



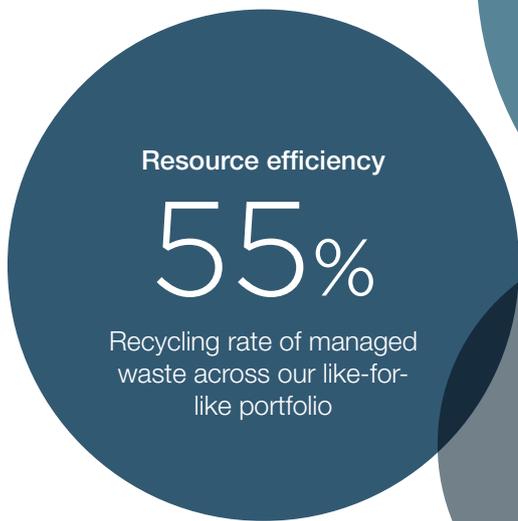
SUSTAINABILITY

REPORT 2012

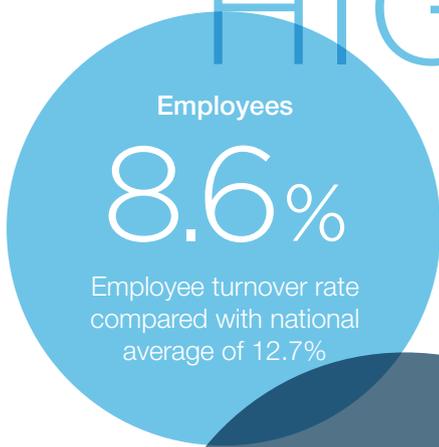


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HIGHLIGHTS



CHIEF EXECUTIVE OFFICER MESSAGE

At Derwent London we have followed a fundamentally sustainable approach to development for many years.



When assessing each project we look to regenerate and refurbish rather than develop from scratch wherever feasible. This is good for the environment and has proved beneficial for our shareholders.

Our buildings are known for their high quality design, providing attractive, sought after spaces which are intuitive to use and efficient to operate, and avoid wasteful over specification. Over time this philosophy has developed and has led us to create the 'White Collar Factory' design which we plan to roll out at Old Street Yard EC1 in the heart of 'London's Tech Belt'. This will see us demonstrate and champion the next generation of intelligent office space which is not only resource efficient but also flexible and adaptable to user needs.

However, we also look beyond the buildings themselves to ensure that we deliver benefit in the communities in which our buildings stand. We provide opportunities for local businesses to benefit from the potential income streams our buildings generate, as well as providing employment and training opportunities. For example, this year we will be supporting the London Evening Standard's 'Ladder for London' campaign, providing a long-term apprenticeship opportunity for a trainee building manager at the Angel Building.

This year's report highlights in more detail the work we are doing in this increasingly important arena, our performance for 2012 and what is in store for 2013. I hope you find it interesting.

John Burns
Chief Executive Officer

DIRECTOR'S INTRODUCTION

2012 has been an important year in terms of our sustainability agenda. We have taken on a wider variety of activities, explored new areas and worked with our toughest set of performance targets to date.

In some areas we have performed very well, but there are others where we recognise we can make improvements. In addition, we commissioned formal surveys of our employees and tenants to understand more about what is important to them in terms of sustainability to help us shape our future approach.

Our work has not gone unnoticed, and this year we again garnered external recognition for our efforts. We received a Silver award in the inaugural EPRA Sustainability Reporting Awards, were ranked as a sector leader in the European peer group (office sector) in the 2012 Global Real Estate Sustainability Benchmark (GRESB) and sit in the top 15% of our reporting peer group globally. Likewise we have improved on our Carbon Disclosure Project score by two points and now report a score of 78. We also featured in the Management Today – Britain's Most Admired Companies 2012 awards achieving seventh overall and for the third year in succession, first in the property category.

We have started to formalise the measurement of the impacts our buildings have on the surrounding community from a social and economic perspective. We commissioned a study looking at the socio-economic benefits from one of our recently completed projects – the regeneration of the Angel Building EC1. This showed us that through our planning contributions we created £935,000 of additional public realm value and that the building has brought 1,700 new employees to the area, each spending on average £620 per annum with local businesses. Obviously we are very pleased to find that the building is delivering these wider benefits and during 2013 we are looking to formalise our methodology for such assessments and roll it out across other new developments.

Further to our social and economic assessments, we are also launching a number of initiatives to reinforce further our already strong relationships with the communities in which we operate. For example the London Evening Standard's 'Ladder for London' campaign that John has mentioned. Likewise, we will be investing in a community engagement programme in Fitzrovia to support a number of initiatives in Camden chosen by community groups.



Another new dimension for 2013 is the appointment of our first Sustainability Manager, John Davies. His arrival presents us with the opportunity to redefine our vision and approach and further integrate sustainability into our business model.

This year I believe we have performed well and have taken some significant steps forward which give us a solid baseline to work from in 2013. This report sets out in more detail the highlights from 2012 and explains our principal areas of interest and targets for the year ahead.

Paul Williams
Executive Director

ABOUT THIS REPORT

Clear, focused reporting is important to us. In developing our report this year we have listened to feedback from our stakeholders and have reorganised it in order to focus on the aspects of most value. As a result we present a more performance based report which aligns with industry best practice, in particular the European Public Real Estate Association (EPRA) Best Practices Recommendations on Sustainability Reporting.

Scope of our reporting

Information and data in this report relates to our activities and performance during our last financial year – 1 January 2012 to 31 December 2012.

As with previous reports we continue to report on the aspects significant to our business and our stakeholders. As well as reporting our performance against our targets this year we are providing more in-depth reporting in the following areas:

- Resource efficiency (energy, water and waste);
- Customers and suppliers;
- Community; and
- Employees.

We report information and data derived from our developments, managed portfolio (both total and like-for-like) and our head offices over which we have operational control. We present this both in summary and in detail.

This year we have created a separate report which sets out all our detailed resource efficiency data, together with its scope and boundaries in one place. This is intended to make our data easier to access and can be found on **page 26**.

Also this year we have presented a simplified EPRA alignment schedule located at the back of this report on **page 38**. This provides a quick and easy reference to our performance and compliance across all the recommended reporting metrics.

To complement this report we also prepared a summarised account of our sustainability performance within our Annual Report and Accounts, which can be found at www.derwentlondon.com.

“This year we have created a separate report which sets out all our detailed resource efficiency data, together with its scope and boundaries in one place.”

Awards and recognition

As our approach and understanding of sustainability has grown so too has the recognition of the quality of our reporting and information disclosure. We have consistently improved our scores in the external indices in which we participate.



Global Real Estate Sustainability Benchmark (GRESB)

Since our first disclosure to the GRESB we have improved our score by 9% and now have an overall score of 62%. We are now ranked third in the UK office group and a sector leader in the listed European peer group (office sector). In addition, we sit in the top 15% of our reporting peer group globally and have moved into the 'Green Star' category.



Management Today – Britain's Most Admired Companies 2012.

This year we again feature in these prestigious peer review based awards. We were placed first in the property category for the third year in succession and seventh overall out of all the 254 companies listed.



Newenergy & Cleantech awards

We were voted 'Developer of the Year' at the 2013 Newenergy & Cleantech awards. The judges were impressed with our approach to regenerating buildings incorporating renewable technologies. They also commended our waste management performance that ensures that we send no waste to landfill from our buildings.



European Public Real Association (EPRA) – Sustainability Awards

To enable our stakeholders to compare our sustainability performance and reporting with our peers we have aligned our performance indicators to those recommendations set out in the EPRA Best Practices Recommendations on Sustainability Reporting. In doing this we were recognised with a Silver Award in the inaugural EPRA Sustainability Awards for our 2011 Sustainability Report.



UK Green Building Council – Gold Leaf Member

Although not an award, we are pleased to announce that at the beginning of 2013 we became gold leaf members of the UK Green Building Council. It is our intention to work with the Council to help develop and share best practice.

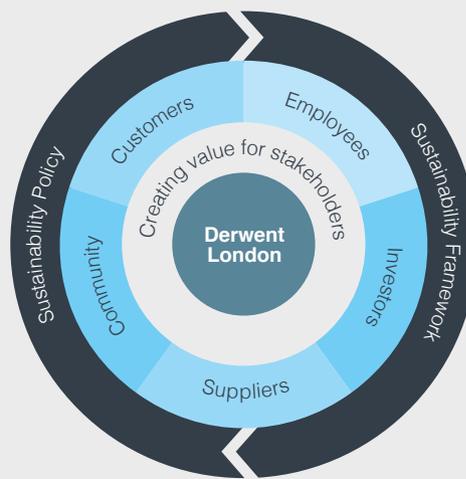
OUR STRATEGY

Our business model is made up of five key strands: acquiring property and unlocking its potential; creating well designed spaces; optimising income; recycling capital and maintaining robust financing. We deliver this through a number of strategies but the principles of sustainability are at its core.

Creating Value

A fundamental trait of responsible business is value creation. We create value in a number of ways which benefit our key stakeholder groups. This can range from a light touch refurbishment of an existing asset to unlock potential and create further portfolio value, to a more substantial regeneration and creating value in the community. To enable us to do this consistently we have encapsulated our approach to sustainability within our sustainability policy and frameworks. These tools help us deliver value to our stakeholders in our day-to-day development and asset management activities.

Our value model



Delivering value

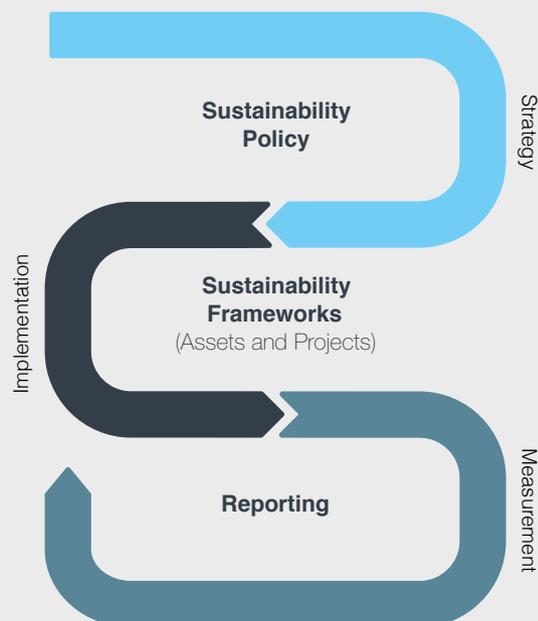
The delivery approach we use is based on a clear three tier model of Strategy, Implementation and Measurement.

