365 days a year; and
- The Duke of Edinburgh Award



This is for LandAid

In July 2020 LandAid were unable to hold their annual 10k run fundraising event so instead opted to hold the LandAid QuarantEN where participants could run or cycle 10 miles or 10 kilometres or walk 10,000 steps.

Thirteen members of the Helical team 'stepped up' and along with family members raised a fantastic £1,500 by running, walking and peddling their way around their local areas. In true British Summertime tradition conditioned varied from hot to windy to torrential rain but heroic performances prevailed throughout and generous sponsors supported everyone's efforts.

Altogether more than 760 individuals from within the property industry participated in the event and a grand total of over £120,000 was raised to support LandAid's work to end youth homelessness.



Green Wall at 33 Charterhouse Street

We are delighted that the green wall has been installed on Farringdon Road. The wall runs the length of the 33 Charterhouse Street development and has been a joint investment by Helical, Ashby Capital and the main contractor Mace. We wanted to enhance the air quality around the project and have selected specialist plants for their

ability to purify air. We hope that this wall will be enjoyed by passers-by and the benefits will be felt by the local communities. Once the project is completed, we intend to donate the plants to local schools and use suitable plants on our roof terrace.



Our Environment

Energy performance



Table 1: Total energy consumption from electricity from managed and development portfolio – EPRA-Elec-Abs 4.1 & EPRA-Elec-LfL 4.2

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Head Office and multi-let offices – kWh	96,426	87,569	92,896	6%
Multi-let offices – kWh	4,980,011	6,427,830	4,466,869	-31%
Other managed assets – kWh	496,307	268,113	360,951	35%
Development buildings – kWh	763,329	209,644	2,202	-99%
Company Car – kWh	487	4,341	3,113	-28%
Electricity procured from off-site Renewable sources (%)	80%	100%	100%	0%
Electricity procured from on-site Renewable sources (%)	-	-	-	-
Total electricity consumption*	6,336,560	6,997,497	4,926,031	-30%
Total electricity consumption LfL		4,038,536	3,497,720	-13%
Absolute Coverage	14/14	14/14	13/13	
LfL Coverage	6/6	6/6	6/6	

* Consumption for two multi-let office developments represents both tenant and landlord consumption as it has not been possible to separate due to metering complications.

Table 2: Total energy consumption from district heating and cooling from managed and development portfolio – EPRA DH&C-Abs 4.3 & DH&C-LfL 4.4

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Tenant consumption at multi-let offices – kWh	296,420	941,522	-	-100%
Landlord consumption at Head office and multi-let offices – kWh	-	-	1,597,900	100%
Other managed assets – kWh	-	-	-	-
Development buildings – kWh	-	-	-	-
District heating & cooling procured from renewable sources	-	-	-	-
Total energy consumption from district heating and cooling*	296,420	941,522	1,597,900	70%
Total energy consumption from district heating and cooling LfL	-	-	-	-

* Represents tenant only consumption and not landlord supply. No energy consumption is from renewable sources.

Table 3: Total energy consumption from direct fuels from managed and development portfolio – EPRA-Fuel-Abs 4.5 & EPRA-Fuel-LfL 4.6

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Head office – kWh	-	-	-	-
Multi-let offices – kWh	3,798,650	3,306,749	2,913,098	-12%
Other managed assets – kWh	-	-	-	-
Development buildings – kWh	-	-	1,333,468	100%
Company Car – kWh	50,592	41,531	27,437	-34%
Total fuel procured from renewable sources	0%	0%	0%	
Total fuel consumptions	3,849,242	3,348,280	4,274,003	28%
Total fuel consumption LfL		2,595,454	2,647,442	2%
Absolute Coverage	14/14	14/14	13/13	
LfL Coverage	3/3	3/3	3/3	

Reduction in total electricity consumption – LfL

13%

Table 4: Total energy consumption intensity (managed portfolio) – EPRA-energy-Int 4.7

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Total landlord electricity consumption (managed portfolio) – kWh	5,476,318	6,695,943	4,827,820	-28%
Total tenant electricity consumption (managed portfolio) – kWh *	7,033,850	6,759,758	4,280,702	-37%
Total direct fuel consumption (managed portfolio) – kWh	3,798,650	3,306,749	2,913,098	-12%
Total electricity consumption LfL (managed portfolio) – kWh	-	3,950,967	3,404,824	-14%
Total floor area – meters ²	131,042	123,878	118,528	-4%
Landlord floor area – meters ²	40,912	43,455	43,231	-1%
LfL floor area – meters ²	-	16,869	16,869	
Whole building Electricity – kWh/m²	90	109	69	-36%
Whole building Direct Fuel – kWh/m²	35	30	27	-7%
Whole building Combined – kWh/m²	125	138	97	-30%
Whole building Electricity – kWh/m² LfL	n/a	95	86	-10%
Whole building Direct Fuel – kWh/m² LfL	n/a	53	54	2%
Whole Building Coverage	11/14	9/14	10/13	

* 25 Charterhouse Square and 90 Barts Close excluded from tenant as reported whole building landlord supply

Table 5: Total energy consumption from development portfolio – EPRA-energy-Int 4.7

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Total electricity consumption (development portfolio) – kWh	763,329	209,644	2,202	-99%
Total direct fuel consumption (development portfolio) – kWh	-	-	1,333,468	100%
Total energy consumption (development portfolio) – kWh	763,329	209,644	1,335,670	537%
Coverage	4/4	1/1	2/2	

