



CEG SUSTAINABILITY POLICY AND STRATEGY

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Introduction

We started life in 1989 as Commercial Estates Management. Since then we have grown to a property investment and development company known as CEG. Our property portfolio under management covers almost six million sq. ft and is home to over 500 businesses. Valued at £900 million, it spans high quality offices, studios and shops to industrial warehouses.

We pride ourselves on finding properties with potential and turning them into thriving places to work. Collaborating with our tenants and tailoring our buildings to work harder for them.

We also build communities, making space for lives to flourish, neighbourhoods to grow and businesses to develop. We provide the amenities that turn our sites from somewhere people simply live into a vibrant neighbourhood.

We give people a place to start their stories – or to continue them.

We are not just properties developers; we are place makers.

This ethos makes us a property company with a difference. We take a rather different view when deciding where, and how, we invest in property. Through real **commitment** we put people, businesses and relationships first. We act **responsibly** across all projects, working with tenants, local people and authorities to build genuinely, sustainable communities.

Our track record and **determination** has shown we are not afraid to go against the flow of market thinking; often that means we see opportunities where others don't. We are **resilient** and stay invested for the **long term**, actively managing our properties for the benefit of those who work in them and the wider community. It's a different approach, but one that, in the end, yields greater value for our investment partners and for our own business.

We don't just invest, we're invested.

These shared core values of commitment, responsibility, resilience and determination are reflected across the whole of the business, particularly in our positive contributions towards society and the natural environment.

Sustainable development is often defined as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” (Brundtland commission, 1987).



To us sustainability is about minimising any negative environmental impacts while building sustainable communities and delivering social value.

Climate change is one of the biggest threats to business and the value of long-term assets. This document explains and guides our core sustainability aims, detailing the daily processes and responsibilities that help us to achieve our aims. We believe this will help us improve our resilience and performance over the long term while working towards our sustainability goals.

We have aligned our aims with the United Nations' Sustainable Development Goals as they are internationally recognised as a transparent and holistic sustainability framework. We have utilised the goals to assess, formalise and prioritise CEG's important contribution to sustainable development through **three core sustainability themes and seven specific aims**. In addition to the UN SDGs we use the principals of GRI (Global Reporting Initiative) and report to GRESB (Global Real Estate Sustainability Benchmark). Our developments are also assessed under BREEAM.

These aims encompass the entire businesses and our managed portfolio, spanning:

1. Development

Development scheme projects.

2. Investment

Investment properties managed by CEG on behalf of owners.

3. Strategic Land

Promotion of land for new homes, commercial floorspace and community facilities.

4. CEG

Company offices in Leeds & London. Portfolio management including staff travel.

This document details our sustainability policy, progress to date and commitment to continually challenging ourselves. We have derived the detailed aims and associated metrics to ensure that a focus on sustainability is maintained across the business. A system for the measurement and monitoring of outcomes will be implemented to ensure continuous improvement.

We will update this policy regularly to reflect and include emerging best practice that will assist in the delivery of the aims. Once finalised, this document will be updated in six months' time.

Sustainability Policy

Sustainability is not simply a matter of compliance; it must be a core principle for our business success.

We take a long-term view with any investments we manage, which means we have the opportunity to embed and influence sustainability throughout the whole life cycle of our buildings and developments. Our ethos of delivering shared value for our colleagues, investors, partners and wider community stakeholders is supported by our positive contributions towards society and the natural environment.

The United Nation's Sustainable Development Goals are internationally recognised as a transparent and holistic sustainability framework. We have utilised the Goals to assess, formalise and prioritise CEG's important contribution to sustainable development through three core sustainability themes and seven specific aims.

Our Core Sustainability Themes

Sustainable Towns & Cities

We create places and spaces that positively contribute to the lives of those who live and work within them.

People & Communities

We put people first, working with our building occupiers, stakeholders and the wider community to deliver sustainable places to live, work and visit.

Natural Environment

From climate change mitigation to biodiversity, we strive to create a net positive impact on the natural environment.



Our Commitment to Sustainability

We must lead by example. Whether we are delivering the highest standards of health and wellbeing, upskilling local workforces or enhancing environmental performance, we will continue to embed sustainability throughout our supply chain.

We are committed to:

- Actively working with all stakeholders to reduce our collective environmental impact and optimising our contribution to the communities we build.
- Setting clear environmental procurement requirements, where possible, and prioritising the suppliers that meet those.

Working within the built environment, we recognise our role and responsibility to influence the sustainability agenda across the entire development and operational lifecycle. Sustainability is embedded at the earliest stages of all projects, and we continue to work collaboratively with tenants, regulators and communities to achieve sustainability throughout.

We are committed to:

- Always operating by environmental laws and regulations without any compromise.

We launched the Forging Futures Campus in 2018 in order to promote learning, skills and employment opportunities, particularly within deprived communities. The ethos and values demonstrated through this initiative exist throughout CEG, shaping our relationships with local communities and stakeholders.

This commitment to education and training illustrates a vision which embraces the development of people as well as property, ensuring that the positive impact of our work is felt far beyond our sites. CEG is able to maintain this standard by strictly operating with the highest level of integrity, clearly outlined in our Code of Conduct.

CEG believes that a healthy corporate culture is the cornerstone to sustainable operations and profitability, which is why CEG works hard to foster a diversified, transparent, and cross-integrated working environment. To enable diversity and equality, we create an inclusive and fair climate, supported by an infrastructure in which all co-workers feel welcomed, respected, trusted, and valued to fully utilise its capacity, as outlined in our Employees' Code of Conduct.

Whilst sustainability is already at the heart of the CEG culture, we are committed to continuing to challenge ourselves and the industry. This Policy formalises the processes that already guide CEG's business culture and everyday interactions. It is enacted through the detailed Sustainability Plan, which defines our processes and commitment to:

- Monitoring our environmental and social footprint to ensure full transparency and the ability to track progression.
- Assessing and increasing our resilience across the estate, utilising the Task Force on Climate-Related Financial Disclosures (TCFD) framework.

With the full support of the Board, it is the collective responsibility of everyone who works for CEG to ensure that our Sustainability Policy achieves our seven aims detailed in the accompanying Sustainability Plan. Key performance indicators have been established for the purposes of measurement and monitoring and we annually report on our progress.

Our Sustainability Aims

Sustainable Towns & Cities



Sustainable Cities

and Communities: We will deliver sustainable buildings and innovative, future-ready infrastructure that contribute social value.



Responsible Consumption

and Production: We will ensure responsible sourcing and efficient use of resources through sustainable design and procurement.



Affordable and Clean

Energy: We will be energy efficient and provide low-carbon energy across our portfolio and internal operations.