Strategy – our policy articulates our strategic direction and priority areas

Implementation – our frameworks for projects and asset management take the direction set in the policy and lay out the practical delivery model and performance targets for our internal and external teams

Measurement – we then measure our progress and report our performance against our targets

Our delivery model



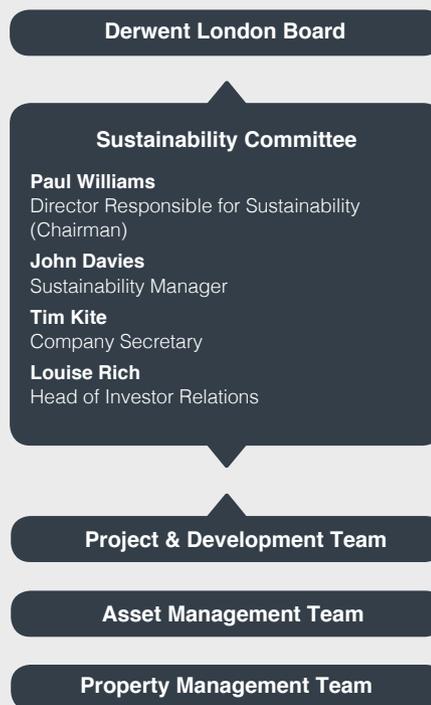
“Although our sustainability approach is maturing we believe we can do more to advance our understanding of the agenda and integrate it further into our business.”

Governance

To manage our sustainability activities effectively our Sustainability Committee meets quarterly to review progress against our sustainability targets and discuss performance across the business. The Committee is diverse, incorporating senior managers from a range of business functions.

In order to cascade sustainability into all areas of the business, each of the major operational functions are assigned ownership of performance targets relevant to their day-to-day activities. Progress against targets is then reported to the Committee each quarter and then through to the Board.

Paul Williams is Chairman of the committee and a member of the main Board; as a result he maintains a clear communications channel through to the Board.



Risk management

Sustainability forms part of our corporate risk register and is a key reputational and compliance risk. The Sustainability Committee provides oversight and control of this to ensure it is managed effectively. To add a further level of control we employ a Sustainability Manager who is tasked with managing our day-to-day sustainability activities and reporting to the Committee and the Board on progress.

Disclosure and benchmarking

Transparency is important to us. However, rather than simply providing information and data to interested parties, we benchmark ourselves against our peers and others. This allows us to identify areas of improvement and future exploration.

We participate and are included in a number of external indices and initiatives:

- Management Today – Britain’s Most Admired Companies;

- Carbon Disclosure Project;
- FTSE4Good; and
- Global Real Estate Sustainability Benchmark.

To complement this we have recently been refining our data reporting to align more clearly with the EPRA – Best Practices Recommendations on Sustainability Reporting. This allows our stakeholders to compare and understand our performance in-line with best practice and that of our peers.

Although our sustainability approach is maturing we believe we can do more to advance our understanding of the agenda and integrate it further into our business. Therefore, we see 2013 as a year in which we will continue to consolidate successes into business-as-usual practice and redefine our vision and strategy. As part of this we will review the terms of reference of the Sustainability Committee, ensure it is focusing on the right corporate governance issues and is meeting frequently enough.

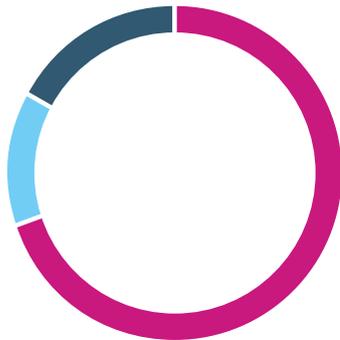
OUR PERFORMANCE

This year we have made good progress in meeting our performance targets. These targets have been our most challenging to date and were designed to build on our past successes and focus our business on what matters most from a sustainability perspective.

Overall performance

We believe we have performed well this year with 83% of our targets either achieved or partially achieved – a 3% improvement over our performance last year.

Performance %



○ Achieved	70
○ Partially Achieved	13
○ Not Achieved	17

We set ourselves 30 targets, defined within the same eight key themes as we covered in 2011:

- Management
- Resource efficiency
- Biodiversity
- Travel
- Employees
- Communities
- Customers
- Suppliers

Set out below is our performance against our 2012 targets showing the percentage achieved/partially achieved in each target theme.

Management

80%

Target	Comment
○ Undertake stakeholder engagement to inform Derwent London's future approach to sustainability.	Two surveys were undertaken with staff and tenants to help inform our future strategy.
○ Deliver a programme of sustainability training to Head Office staff and Building Managers.	A comprehensive training workshop was delivered in the autumn with staff from all functions attending. Based on its success we will be continuing the programme in 2013.
○ Achieve BREEAM ratings of at least 'Very Good' for all major refurbishments of over 5,000m ² , with one to achieve 'Excellent' or better.	Two of the six projects targeted achieved a Very Good rating with four of the six targeting at least an Excellent rating – one project is targeting an Outstanding rating.
○ Achieve BREEAM ratings of 'Excellent' or better for all new build projects.	All three applicable projects achieved an Excellent rating.
○ 100% of tenants undertaking fit out above 500m ² to be asked to undertake a Ska assessment.	We enacted our Ska target late in 2012 and so were not able to capture all applicable tenant fit out works, and so did not achieve it. We are continuing with this target theme for 2013.

	Target	Comment
●	Report on embodied energy for key development projects over 5,000m ² .	We undertook embodied carbon studies on three of our key development projects.
●	Maintain portfolio mains water consumption below 0.50 m ³ /m ² .	We exceeded this target, achieving 0.42m ³ /m ² and 0.41m ³ /m ² in our total managed and like-for-like portfolios respectively.
●	Report percentage of water usage from rainwater harvesting.	We have reported the usage from harvested rainwater as part of our overall water usage data.
●	New projects to be designed to achieve mains water usage of better than 0.50m ³ /m ² or less.	Four of the seven projects targeted have this target as part of their technical specification and are now on site. Two projects are currently in design and have this target included as part of their design brief. For one project this target was not applicable.
●	Continue to meet zero managed office waste to landfill.	Achieved.
●	Achieve a 55% recycling rate in all properties for which Derwent London has control over waste management.	This target is measured against our like-for-like portfolio in which we achieved a recycling rate of 55%.
●	Produce voluntary Display Energy Certificates at a number of buildings including the Johnson Building.	We produced a DEC for the Johnson Building, which highlighted valuable future improvement points. During 2013 we will not be producing more DECs as we will be focusing our efforts on our energy measurement and management approach.
●	All projects over 5000m ² to be designed to include water saving systems such as rainwater or greywater.	Of the six applicable projects three have included rainwater harvesting systems, with a further two currently being designed to incorporate rainwater harvesting as part of their design. We will ensure that our projects continue to include water saving measures.
●	Projects to divert a minimum of 95% of demolition and construction waste from landfill.	Overall our projects diverted 92% of their construction and demolition waste from landfill. Taking account of this year's performance we have readjusted our minimum baseline to 90% and will challenge our projects to exceed this.
●	Reduce portfolio energy usage (kWh/m ²) by 5% compared to 2011 (like-for-like).	We found our energy and carbon intensity based targets challenging to meet, given increased occupancy profiles in many of our buildings and new larger assets becoming fully occupied. In 2013 we will not be targeting specific intensity based reduction targets, but instead will be focusing on improving our management and measurement approach.
●	Reduce portfolio building related carbon emissions (tonnes CO ₂ e/m ²) by 3% compared to 2011 (like-for-like).	We found our energy and carbon intensity based targets challenging to meet, given increased occupancy profiles in many of our buildings and new larger assets becoming fully occupied. In 2013 we will not be targeting specific intensity based reduction targets, but instead will be focusing on improving our management and measurement approach.
●	Design new projects to include a minimum 20% recycled materials by value.	During 2012 we realised that both within our project teams and across the industry knowledge of how to calculate recycled content was insufficient to adequately assess our projects to identify scope for including greater levels of recycled material. Going forward we will continue with this target and will be supporting our project teams to fill the current knowledge gaps.

Biodiversity		100%
	Target	Comment
○	Develop a Biodiversity Action Plan for the managed portfolio.	The plan was developed and its requirements communicated to all our building managers.
○	Design all new projects where the opportunity exists to include biodiversity features to deliver a net gain in biodiversity.	10 of the 13 projects identified have included features which will deliver a net gain in biodiversity – two are currently too early in their design but will have this requirement as part of their brief. For one project this target was not applicable.

Travel		100%
	Target	Comment
○	Undertake a travel survey of tenants to establish travel patterns, satisfaction with existing facilities and opportunities for improvement.	Surveys were undertaken at four buildings the results of which will be used to improve our existing facilities and service provision.

Suppliers		50%
	Target	Comment
○	Implement key sustainability standards with all relevant suppliers (2012/2013).	For those suppliers identified we agreed the standards to be implemented, but were not able to enact the relevant changes to all service agreements by the year end. This is a work in progress and will continue in 2013.
○	Agree a schedule for implementation of key sustainability standards with suppliers.	Although we undertook a concerted piece of work to understand the sustainability risks in our supply chain we were not able to implement all the measures identified. This is a work in progress which will continue during 2013.

Community		100%
Target	Comment	
<ul style="list-style-type: none"> Analyse community investment activities to date. 	We undertook surveys via our community engagement consultants to understand the impact of activities undertaken to date to inform our ongoing strategy.	
<ul style="list-style-type: none"> Develop and implement a community investment strategy for 2012 and beyond, aligned to development activities and material impacts. 	We have created a £250,000 community investment fund and strategy which we will implement over the next five years.	
<ul style="list-style-type: none"> Commission, scope and plan an evaluation of the socio-economic outcomes of a Derwent London project. 	We scoped and commissioned a study on the Angel Building which showed a range of socio-economic benefits generated by the building.	

Customers		100%
<ul style="list-style-type: none"> Benchmark Derwent London's service charge communication against best practice. 	Engaging external consultants we benchmarked our service charge which showed it was competitive in the market and well communicated to our tenants when compared with our peers.	
<ul style="list-style-type: none"> All tenant-facing staff to undergo enhanced customer service training. 	Staff received two training sessions, including all reception, security and building management staff. Likewise all asset and property management training sessions were completed.	
<ul style="list-style-type: none"> Roll out Environmental Working Groups to three major buildings. 	New groups were created at the Qube, Angel Building and Oliver's Yard with targets now agreed with tenants.	

Employees		100%
<ul style="list-style-type: none"> Analyse current absenteeism to identify patterns and causes. Address issues where Derwent London can influence employee well-being and attendance positively by improving the work environment. 	Absenteeism has been closely monitored with no issues identified. Absence and performance training took place for senior managers.	
<ul style="list-style-type: none"> Deliver 100% of staff training needs within six months of identification. 	113 training needs identified and fulfilled in 2012.	

For 2013 we have again set ourselves annualised targets which are set out in the 'Looking ahead' section on **page 25**. However, as part of our wider sustainability review we will be assessing the way we set targets to ensure we are focusing on the right areas and whether some target themes are better suited to different measurement periods.

OUR CARBON FOOTPRINT

Commercial buildings are responsible for approximately 18% of the UK's total carbon emissions, and represent a key aspect of the UK's carbon reduction efforts. We have been measuring and reporting the carbon emissions from our portfolio for over five years and each time have sought to improve the granularity and transparency of our reporting.

This year represents the first year we have presented our carbon footprint in both our annual report and accounts and our full Sustainability Report as we seek a more integrated approach to reporting.

Again we report our footprint based on our Scope 1 (direct, controlled¹), Scope 2 (indirect, controlled) and Scope 3 (other indirect) emissions.

Whilst we have made good progress in many areas of our business, our whole portfolio carbon footprint for this year has increased marginally by 1.8%. This is due to an increase in occupancy levels across the portfolio, as well as the Angel Building EC1 now being fully occupied and operational over the whole year. However, with our new space designs such as the White Collar Factory (see case study on **page 15**), we are aiming to reduce our footprint. In the shorter term we also plan to influence operational behaviour in our buildings by increasing our interaction with tenants.