Commentary on performance

Energy

- Due to the challenges faced by the market through out the pandemic, traditional benchmarking of performance is complex in this reporting period. Fluctuations with regards to occupancy rates, tenancy rates and unusual M&E usage have contributed to a variable consumption across the portfolio. In addition to the impact of the Covid-19 pandemic, several divestments across the year, mostly concentrated at our Manchester portfolio, have contributed towards the year on year variation across the portfolio. Nevertheless, where possible comparison of the like-for-like performance of long term assets which have remained in constant management across the years has been undertaken. Every effort has been made to capture accurate consumption information across the portfolio, however, due to some missing information it is necessary to estimate consumption. A total of 242,683 kWh electricity has been estimated in the reporting year, equaling 2% of total consumption.
- An overall decrease in electricity consumption across the managed portfolio (-28%) is attributed predominantly to the variations in occupancy rates across the portfolio. The exception to this is an increase in residential energy consumption due to several new meters coming on line through the phasing at Barts Square.
- Total fuel usage within the reporting year has seen an increase (28%) which is due to a diesel generator at our 33 Charterhouse development site. The site is now connected to the mains and will be a site powered by electric only and the generator has been removed. The managed portfolio has seen a consistent reduction (-12%) compared with previous reporting period.
- We have continued to make good progress this year increasing our coverage (approximately 75%) of tenant consumption allowing us to monitor our whole building performance. As with the absolute performance fluctuations with the multi-let office occupancy and portfolio make it difficult to compare year-on-year intensity performance. Although, it has been possible to compare LfL performance at four properties for whole building showing a 10% reduction in electricity intensity and a small 2% increase in direct fuel intensity.
- One of our assets is connected to the District Heat Network in London and where we have sight of consumption information we have reported this in Table 2 above. This represents landlord consumption for this reporting period due to the building being vacant until March 2021. The large variation in District Heat Network usage is attributed to the divestment of last years asset and new usage for both heating and cooling at the Kaleidoscope which was completed in the previous year. This makes year on year comparison not possible.

Our Environment

Carbon performance


Table 6: Total direct greenhouse emissions from managed and development portfolio (Scope 1) – EPRA-Dir-Abs 4.8

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Direct greenhouse gas emissions (Diesel Fuel) Vehicles – tonnes CO ₂ e	8	5	1	-89%
Direct greenhouse gas emissions (Diesel Fuel) Refurbishment – tonnes CO ₂ e	-	-	307	100%
Direct greenhouse gas emissions (Petroleum Fuel) – tonnes CO ₂ e	2	-	-	-
Direct greenhouse gas emissions (Petroleum Hybrid Fuel) – tonnes CO ₂ e	3	5	6	22%
Total Direct greenhouse gas emissions (Natural Gas) – tonnes CO ₂ e	699	608	546	-10%
Head office and multi-let offices – tonnes CO ₂ e	699	608	452	-26%
Other managed assets – tonnes CO ₂ e	-	-	-	-
Development buildings – tonnes CO ₂ e	-	-	11	100%
Direct greenhouse gas emissions (Air Conditioning Gas) – tonnes CO ₂ e	28	24	-	-100%
Total direct greenhouse gas emissions – tonnes CO₂e	739	642	860	34%
Total direct greenhouse gas emissions LfL – tonnes CO₂e		477	487	2%

Table 7: Total indirect greenhouse emissions from managed and development portfolio (Scope 2) – EPRA-Indir-Abs 4.9

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Indirect greenhouse gas emissions from purchased electricity (location based) – tonnes CO ₂ e	1,794	1,787	1,148	-36%
Indirect greenhouse gas emissions from purchased electricity (electric vehicle) – tonnes CO ₂ e	-	1	1	-24%
Indirect greenhouse gas emissions from purchased electricity (market based) – tonnes CO ₂ e	-	-	126	100%
District heat, steam & cooling	-	-	184	100%
Total indirect greenhouse gas emissions – tonnes CO₂e	1,794	1,789	1,333	-25%
Total indirect greenhouse gas emissions LfL – tonnes CO₂e		1,010	794	-21%

Table 8: Total indirect greenhouse emissions from managed and development portfolio (Scope 3) – EPRA-Indir-Abs 4.9

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Electricity – Transmission and Distribution (T&D)	158	152	99	-35%
Electricity – Well to Tank (WTT) UK electricity T&D	23	21	14	-36%
Electricity – WTT- UK electricity generation	275	249	158	-36%
Gas – Well to Tank	96	79	71	-10%
District Heat, Steam & Cooling	56	166	-	-100%
District Heat & Steam – Distribution	3	9	8	-5%
District Heat & Steam – WTT	0	1	25	1978%
Tenant consumption	1,991	1,728	1,576	-9%
UK Electricity T&D for EVs – Large Battery Electric Vehicle	0	0	0	-23%
UK WTT – Passenger vehicles – Large Battery Vehicle	0	0	0	-25%
UK WTT – Passenger vehicles – Large Diesel Vehicle	2	1	0	-89%
UK WTT – Passenger vehicles – Large Petrol Vehicle	1	-	-	-
UK WTT – Passenger vehicles – Large Hybrid Vehicle	1	1	2	23%
UK Water Supply	23	19	7	-62%
UK Water Treatment	27	39	15	-62%
Construction Waste	11	13	13	0%
Managed Asset & Head Office – Recycled Waste	24	13	3	-76%
Managed Asset & Head Office – General Waste (EfW)	16	8	5	-40%
Head office – Organic Waste	-	-	-	-
Total indirect greenhouse gas emissions – tonnes CO₂e	2,709	2,498	1,995	-20%

Table 9: Total greenhouse gas emissions intensity (managed portfolio) – EPRA-GHG-Int 4.10

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Total Scope 1 and Scope 2 emissions – tonnes CO ₂ e	2,533	2,431	2,193	-10%
Total Tenant emissions – tonnes CO ₂ e	2,047	1,894	1,760	-7%
Portfolio Net Lettable Floor area – meters ²	131,042	123,878	118,528	-4%
Portfolio Landlord Area – meters ²	40,912	43,455	43,231	-1%
Revenue – £m	24.6	27.8	25.6	-8%
Whole building emissions – tonnes CO₂e/m²*	0.032	0.033	0.021	-36%
Scope 1 and Scope 2 – tonnes CO₂e/m² (landlord)	0.062	0.056	0.051	-9%
Scope 1 and Scope 2 – tonnes CO₂e/m² (whole building)	0.015	0.015	0.014	-7%
Scope 1 and Scope 2 – tonnes CO₂e/£m Revenue	103.0	87.44	85.66	-2%

* Represents both tenant and landlord consumption expressed as tCO₂e against associated floor area where whole building consumption is available. This is not the total floor area.