People & Communities



Good Health and Wellbeing:

We will create and maintain healthy environments for our colleagues, tenants, and the wider communities we influence and create. Fostering a safe, fair and diversified culture and team.



Decent Work and Economic

Growth: We will provide high-quality jobs, develop local skills, and support inclusive economic growth, whilst operating with integrity and strong work ethics.

Natural Environment



Climate Action: We will improve our resilience and target net zero whole life carbon emissions from our operations and the buildings we create and measure our progress towards this.



Life on Land: We will prioritise biodiversity and have a net positive effect on the surrounding environment.



Sustainable Towns and Cities

Innovate, Build, Connect

Our journey so far

We create spaces and places that positively contribute to the lives of those who live and work within them. We are a long-term investor and therefore maintain an enduring commitment to the future of our properties and their surrounding communities.

Applying industry leading innovation and best practice, we focus on the ways in which our developments can help to connect, support and add value for those who live or work within them. We are determined to deliver future-proofed designs of the highest quality, whilst ensuring responsible, efficient consumption of all resources.

At CEG, we don't just invest. We're invested.

This chapter explains our approach to Sustainable Towns and Cities.

As we pride ourselves in leading by example, we first detail specific initiatives within the business which explain how we are delivering sustainable buildings and innovative supporting infrastructure that results in healthy, energy efficient environments, delivering social value within the towns, cities and communities in which we develop.

We recognise that there is a lot more we can do in terms of sustainable buildings, responsible consumption of resources and use of clean energy. We therefore set out our aim, the metric by which we will measure success within each division of the business and the measurable action points which will help us achieve our objectives.





Examples of our approach to sustainable cities as detailed below:

Initiative	Description
Sustainable Travel	<p>At Kirkstall Forge, we worked closely with Leeds City Council, West Yorkshire Combined Authority, the local MP and rail operators to facilitate a £16 million public transport investment. A new dedicated train station, connecting Kirkstall Forge to Leeds City Centre in just six minutes, opened before we laid a brick; making this one of the most well-connected sites in the city.</p> <p>We continue to collaborate with transport providers to ensure that the capacity and provision of sustainable travel services will increase as the development progresses. This will help to deliver a community which is not reliant on the car.</p> <p>We appointed a travel plan coordinator who works with the occupants of Number One Kirkstall Forge to develop personal travel plans designed to make sustainable travel a more appealing option. By providing a car share scheme, cycle, electric bike, scooter hire and car club facility, we have made it as easy as possible to work, and ultimately live here, without needing to own a car.</p> <p>We also run regular initiatives, promotional events and active programmes to increase sustainable travel uptake by business commuters to the site.</p> <p>Beyond Kirkstall Forge, we also provide free bike hire in several of our employment sites, as well as enhanced bike storage and shower facilities in most sites. This helps to encourage cycling to work, as do the free cycle surgeries for our businesses and the surrounding community, which offer basic maintenance advice and free servicing.</p> <p>Access to Electric Vehicle Charging is also important, helping to promote and encourage the use of electric vehicles. All of our new developments include these and we have retrofitted them at a number of existing sites, including The Plaza in London and Westminster Place in York.</p>



Building Refurbishments

By refurbishing rather than redeveloping, where it is feasible to do so, we have significantly reduced our use of raw materials and embodied carbon.

In Bristol, we are delivering a refurbishment project at our Aztec office park. By retaining approximately 60% of the overall primary structure we have saved some 813 tonnes of embodied carbon.

In our drive to improve, we source new innovative solutions for our office buildings. The measures are often simple energy efficient solutions to the lighting, heating systems, window and ventilation for example, but they can dramatically reduce the operational energy consumption and carbon impact.

At our office development Westminster Place in York we achieved an EPC A rating highlighting the energy efficiency savings by retrofitting initiatives such as those detailed above.

At Norfolk and Ashton House, office developments in Milton Keynes, we achieved a B Rating.

At some sites we are able to measure our improvements through more detailed energy models. At Atlantic House in Warrington, for example, our refurbishment resulted in a 68% improvement in energy consumption, with significant improvements in terms of heating, lighting and auxiliary power.

We are proud to be part of the Lloyds Green Loan scheme. To date this has facilitated an investment of £1.125 million on sustainability improvements from 2018 to 2020. This included significant upgrades to LED lighting with improved controls, the upgrade of windows and doors to improve the thermal envelope, and increased metering across our portfolio. This has not only improved our operational energy efficiency, but also the working environment for our tenants and staff.

Furthermore, during refurbishments and fit outs, businesses within our offices are given detailed guides to encourage good waste management and cleaning practices.



Resource Consumption

By maintaining robust records of the resource consumption associated with our operations including gas, electricity, water, waste and business travel, we can monitor and take steps to reduce our impact. For example, from a waste perspective, our investment team collects data on approximately 80% of our managed portfolio. At these sites we have achieved 0% of waste to landfill and 67% fully recycled waste, with the majority of the balance going towards energy production.

Over the course of 2020, we intend to achieve 100% coverage, maintaining 100% diversion away from landfill, with a year on year increase of the recycled proportion.

The strategic land team also commits to waste management and minimisation strategies as part of each project's planning application process.

Monitoring and Targeting

Data and understanding consumption is undoubtedly at the heart of all energy management. Our monitoring process allows us to not only track our consumption across the estate, but also allows us to target reductions. Electricity consumption has the largest carbon impact on our portfolio, as well as the largest cost, so this has been one of our primary areas of focus. Around 95% of our electricity usage is monitored through half hourly meters. A further 757 physical submeters, in addition to Building Management Systems (BMS), help us to monitor tenant, vacant area, landlord and the main building systems separately. This also allows us to be transparent with our building occupiers, providing regular information on their consumption so they have a better understanding and are encouraged to control the amount of energy they consume as well.

4D Monitoring System

The installation of a market-leading 4D monitoring system across our portfolio ensures we can track carbon dioxide and air quality, key water temperatures, boiler and air temperatures, BMS run times and the use of building facilities. This detailed understanding of the ways in which our properties are used allows us to tackle efficiency issues, whilst also maintaining an optimal environment for colleagues and tenants. A relatively new project, we are closely assessing the effect it has had on the reduction of resource use through our monthly estate and site specific reports.



Site-Specific Energy Efficiency Programmes

Across the estate we undertake a minimum of two energy audits a year to understand where cost effective energy efficiency improvements can be made. Working with Mechanical & Electrical contractors, suppliers and operators, we are investigating solutions to reduce our energy consumption and improve our efficiency across all of our sites. This work includes the installation of LED (Light Emitting Diode) lighting.