Carbon Reduction Commitment (CRC)

In line with our obligations under the Government's Carbon Reduction Commitment Energy Efficiency Scheme (CRC), we submitted our first report in 2011 (for the 2010-11 period), which totalled 24,620 tonnes of CO₂². The CRC is a mandatory scheme for all organisations that have half-hourly metered electricity consumption greater than 6,000 MWh per year. As a result each year we are required to purchase carbon allowances based on our total annual consumption. The price of these allowances is currently £12 per tonne of CO₂.

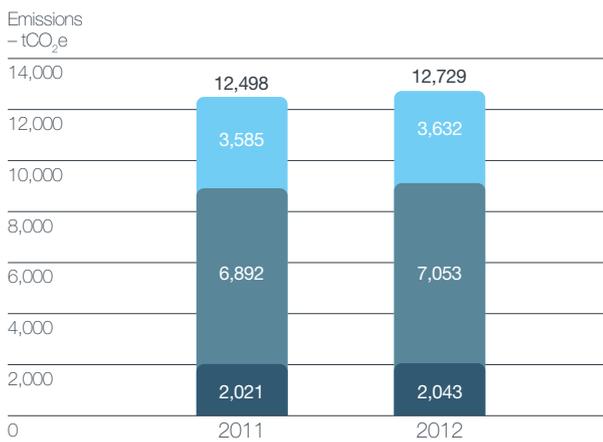
The first year of operation of the scheme (2010-11) was only a reporting year for all participants; we were not subject to any financial liability. In the 2011-12 reporting year, our reported carbon totalled 24,048 tonnes of CO₂ - a reduction of 2.3% compared with the previous period. This resulted in us having to purchase allowances to the value of £288,576.

With the introduction of the Climate Change Act and the accompanying Greenhouse Gas Emissions (Directors' Reports) Regulations, carbon reporting will become mandatory during 2013 for companies that are listed on the London Stock Exchange. We have anticipated this introduction and, as mentioned above, have set out our carbon footprint in our annual reports and accounts.

¹ Does not include refrigerant losses.

² The CRC only requires companies to report in carbon dioxide (CO₂) and not in terms of GHG emissions – expressed as carbon dioxide equivalent (CO₂e). Moreover, the scope of the CRC requires us to report additional carbon related to energy at buildings where we supply energy to but do not have operational control over.

Greenhouse gas emissions by source

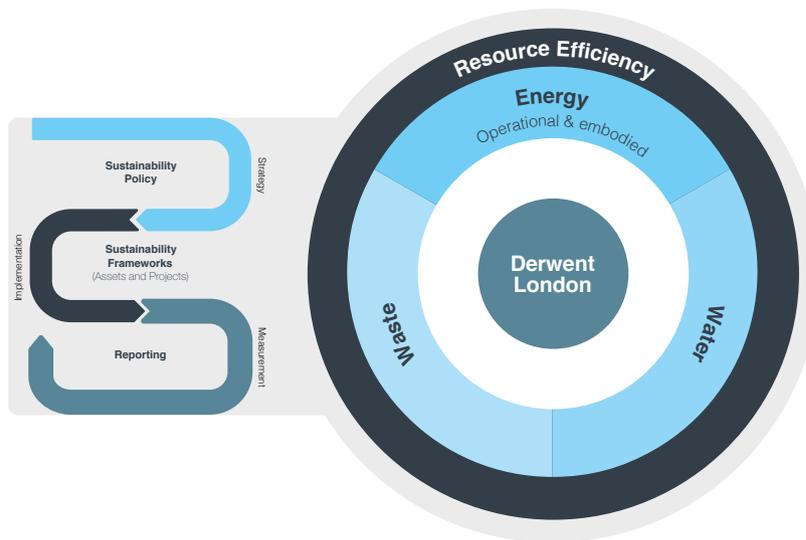


- Scope 1 Energy use (total building gas & oil)
Travel (fuel use in company cars)
- Scope 2 Energy use (electricity generation and losses in landlord controlled areas and Derwent occupied floor areas)
- Scope 3 Energy use (electricity generation and losses in landlord controlled areas and company occupied floor areas), Gas, Oil, Biomass
Travel (fuel in company cars for business travel)
Water use (total building)

RESOURCE EFFICIENCY

We view energy, water and waste as key resources which should be measured and managed properly. By focusing on them holistically we aim to not only reduce our costs but also our carbon burden. We extend this focus to tenants in our managed properties. We encourage and where possible provide the mechanism for them to be as resource efficient as possible in order to optimise the operational efficiency of our portfolio.

Our resource efficiency model



“During 2013 we will be assessing the latest best practice from the Waste Resources Action Programme (WRAP)”

Although we measure resource use as described above, we want to learn more and understand how we can manage our resources better. Therefore, during 2013 we will be assessing the latest best practice from the Waste Resources Action Programme (WRAP) in the form of its new resource management planning process, to see whether it is applicable to our business.

This year we are presenting our resource efficiency data differently. As mentioned earlier we are seeking to make our data easier to access and more targeted for our stakeholders. Therefore, we set out in the following pages performance summaries and commentary across our resource efficiency aspects, with our detailed datasets and tables laid out in the 'Full Data Report' section, which can be found on **page 26**.

Energy

For the first time this year we set ourselves energy and carbon reduction targets based on portfolio intensity. We have learned a lot from this process and the targets have challenged us, although we have found them difficult to meet. However, we have seen a slight reduction of 0.4% in our overall energy usage across our whole managed portfolio.

Conversely energy intensity marginally increased by 1.3% measured on a like-for-like basis. As with our carbon footprint, this increase reflects increased occupancy profiles in many of our buildings and the Angel Building becoming fully occupied and operational over a whole year.

Learning from our experiences last year we will not be targeting our performance based on intensity during 2013. Rather we will be undertaking a full review of our management and measurement approach and implementing certain measures, which we hope will allow us to understand the impact of greater occupancy levels and pinpoint where and how we can improve our performance.

Embodied carbon

As well as operational carbon, we also continue to investigate the impact of embodied carbon from our portfolio. Our policy of refurbishing or regenerating rather than building from scratch wherever feasible, as well as not over-specifying, tends naturally to lead to a lower embodied carbon burden from our developments. This is supported by a number of assessments which show we can typically achieve a 70% reduction in embodied carbon when compared to a new build solution.

However, in doing these assessments we have come to recognise that the measurement and benchmarking of embodied carbon is still in its infancy and there is no industry standard method for its measurement. Therefore, during 2013 we will be exploring with our consultants a common and repeatable approach to the measurement of embodied carbon in our portfolio.

Energy Performance Certificates (EPC)

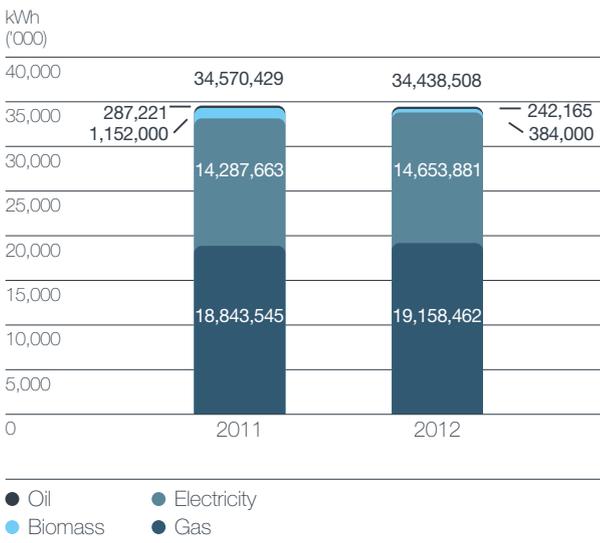
The Energy Act (2011) is a broad piece of legislation designed to introduce a range of energy efficiency measures. The most pertinent aspect of this for the real estate sector is the requirement for a minimum EPC standard for new lettings in 2018. It is likely that it will be unlawful to let commercial or residential property with an EPC rating of F or G after April 2018.

As part of our business-as-usual practice we require our new build developments to achieve a minimum of a B rating and our major refurbishments to achieve at least a C.

Across our portfolio 71% of our EPC certificates are rated E or above which reflects the age profile of certain parts of our portfolio. However like many organisations, we do have properties in our portfolio which are rated below E.

Of the parts of our portfolio rated below E, over 50% is already included in our development pipeline and will therefore see ratings improve ahead of the 2018 deadline. For the residual properties not in that pipeline we are undertaking a study in 2013 which will set out an action plan for each property to ensure they will all meet, and where possible exceed, the minimum compliance requirements.

Energy usage across the managed portfolio



Energy Performance Certificates (EPC)



Focus on the future - White Collar Factory

Our White Collar Factory design is the culmination of several years of research and sets out an innovative, highly flexible and energy efficient space arrangement. The building, located in 'London's Tech Belt' on a corner of the Old Street roundabout, is a twenty-first century interpretation of the industrial buildings of the past. It will have a concrete frame construction with exposed thermal mass, a generous 3.5 metre floor to ceiling height, and well-insulated façades that are tailored to deal with solar gain. Together with openable windows, primary cooling will be provided by 'concrete core cooling' (chilled water pipes embedded in the slabs) with fan units suspended below to distribute the fresh air.

As well as providing an appealing working environment, it is estimated that as a result of its design the building will generate 25% less carbon and save between 15-26% in operating costs compared with a traditional office building. However, these savings are not isolated and we recognise that efficiency is only as good as how occupants use the space. To address this we are looking at how occupiers can engage with and use the building most effectively. We are assessing the use of apps which allow occupiers to interact with the environmental performance of the building in real-time. For example, occupiers will be informed that they can open the windows and switch to a natural ventilation mode for office perimeters if conditions allow. By working with the design and operating principles of the building in this way it is possible that further energy and cost savings will be generated – up to 35 to 40%.

The approach to the design also adds a high degree of climate change resilience without expending increased levels of energy and cost, and provides potential to adopt further resilience measures in the future.



Water

We have always strived to manage our water supplies and usage levels responsibly. This is now increasingly important with water supplies coming under increased stress in London and the South East of England. Wherever possible we look to displace mains water usage with harvested and recycled supplies to reduce our mains consumption across the board.

During 2012, we undertook a programme of works to drive down water consumption in key buildings and to build on the work carried out during 2011. This has seen us realise overall reductions of 4.4% across our whole managed portfolio in 2012.

Likewise, we have beaten our consumption target of 0.50m³/m² across both our whole managed and like-for-like portfolios achieving 0.42 and 0.41m³/m² which equates to a 16% and 18% improvement respectively.

Reductions have been achieved by using a range of measures. For example, we have installed waterless urinals at the Angel Building and have reduced toilet flush intensity to six litres at the Johnson Building EC1. Moreover, the rainwater harvesting measures installed are helping to displace unnecessary mains water use.