Commentary on performance

Carbon

– Direct and indirect GHG emissions are reported across the entire managed and development portfolio. This accounts for the Helical head office, managed properties and current construction sites and is 100% of our operational control. The variation in the occupancy levels as described in the previous energy section have a direct impact on GHG emissions. In addition, the alteration in UK GHG conversion factors has also affected the absolute emissions as demonstrated above. Due to continued consolidation of our managed assets to core buildings and fluctuating occupancy levels due to the global pandemic the absolute consumption figures have reduced accordingly. Of the properties able to be compared under like-for-like there has been an overall decrease in combined Scope 1 and 2 emissions of 19% which exceeds the target of 2% reduction landlord GHG emissions. For the reporting period all our landlord procured electricity at the Head office and managed office portfolio is from 100% renewable sources. Therefore, our Scope 2 market based emissions for our managed office portfolio and Head Office are zero. The reported Scope 2 market based emissions above reflect supplies at the Barts Square residential and refurbishment properties connected via temporary supply.

– The large increase in diesel fuel within the reporting period is due to the diesel generator at our 33 Charterhouse Street development site. The site is now connected to the mains and the generator has been removed. All other fuel emissions have seen a decrease within the reporting period.

– Over the reporting year, we have replaced our diesel and petrol cars with either hybrids or electric vehicles reducing our direct scope 1 emissions through the greening of our company cars.

– When comparing whole building and landlord only emissions intensities with the previous year (Table 9) a reduction can be seen principally reflective of the fluctuating occupancy levels, although continued energy efficiency improvements and decarbonisation of the grid contribute to the reduction in asset intensity.

– Associated Scope 3 emissions have seen a drop in 20% compared with the previous reporting period which can be attributed mostly to a reduction in tenant emissions through fluctuations in occupancy and associated decarbonisation of the grid. Tracking our performance across all scopes of emissions will allow us to identify key areas for improvement across our supply chain to ensure a sustainable business strategy.

Total Scope 1 and Scope 2 emissions
– tonnes CO₂e

2,193

Percentage change

-10%

Our Environment

Water performance



Table 10: Total municipal water consumption from managed and development portfolio – EPRA-Water-Abs 4.11 & EPRA -Water-LfL 4.12

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Head Office and multi-let offices (municipal water) – m ³	66,940	54,338	20,439	-62%
Development buildings (municipal water) – m ³	681	2,370	921	-61%
Total volume of water consumed – m³	67,621	56,708	21,360	-62%
Total volume of water consumed LfL – m³		25,055	9,797	-61%
Absolute Coverage	12/14	12/14	10/13	
LfL Coverage		4/4	4/4	

Table 11: Municipal water intensity (managed portfolio) – EPRA-Water-Int 4.13

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Total volume of water consumed – m³/m²	0.474	0.398	0.159	-60%
Coverage	12/14	12/14	10/13	

Table 12: Total water effluent from managed portfolio and Intensity – EPRA-Water-Int 4.13

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Head Office and multi-let offices – m ³	37,306	54,193	20,208	-63%
Head Office and multi-let offices floor area – m ²	141,297	136,677	128,721	-6%
Total volume of water intensity – m³/m²	0.26	0.40	0.16	-60%
Coverage	7/14	12/14	9/13	

Table 13: Total water effluent from development portfolio – EPRA-Water-Abs 4.11

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Development	878	219	341	56%
Total volume of water consumed – m³	878	219	341	56%
Coverage	100%	100%	100%	

Commentary on performance

Water

– As part of our corporate target to improve sustainable design of commercial developments, the reduction of water consumption is a key target within the BREEAM assessments. A comparison of the like-for-like managed assets was only possible at four properties, this is due in part to the changing portfolio, and continued difficulties with billing and meter readings. The LfL performance has seen a large decrease in consumption (-61%) resulting from fluctuations in tenant occupancy. This performance is measured across all possible properties between the two reporting periods.

– The absolute decrease in water consumption for the managed assets can be attributed to large reductions across the whole of the portfolio with the large reduced occupancy rates through the pandemic.

Water intensity (managed portfolio) – m³/m²

0.2

Percentage change

-60%

Our Environment

Waste performance



Total waste from managed portfolio – tonnes

354

Percentage change

-62%

Table 14: Total waste by disposal route from managed portfolio – EPRA Waste-Abs-4.14

	Percentage by disposal route	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Waste recycled (tonnes)	62%	1,117	572	142	-75%
Waste incinerated with energy recovery (tonnes)	38%	764	352	212	-40%
Waste landfilled (tonnes)	0%	-	-	-	-
Total waste collected (tonnes)	100%	1,881	924	354	-62%
Hazardous waste (tonnes)	0%	-	-	-	-
Non-hazardous waste (tonnes)	100%	-	-	-	-
Absolute Coverage		10/14	10/14	8/13	

Table 15: Total like-for-like waste by disposal route from managed portfolio – EPRA Waste-Abs-4.15

	Percentage by disposal route	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Waste recycled (tonnes)	38%	-	425	88	-79%
Waste incinerated with energy recovery (tonnes)	62%	-	150	143	-5%
Waste landfilled (tonnes)	0	-	-	-	-
Total waste collected (tonnes)	100%	-	575	231	-60%
Hazardous waste (tonnes)	0%	-	-	-	-
Non-hazardous waste (tonnes)	100%	-	-	-	-
LfL Coverage		n/a	5/5	5/5	

Table 16: Total waste by disposal route from head office – EPRA Waste-Abs-4.14

	Percentage by disposal route	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Waste recycled (tonnes)		21	3	1	-61%
Waste incinerated with energy recovery (tonnes)		4	1	0	-54%
Food waste (tonnes)		1	0	0	-
Total waste collected (tonnes)	100%	27	3	1	-60%

Table 17: Total waste by disposal route from development portfolio – EPRA Waste-Abs-4.14

	Percentage by disposal route	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Waste diverted from landfill from developments (tonnes)	98%	10,962	12,466	12,334	-1%
Waste to landfill from developments (tonnes)	2%	302	202	307	52%
Hazardous waste (tonnes)		1	2	0	-83%
Total waste from developments (tonnes)	100%	11,265	12,670	12,641	0%

Commentary on performance

Waste

– All waste recorded in the managed asset figures above represent co-mingled waste (tenant and landlord). It is not possible to separate out volumes for tenant and landlord and is thus reported as landlord controlled. Year-on-year performance in diverting waste from landfill is consistent across the years. Across both the managed and

development portfolio over 98% of waste was diverted from landfill exceeding the target of 80% diversion from landfill for construction sites. We will continue to pursue improvement against our performance working towards 100% diversion from landfill. Data for Hazardous waste is reflective of total tonnage across all refurbishment sites (5 in 2020-21). Recycling in the managed portfolio has exceeded the target of 50%

achieving a recycling rate of 62%. We have successfully engaged with restaurant and café tenants to encourage opportunities to avoid single-use plastic and reduce waste, wherever possible.