Renewable Energy

Our electricity consumption is the largest proportion of our operational carbon footprint, we have therefore moved to a 100% renewable electricity tariff in order to minimise our environmental impact.

Soft Landings

Soft Landings is a process that encompasses the full lifecycle of a building from conception to completion and into its operation. By engaging with key stakeholders at the outset we can make decisions designed to improve the ultimate operational performance of the building.

Post occupancy evaluation helps us to continue to adjust and improve, in some cases installing new equipment and technologies, to further maximise efficiency and performance. It enables us to understand how an occupant is using the building. We can then make adjustments to ensure optimal programming so that the building delivers to its energy efficiency potential by reconfiguring heating, cooling and lighting systems. At Number One Kirkstall Forge, for example, we considered the needs of the building users at the outset and post occupancy evaluations guided further improvements to energy efficiency measures without compromising the healthy environment of our staff and tenants.

Responsible Procurement and Supply chain Engagement

Our supply chain is hugely import to us and helps drive our sustainability aims. It isn't just about subcontractors and where they purchase materials from, but also about partners such as the housebuilders which develop our schemes, those who occupy our buildings and our service providers. While we have engaged our supply chain by providing guides, planning obligations, information and scoping requirements, we believe more can be done.



Site specific case study:

Kirkstall Forge, Leeds

The £400million transformation of the oldest continually industrialised site in the UK is a leading light within the industry.

This new urban village will ultimately comprise almost 1,500 new homes, 400,000 sq. ft of offices, shops, places to eat and drink, as well as leisure and recreation opportunities set in a unique wooded, riverside valley.

By providing high-quality infrastructure, as well as residential, commercial, public and green space, we have set an ambitious sustainability precedent.

The first 110,000 sq. ft commercial office development we delivered was fully occupied within a year of its speculative development and we are now in design development on the next 200,000 sq. ft.

We prioritised the use of local and sustainably sourced materials, including 100% reuse of all existing concrete structures. Various energy efficiency measures were introduced for our first EPC A rated office development, including passive solar heating and continual energy monitoring through an integrated building management system. From building design to connectivity, innovation remains at the forefront of this development.

As a result, within its first year Number One Kirkstall Forge was named the best Commercial Workplace in the UK by the British Council of Offices (BCO) and Property Week's healthiest building. As well as being the first WiredScore Platinum Certified building in Yorkshire, it boasts EPC A and BREEAM Excellent. It was designed to achieve the highest standards of sustainability, providing new ways of working, maximising the aspect to the natural environment and subtly reinterpreting the site's former industrial past.

The riverside setting and green space are proven to reduce stress, blood pressure levels and heart rates as well as increasing productivity.

The cycle spa and shower facilities ensure that the Kirkstall Life can offer running, cycling and fitness clubs, boot camp and other events dedicated to health, wellbeing and socialising. Butler's deli bar provides a place to meet, work, eat, drink and collaborate.



Aim	Metric	Specific Measurable / Key action
<p>Sustainable Cities and Communities</p> <p>We will deliver sustainable buildings and innovative, future-ready infrastructure that contribute social value.</p>	<p>Investment</p>	<p>Encourage the uptake of technological alternatives to reduce the need to travel, as well as green travel options through the company ethos and expenses policy. Please see specific action plan for details.</p>
	<p>1.6 Reduce business related travel by 15% against 2019 baseline. Where business travel is required, we will promote active and sustainable modes of transport.</p>	
	<p>1.7 Promote smart technology to reduce environmental impacts.</p>	
	<p>Strategic Land</p>	
	<p>1.8 Aim to deliver developments that are in close proximity to railway stations and sustainable transport network.</p>	<p>Within Strategic Procurement.</p>
	<p>1.9 Where possible, promote sites that are supported by an ongoing Parking Management Strategy to actively limit travel impacts and encourage access by sustainable transport modes.</p>	<p>Within Strategic Strategy.</p>
<p>CEG Offices</p>		
	<p>1.10 Reduce business related travel by 15% against 2019 baseline. By promoting green travel and technological alternatives.</p>	<p>Encourage technological options and green travel through company ethos and the expenses policy.</p>
	<p>1.11 Reduce car travel.</p>	

Our Pathway to Successful Delivery



Responsible Consumption and Production:

We will ensure responsible sourcing and efficient use of resources through sustainable design and procurement

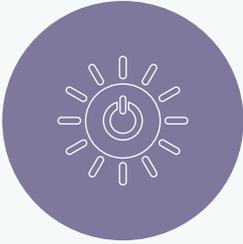
We will reduce our impact by managing the resources used in all of our developments, as well as delivering sustainability improvements through our supply chain.

This aim applies to all aspects of our business, in different ways. Within the investment portfolio, attention will be given to waste and water consumption as well as tenant engagement.

Within development, there will be focus not only on waste and building products, but also engagement with the supply chain. Although the strategic land team is not responsible for building properties, they can prioritise good design and work closely with housebuilding partners to influence the end product.

Aim	Metric	Specific Measurable / Key action
<p>Responsible Consumption and Production</p> <p>We will ensure responsible sourcing and efficient use of resources through sustainable design and procurement.</p>	<p>All Divisions</p> <p>2.1 Engagement of our supply chain to deliver sustainable outcomes.</p> <hr/> <p>Development</p> <p>Design:</p> <p>2.2 Inclusion of water efficient equipment – to provide a modelled consumption lower than BBP benchmark.</p>	<p>Develop a communications plan to engage suppliers.</p> <hr/> <p>Ensure targets are included within the contracts of designers and architects. Please see Development Tender Requirements process.</p>

Aim	Metric	Specific Measurable / Key action
<p>Responsible Consumption and Production</p> <p>We will ensure responsible sourcing and efficient use of resources through sustainable design and procurement.</p>	<p>Construction:</p> <p>2.3 Monitor and report water consumption in the construction phase.</p> <p>2.4 Monitor and report waste in the construction phase.</p> <p>2.5 99% construction and demolition waste diverted from landfill.</p> <p>2.6 Source materials with BES6001 or other appropriate certification.</p> <p>2.7 Reuse of materials, where possible.</p>	<p>Waste and water consumption during construction will be monitored and reported quarterly. Please see Development Tender Requirements process.</p>
	<p>Investment</p> <p>2.8 Target zero waste to landfill on all CEG managed sites by 2020 and increase waste recycled from operations each year.</p> <p>2.9 Reuse of materials where possible.</p>	<p>To be managed through waste contractor. Please refer to specific action plan.</p> <p>Please refer to Tenant Fit Out Guide and development guidelines.</p>
	<p>CEG Offices</p> <p>2.10 Paper free Office.</p>	<p>Please refer to specific action plan.</p>



Affordable and Clean Energy:

We will focus on energy efficiency and provide low-carbon energy across our portfolio and internal operations.