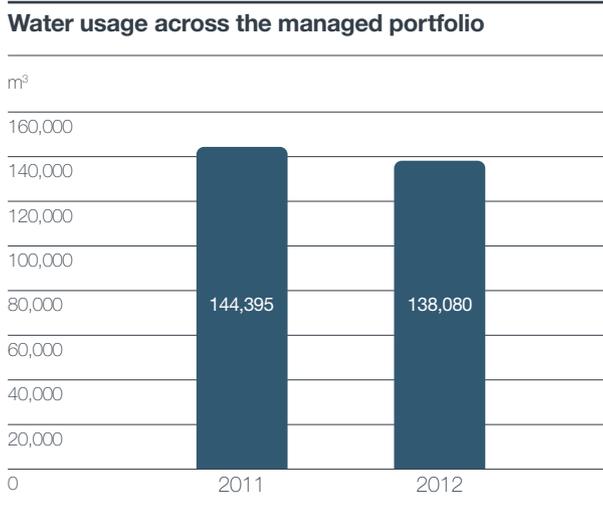
Shower rooms at the Tea Building

4.4%

Reduction in water usage across our whole managed portfolio

0.41m³/m²

Consumption intensity across our like-for-like portfolio



Waste

We believe that it is important not to create waste in the first instance. We look for opportunities to eliminate, reduce or re-use wherever possible. This not only has the immediate benefit in terms of reducing environmental impact but also reduces our financial exposure to existing and future landfill tax and waste management charges.

During 2012, we have continued to send no waste to landfill from our managed properties maintaining our performance from 2011. We have achieved this by effectively engaging with our waste management contractors and tenants to deliver this target.

Although our waste tonnages have increased as occupancy rates have risen, we have been successful in increasing our recycling rates in both our managed and like-for-like portfolios and reducing the amount sent for incineration. In 2011, we recycled 47% increasing in 2012 to 54% across our whole portfolio; and across our like-for-like portfolio, we recycled 48% in 2011 rising to 55% in 2012. Likewise, we have decreased our use of incineration by 13% across both portfolios.

In terms of construction waste, we sought to divert 95% of construction and demolition waste from landfill for projects with a floor area of 5,000m² or more. This was a new target for 2012 increasing from 90% in 2011.

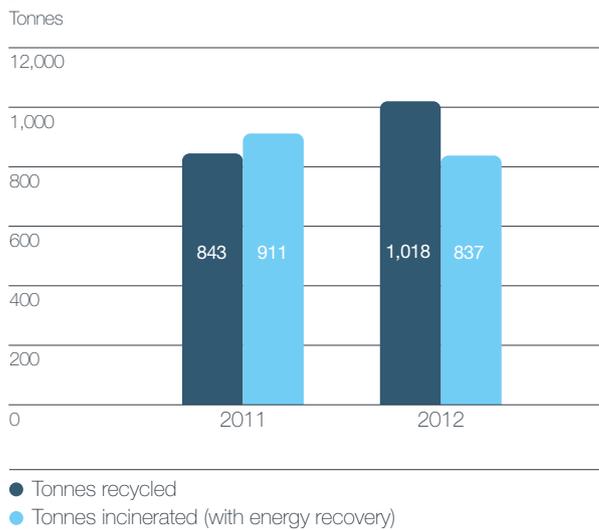
We found this new target a challenge, only partially achieving it with an average diversion rate of 92%. Much of our construction waste in 2012 was strip out and fit out waste, elements of which had no other viable disposal route other than to be sent to landfill. To address this for 2013 we have reset our minimum diversion rate back to 90% to ensure we have a robust threshold in place while we are assessing a new more suitable target.



Waste recycling at the Tea Building



Managed waste across the like-for-like portfolio



COMMUNITY SUPPORT

We are committed to supporting the communities in which we operate. We seek to engage positively with community stakeholders and work in partnership with them. We focus on initiatives and charities where there is either a local perspective or where Derwent London has a particular interest.

Investing in the community

Our ongoing work in Fitzrovia is a good example of our community investment. During 2012 we undertook an extensive piece of research entitled 'Understanding Fitzrovia' which was an evidence-based research programme working with the London Borough of Camden and designed to help understand in more detail the issues of most importance to local residents. The outcomes from this research have enabled us to develop a robust community investment strategy, which will be implemented in 2013. We plan to invest a total of £250,000 over the next five years in this strategy.

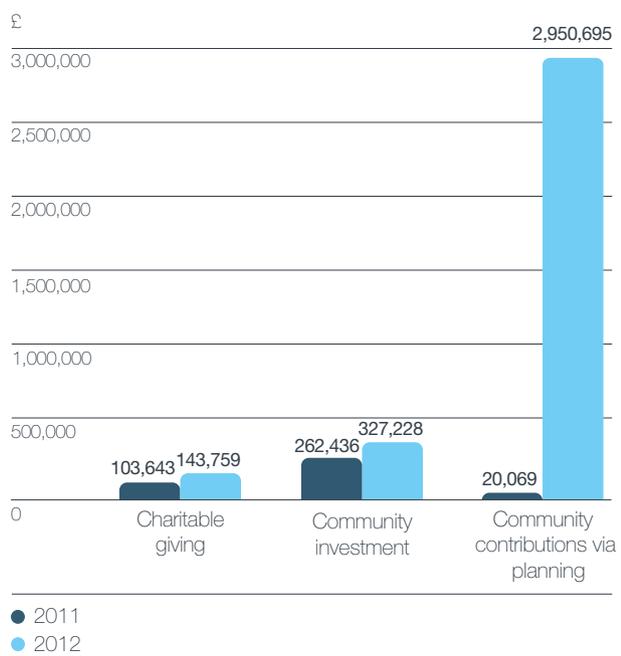
We also support a number of charitable organisations and good causes, through both financial donation and time investment. One charity we have worked with for many years is the Teenage Cancer Trust and in 2012 we arranged a fund raising lunch, which raised £205,000 for the Trust.

Overall our community investment this year totals £3,421,682 – an increase of 89% from 2011, primarily as a result of our increased development activity. This does not include staff or supplier time or pro-bono work, which we have found difficult to measure accurately.

Our footprint model



Charitable giving and community investment



Fitzrovia Youth in Action street party Sept 2012



Socio-economic footprinting

Knowing the broader impact and value of our developments is of great interest to us. We want to look beyond the bricks and mortar to establish the wider value of a building; how it contributes to the enhancement of the local community and economy, how it enhances the public realm and its impact on the wellbeing of occupants.

To help us investigate and measure these wider value criteria we commissioned a study in 2012 to examine the socio-economic impact of one of our buildings – the Angel Building EC1. The results confirmed that the building has brought a significant and broad range of benefits to the local area:

- **Enhancing public realm** - £935,000 was invested in the public realm surrounding the building.
- **Enhancing the local economy** – the building now holds over 1,700 employees who each spend on average £620 per annum in the local area, increasing local business revenues by 19%.
- **Enhancing the local community** – a survey of local residents found that the new building increased (by up to 5%) their wellbeing compared with the building in its previous incarnation.
- **Enhancing occupant wellbeing** – a survey found that compared to other buildings they had worked in employees said they felt 50% more engaged and positive, and enjoyed work relationships 20-25% more than they did previously.

We recognise that it is possible to measure socio-economic benefits on a much wider scale in terms of regional job creation and the value created in supply chains nationally. However, in the short term we believe it is better to understand and be clear on the value created in the areas most affected i.e. the local community and economy – as this is where for us the greatest benefits should be derived and sustained.

During 2013 we will investigate and develop a consistent approach to measuring the socio-economic footprints of our buildings such that we can then demonstrate to our stakeholders an additional value dimension.

Skills and training

Encouraging and providing opportunities for the development of our workforce is key to ensuring a sustainable future for our business. Likewise for many years we have provided a wide variety of opportunities for people to work with us or in one of our buildings.

In 2013 we will be taking part in the London Evening Standard's 'Ladder for London' campaign, initially providing a long-term apprenticeship opportunity for a trainee building manager at the Angel Building. This will provide an exceptional opportunity for a young adult to enter the workplace.

Within our development supply chains we will be exploring ways to unlock potential to provide apprenticeship and work experience opportunities in some of our larger developments coming on line in the next few years.

Work experience

As part of our ongoing work experience programme in 2012 we again hosted pupils from the Sixth Form at St Marylebone C.E. School. Likewise one of our consultants, Make Architects, joined us in providing placements for some of the pupils.

As with previous years we selected a number of pupils from a pool to participate in a two week placement programme. The pupils worked within a number of our business functions, based on their areas of interest in order to experience the day-to-day workings of a business like ours. Once each placement concluded we conducted an exit interview to explore how the placement went and what we could do to improve; feedback included:

"I really don't think a work experience student could ask for more, and I couldn't have spent a more productive and scintillating fortnight with Derwent if I tried."

"The leasing team were fantastic at taking the time to ensure I was involved in as many things as possible."

"I have learnt a huge amount whilst being here and it has formed a very good basis for me to move forward in a career in real estate."

CUSTOMERS

We are a customer-focused business and are always striving to deliver best-in-class customer service.

As well as an ongoing series of tenant feedback exercises to understand how we can improve our service delivery, we are also interested in understanding our tenants' views on sustainability, its impact on them, the buildings they occupy and how they think we could improve our approach. During 2012 we surveyed a number of our tenants with a specifically designed sustainability survey, which sought to understand their views on this important issue.

The results from the survey, which received a high response rate, have given us a clear indication on the relative importance of sustainability to our tenants, and shows how well we are doing in terms of our sustainability efforts. Some of the feedback included:

- 42% of tenants said that our sustainability activities make their experience as a tenant better than average whilst 53% thought it made their experience average.
- 100% of our tenants thought it was at least quite important that we managed our sustainability agenda properly whilst 42% of our tenants thought it was very important.
- 47% of our tenants thought we were doing well in improving the sustainability performance of the buildings they occupy whilst nearly 30% thought our performance was average. A further 23% thought we could do more.

We are currently assessing the results of the survey to help us identify areas of further improvement in terms of engaging better with regards to sustainability and provide information and support which is of value for them.



Connecting with our tenants – Environmental Forums

One of the key tools we use to engage and connect with our tenants on sustainability matters is our Environmental Forums. These forums are building specific with representatives from each tenant organisation invited to participate.

The structure of the forum is designed to be as collaborative as possible to discuss and develop building management approaches which have real impact and value for both ourselves and our tenants, as well as getting to know our tenants better.

Following their introduction in 2011 the forums have discussed and addressed a wide variety of subjects from energy and water conservation to biodiversity. To recognise achievement we introduced quarterly awards which are based on a particular theme – the most recent being energy conservation.

Currently five of our buildings have forums and we plan to roll this out across more of our buildings, especially those which are multi-let.

The Johnson Building Environmental Forum
23 April 2012 | Issue 2
DERWENT LONDON
www.derwentlondon.com

JBFE Award Results
January-March 2012
Carrying on with the competition Derwent London is glad to announce the first quarter winners. Just to remind you it is a competition between the building tenants to encourage sustainability enhancements. The competition was closely fought and Gray London walked away with the trophy!