– Comparison of Like-for-Like performance is possible across 5 assets demonstrating strong recycling and diversion from landfill year-on-year.

Our Environment

Building certification and other measures



Table 18: Building certification- EPRA Cert-tot 4.16

	Total number of assets achieving certification or rating	Floor area achieving certification or rating (GIA) - m ²	Percentage of portfolio total area (GIA)
Energy Performance (EPCs)			
Energy Performance (EPCs) - All assets held in the year			
A	-	-	-
B	9	92,631	65%
C	2	18,454	13%
D	2	31,973	22%
E to G	-	-	-
Unassessed	-	-	-
Energy Performance (EPCs) - Assets held at year end			
A	-	-	-
B	7	59,781	96%
C	1	2,256	4%
D - G	-	-	-
Unassessed	-	-	-
BREEAM - All assets held in the year			
Outstanding*	1	19,079	13%
Excellent	6	61,767	42%
Unassessed	7	66,648	45%
BREEAM - Assets held at year end			
Outstanding*	1	19,079	24%
Excellent	5	44,232	55%
Unassessed	3	17,805	21%

* Certified at Design Stage

Table 19: Construction management

	Year ended 31.03.20	Year ended 31.03.21
Schemes registered with Considerate Constructors Scheme	2 of 2	1 of 1
Our lowest score for CCS	37	43
Our highest score for CCS	37	43
Our average score for CCS	37	43
Sites with recognised EMS ISO14001 (%)	17%	100%

Commentary on performance

Building certification and other measures

— During the year we disposed of all assets that held an EPC rating of D or below, resulting in 96% of our portfolio holding a B rating or above. Similarly, we now only hold 3 assets that do not have a BREEAM certificate and we are exploring BREEAM in use for these assets. We continue to meet our target that all new development should achieve a BREEAM rating of Excellent or above with 33 Charterhouse Square being awarded with an Outstanding rating at the Design Stage.

BREEAM 'Excellent' or above - Office buildings

6*

* Buildings held at year end

CCS Score for 33 Charterhouse Street

43/50

Our People

Employees



Table 20: Employee gender diversity - EPRA Diversity-Emp 5.1

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21
Board (%)			
Male	89%	75%	75%
Female	11%	25%	25%
Executives (%)*			
Male	59%	63%	60%
Female	41%	37%	40%
Company (%)			
Male	44%	48%	46%
Female	56%	52%	54%

* Executives are those employees that hold professional positions but are not members of the Executive Committee or the Board. Management positions are not held in the company and any senior members of staff who are not Directors will be included within Executives.

Table 21: Employee training and development - EPRA Emp-Training 5.3

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21
Number of training hours for all employees	700	909	950
Average number of training days per employee	4	4.2	4.5

Table 22: Employee performance appraisals - EPRA Emp-Dev 5.4

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21
Employees receiving performance appraisals	100%	100%	100%

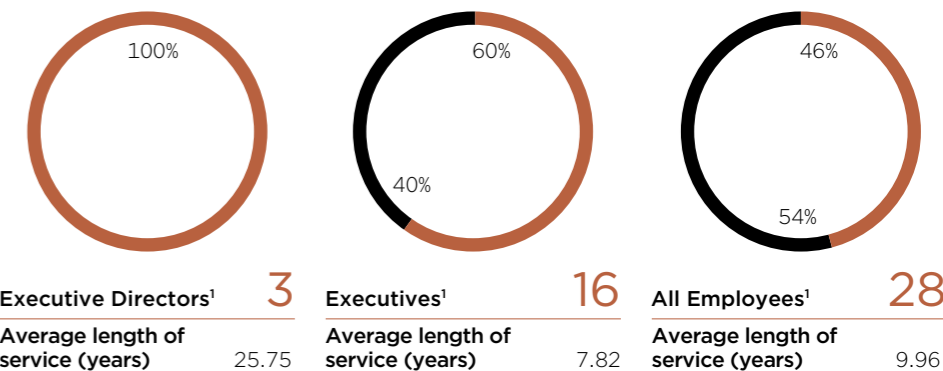
Table 23: Employee turnover and retention - EPRA Emp-Turnover 5.5

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21
Total number of employees	29	29	28
Rate of new employee hires (%)	7%	7%	0%
Total employee turnover	2	2	1
Rate of employee turnover (%)	6%	11%	4%

Commentary on performance

Employees

— As part of our ongoing commitment to staff training we saw training hours increase from an average of 4.2 days per employee to 4.5 days, the increase in training hours is the result of some all staff in house training and attendance to property specific lectures, talks and panel discussions. We continue to ensure all staff receive an annual appraisal.



● Male ● Female

¹ Total as at 31 March 2021.

Our People

Health and Safety



Table 24: Employee health and safety H&S-Emp 5.6

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Direct employees				
Injury Rate (IR)	-	-	-	-
Lost day rate (LDR)	-	-	-	-
Absentee Rate (AR)	0.015	0.015	0.015	0%
Enforcement notices or fines	-	-	-	-
Work Related Fatalities	-	-	-	-
Managed Portfolio				
Number of Lost Time Accidents	-	-	-	-
Lost Time Accidents Frequency Rate (LATFR)	-	-	-	-
Number of RIDDOR	-	-	-	-
RIDDOR Accident Frequency Rate (AFR)	-	-	-	-
Enforcement notices or fines	-	-	-	-
Work Related Fatalities	-	-	-	-
Development Portfolio*				
Number of hours worked	2,038,505	2,919,095	352,069	-88%
Number of Lost Time Accidents	11	4	-	-100%
Lost Time Accidents Frequency Rate (LATFR)	0.57	0.14	-	-100%
Number of RIDDOR	4	4	1	-75%
RIDDOR Accident Frequency Rate (AFR)	0.21	0.14	0.28	100%
Enforcement notices or fines	0	0	-	-
Work Related Fatalities	0	0	-	-

* Suppliers and subcontractors at development site.