Energy efficiency and the provision of low carbon energy is important as it is the largest area of our operational carbon footprint. The decisions we make during the development stage undoubtedly affect the energy use and carbon emissions of those buildings for the next 50 years and beyond.

This aim presents a number of challenges; particularly in terms of scope and measurement. Within the investment portfolio, the majority of energy is consumed by our tenants. We do not have access to information on sites which are wholly operated by the tenants themselves and have limited control over the amount of energy consumed within those that are multi-tenanted. As our portfolio grows, our energy consumption is also likely to increase. We need to account for this and also consider the effect of refurbishment projects which will increase occupational density.

We are therefore looking to target reductions in our investment properties and measure these through appropriate Environmental KPIs (Key Performance Indicators). To achieve this we will need to

engage not only with our project teams, but also our tenants. We will also monitor the changes in consumption following refurbishments to understand the impact we have had.

Within the development division, we are focused on resource consumption during in the construction process, as well as the longterm reduction of future consumption through innovative and best practice design. We are aware of the current performance gap and we are also aware that, as the new building regulations come into force, the mandated targets will become more stringent. To meet our objectives, we will look for betterment against current regulations going beyond compliance and evaluate the inclusion of energy from low carbon sources in all of our designs.

For strategic land, because we are usually not part of the detailed design process if we sell a site once outline planning is secured, future energy consumption is more difficult to target and measure. However, we can make steps to improve within a framework of partner engagement and agreement of planning conditions.

Aim	Metric	Specific Measurable / Key action	
<p>Affordable and Clean Energy</p> <p>We will enable energy efficiency and provide low carbon energy across our portfolio and internal operations.</p>	<p>Development</p>	<p>Ensure targets are included within the contracts of designers and architects. Please see Development Tender Requirements process.</p>	
	<p>3.1 Utilise design for performance to minimise operational energy usage.</p>		
	<p>3.2 Submetering to specified detail.</p>		
	<p>3.3 Model energy and ensure energy consumption is in line with UKGBC Net Zero - Paris Proof Targets – Real estate benchmarking good practice.</p>		
	<p>Construction:</p>		
	<p>3.4 Measure and capture energy consumption on development sites.</p>		
	<p>Investment</p>		
	<p>New Buildings:</p>		
	<p>3.5 Monitor and report energy consumption in the operational phase.</p>		<p>Please refer to specific monitoring plan within action plan.</p>
	<p>3.6 Assess energy consumption against design to understand variation and allow optimisation.</p>		<p>Please refer to specific monitoring plan within action plan.</p>
<p>Existing Buildings:</p>			
<p>3.7 Reduce landlord energy consumption by 5% against 2019 baseline and work with tenants to understand and reduce their consumption.</p>	<p>Utilise the 4d monitoring system to deliver energy savings across the investment portfolio. Please see specific action plan.</p>		
<p>3.8 Work with tenants to raise awareness and ensure transparency of consumption to drive reductions.</p>	<p>Please see specific action plan.</p>		
<p>Strategic Land</p>			
<p>3.9 Ensure that development proposals incorporate and future proof for sustainable energy.</p>	<p>Within Strategic Strategy.</p>		
<p>3.10 Encourage the use of renewable energy on either a site wide basis or plot basis.</p>	<p>Within Strategic Strategy.</p>		



People & Communities

Educate, Empower and Employ

Our journey so far

People are at the heart of everything we do. They are our greatest asset and we believe in nurturing and harnessing the potential of those with whom we work.

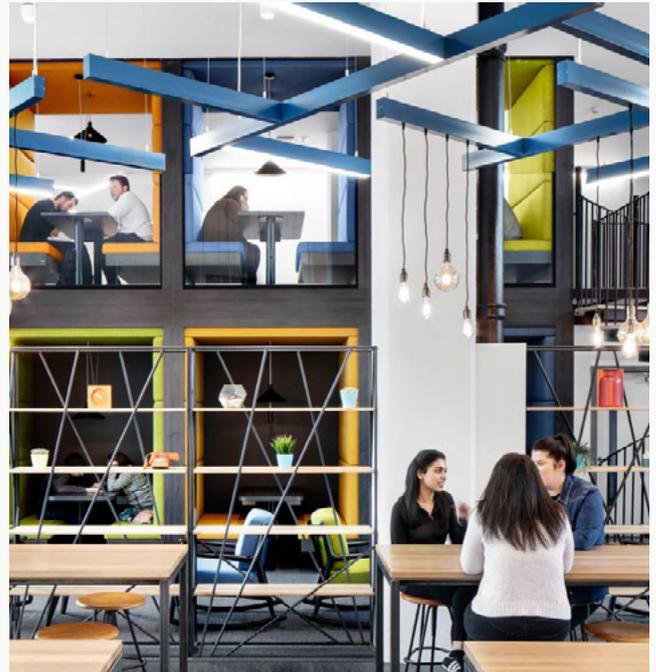
To deliver an exemplar new community, we strive to create environments that put people first; by promoting health and wellbeing, generating employment and training opportunities and, ultimately maximising social value. Beyond the immediate community, we understand the influence our properties, developments and infrastructure provision can have on the wider area and strive to achieve positive outcomes for all.

At CEG, we don't just invest; we're invested.

This chapter explains our approach to People and Communities.

As we pride ourselves in leading by example, we first detail specific initiatives within the business which explain how we nurture our team, enable diversity and equality, achieve health and safety excellence and support the wellbeing of our tenants, provide training and skills opportunities and engage with communities and stakeholders to deliver positive development experiences.

We recognise that there is a lot more we can do to ensure that we create and maintain healthy environments, foster a safe, fair and diverse culture, develop skills and access to employment and support inclusive economic growth. A series of tables set out our aims, the metric by which we will measure success within each division of the business and the measurable action points which will help us achieve our objectives.