The Forum

Tenants	Consumption	Recycling	Score
Gray	10	6	24
Thames	8	2	21
Orange	2	0	14

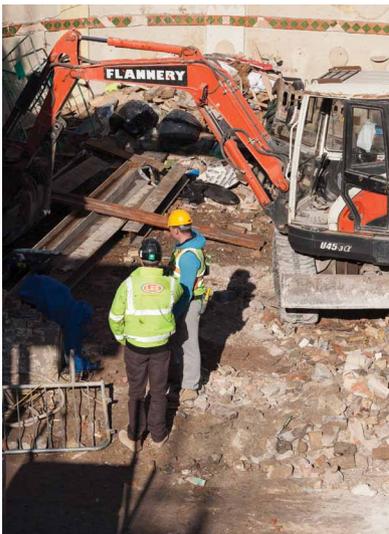
Review of Biodiversity
Derwent London are carrying out a review to sustain Biodiversity in the area.
Looking at the possibilities of:
1. Local area planting, with the view of sustain wild life i.e. birds, bees, insects, butterflies.
2. Looking at the possibilities of installing a green roof on the building.
3. Improving the facilities to sustain the environment for birds.

SUPPLIERS

Working proactively with all levels of our supply chain enables us to generate value, develop great spaces to a high standard, protect our reputation and deliver our customers' expectations.

We have undertaken studies to understand where the risks in our supply chains might lie and are working to address these in a collaborative fashion. Last year we undertook a project to understand the sustainability impacts of our operational supply chains and identify where our suppliers could support us in achieving our sustainability goals. This generated a series of recommendations which we have taken forward with those identified suppliers.

However, from our discussions with our suppliers we have concluded that we need to tailor our approach as a 'one-size-fits-all' process will not work across our supply chains, as they are wide ranging – from cleaning services to construction contracts. Therefore, to complement and build on the work already undertaken last year, we will be undertaking a comprehensive sustainability risk analysis using a 'flexible framework'. This will allow us to assess exactly what issues and risks there may be within our various supply chain categories and how we might seek to address them in collaboration with our suppliers, contractually or otherwise.



Turnmills project site



Supply chain – playing our part

We have a large and varied supply chain which supports our work and enables us to deliver. However, our role in those supply chains is bigger than simply commissioning or buying goods and services. We have a wider responsibility in ensuring we uphold our financial commitments to all our suppliers, which means honouring our invoice payment period. This is particularly pertinent in the current economic climate, especially as many of our suppliers are SMEs (small to medium sized enterprises). Our target payment period is relatively short compared to others in our industry at 28 days, and again this year we maintained our position in bettering this with an average of 24 days.

Whilst we no longer target this specifically as an external performance target we continue to use this important internal benchmark metric as part of our business-as-usual practices.

“We have a wider responsibility in ensuring we uphold our financial commitments to all our suppliers, which means honouring our invoice payment period.”

STAFF

The continued strong performance of our business would not be possible without our employees. We provide a stimulating, challenging and rewarding environment in which our people can work and be supported in developing their career paths and skill sets.

We employ a small focused in-house team of just over 100 people who are expert in their chosen fields. This allows us to create an environment which engenders a strong sense of teamwork, pride and passion in all areas of the business. As a result this year we had a low staff turnover rate of just 8.6% - the national average being 12.7%.

We recognise and appreciate that our success stems from the commitment, hard work and loyalty of our teams. This has been externally recognised in Management Today's 2012 Most Admired Companies awards. We were ranked 9th for 'Retaining Top Talent' as well as being ranked 7th overall looking at all categories assessed by the awards.

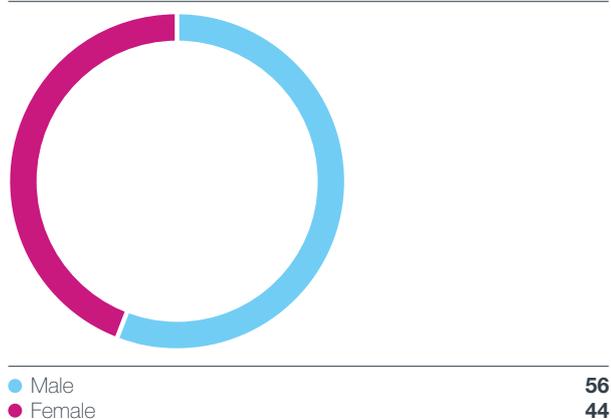
In addition, we also provide a working environment which proactively encourages equality and opportunities for all. As such we have a well balanced gender ratio and age structure:

Sourcing and retaining top talent

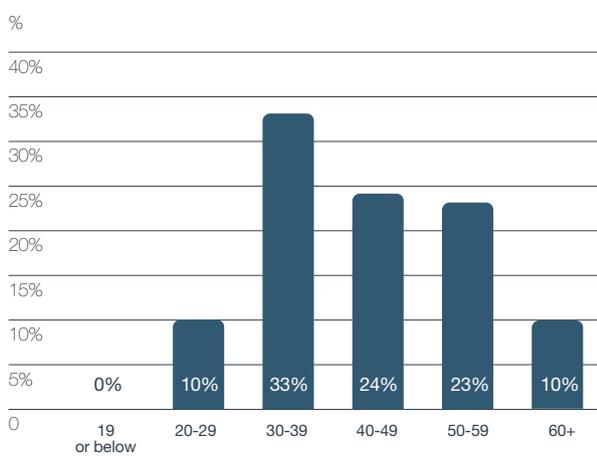
As our business continues to grow, so has the need to attract and retain top talent. In order to achieve this we have continued to improve and update our HR processes to enable us to quickly identify and recruit commercially driven, high performing individuals suitable for our business, but also focus on the development and support of our existing employees.

To help us to continue to source the best people we have overhauled our recruitment process. Our new process has more focus on technical ability coupled with the desired softer skills and culture match, assessed through challenging interview-based 'projects'.

Gender ratio %



Employee age profiles





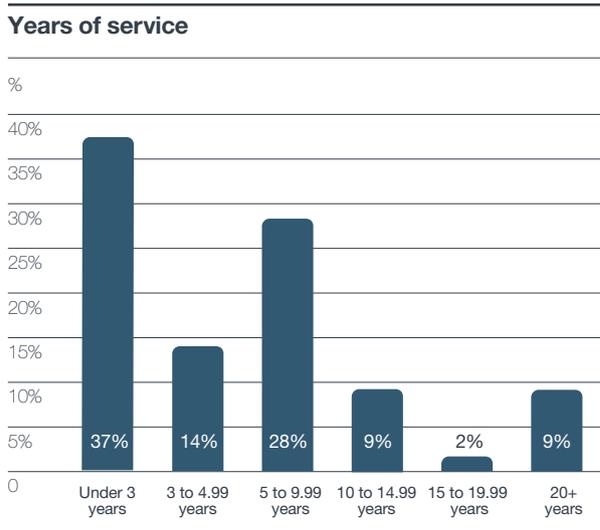
£50,000
Invested in formal staff training.

Overhaul and improvement of our recruitment process.

Complementing this more extensive selection process we have introduced a comprehensive half day induction programme to welcome new joiners to our business. This is supported by the Board and senior managers and covers our history, current projects, challenges, strategy and direction, together with our organisational structure, departments, processes and procedures. We also cover the importance of customer service and how we work with our customers.

To support our existing staff we have improved our bi-annual performance management system, in addition to investing around £50,000 in formal, identified staff training.

“We recognise and appreciate that our success stems from the commitment, hard work and loyalty of our teams.”



Piloted our first employee survey.

Enhanced training for all employees through knowledge share workshops from four Directors.

LOOKING AHEAD

During 2013 we will be consolidating our 2012 successes into our business-as-usual practices and look to refine our vision and strategy.

Refining our approach

As part of the refinement process we will re-examine the sustainability issues of most relevance to our business, informed by stakeholder engagement and risk analysis. Likewise we will consider how we measure our sustainability performance both internally and externally.

The outcomes from this work will be presented in our 2013 report and updates will be provided throughout the year in the sustainability section of our website www.derwentlondon.com/sustainability.

Performance targets

Our 2012 performance targets were our most challenging to date and have helped us raise our performance and develop new processes and approaches which longer term we will look to embed in our business-as-usual practices. For 2013, we are looking to build on our past successes and set ourselves further challenges. We set out on the following page our targets for 2013.



Oculus installation, July 2012



The Buckley Building, Clerkenwell EC1

Aspect

Target

Management	<ul style="list-style-type: none"> • Refresh our corporate Sustainability Strategy, Implementation Plan and Sustainability Frameworks • Investigate and trial where appropriate WRAP's new Resource Management Planning approach • Develop an appropriate sub-metering and reporting strategy setting a management plan to ensure all managed buildings have readable utility meters by 2015 • Develop a risk management plan to ensure no space available to let in 2018 has an EPC rating of F or G • Achieve a minimum of BREEAM Very Good for all major refurbishments >5,000m² • Achieve a minimum of BREEAM Excellent for all new build projects • Undertake a series of presentations to new tenants in 2013 to raise awareness of the Ska assessment process in order to encourage its uptake • Introduce a new BMS and metering system audit and sign off procedure in all new build development briefs
Resource Efficiency (energy & carbon)	<ul style="list-style-type: none"> • Investigate and develop an appropriate and consistent measurement method for embodied carbon in our portfolio • Carry out a post occupancy energy performance evaluation on all new projects >5,000m² once occupied for more than 12 months
Resource Efficiency (water)	<ul style="list-style-type: none"> • Maintain portfolio mains water consumption below 0.50 m³/m² • Report percentage of water usage from rainwater harvesting • All projects over 5,000m² to be designed to include water saving systems • All new projects to be designed to achieve mains water usage of 0.50m³/m² or less
Resource Efficiency (waste)	<ul style="list-style-type: none"> • Send zero waste to landfill from properties for which Derwent London has control over waste management • Achieve a 60% recycling rate for managed waste in all properties for which Derwent London has control over waste management • Divert at least 90% of construction and demolition waste from landfill • For projects >5,000m² ensure that a minimum of 15% of the total value of materials used contain recycled and/or reused content, using the WRAP Net Waste Tool as the measure.
Travel	<ul style="list-style-type: none"> • Review the outcomes from the travel surveys undertaken during 2012 and implement the recommendations where appropriate.
Biodiversity	<ul style="list-style-type: none"> • Implement the recommendations from the biodiversity action plan on six buildings in the managed portfolio. • For projects >5,000m² achieve a net gain in biodiversity as measured through BREEAM.
Suppliers	<ul style="list-style-type: none"> • Update and implement a set of formal sustainability requirements for our construction contracts. • Develop and implement a sustainability brief for all our suppliers at our managed properties • Investigate our supplier staff wage structures and benchmark them against industry best practice
Community	<ul style="list-style-type: none"> • Investigate and develop an appropriate and consistent approach to measure our socio-economic impact • Provide an apprenticeship opportunity through the 'Ladder for London' scheme
Customers	<ul style="list-style-type: none"> • Implement a formal, regular programme of customer service training for property and building management staff, drawing on feedback from 2011 and 2012 pilots. • Undertake customer feedback assessments on occupation in all new build and refurbishments >5,000m² • Review the outcomes from the customer sustainability survey and implement the recommendations made • Undertake a customer satisfaction survey for 2013 to assess the improvement benchmarked against 2011 results
Employees	<ul style="list-style-type: none"> • Launch employee volunteering programme working with existing charity partners and communities in which we operate • Deliver training to all Development/Asset/Building Management staff on our sustainability approach, commitments and requirements. • Develop and host two further Director technical presentations as part of the ongoing knowledge share programme

FULL DATA REPORT

To provide easier access to our data we have created a new section within our report this year which sets out in full all our reportable resource efficiency data, together with the methods used to calculate the data and its scope and boundaries. In addition, we have set out a clear EPRA reporting alignment schedule to show our level of reporting compliance.