Table 25: Asset health and safety assessments H&S-Asset 5.7

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Assets for which a health and safety impacts are assessed or reviewed for compliance or improvement (%)	100%	100%	100%	0%

Table 26: Asset health and safety assessments H&S-Comp 5.8

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21	Percentage change
Incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts	-	-	-	0%

Commentary on performance

Health and Safety

— During the year there were no accidents involving employees, the same as the previous year.

— We undertake health and safety and fire safety review of our head office. During the year, there were no enforcement notices issued to Helical plc or its subsidiaries. Our development sites are subject to regular health and safety inspections by external health and safety consultants and in addition by our senior management team. assessments at all our occupied buildings (reviewing fire safety, water safety, asbestos and air quality), we also undertake an annual health and safety

Total hours worked

352,069

Accident Frequency Rate

-100%

Our People

Corporate Governance



Table 27: Composition of the highest governance body EPRA Gov-Board 6.1

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21
Number of executive board members	3	3	3
Number of non-executive board members	6	5	5
Average tenure years on the governance body	11.2	8.2	9.2
Number of non-executive board members with competencies relating to environmental and social topics	6	5	5

Table 28: Nominating and selecting the highest governance body EPRA Gov-Select 6.2

	Year ended 31.03.21
Process for nominating and selecting the highest governance body	*

* See our Annual Report and Accounts 2021, page 94 to 98.

Table 29: Process for managing conflicts of interest EPRA Gov-Col 6.3

	Year ended 31.03.21
Process for managing conflicts of interest	*

* See our Annual Report and Accounts 2021, page 88 to 125.

Please refer to the Governance section of our Annual Report and Accounts 2021 for more details.

Commentary on performance

Corporate Governance

— Please refer to the Corporate Governance section of our Annual Report and Accounts 2021 for more details.

Our People

Community engagement



Table 30: Community engagement, impact assessments and development programmes EPRA Comty-Eng 5.9

	Year ended 31.03.21
Percentage of managed assets with community engagement, impact assessments or developments programmes in place*	100%

* See pages 6 to 7 for details on our community initiatives in the year.

Table 31: Sustainable transport

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21
Sites with public transport within 650m (%)	100%	100%	100%
Sites with cyclist facilities (%)	100%	100%	100%
Sites with green travel plan (%)	33%	50%	46%
Cycle storage capacity	960	1,090	992
Cycle storage intensity	1 per 9	1 per 9	1 per 9

Table 32: Biodiversity

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21
Sites which have included ecological enhancement measures	25%	20%	25%
Sites with appropriate protection measures for sensitive features (%)	100%	100%	100%

Our People

Wellbeing performance



Commentary on performance

Wellbeing & Community performance

– All multi-tenanted sites have a community engagement programme in place. During the pandemic we have launched our tenant engagement app, Equiem, at our sites. This is a platform where tenants can assess information on wellbeing initiatives and a calendar of virtual and physical events.

– All of our sites have cycle facilities, as we anticipate more demand on these spaces we are ensuring that these spaces meet our tenants needs.

Assets with cycling facilities

100%

Task Force for Climate-related Financial Disclosures (TCFD)

This is our first disclosure in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We set out below our disclosure in addition to the summarised version we have provided in our Annual Report and Accounts which can be found on our website. In addition to the disclosure we also submit responses to CDP and the Global Real Estate Sustainability Benchmark (GRESB) providing even more insight in this important area.

GOVERNANCE

Describe the Board's oversight of climate-related risks and opportunities.	<p>The Board, which meets six times a year, is responsible for overseeing activities that relate to sustainability and climate change, with the Property Director, who is also the Chair of the Sustainability Committee, retaining overall accountability.</p> <p>Our environmental and climate related policies set out Helical's high-level commitment across a number of impact areas and underpin our sustainability strategy "Built for Future". These are reviewed by the Board on a twice yearly basis and a formal sustainability presentation is given to the board on an annual basis. Implementation of the sustainability policies, targets and strategy is the responsibility of the Sustainability Committee and the wider senior management team.</p> <p>The Board and Audit and Risk Committee also review business risks, which includes climate-related risks.</p> <p>Sue Farr has been appointed the designated Non-Executive Director for ESG and Sustainability. She will be responsible for overseeing the sustainability strategy and ESG targets and will challenge the Sustainability Committee to ensure they are implementing these appropriately.</p> <p>In addition to Board oversight, our Chief Executive, Finance Director and Property Director all have personal objectives to lead and progress sustainability initiatives across all aspects of Helical, as evidenced within our Directors' Remuneration report page 103 of the Annual Report and Accounts.</p>
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Describe management's role in assessing and managing climate-related risks and opportunities.	<p>The Sustainability Committee is chaired by Matthew Bonning-Snook, our Property Director who also sits on the Board. The Committee meet on a quarterly basis and comprise key department members; Laura Beaumont (Head of Sustainability), Pavlos Clifton (Senior Development Executive), John Inwood (Head of Asset Management) and Lois Robertson (Operations Manager). Department leaders then take the conclusion from the committee meetings and feed them into their respective teams, this structure ensures that that there are sustainability champions in each area of the business and drives improvement on climate-related issues. All progress is communicated back to the Executive Committee.</p> <p>A performance and data dashboard is produced for discussion during the Committee meetings.</p>
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STRATEGY

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<p>Short Term (0-3 Years)</p> <p>Defined risks and opportunities are generally specific in nature and have a higher impact to the business today. We are currently seeing a greater shift in terms of legislation e.g. the introduction in the UK of the Minimum Energy Efficiency Standards (MEES) for commercial and domestic property and the tightening of regulations around 'in use' building performance measures. We have an opportunity to collaborate with our occupiers to deliver significant reductions in Scope 1, 2 and 3 emissions across our portfolio, ultimately providing cost savings for our tenants.</p> <p>Medium Term (3-5 years)</p> <p>The period the Group regularly reviews forecasts and which will often encompass the lifetime of major development projects. There will be a need to decarbonise our buildings and ensure resilience to climate change, if we can be seen to be doing this then this may give rise to a higher market demand for these types of buildings, there is also a risk that there is a lower demand for those assets that do not meet these criteria and are no longer fit for purpose.</p> <p>Long Term (5-15 years)</p> <p>More broader risks which have a wider impact on in the Group's strategy and will help define how the Group will look to operate in the long term. Speed of market transformation and technological progress may impact on our ability to decarbonise our business. We will have to continue to invest in our existing portfolio and development pipeline to ensure they are climate resilient.</p>
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STRATEGY