Examples of our approach to people & communities as detailed below:

Initiative	Description
Our People	<p>We create an environment which enables our people to thrive. We provide, interesting work that is skilled, autonomous and supported, offering a great work-life balance and rewards.</p> <p>We work hard to foster a diversified, transparent and cross-integrated work environment. To enable diversity and equality, we create an inclusive and fair climate, supported by an infrastructure in which all co-workers feel welcomed, respected, trusted, and valued, as outlined in our Employees' Code of Conduct.</p> <p>We are aware people's circumstances differ and, to encourage diversity, we offer flexible working. Further details are available in the HR Strategy.</p>
Health and Safety	<p>We aim to achieve health and safety excellence. Colleagues are educated about our best practice strategy. We are committed to changing behavioural safety within our own and our contractors' businesses.</p> <p>We operate a Risk Wise System. This ensures that close call incidents are recorded in order to identify trends as early as possible. The team is supported and promoted as acting as reinforcers, rather than punishers, in recording close calls.</p> <p>Our strategy is formed of four distinct topics.</p> <p>Strong and active leadership from the top; we have a health and safety board, measured by an end of year report prepared by the head of health and safety. Reports on serious close calls, incidents and injury incidents are fully investigated with sign off required by board members. Reports are produced on injury and RIDDORs and insurance notifications.</p> <p>A competent workforce; mandatory health and safety training measured via training matrices. Access is provided to a wider portfolio of specific learning to support competency levels. Reports from serious close calls, incidents and injury incidents are communicated to all levels within the company. Senior management engages with team members during support visits and records their opinions, as well as sharing these comments with other teams and upper management to assist in improving safe systems of work.</p>



Health and Safety continued **A strong supervisory presence;** measured via support visits and formal audits carried out by our health and safety auditors and the head of health and safety. This is tracked through a portal with actions closed out by managers. Encouraging participation in close outs through the consequence chain.

Appropriate systems and use of those systems; measured via the support visits and formal audits and communicated to operational teams. Conformance with the principles of HSG65/OHSAS 18001/ISO 45001. Keeping the business systems lean with only relevant forms and systems in use. Relationship building with all members of the consequence chain.

We also drive this high standard through our supply chain and, during the tender and appointment process, suppliers must submit their health and safety record and accreditations before we appoint and commence work.

Further details can be found in our Health and Safety Strategy.

Community at Work

Our building management teams spend time getting to know each of our tenants and their businesses. They do this so they can offer a more personalised experience. By tailoring on-site events, activities and food offerings that will best appeal, they are able to bring tenants together and create a more collaborative community. Activities often focus on health and well-being initiatives such as yoga, meditation, dog therapy, massage, nutritional workshops and nature walks. We support tenant's charity initiatives and help them to engage and do business with one another so they thrive within our spaces. Our team of building managers are about more than the bricks and mortar; they are at the heart of a healthy building culture.

Several of our sites have gyms & fitness studios and others offer fitness sessions including Box-Fit, spin, HIIT, circuits, Burn It, core, dynamic stretch, guided walks or bike rides.

Where we have a café or food outlet within the building, we encourage our food operators to use locally sourced produce as much as possible, as well as offering healthy and plant-based options.



Wellbeing in Design

At Kirkstall Forge in Leeds, we focused on wellbeing from project inception. We sought to provide generous access to daylight within the design and created a network of break-out spaces that are safe and inclusive.

This focus on tenant wellbeing is a key priority for us in all our buildings. At our Temple development in Leeds, we recognise the importance of building design and have commissioned a health and wellbeing framework. This assesses air quality, lighting, access to nature, physical activity, thermal comfort and acoustic comfort with the aim of designing for optimal, efficient performance of the building and the comfort and wellbeing of all occupants.

We will continue to build on our recent success and designing for performance will be key. The understanding of health and wellbeing, air quality and daylight will be embedded in the design process.

Community Engagement from the Outset

At CEG we pride ourselves on our approach to community engagement and collaboration. We work closely with our tenants to improve our workspaces or with landowners, local authorities, Parish Councils, Neighbourhood Plan teams and local people to engage, consult, collaborate, design and deliver new places, spaces and communities.

For example, at Kirkstall Forge, we worked in partnership with the public sector and rail operators to deliver a new railway station ahead of development. We are an annual presence at both the Holbeck Gala, and Kirkstall Festival and we have a long-established Kirkstall Forge Liaison Group with the local community to ensure that we regularly inform and consult on key stages of the development.

As a result of our commitment to community engagement, we are held up as an exemplar by Leeds City Council for our consultative approach, which has also helped us to secure a national placemaking award.

CEG has continued its commitment to nurturing positive and sustainable relationships within the Holbeck community surrounding our Temple development.



Forging Futures Campus

The Forging Futures Campus, our pioneering on-site training facility, was established by CEG and our partners in March 2017. It was born out of a desire to provide tangible opportunities and sustainable pathways to employment and tackle the skills shortage in the construction industry. The Campus has an extensive school and university engagement programme. As well as providing educational enrichment activities for students, we also deliver guided tours of the Kirkstall Forge development, where it is based. Over 450 participants have benefited from curriculum delivery, site visits, workplace engagement, CV workshops and mock interviews to date.

Employability Skills Traineeship

Our regular Employability Skills Traineeship began in January 2018 at the Forging Futures Campus in Leeds. Delivered in partnership with I-Consult Yorkshire, the course targets long-term unemployed and disengaged people with the aim of identifying routes to training and jobs within the construction industry and beyond. Our courses continue to run on a regular basis with over 15 students graduating on each occasion, having successfully completed their Level 1 Employability & Functional Skills qualification. The course achieves a positive outcome conversion rate of over 70%, with the majority of participants going on to undertake further training, apprenticeships or employment.

A few of our graduates have subsequently gained employment with our subcontractors and have returned to the Kirkstall Forge site as part of the team carrying out essential works.

The Skill Mill Partnership

Our partnership with the Skill Mill has been running since 2015. The Skill Mill supports young ex-offenders by providing employment and workplace opportunities. During their programme, we offer participants enhanced training and work experience, providing a pathway to further training and ultimately employment. To date, we have provided almost 400 hours of productive site work, training, and work experience in a structured environment. We continue to identify new pathways for graduates of the Skill Mill to progress to further training and employment and the opportunity to obtain a Construction Skills Certification Scheme (CSCS) card. The scheme has resulted in a 91% reduction in reoffending amongst the participants and delivered over £250,000 of beneficial work on site and within the local community, for example in assisting in the clean-up from the Kirkstall Floods.



Apprenticeship Academy

Working with EN:Able Futures, Leeds College of Building and our consultant team, the Forging Futures Campus Apprenticeship Academy delivers a unique Level 3 NVQ in Construction and Contracting Operations. The two-year apprenticeship programme is aimed at young people aged 16-24 and involves six-month rotations between a range of partnering host companies which are all part of CEG's supply chain.

MENCAP & SEN School Partnership

We have worked in partnership with MENCAP and various SEN schools to adapt our Employability and Skills course to engage with young people with learning disabilities. The Campus provides health and wellbeing support over a 12-week period. The course takes into consideration the individual needs of learners while improving interpersonal skills, confidence, and functioning skills. By providing much needed additional support for students to achieve positive outcomes, we are significantly reducing social isolation and working to improve independent living skills for those taking part in the course.