Our reporting boundary

We report data for those properties where we have direct management control. We do not report data for our single-let properties or properties where we have no management control. We have chosen this reporting boundary as it allows us to measure and focus on the impact we can directly control.

Our reporting period is aligned to our financial year which is set to the calendar year; therefore the data for any given year is from the period 1 January to 31 December.

We measure and report our utility usage as follows:

- **Electricity** – we report usage for our common parts areas only. This is because tenants have ultimate control over the small power and lighting used in the tenanted areas.
- **Gas** – we report usage for total building as we control gas use across the entire building.
- **Oil** – we report usage for total building as we control oil use across the entire building.
- **Biomass** – we report usage for total building as we control biomass usage for the entire building.
- **Water** – we report usage for total building as we influence usage for the entire building.

Scope

Our total managed portfolio within the reporting scope for 2012 consists of 51 buildings, with a total floor area of 409,016m². Our like-for-like portfolio consists of those managed properties that were in our portfolio for the entirety of both 2011 and 2012. It excludes properties which were newly acquired, disposed, launched, and/or were under refurbishment at any time during this period. This equates to 41 buildings, with a total floor area of 343,671m².

Properties which were newly acquired, disposed, launched and/or vacant are included in absolute totals for the period in which they were in the Derwent London managed portfolio during the reporting period. Properties which were under refurbishment and where the control of utilities has been handed to a contractor (even though the energy is still procured by Derwent London) have been excluded from the absolute totals for the period that the utilities were not under direct Derwent London control. They are included in the absolute totals once control of the utilities is handed back to Derwent London.

Properties which were newly acquired, disposed, launched, and/or were under refurbishment are excluded from intensity calculations because Derwent London did not have control of the building for the full year. Properties which were vacant are also excluded from intensity calculations because the data is not an accurate representation of typical use and skews the overall portfolio results.

The managed buildings which were excluded are:

2012

- **Acquired:** 0
- **Disposed:** 2 – 232-242 Vauxhall Bridge Road SW1 and Riverwalk House, 157-166 Millbank SW1.
- **Launched:** 1 – 4 & 10 Pentonville Road N1.
- **Under refurbishment:** 6 - 4 & 10 Pentonville Road N1; Turmill, 63 Clerkenwell Road EC1; Elephant House NW1; Balmoral Grove N7; 1 Page Street SW1; 132-142 Hampstead Road NW1; and 40 Chancery Lane WC2.
- **Vacant:** 9 – 96-98 Bishops Bridge Road W2; 4 & 10 Pentonville Road N1; Turmill, 63 Clerkenwell Road EC1; Elephant House NW1; Balmoral Grove N7; Riverwalk House, 157-166 Millbank SW1; 1 Page Street SW1; 132-142 Hampstead Road NW1; 20-21 Tooks Court EC4; and 40 Chancery Lane WC2.

2011

- **Acquired:** 1 – Network Building W1.
- **Disposed:** 2 – 19a Floral Street WC2; and Victory House, 170 Tottenham Court Road W1.
- **Launched:** 0
- **Under refurbishment:** 3 – 4 & 10 Pentonville Road N1; Turmill, 63 Clerkenwell Road EC1; 1 Page Street SW1.
- **Vacant:** 9 – 96-98 Bishops Bridge Road W2; 4 & 10 Pentonville Road N1; Turmill, 63 Clerkenwell Road EC1; Elephant House NW1; Balmoral Grove N7; 132-142 Hampstead Road NW1; 1 Page Street SW1; Riverwalk House, 157-166 Millbank SW1; 20-21 Tooks Court EC4; and 40 Chancery Lane WC2

Method

Where updated or new data is available we restate figures for previous years to improve the accuracy of our reporting. The properties for which data is restated are listed for each utility in the sections below.

This year we have undertaken a review of our floor areas to improve consistency. For total building area, Gross Internal Area (GIA) is used. Our GIA figures are derived from the Gross External Area (GEA) figures for our buildings which come from insurance valuations. The GEA is then reduced by a factor of 2% to achieve an estimation of GIA. Net lettable floor areas (NLA) are obtained from our service charge schedules. Common areas are calculated as the difference between the GIA and NLA. Common areas include areas such as reception areas, toilets, lifts, plant rooms, enclosed car parks and cellars.

Where data was not complete pro-rating was undertaken, this was applicable in a number of cases:

- Where electricity was provided for total building, this was pro-rated to a common area figure, proportionate to the floor area. This was calculated by dividing the total building consumption by total building floor area (to obtain consumption per m²), and then multiplying that figure by the common areas floor area (to obtain consumption for common areas).
- For one building (Henry Wood House W1), water data was provided for common areas only. This was pro-rated to a total building figure, proportionate to the floor area. This was calculated by dividing the common areas consumption by common areas floor area (to obtain consumption per m²), and then multiplying that figure by the total building floor area (to obtain consumption for total building).
- Rainwater harvesting data was pro-rated from 1st January to 7 February 2012 and from 26 December to 31 December 2012 to account for the full year of usage. For the period 1 January to 7 February 2012, this was calculated by working out the consumption for the period in the rest of the year for which there is data and the number of days within this period with data. The former was divided by the latter to obtain average consumption per day. This average consumption per day was then multiplied by the number of days during the period without data from the 1 January to 7 February to obtain an estimate of use during this period. For the period 26 December to 31 December 2012, the final meter reading goes beyond the end of the reporting year (31 December 2012). For this reason, the average consumption per day for the period between the final two meter readings is calculated. The average consumption per day for this period is then multiplied by the number of days from the penultimate reading to the 31 December 2012.

Intensity calculations are calculated using the floor area denominator of GIA for gas, biomass, oil and water. This matches the numerator which is consumption related to GIA. Intensity calculations for electricity use the floor area denominator of common areas or 'landlord controlled areas'. This matches the numerator which is consumption related to common areas. The aggregated total energy intensity figure is calculated using the denominator of GIA. This matches the proportion of the numerator which relates to gas, biomass and oil consumption for the GIA. However, the electricity proportion of the numerator relates to common areas only, due to the data currently available for electricity. We acknowledge that having a non-matching numerator and denominator is not preferable and will look to improve this moving forward.

Greenhouse Gas (GHG) Emissions – our carbon footprint

Figure 1 - Total managed portfolio GHG emissions

			Greenhouse gas emissions (tCO ₂ e)		% change 2011 to 2012
			2012	2011	
Scope 1	Energy-use	Gas (total building)	3,548	3,490	1.7%
		Oil (total building)	67	80	-15.7%
	Travel	Fuel use in Derwent London company cars for business travel	17	15	9.9%
Scope 2	Energy-use	Electricity use - generation (landlord-controlled areas and Derwent London occupied floor area)	7,053	6,892	2.3%
Scope 3	Energy-use	Electricity use - generation (landlord-controlled areas and Derwent London occupied floor area)	946	924	2.3%
		Electricity use - losses (landlord-controlled areas and Derwent London occupied floor area)	626	611	2.3%
		Gas (total building)	367	361	1.7%
		Oil (total building)	13	15	-15.7%
		Biomass use (total building)	15	44	-66.7%
	Travel	Fuel use in Derwent London company cars for business travel	3	3	20.2%
		Business air travel	26	13	103.0%
Water	Water use (total building)	48	50	-4.4%	
Total	All	All	12,729	12,498	1.8%
Of which:					
Total direct GHG emissions (Scope 1)	All	All	3,632	3,585	1.3%
Total indirect GHG emissions (Scope 2)	All	All	7,053	6,892	2.3%

Figure 2 - like-for-like GHG emissions (building related only)

			2012	2011	
Scope 1	Energy-use	Gas (total building)	3,380	3,243	4.2%
		Oil (total building)	67	80	-15.7%
Scope 2	Energy-use	Electricity use - generation (landlord-controlled areas and Derwent London occupied floor area)	6,862	6,624	3.6%
Scope 3	Energy-use	Electricity use - generation (landlord-controlled areas and Derwent London occupied floor area)	920	888	3.6%
		Electricity use - losses (landlord-controlled areas and Derwent London occupied floor area)	609	588	3.6%
		Gas (total building)	349	335	4.2%
		Oil (total building)	13	15	-15.7%
		Biomass use (total building)	15	44	-66.7%
	Water	Water use (total building)	44	44	0.4%
Total	All	All	12,259	11,861	3.4%
Of which:					
Total direct GHG emissions (Scope 1)	All	All	3,447	3,323	3.7%
Total indirect GHG emissions (Scope 2)	All	All	6,862	6,624	3.6%

Figure 3 - Tonnes of GHGs (scope 1&2) per £m turnover and per total building floor area (m²)

	2012	2011
Tonnes of carbon dioxide equivalent per £m turnover (Scopes 1 and 2 only)	85.69	83.48
Tonnes of carbon dioxide equivalent per m ² total building floor area (Scopes 1 and 2 only)	0.032	0.030

Notes

The term 'greenhouse gas emissions' (GHGs) in this report includes the following atmospheric pollutants and is reported in the units of carbon dioxide equivalent (CO₂e): carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O). We currently do not report fugitive emissions associated with refrigerant loss. Therefore, we do not include hydrofluorocarbons (HFCs), sulphur hexafluoride (SF₆) and perfluorocarbons (PFCs). This is because we currently do not capture fugitive refrigerant emissions as part of our footprint. However we will address this in our next annual report in line with the requirements of the Greenhouse Gas Emissions (Directors' Report) Regulations.

GHGs are reported under the following categories:

- **Scope 1:** direct GHG emissions emitted at the point of combustion of fuels;
- **Scope 2:** indirect GHG emissions from consumption of purchased electricity, heat or steam (direct GHG) emissions from the production of electricity, heat or steam; and
- **Scope 3:** indirect emissions from the following: electricity generated indirect Scope 3 emissions, not covered in scope 2, electricity losses direct Scope 3 emissions, not covered in scope 2, electricity losses indirect Scope 3 emissions not covered in scope 2, gas indirect Scope 3 emissions, oil indirect Scope 3 emissions, biomass indirect emissions, water use indirect emissions, business car travel indirect Scope 3 emissions and business air travel indirect Scope 3 emissions.

Carbon conversion factors are sourced from Defra, 2012 Guidelines to Defra/DECC GHG Conversion Factors for Company Reporting.

The like-for-like carbon figures do not include emissions from travel i.e. fuel use in Derwent London company cars for business travel and business air travel.

Carbon financial intensity was calculated using the 2012 'gross property income' figure of £124.7m as stated in the 2012 Annual Report and Accounts. Likewise the gross property income figure of £125.5m was used to calculate the 2011 carbon financial intensity – as stated in the 2011 Annual Report and Accounts. Please see figure 3.

The CO₂e emissions from company cars were calculated using data for distance travelled per car. Different carbon conversion factors were applied to each car according to its type i.e. luxury, 4x4 etc and fuel type.