Describe the impact of climate related risks and opportunities on the organization's businesses, strategy, and financial planning.	<p>As a property developer and asset manager climate-related issues affect the way we design our new developments and how we manage our existing assets effectively. We take an active approach in managing climate-related issues.</p> <p>Our sustainability strategy "Built for the Future" drives our corporate approach and aspirations and is supported by our sustainability and environment policies and targets. These documents can be found on our website. They set out how we manage these risks within our developments and asset management activities and set the necessary performance standards so that climate-related risks do not adversely affect our work. For example, for new developments there are requirements to attain minimum BREEAM rating, which in turn, help us develop efficient buildings.</p> <p>To help us plan climate-related resilience into our development assets, we have published a design guide "Designing for Net Zero". This guide details our 10 step approach to designing low carbon and climate resilient developments. We have set out a design journey supporting, guiding and prompting professional teams as they progress Helical's development projects from the design through to their operational stages.</p> <p>A near-term strategic priority for 2021/22 is to progress our sustainability agenda further. This includes:</p> <ul style="list-style-type: none"> — Publishing our pathway to net zero — Setting an internal price of carbon and a complimentary offsetting strategy — An asset level climate resilience risk and opportunities review
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Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>In 2021, we modelled the impact of two probabilistic UK climatic projections (UKCP18) consistent with the Intergovernmental Panel on Climate Change (IPCC) climate scenario to understand the physical risks of different climate-scenarios from 2°C global temperature rise to a worst-case scenario of above 4°C. The UK has made a legally binding commitment to transition to Net Zero Carbon by 2050. We have modelled three potential transition pathways for the building sector as detailed by the Committee on Climate Change (CCC) and assessed the risks and opportunities posed to our business.</p> <p>The changing climate will impact our assets and our business strategy by presenting both physical e.g. flood risk and transition risks e.g. carbon pricing which will affect the costs of maintaining and developing our buildings. We not only invest in new buildings but we may also acquire large refurbishment projects of older properties, we ensure a high resilience by setting high environmental standards for these projects once completed. When managing our existing portfolio we have a significant focus on energy and carbon reduction, ensuring our buildings operate as efficiently as possible.</p> <p>We will continue to develop our approach and strategy to build climate-resilience into our planning.</p>
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RISK MANAGEMENT

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	<p>As part of a robust assessment of the principal and emerging risks facing the Group, at the half year and year end, the Executive Committee, the Audit and Risk Committee and the Board, formally review the Group's principal and emerging risks. This includes sustainability risks (climate change), including their likelihood, impact and mitigating controls, which are managed by the Sustainability Committee. The Board considers climate-related issues when reviewing and guiding strategy, ensuring that such issues inform risk management policies, annual budgets, business plans, performance objectives and decision making with regards to major capital expenditures and acquisitions.</p> <p>To manage risks at an operational level, each assets energy performance is reviewed on a quarterly basis and benchmarked against other assets in the portfolio, where assets are performing poorly a full assessment is carried out to identify energy efficiency savings. Each of our developments are scrutinised throughout the design process to ensure that climate related issues are considered at an early stage e.g. climate change adaptation in relation to overheating, cooling, plant sizing, building structure and material durability in addition to flood risk, urban drainage, greening measures and the impact of embodied carbon. This is supported by our guide "Designing for Net Zero".</p> <p>Through the use of building ratings tools such as BREEAM, and the continued integration of our "Designing for Net Zero" guide throughout the design and construction process, we ensure a consistent approach to sustainability and specifically to managing the risks of climate change across our development process.</p> <p>Where risks are identified through asset level processes, these are reported up to the Sustainability Committee and to the Executive Committee.</p>
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Task Force for Climate-related Financial Disclosures (TCFD) continued

METRICS AND TARGETS

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

We track our performance against multiple climate related metrics and targets for both our development and assets under management. These metrics and targets are set out in our overarching sustainability strategy document, "Built for the Future". Our KPIs allow us to monitor progress towards these targets and to ensure that we report in line with investor disclosure requirements notably CDP, GRESB and FTSE4Good. Our performance against these metrics (including Scope 1,2 & 3 emissions) can be found in more detail in our SECR Statement and this report.

Below we have summarised the various metrics we use when reporting across Carbon, Energy, Waste, Water and Certification.

- Total energy consumed, broken down by source (e.g. purchased electricity and renewable sources) - see pages 8
- Total fuel consumed percentage from coal, natural gas, oil, and renewable sources - see page 8
- Building energy intensity (by square area) - see page 9
- Building water intensity (by square area) - see page 12
- GHG emissions intensity from buildings (square area) and from new construction and redevelopment - see page 11
- For each property, the percentage certified as sustainable - see page 14

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

We publish a detailed data report which sets out our environmental data performance. As part of this we publish extensive carbon reporting across all scopes: Scopes 1, 2 and 3 using the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard. Likewise, we provide trend analysis across several years to show progress and historical performance.

Please refer to the data report section of this report on pages 10-11 for our carbon reporting which also includes full details of the aggregation and calculation methodology.

Moreover, we publish a summary of our corporate carbon footprint in our Annual Report and Accounts on page 65.

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

In 2020, we recognised the increased urgency of the climate change crisis, in response to this we set the following targets:

Carbon

- All new developments to be net zero carbon in operation by 2025.
- Within our existing portfolio we will seek to achieve a 25% reduction in the operational carbon emissions by 2025.
- Reduce embodied carbon by 20% improvement against the current RIBA benchmark of 1,100 KgCO₂e/m² GIA.
- Using a science based target, we will reduce our combined Scope 1 and Scope 2 emissions by 25% by 2025 compared with 2019 base year in line with the well below 2-degree scenario.