Ethical Operations

Our core values are at the heart of our business and we strive to go beyond compliance. Governance is key to this and, to ensure all relevant practices, roles, responsibilities, and policies are captured, details of our ethical practices are included in the following documents:

- Anti-Bribery Policy
- Anti-Money Laundering Policy
- Expenses and Travel Policy
- Data Protection
- Whistleblowing policy
- Health and Safety Strategy
- Staff Handbook

In addition, our code of conduct outlines our strict requirements on prevention of child labour in our supply chain and explains how we will act in the best interest of the children involved if any cases of child labour are discovered.

Our Aims in Context



Good Health and Wellbeing:

We will create and maintain healthy environments for our colleagues, our tenants, and the wider communities we influence and create. Fostering a safe, fair and diversified culture and team.

People are at the heart of our business. This includes colleagues, tenants and communities. We believe our community engagement and delivery of social value is one of our greatest strengths and is a constant area of focus.

We will continue this ethos across all our divisions. While our goals in this area are harder to quantify, we will look to use the quantified and qualified methods detailed in our action plans to develop our reporting and measure our progress.

We work hard foster a transparent and integrated work environment. To enable diversity and equality, we create an inclusive and fair climate, supported by a structure in which all co-workers feel welcomed, respected, trusted as outlined in our Employees’ Code of Conduct.

The overall aims and goals are detailed below to explain how these will be achieved. More information and the timescales can be found within the specific action plans.

Aim	Metric	Specific Measurable / Key action
<p>Good Health and Wellbeing</p> <p>We will create and maintain healthy environments for our colleagues, our tenants, and the wider communities we influence and create. Fostering a safe, fair and diversified culture and team.</p>	<p>All Divisions</p> <p>4.1 Foster a culture based on our values, diversity and wellbeing and positive colleague engagement.</p> <p>4.2 Provide and maintain a safe and healthy environment for colleagues and tenants focused on wellbeing and promoting health.</p> <p>4.3 Provide interesting work that is skilled, autonomous, supported and offers a great work life balance and appropriate rewards.</p>	<p>Report to include all near misses, minor incidents and RIDDOR events.</p> <p>Please refer to HR Strategy and Health and Safety Strategy.</p>

Aim	Metric	Specific Measurable / Key action
<p>Good Health and Wellbeing</p> <p>We will create and maintain healthy environments for our colleagues, our tenants, and the wider communities we influence and create. Fostering a safe, fair and diversified culture and team.</p>	<p>Development</p> <p>4.4 Include Carbon Dioxide sensors in commercial buildings to allow optimisation of internal environment and air quality.</p> <p>4.5 Include wellbeing criteria and questions in post occupancy evaluation.</p>	<p>Ensure targets are included within the contracts of designers and architects. Please see Development Tender Requirements process.</p>
	<p>Investment</p> <p>4.6 Engage tenants in wellbeing events.</p>	
	<p>Strategic Land</p> <p>4.7 Encourage residents of the sites we promote to enjoy healthy lifestyles.</p> <p>4.8 Promote dedicated cycle and pedestrian routes through the site and off-site where possible.</p> <p>4.9 Create the necessary community and recreational facilities to support sustainable communities.</p>	<p>All within Strategic Strategy.</p>
	<p>CEG Offices</p> <p>4.10 100 days of staff volunteering.</p>	<p>Please refer to Community Investment Strategy.</p>



Our Aims in Context



Decent Work and Economic Growth:

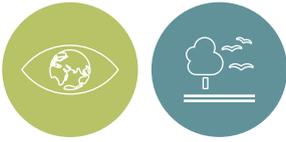
We will provide high-quality jobs, develop local skills and support inclusive economic growth, whilst operating with integrity and strong work ethics.

A key area of opportunity is the development of high quality jobs. We can nurture, support and educate our supply chain and those who participate in our Forging Futures programme.

The overall aims and goals are detailed below provide further details about how these will be achieved. More information and the timescales can be found within the specific action plans.

Aim	Metric	Specific Measurable / Key action
<p>Decent Work and Economic Growth</p> <p>We will provide high quality jobs, develop local skills, and support inclusive economic growth, whilst operating with integrity and strong work ethics.</p>	<p>All Divisions</p> <p>5.1 Maintain a high standard of community and stakeholder engagement, listen and, where possible, take on board feedback to improve our developments and refurbishments.</p> <p>5.2 100% of our staff to be paid above the living wage and ensure that all our apprentices receive a fair wage.</p>	<p>Please refer to Community Investment Strategy.</p> <p>Please refer to the Community Investment and HR Strategies.</p>
	<p>Development</p> <p>5.3 Monitor social value for all construction projects.</p>	<p>Please refer to Community Investment Strategy.</p>
	<p>Investment</p> <p>5.4 Monitor social value for all construction/ refurbishment projects.</p>	<p>Please refer to Community Investment Strategy.</p>

Aim	Metric	Specific Measurable / Key action
<p>Decent Work and Economic Growth</p> <p>We will provide high quality jobs, develop local skills, and support inclusive economic growth, whilst operating with integrity and strong work ethics.</p>	<p>Strategic Land</p> <p>5.5 Seek to ensure community facilities and improved infrastructure are part of our strategic land promotion planning applications.</p> <p>5.6 Promote schemes which contribute towards transport facilities through S106 agreement.</p> <p>5.7 Deliver affordable housing and education facilities required to create sustainable communities.</p>	<p>Within Strategic Land Strategy.</p> <p>Within Strategic Land Strategy.</p> <p>Within Strategic Land Strategy.</p>
	<p>CEG Offices</p> <p>5.8 Increase the number of work experience and apprenticeship opportunities across CEG sites.</p> <p>5.9 To seek 25% participation from young women and girls within the Forging Futures programme.</p>	<p>Please refer to the Community Investment and HR Strategies.</p>



Natural Environment

Consider, Protect, Enhance

Our journey so far

We recognise that we are collectively facing climate and ecological emergencies. We therefore strive to promote a cleaner and greener society, creating a net positive impact on the natural environment through all areas of our business.

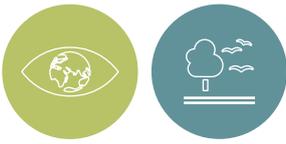
We are committed to going beyond compliance by reducing our emissions, limiting our natural resource use, effectively managing our land, addressing water and air quality issues and enhancing biodiversity.

This chapter explains our approach to the natural environment.

As we pride ourselves in leading by example, we first detail specific initiatives within the business which consider, protect and enhance the natural environment.

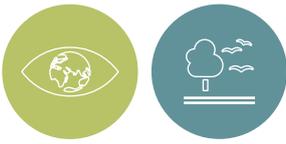
The tables below then set out our aims, the metric by which we will measure success within each division of the business and the action points which will help us achieve our objectives.