Air travel is reported as journeys undertaken. CO₂e emissions were calculated using the distance between the start and end destinations using an online distance calculator (www.mapcrow.info). When the start destination was not stated, it was assumed to be London. Defra carbon conversion factors for air travel were applied, as was the Defra recommended uplift factor of 109%.

Energy

Figure 4 - Energy use across our total managed portfolio

	2012	% change 2011 to 2012	2011
Electricity (landlord controlled areas)			
Number of buildings	49	-9.3%	54
Floor area (m ²)	113,000	-3.4%	117,033
Use (kWh)	14,653,881	2.6%	14,287,663
Intensity (kWh/m ²)	135.96 *	5.1%	129.33
Gas (total building)			
Number of buildings	34	0.0%	34
Floor area (m ²)	341,136	-0.3%	342,106
Use (kWh)	19,158,462	1.7%	18,843,545
Intensity (kWh/m ²)	62.21*	6.0%	58.70
Oil (total building)			
Number of buildings	1	0.0%	1
Floor area (m ²)	4,100	0.0%	4,100
Use (kWh)	242,165	-15.7%	287,221
Intensity (kWh/m ²)	59.06	-15.7%	70.05
Biomass (total building)			
Number of buildings	1	0.0%	1
Floor area (m ²)	32,487	0.0%	32,487
Use (kWh)	384,000	-66.7%	1,152,000
Intensity (kWh/m ²)	11.82	-66.7%	35.46
Total			
Number of buildings	49	-9.3%	54
Floor area (m ²)	388,594	-4.1%	405,208
Use (kWh)	34,438,508	-0.4%	34,570,429
Intensity (kWh/m ²)	101.60	3.6%	98.05

*Intensity values for electricity and gas use different consumption and floor area values. See notes in Scope (page 27) and notes on page 33.

Figure 5 - Energy use across our like-for-like portfolio

	2012	% change 2011 to 2012	2011
Electricity (landlord controlled areas)			
Number of buildings	39	0.0%	39
Floor area (m ²)	104,502	0.0%	104,502
Use (kWh)	14,227,190	3.6%	13,732,629
Intensity (kWh/m ²)	136.14	3.6%	131.41
Gas (total building)			
Number of buildings	28	0.0%	28
Floor area (m ²)	298,271	0.0%	298,271
Use (kWh)	18,247,980	4.2%	17,509,098
Intensity (kWh/m ²)	61.18	4.2%	58.70
Oil (total building)			
Number of buildings	1	0.0%	1
Floor area (m ²)	4,100	0.0%	4,100
Use (kWh)	242,165	-15.7%	287,221
Intensity (kWh/m ²)	59.06	-15.7%	70.05
Biomass (total building)			
Number of buildings	1	0.0%	1
Floor area (m ²)	32,487	0.0%	32,487
Use (kWh)	384,000	-66.7%	1,152,000
Intensity (kWh/m ²)	11.82	-66.7%	35.46
Total			
Number of buildings	39	0.0%	39
Floor area (m ²)	323,249	0.0%	323,249
Use (kWh)	33,101,335	1.3%	32,680,948
Intensity (kWh/m ²)	102.40	1.3%	101.10

Figure 6 - Energy use at our head office buildings

	2012	% change 2011 to 2012	2011
Electricity (Derwent London occupied areas)			
Floor area (m ²)	1,037	0.0%	1,037
Use (kWh)	107,931	-13.4%	124,700
Intensity (kWh/m ²)	104.07	-13.4%	120.24
Water (Derwent London occupied areas)			
Floor area (m ²)	1,037	0.0%	1,037
Use (kWh)	420	-6.1%	447
Intensity (kWh/m ²)	0.40	-6.1%	0.43
Total			
Floor area (m ²)	1,164	0.0%	1,164
Use (kWh)	295,927	5.7%	279,894
Intensity (kWh/m ²)	254.31	5.7%	240.53

Notes

Electricity

Total managed portfolio

- In 2012, electricity data was provided for 49 managed properties (including the Head Office), representing 96% of the managed portfolio by property number and 95% by floor area (common area floor area).
- In 2011, electricity data was provided for 54 managed properties (including the Head Office) representing 98% of the managed portfolio by property number and 97% by floor area (common area floor area).
- The data applies to a combination of whole building and landlord-controlled areas. Where necessary, landlord-controlled electricity use was calculated proportionately from whole building electricity use based on a percentage floor area. This applies to the following [25] buildings: Angel Building, 407 St. John Street EC1; 76-78 Charlotte Street W1; 1-2 Stephen Street W1; 186 City Road EC1; Davidson Building, 5 Southampton Street WC2; 100 George Street W1; 1-3 Grosvenor Place SW1; Charlotte Building, 17 Gresse Street W1; White Building, Portobello Dock W10; Johnson Building EC1; Network Building W1; 55-65 North Wharf Road W2 [combined]; 1 Oliver's Yard EC2; Qube, 90 Whitfield Street W1; 4 & 10 Pentonville Road NW1; 88 Rosebery Avenue EC1; 151 Rosebery Avenue EC1; 6-7 St. Cross Street EC1; Tea Building, 56 Shoreditch High Street E1; Tower House, 10 Southampton Street WC2; Elephant House NW1; Balmoral Grove N7; 43 Whitfield Street W1; 132-142 Hampstead Road NW1; Riverwalk House, 157-166 Millbank SW1; Transworld House, 82-100 City Road EC1; and Langdales (part of Johnson Building EC1).
- 2011 electricity data was restated for 16 properties due to the availability of more accurate figures. The changes apply to 96-98 Bishops Bridge Road W2; Greencoat House SW1; 5-8 Hardwick Street EC1; Holden House, 54-68 Oxford Street W1; White Building, Portobello Dock W10; Morelands Buildings EC1; 55-65 North Wharf Road W2; 161 Rosebery Avenue EC1; 45-51 Whitfield Street W1; 16-20 Baker Street W1; Sophia House, 76 City Road EC1; 13-15 Mallow Street EC1; 40 Chancery Lane (1st floor) WC2; 12-16 Fitzroy Street W1; 19a Floral Street WC2; Victory House, 170 Tottenham Court Road W1.
- New 2011 data was added for two properties – 4 & 10 Pentonville Road N1 and 10 Rathbone Place W1.
- The electricity data at the following properties now relates to common areas, not total building: 75 Wells Street W1, Gordon House SW1, 4-5 Grosvenor Place SW1 and Holden House, 54-68 Oxford Street W1.
- The electricity data at the following properties now relates to total building, not common areas: Langdales (part of Johnson Building EC1) and 9 Rathbone Place W1.

Intensity portfolio

- In 2012, electricity data was provided and included in the intensity analyses for 41 managed properties (including the Head Office), representing 80% of the managed portfolio by property number and 90% by floor area (total building floor area).
- In 2011, electricity data was provided and included in the intensity analyses for 41 managed properties (including the Head Office), representing 75% of the managed portfolio by property number and 89% by floor area (total building floor area).
- Eight buildings were excluded from the 2012 per m² electricity analysis - 4 & 10 Pentonville Road N1; Turmill, 63 Clerkenwell Road EC1; Elephant House NW1; Balmoral Grove N7; 232-242 Vauxhall Bridge Road SW1; 132-142 Hampstead Road NW1; Riverwalk House, 157-166 Millbank SW1, 20 Tooks Court WC2; and 40 Chancery Lane WC2. The properties were excluded either because they were vacant, under refurbishment and / or sold during the year.
- 13 buildings were excluded from the 2011 per m² electricity analysis - 96-98 Bishops Bridge Road W2; Network Building W1; 4 & 10 Pentonville N1; Turmill, 63 Clerkenwell Road EC1; Elephant House NW1; Balmoral Grove N7; 132-142 Hampstead Road NW1; Riverwalk House, 157-166 Millbank SW1; 16-20 Baker Street W1; 20-21 Tooks Court EC4; 40 Chancery Lane WC2; 12-16 Fitzroy Street W1; 19a Floral Street WC2; and Victory House, 170 Tottenham Court Road W1. The properties were excluded either because the property was vacant, under refurbishment, sold and/or purchased during the year.

Like-for-like portfolio

- In 2012 and 2011, electricity data was provided for 39 like-for-like managed properties (including our Head Office), representing 95% of the like-for-like managed portfolio by property number and 95% by floor area (total building floor area).

Head office electricity

- 'Derwent London Occupied Areas' covers Derwent London occupied areas in 25 Savile Row W1, Goldsmith House W1 and the basement of 161 Rosebery Avenue EC1.
- Electricity figures are provided directly from meter readings for the areas we occupy.
- Floor area changed in 2012 to include the basement in 161 Rosebery Avenue EC1 which was not captured in previous Sustainability Reports.

Carbon

- Historical carbon emissions figures were restated using revised Defra carbon conversion factors. Carbon emissions for 2010-2012 were calculated using the latest Defra carbon conversion factors - 0.48234kgCO₂e/kWh for electricity generated (Scope 2), 0.06468kgCO₂e/kWh for electricity generated (Scope 3 indirect life cycle), 0.03802kgCO₂e/kWh for electricity losses (Scope 3) and 0.00477kgCO₂e/kWh for electricity losses (Scope 3 indirect life cycle) (Source: Defra, 2012 Guidelines to Defra/DECC GHG Conversion Factors for Company Reporting). Total electricity carbon emissions is the sum of electricity generated emissions and electricity losses emissions.

Gas

Total managed portfolio

- In 2012, gas data was provided for 34 managed properties (including our Head Office), representing 67% of the managed portfolio by property number and 83% by floor area (total building floor area).
- In 2011, gas data was provided for 34 managed properties (including our Head Office), representing 62% of the managed portfolio by property number and 82% by floor area (total building floor area).
- The data is recorded as monthly totals for the whole building.
- 2011 gas data was restated for 21 properties due to the availability of more accurate figures. The changes apply to Angel Building EC1; 53-65 Whitfield Street W1; Davidson Building, 5 Southampton Street WC2; 100 George Street W1; Greencoat House SW1; Charlotte Building, 17 Gresse Street; 1-3 Grosvenor Place SW1; 4-5 Grosvenor Place SW1; 132-142 Hampstead Road; White Building, Portobello Dock W10; Holden House, 54-68 Oxford Street W1 Johnson Building, 77 Hatton Garden EC1; Middlesex House, 34-42 Cleveland Street W1; 55-65 North Wharf Road W2; 14 Pentonville Road NW1; 88 Rosebery Avenue EC1; 151 Rosebery Avenue EC1; 161 Rosebery Avenue EC1; 25 Savile Row W1; 43 Whitfield Street W1; Transworld House, 82-100 City Road EC1; 20-21 Tooks Court EC4.
- New 2011 data was added for one property, which applies to 10 Rathbone Place W1.

Intensity portfolio

- In 2012, gas data was provided and included in the intensity analyses for 30 managed properties (including our Head Office), representing 59% of the managed portfolio by property number and 75% by floor area (total building floor area).
- In 2011, gas data was provided and included in the intensity analyses for 29 managed properties (including our Head Office), representing 53% of the managed portfolio by property number and 72% by floor area (total building floor area).
- Four buildings were excluded from the 2012 per m² gas analysis (132-142 Hampstead Road NW1; 4 & 10 Pentonville Road NW1; Riverwalk House, 157-166 Millbank SW1; and 20-21 Tooks Court EC4). The properties were excluded either because the property was vacant, under refurbishment and/or sold during the year.
- Five buildings were excluded from the 2011 per m² gas analysis (132-142 Hampstead Road NW1; Network Building W1; 4 & 10 Pentonville Road NW1; Riverwalk House, 157-166 Millbank SW1; 20-21 Tooks Court EC4; and 19a Floral Street WC2). The properties were excluded either because the property was vacant, under refurbishment, sold and/or purchased during the year.