Energy

- Exceed current Part L Building Regulations for target emissions rate in all new and refurbished buildings through passive design and energy efficiency.
- Purchase 100% green tariff electricity for managed portfolio.
- Waste Divert at least 90% of construction and demolition waste from landfill for all new developments and major refurbishment and aim for minimum of 50% recycling.
- Achieve a recycling rate of 50% at management properties.

Water

- Reduce landlord purchased water consumption by 2% from 2019 baseline.

Certifications

- As a minimum all new developments will aim to achieve BREEAM 'Excellent' or above and all major refurbishments will aim to achieve BREEAM 'Excellent' or above.

Reporting methodology

Methodology

The information contained in this report has been collated and prepared in accordance with the following guidance and standards:

- ISO 14064 – Greenhouse gases. Part 1 (2006)
- UK Government's Environmental Reporting guidance (2013 version)
- The Global Reporting Initiative Sustainability Reporting Guidelines
- The most recent version of Defra's Guidelines for Greenhouse Gas Reporting and carbon emissions restated year on year
- European Public Real Estate Association Sustainability BPR Guidance (Sept 2017)
- Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance March 2019.

Coverage

We have a flexible business model which fluctuates year-on-year based around acquisitions, sales and completion of construction projects. This in turn is represented in our year-on-year performance. Below details the full coverage of our managed and development portfolios that can be reported on for the reporting year.

	Year ended 31.03.19	Year ended 31.03.20	Year ended 31.03.21
Head office	1	1	1
Managed portfolio*	14	14	13
Development portfolio**	8	6	5

* Includes multi-let office, retail and mixed-use developments where we have operational control.

** Includes all refurbishment projects active in this reporting period with a project cost over £500,000 where we have operational control.

Like-for-like (LfL) analysis

Our like-for-like (LfL) data sets are inclusive of buildings that have been consistently in operation for the data period specified, e.g. not purchased, sold or developed during either of the reporting periods for 24 months.

Normalisation Calculation

For energy purchased by Helical, the amount is identified by the managing agents but apportioning this to specific floor areas is difficult due to the common part areas not generally being measured. For properties where whole building data is available an intensity metric based on landlord and tenant consumption is normalised against whole building floor area.

Reporting Boundaries

The following are the definitions adopted:

Scope 1 – direct emissions includes whole building gas data, fugitive emissions from air conditioning are included where it is the landlord's responsibility within the common parts. In addition, fuel use for all company owned vehicles are included.

Scope 2 – indirect energy emissions includes purchased electricity for the Head Office, landlord controlled common parts areas and electricity used as part of development and refurbishment schemes.

Scope 3 – other indirect emissions, which includes emissions associated with electricity losses and generation. It also includes, tenant consumption where available, hotel stays, business air travel, business travel via taxis, waste, water and business rail travel.

Using these definitions, the following are the reporting boundaries:

- All properties where Helical has sole ownership and operational control through the managing agents have been included
- Any joint ventures which are within Helical's operational control are also included on the basis of the percentage ownership
- Any gas boilers that provide heating to both common and tenanted areas have been included where the heating plant is within the control of the managing agents working for Helical. These are identified within the relevant data tables
- All electricity supplies that serve plant e.g lifts, common area lighting and power where the equipment is within the control of Helical rather than the occupier. In some cases, the meters supply occupied areas as well as landlord areas for instance gas supply to the building. This is not sub metered so is recorded as part of Helical's consumption and is identified as whole building
- All water supplies that provide water to areas where Helical have control over rather than the occupier
- Development and refurbishment site data for energy use for projects with a capital value over £500,000
- All electricity and gas supply which is supplied direct to the tenant is collated and reported as either tenant purchased tenant supply OR landlord purchased tenant supply. Where it is not possible to differentiate between tenant and landlord consumption the whole building consumption is reported
- All electricity and gas consumed by Helical at the head office, 5 Hanover Square.

GHG Factors

Carbon emissions data has been calculated according to Defra's Guidelines for Greenhouse Gas Reporting and carbon emissions restated year on year. Annual conversion factors can be found at the link below;

<https://www.gov.uk/government/collections/governmentconversion-factors-for-company-reporting>

Data Verification

Data is sense checked by internal RPS staff (Senior Consultant level) and queries passed back to the managing agents for clarification. Property consumption data which varies by greater than double the previous years consumption (property specific) or greater than 1% variation of the total years portfolio consumption is queried with the Managing Agent. In addition, RPS staff (Senior Consultant level) also carry out a sample data verification exercise with the managing agents in order to audit the data collection processes and procedures and check the robustness of the data submitted. Avieco have provided limited assurance for the data ended 31 March 2021 and their statement is attached to this report.

Appendix 1

Independent Verification Statement

Avieco Ltd have prepared this verification opinion for Helical plc, through which it is confirmed that Helical's global reported scope 1, 2 and 3 greenhouse gas (GHG) emissions and total waste and water performance indicators have received limited verification in accordance with the requirements of the ISO 14064-3:2019 standard.

The verification covers Helical's stated historic emissions for one reporting year – the 12 months including 1st April 2020 – 31st March 2021 and intensity metrics, as shall appear in Helical's wider environmental reporting.

RESPONSIBILITIES OF HELICAL AND AVIECO

Helical's third party environmental consultants RPS Group were responsible for the preparation of the GHG emission statement and the internal management controls governing the data collection process. They were also responsible for the data aggregation, any estimations and extrapolations applied (as required) and GHG calculations performed. Helical were responsible for the final review and sign-off of the GHG results and environmental performance indicators, including publishing this appropriately in their annual report and accounts.

Avieco were responsible for carrying out a limited verification assessment in accordance with the ISO 14064-3:2019 'Greenhouse gases – Part 3: Specification with guidance for the verification and validation of greenhouse gas statements', and providing an independently expressed opinion on the reported GHG emissions totals and performance, for each of the data sources included in the scope of this verification exercise.

VERIFICATION SCOPE AND SUBJECT MATTER

The boundary of the verification process included Helical's head office, 14 managed assets and 6 development projects on an operational control basis, including both landlord and tenant areas.