Examples of our approach to natural environment as detailed below:

Initiative	Description
Building Refurbishments	By prioritising the refurbishment of buildings wherever possible, rather than a rebuild, we are limiting the embodied carbon emissions that would have been generated through demolition and the production and transportation of new construction materials. The upgrade and refurbishment of older building stock also enables increased operational efficiency (i.e. reduced energy demand), which provides a further carbon emissions reduction.
Structural Insulated Panels (SIPs)	Our innovative prototype housing at Kirkstall Forge in Leeds uses SIPs (structural insulated panels) which were manufactured offsite. They are fabricated using timber from sustainable sources and require less energy and natural resources to produce which reduces the associated carbon impact. By enabling an airtight building envelope, they also reduce operational energy (and carbon) requirements.
Leeds Climate Emergency Participation	<p>The Leeds Climate Commission was established in 2017 as an independent body bringing together public, private and third sector organisations to help Leeds as a city to make a positive choice on issues relating to energy, carbon, weather and climate. With a strong emphasis on collaboration, the Leeds Climate Commission is providing authoritative advice on steps towards a low carbon, climate-resilient future. This has the aim of informing policies and shaping the actions of local stakeholders and decision makers.</p> <p>A member of our team sits on the panel and works with Leeds City Council to promote and share industry knowledge and best practice.</p>



Low Carbon in Design

Our award-winning work at Kirkstall Forge has included innovative techniques to minimise impact on the natural environment and enable a transition to a low-carbon society. We applied a fabric first passive design to Number One Kirkstall Forge and the installation of solar panels acted to reduce both embodied and operational carbon emissions. Steps have also been taken to enhance the surrounding environment, including the remediation of nearly 10 acres of formerly industrial land and the creation and maintenance of diverse habitats. There will be further remediation and biodiversity initiatives as we progress development across this 56-acre site.

At Langford Bridge in Newton Abbot, CEG's planning application set out how the development will actively reduce its operational carbon emissions by providing some zero-carbon self-build homes, designed to reduce emissions through enhanced fabric and energy efficiency measures. Furthermore, the employment space will incorporate appropriate energy efficiency and low carbon energy systems to reduce carbon emissions by 10%.

Technologies such as electric car charging, smart energy meters and water and energy efficient appliances and lighting, alongside design initiatives such as passive solar design to maximise natural daylight and ventilation and minimise the need for heating and cooling. The ease of access to the railway station, cycle storage and the inclusion of home offices will help new residents better manage their environmental footprints.

Sustainable Drainage Systems (SuDS)

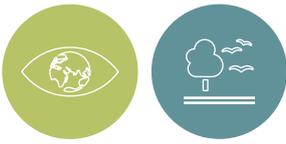
We ensure that our developments are 'future-proof', and resilient to projected climate changes. First and foremost, this is achieved through strategic planning and land use to avoid risk at the outset. We ensure that developments minimise the risk to our properties and the surrounding communities through resilience and the incorporation of Sustainable Drainage Systems (SuDS) where appropriate.

Kirkstall Forge – Flood Resilience

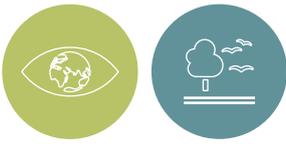
As part of the Kirkstall Forge development we delivered a flood alleviation channel to minimise flood risk on the site and within the wider area.

Land Remediation

We are a brownfield developer. We have remediated sites at Worksop, Newton Kyme, Boroughbridge, Denholme, Cullingworth, Buckingham, Ridham and Leeds, breathing new life into more than 250 acres of former industrial land.



Natural Cleaning Products	We have trialled non-chemical cleaning products at one of our key investment sites to minimise potentially adverse environmental effects. It is our intention to expand this initiative to encompass 100% of relevant properties by the end of 2021.
Bee Pilot Project	We are currently trialling the introduction of bees on our sites to improve biodiversity and promote the pollination of wildflowers. Upon successful completion of the pilot scheme, widespread application will be carried out in the coming months.
Tree Planting	<p>We are currently working with one of our tenant businesses to deliver tree planting initiatives to achieve global targets. This exercise has allowed us to assess the opportunity to implement similar practices on our own estate.</p> <p>During the development process, woodland management plans are a key part of protecting ancient trees in strategic land promotion and planning applications.</p>
Ecology and Biodiversity Initiatives	As part of the delivery of a new community at Wollaton, Nottingham, we renovated allotments at the Radford Bridge site and devised an ecological management plan to rescue and protect the adjacent Martin's Pond and nature reserve.
Protecting Species	<p>At our site at Hele Park, Devon we found rare Horseshoe bats. In order to maintain protection of these in designing a new community, our masterplan designed corridors through open space for flyways with tight controls on lighting in these area. Across the site there is a general lighting strategy to reduce Lux levels, minimising light egress which might disrupt their routes.</p> <p>As Greater Horseshoe bats fly close to ground, at our site at Langford Bridge, we are planning to put in a large tunnel under the road so they are able to fly under the roadway.</p> <p>Hele Park is also home to Cirl Bunting, here we are working with the RSBP to fund off-site habitat.</p> <p>The former Vesuvius industrial foundry site in Nottinghamshire, is a brownfield site which has planning permission to revitalise the former industrial site for new businesses uses including a hotel, supermarket and more than 200,000 sq ft of employment space.</p>

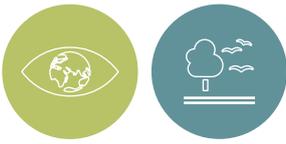


Protecting Species continued Three species of reptiles are present on the site, with a significant population of slow worms, protected under the Wildlife and Countryside Act. A UKBAP priority species and a Species of Principal Importance under NERC Act Section 41. In order to protect the slowworms, we created an appropriate habitat and relocated them. A small lined pond was created, a south facing soil bund placed next to the pond, four turf covered rubble piles, and bare ground patches were placed close to scrub and tall herbaceous vegetation, close to rabbit grazed areas. This created a mosaic of habitat, basking areas in sunny spots close to cover. For the project to endure, a full management plan for the site and Trankers Wood is proposed with the aim of increasing suitable habitat on site for reptiles.

When CEG secured planning permission to regenerate the declining Manywells Industrial Estate in the Yorkshire Dales village of Cullingworth to provide much needed housing, the team set about managing the translocation of bee orchid (*Ophrys apifera*) and common spotted orchid (*Dactylorhiza Fuchsia*), both of which were uncommon species in the area. The translocation into a protected area was undertaken in 2014 and the orchids are flourishing on their new site. This has also helped to enhance the Common Blue butterflies (*Polyommatus Icarus*). Working closely with Bradford Urban Wildlife Group, part of the site designated as Manywells Grassland BWA remains protected to help these species and the grassland habitat continue to thrive.

During the work at Kirkstall Forge a number of precautions have been taken to protect wildlife including otters. Otters and their habitats are protected under the Wildlife and Countryside Act 1981 (as amended by the CRoW Act 2000), and under the Conservation of Habitats and Species Regulations 2017. In addition, the otter is listed as a Species of Principal Importance under the provisions of the NERC Act 2006.

There are records for otter within the River Aire, the nearest being some 128m to the north-west of the site. While there is no evidence of otters on the site itself, a number of precautions are being taken during the construction process to provide protection. This includes appropriate fencing, adjusted construction hours, covering of any open excavations and storage of materials away from the river. Post-construction, the riverbank will be able to support vegetation and will not be illuminated directly. In the long-term, this will provide habitat for otters, enabling continued use of the river and associated banks.



Site specific case studies:

Kirkstall Forge – Water Framework

We are working closely with the Environment Agency to protect the water course, manage the biodiversity and maintain the wildlife corridors. Together we have developed a River Aire Biodiversity Strategy with measures including a flex vegetated wall system allowing live planting and stone groynes to trap sediment, creating habitats designed to encourage more species to inhabit.



A series of pools and riffles, with complex edges and varied water speeds, creates more habitats and increases water oxygenation and water quality.

The plan also provides connection to the river system and riparian zones, allowing movement of species, including otters. These measures are expected to improve the water quality and biodiversity of the area and continue providing benefits for 120 years.

Bat Hotel

As a result of their declining populations all bat species in the UK are protected by law. The decline is in part due to habitat loss and development. At Carlyon Bay we have built an award-winning bat hotel, offering almost 100 cubic metres of space it provides a regular resting place for the local populations of Horseshoe bats.

This was opened by the chair of the Town Council and the local school, helping the local community to be engaged in the conservation work.

In addition to the hotel, we have also built wildlife cords that to encourage insect life. Insects are a vitally important part of the ecosystem, as food, pollinators, and recyclers amongst other things. In recent years, their numbers have been in decline and populations have been under stress, in part due to habitat loss and pesticide trends. The cords give back some habitat and provide a safe area for these key overlooked species.



Our Aims in Context



Climate Action:

We will improve our resilience and target net zero whole life carbon emissions from our operations and the buildings we create and measure our progress towards this.

With many regions declaring a climate emergency, we are taking steps to tackle our impact through the reduction of our whole life carbon emissions and our resilience planning.

Our operational carbon footprint is only part of the story as we are fully aware of the large embodied carbon impact of construction and the materials that are used.

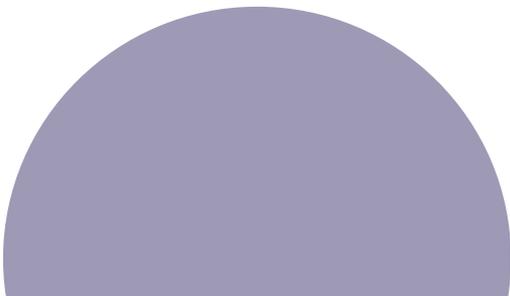
Historically, embodied carbon has been given less attention than operational carbon and, while we will target net zero, there is work to do to fully understand our impact and become carbon literate in this area. This is the first step to reduction and continual improvement.

Resilience is important to CEG and our tenants. We look at resilience in terms of flood, data resilience, power resilience and business continuity.

We are therefore looking to develop our processes and assessments of resilience in terms of the development and investment areas of the business.

Aim	Metric	Specific Measurable / Key action
<p>Climate Action</p> <p>We will improve our resilience and target net zero whole life carbon emissions from our operations and the buildings we create and measure our progress towards this.</p>	<p>Development</p> <p>6.1 Assess and minimise embodied carbon.</p> <p>6.2 Flood Risk and SUDs assessed for all developments to minimise flood risk.</p> <p>6.3 Resilience plans to be completed for all projects.</p>	<p>Ensure targets are included with in the contracts of designers and architects. Please see Development Tender Requirements process.</p>

Aim	Metric	Specific Measurable / Key action
<p>Climate Action</p> <p>We will improve our resilience and target net zero whole life carbon emissions from our operations and the buildings we create and measure our progress towards this.</p>	<p>Investment</p> <p>6.4 Reduce the operational carbon intensity of investment portfolio against 2019 baseline.</p> <p>6.5 Assess resilience across the estate and document related procedures.</p>	<p>Please see specific action plan.</p> <p>Please see specific action plan.</p>
	<p>Strategic Land</p> <p>6.6 Seek innovative approaches to reducing the use of vehicles, promoting travel planning activities and resources to encourage walking and cycling; this could include provision of information and marketing campaigns and/or cycle hire, training, repair and maintenance schemes.</p>	<p>Within Strategic Strategy.</p>



Our Aims in Context



Life on Land:

We will prioritise biodiversity and have a net positive effect on the surrounding environment.

Many scientists believe we are in a period of mass extinction caused by loss of habitat and climate change. It is important that we take active steps to minimise and mitigate any detrimental effects of our property investment and development activities.

Within our investment portfolio, different sites present different opportunities, but we will look to understand these and drive betterment.

Our new developments provide an opportunity for land remediation, bringing previously derelict and often contaminated land back into use, protecting the

surrounding wildlife populations and also providing a chance to mitigate potential negative impacts and deliver biodiversity net gain from the outset.

While less tangible, the strategic land division has the ability to work with local Councils and communities to deliver benefits through the planning process.

The overall aims and goals are detailed below provide further details about how these will be achieved. More information and the timescales can be found within the specific action plans.

Aim	Metric	Specific Measurable / Key action
<p>Life on Land</p> <p>We will prioritise biodiversity and have a net positive effect on the surrounding environment.</p>	<p>Development</p> <p>7.1 Biodiversity initiatives considered on all projects. Developments will deliver a biodiversity net gain of 10% onsite or nearby.</p> <p>7.2 100% data capture on land remediation from 2021.</p>	<p>This will be delivered through the ecological strategy of each site. Please see Development Tender Requirements process.</p>
	<p>Investment</p> <p>7.3 100% non-chemical cleaning products to be used within our managed buildings by 2021.</p>	<p>To be delivered through our supply chain, please see specific action plan.</p>
	<p>Strategic Land</p> <p>7.4 Provide a net gain of biodiversity on site as part of the proposed development.</p>	<p>Within Strategic Strategy.</p>

This policy was prepared by CEG in June 2020. It will be reviewed regularly and will form the basis of the company's commitment to the environment and sustainability. The first review will take place in January 2021.