Scope

The boundary of the verification process includes all emissions related to the operation of offices and sites over which Helical has operational control, including for landlord and tenant areas. The scope of works includes approx. 14 managed assets and 6 development projects and the following KPIs:

- Scope 1: Natural gas, car fuels, refrigerant, other fuels
- Scope 2: Electricity from buildings and electric vehicles (location-based)
- Scope 3: Emissions from tenants, electricity and fuel transmission & distribution, electricity and fuel well-to-tank, water, waste
- Total water consumption and total waste disposed by disposal route
- Intensity metrics: (scope 1 and 2 emissions /m2 and per £m turnover)

Additional KPIs

- Year on year change in emissions (scope 1, 2 and 3 LB) and intensity metric compared to 2019 (tCO₂e / m2 and £1M turnover)
- Total calculated UK energy consumption
- Like for like energy consumption
- Total direct fuel consumption
- Like for like consumption from fuels
- Building energy intensity
- Like for like water consumption and water intensity
- Like for like waste by disposal route

Helical's GHG statements (location-based only) verified by Avieco cover 100% of emissions by scope (in tCO₂e), as follows:

Year	Scope 1	Scope 2	Scope 3	Scope 1 + Scope 2 total	Scope 1 & 2/m2	Scope 1 & 2/£m revenue	Scope 1 & 2 Year on Year Change
2020-21	860	1,333	1,995	2,193	0.014	85.66	-15.5%

In addition, the environmental indicators included in the verification process are as follows:

Total UK energy consumption	Like for like energy consumption	Total direct fuel consumption	Like for like fuel consumption	Building energy intensity	Total consumption, like for like water consumption and intensity	Total waste generated, like for like waste by disposal route
10,797,934 kWh	6,052,266 kWh	6,427,922 kWh	2,647,442 kWh	66.75 kWh/m2	Total Consumption: 20,439 m3 LFL Consumption 9,797 m3 Intensity: 0.16 m3/m2	Total Waste: 355.8 tonnes LFL Recycled: 87.78 tonnes General (EfW): 143.43

REPORTING METHODOLOGIES AND VERIFICATION CRITERIA

Helical's GHG inventory has been completed in accordance with the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard, Revised Edition. The verification criteria assessed the adherence of Helical's GHG statements and procedures to the best practice reporting principles of relevance, completeness, consistency, transparency and accuracy.

Avieco conducted the verification engagement throughout May 2021. We used the appropriate verification planning, validation, GHG assessment and evaluation steps in accordance with the requirements of ISO 14064:3, and in adherence to the standard's principles of independence, ethical conduct, fair presentation and due professional care.

OBJECTIVES

The objectives of the verification engagement were to ensure Helical's GHG statement is free of material misstatements to an acceptable materiality threshold of 5% at the GHG source level and organisational level; and to ensure the GHG inventory provides the relevant, material information required by stakeholders for the purpose of decision making.

AVIECO'S VERIFICATION PROCESS

Our verification conclusions are based on the following activities:

- Agreement on the level of verification, objectives, criteria, organisational scope and materiality thresholds
- Review of the processes and procedures for establishing the organisational and operational boundary, ensuring relevance in emissions reporting across scope 1, 2 and 3 emissions sources
- Development of the verification project plan and data sampling plan (based on risk and materiality)
- Assessment of the GHG data collection system and controls through interviews by phone
- Assessment of the data collection process from raw data comparison with primary evidence, through to local collation in the central environmental calculation tools. This step included assessment of estimations and extrapolation systems in place and their underlying mathematical application
- Review of the appropriateness and application of the methodologies and calculations used for conversion of activity data to CO₂e emissions
- Evaluation of the internal quality assurance procedures and results
- Our evidence gathering procedures included but were not limited to:
 - In depth telephone interviews with Helical's third party consultants, asset and energy managers, and project managers of their refurbishment projects to confirm operational behaviour and standard operating procedures. We also used the interviews to review the conversion factors used for emissions calculations, estimation methodologies applied to the data and quality assurance processes in place
 - Desktop study of data and evidence to confirm accuracy of source data entered into calculations

LIMITED VERIFICATION OPINION

Based on the verification procedures followed by Avieco of Helical's scope 1, 2 and 3 emissions and accompanying environmental performance indicators across the 2020/21 reporting period, we have found no evidence to suggest that the GHG emissions statements of Helical's operational location-based GHG inventory is not:

- Prepared in accordance with Helical's relevant internal GHG emissions reporting methodologies, which adhere to the internationally recognized WRI/WBCSD Greenhouse Gas Protocol (GHG) corporate standard
- Materially correct and a fair representation of their GHG emissions
- Prepared in adherence to the best practice reporting principles of relevance, completeness, consistency, transparency and accuracy
- Worthy of the award of limited verification

Avieco were unable to issue verification of Helical's market-based GHG emissions due to a completeness issue regarding the availability of renewable energy certifications from suppliers. Avieco however acknowledges the efforts made by Helical in adopting market-based reporting practices following on from Avieco's recommendation last year.

AVIECO'S INDEPENDENCE AND TEAM COMPETENCIES

We can confirm our independence and objectivity as follows:

- We are independently appointed by Helical – no member of the verification team has a business relationship or reason for bias regarding Helical
- Our team is experienced in GHG reporting to WRI GHG protocol and ISO 14064:1 standards, and have extensive experience of verification using ISO 14064-3:2019

RECOMMENDATIONS FOR IMPROVEMENT

We recommend for future environmental reporting cycles that Helical:

1. Establish availability of renewable energy certificates with suppliers and establish process to obtain them in a timely manner in order to receive future verification on market-based GHG emissions.
2. Request that suppliers, construction contractors and sub-occupiers send raw evidence to back up their environmental data submissions during the course of the year to streamline the end of year process. For where there are issues with data completeness, a consistent pro-rating methodology should be applied across the organisation.
3. Involve managing agents more directly in the verification process in order to reduce inefficiencies in communications and actions, as well as in the annual reporting process so that managing agents gain a greater understanding of how the data they submit is checked and used.

We declare that Helical have received limited verification for the reporting year 1st April 2020 – 31st March 2021 for the following:

- Scope 1, 2 and 3 emissions (location-based only) with intensity metrics: (scope 1 and 2 emissions /m2 and per £m turnover)
- Total water consumption and total waste disposed by disposal route
- Total calculated UK and like for like energy consumption
- Total direct and like for like consumption from fuels
- Building energy intensity
- Like for like water consumption and water intensity
- Like for like waste by disposal route



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