Like-for-like portfolio

- In 2012 and 2011, gas data was provided for 29 like-for-like properties (including the Head Office), representing 71% of the like-for-like portfolio by property number and 87% by floor area (total building floor area).

Head office gas

- Derwent London occupied areas covers Derwent London occupied areas in 25 Savile Row W1 only.
- Gas usage figures were calculated based on our occupied area proportional to the area of the whole building.
- Head office floor area data was restated due to the recent availability of more accurate figures.
- Historical carbon emissions figures were restated using revised Defra carbon conversion factors, as per the gas section above.

Carbon

- Historical carbon emissions figures were restated using revised Defra carbon conversion factors. Carbon emissions for both 2011-12 were calculated using the latest Defra carbon conversion factors for gas: 0.18521 kgCO₂e/kWh for natural gas (Scope 1) and 0.01914 kgCO₂e/kWh for natural gas (Scope 3 indirect life cycle).

Oil

- In 2012 and 2011, oil data was provided for one property, 75 Wells Street W1, representing 2% of the managed portfolio by property number and 1% by floor area (total building floor area).
- In 2012, oil data was provided and included in the intensity analyses for one managed property, representing 2% of the managed portfolio by property number and 1% by floor area (total building floor area).
- In 2011, oil data was provided and included in the intensity analyses for one managed property, representing 2% of the managed portfolio by property number and 1% by floor area (total building floor area).
- In 2012 and 2011, oil data was provided for one like-for-like managed property, representing 2% of the like-for-like managed portfolio and 1% by floor area (total building floor area).
- The data is recorded as monthly totals for the whole building.
- Oil data was converted from litres to kWh using a conversion factor of 11kWh/litre (source: Carbon Trust www.carbontrust.com/resources/guides/carbon-footprinting-and-reporting/conversion-factors).
- There is a large difference in oil consumption compared to the 2011 Sustainability Report due to a unit conversion error in the 2011 calculations. This significantly understated the magnitude of the oil reported. This error has been corrected this year.
- Historical carbon emissions figures were restated using revised Defra carbon conversion factors. Carbon emissions for 2011-2012 were calculated using the latest Defra carbon conversion factors for oil: 0.27778kgCO₂e/kWh for gas oil (Scope 1) and 0.05347kgCO₂e/kWh for gas oil (Scope 3 indirect life cycle).

Biomass

- Biomass data for 2012 and 2011 is based on one property (the Angel Building EC1) which represents 2% of the total managed portfolio by property number and 8% by floor area (total building floor area).
- In 2012, biomass data was provided and included in the intensity analyses for one managed property, representing 2% of the managed portfolio by property number and 8% by floor area (total building floor area).
- In 2011, biomass data was provided and included in the intensity analyses for one managed property, representing 2% of the managed portfolio by property number and 8% by floor area (total building floor area).
- In 2012 and 2011, biomass data was provided for one like-for-like managed properties, representing 2% of the like-for-like managed portfolio by property number and 9% by floor area (total building floor area).
- The data was recorded as monthly totals for the whole building.
- Biomass is reported based on the tonnes of wood pellets purchased and the date of purchase, not on consumption.
- Biomass was converted from tonnes to kWh using a conversion factor of 4.8kWh/kg (source: Biomass Energy Centre www.biomassenergycentre.org.uk/portal/page?_pageid=75,20041&_dad=portal&_schema=PORTAL).
- There is a large difference in biomass consumption compared to the 2011 Sustainability Report due to a unit conversion error in the 2011 calculations. This significantly overstated the magnitude of the biomass reported. This error has been corrected this year.
- A Defra carbon conversion factor of 183.93kgCO₂e/tonne for wood pellets was applied.

Solar energy

- Data for energy from solar panels for 2012 is based on 2 managed properties (1 Oliver's Yard EC2 and Angel Building EC1) which represent 4% of the total managed portfolio by property number and 11% by floor area (common area floor area).
- The data was recorded as monthly totals for the whole building.
- 2012 data was provided and included in the intensity analyses for 2 managed properties (1 Oliver's Yard EC2 and Angel Building EC1) representing 2% of the managed portfolio and 11% by floor area (common area floor area).

Water

Figure 7 - Water use across our total managed portfolio

	2012	% change 2011 to 2012	2011
Water (total building)			
Number of buildings	39	-7.1%	42
Floor area (m ²)	364,657	-3.1%	376,496
Use (m ³)	138,080	-4.4%	144,395
Intensity (m ³ /m ²)	0.42*	1.4%	0.41

*Intensity values stated uses different consumption and floor area values. See notes in Scope (page 27) and notes below.

Figure 8 - Water use across our like-for-like portfolio

	2012	% change 2011 to 2012	2011
Water (total building)			
Number of buildings	31	0.0%	31
Floor area (m ²)	310,717	0.0%	310,717
Use (m ³)	127,589	0.4%	127,054
Intensity (m ³ /m ²)	0.41	0.4%	0.41

Notes

- Data for 2012 is based on 39 properties (including the Head Office building) which represent 76% of the total managed portfolio by property number and 89% by floor area (total building floor area).
- Data for 2011 based on 42 properties (including the Head Office building) which represent 76% of the total managed portfolio by property number and 90% by floor area (total building floor area).
- In 2012, water data was provided and included in the intensity analyses for 33 managed properties (including the Head Office), representing 65% of the managed portfolio by property number and 79% by floor area (total building floor area).
- In 2011, water data was provided and included in the intensity analyses for 32 managed properties (including the Head Office), representing 58% of the managed portfolio by property number and 75% by floor area (total building floor area).
- In 2012 and 2011, water data was provided for 31 like-for-like managed properties (including the Head Office), representing 76% of the like-for-like managed portfolio by property number and 90% by floor area (total building floor area).
- The data was recorded as monthly totals for the whole building. Only one property (Henry Wood House W1) had only common parts water data. This was pro-rated to whole building consumption, proportionate to the difference in floor area.
- Water consumption per m² was calculated using the GIA.
- Six buildings were excluded from the 2012 per m² water analysis (132-142 Hampstead Road NW1; 4 & 10 Pentonville Road N1; 9 Rathbone Place W1; Riverwalk House, 157-166 Millbank SW1; Turnmill, 63 Clerkenwell Road EC1; 232-242 Vauxhall Bridge Road SW1; 40 Chancery Lane WC2; and 20-21 Tooks Court EC4). The properties were excluded either because they were vacant, under refurbishment and/or sold during the year.
- Ten buildings were excluded from the 2011 per m² water analysis (Davidson Building, 5 Southampton Street WC2; 132-142 Hampstead Road NW1, Network Building W1; 4 & 10 Pentonville Road N1; 9 Rathbone Place W1; Riverwalk House, 157-166 Millbank SW1; Turnmill 63 Clerkenwell Road EC1, 20-21 Tooks Court EC4; 40 Chancery Lane WC2; and 19a Floral Street WC2). The properties were excluded either because they were vacant, under refurbishment, sold, purchased during the year and/or there was not sufficient amount of reported data to prorate accurately.
- 2011 water data was restated for 17 properties due to the availability of more accurate figures. The changes apply to Angel Building EC1; 75 Wells Street W1; Davidson Building, 5 Southampton Street; 17 Gresse Street W1; 1-3 Grosvenor Place SW1; 5-8 Hardwick Street EC1; Holden House, 54-68 Oxford Street W1; 1 Oliver's Yard EC2; Qube, 90 Whitfield Street W1; Portobello Dock Estate W10; 88 Rosebery Avenue EC1; Suncourt House, 18-26 Essex Road N1; Tower House, 10 Southampton Street WC2; 45-51 Whitfield Street W1; Transworld House, 82-100 City Road EC1; 40 Chancery Lane WC2; and 20-21 Tooks Court EC4.
- New 2011 data was added for four properties: 4 & 10 Pentonville Road N1; 9 Rathbone Place W1; Riverwalk House, 157-166 Millbank SW1; and 43 Whitfield Street W1.
- The Defra carbon conversion factor for water supply was applied – 0.3441 kgCO₂e/m³.
- Rainwater harvesting was reported for the first time this year. Rainwater harvesting data applies to one property (Angel Building EC1) representing 2% of the managed portfolio by property number. Rainwater harvesting as a proportion of total mains water consumption is 0.001%.

Waste

Figure 9 – waste generated across our total managed portfolio

	2012	% change 2011 to 2012	2011
Incineration (with energy recovery) (tonnes)	986	-2.9%	1,016
Recycling (tonnes)	1,161	26.9%	915
Total (tonnes)	2,148	11.2%	1,931
Incineration (with energy recovery) (%)	46%	-12.7%	53%
Recycling (%)	54%	14.1%	47%

Figure 10 – waste generated across our like-for-like portfolio

	2012	% change 2011 to 2012	2011
Incineration (with energy recovery) (tonnes)	837	-8.2%	911
Recycling (tonnes)	1,018	20.8%	843
Total (tonnes)	1,855	5.8%	1,754
Incineration (with energy recovery) (%)	45%	-13.2%	52%
Recycling (%)	55%	14.2%	48%

Notes

- In 2012, data was provided for 26 properties, representing 51% of the managed portfolio. In 2011, data was provided for 26 properties, representing 47% of the managed portfolio by property number and 75% by floor area (common area floor area).
- In 2012 and 2011, waste data was provided for 22 like-for-like managed properties (including the Head Office), representing 54% of the like-for-like managed portfolio and 58% by floor area (common area floor area).
- 2011 waste data was restated for one property due to the availability of more accurate figures. The changes apply to Johnson Building EC1.
- Recycling and general waste figures are provided by our waste management contractors each month. Baled cardboard figures are collated by Building Managers and are obtained by weighing the bales before they leave the property.
- Tenant's confidential waste recycling figures are not included in the calculations as it does not fall under Derwent London's management control.

EPRA ALIGNMENT

This year we have set out an easy reference schedule to show our alignment with EPRA's sustainability best practice recommendations. Figures referred to are those in the data report only.

3.1 Total energy consumption from electricity (kWh)*

14,653,881 – shown in Figure 4, page 31

3.2 Total energy consumption from district heating and cooling (kWh)

None of our properties are connected to or benefit from district heating and cooling.

3.3 Total energy consumption from fuels (kWh)*

19,784,627 – shown in Figure 4 (includes gas, oil and biomass), page 31

3.4 Building energy intensity (kWh per m²)

101.60 – shown in Figure 4, page 31

3.5 Total direct greenhouse gas emissions (tonnes CO₂e)

3,632 – shown in Figure 1, page 29

3.6 Total indirect greenhouse gas emissions (tonnes CO₂e)

7,053 – shown in Figure 1, page 29

3.7 Greenhouse gas intensity from building energy (kg CO₂e per m²)

0.032 – shown in Figure 3, page 30

3.8 Total water withdrawal by source (m³)*

138,080 – shown in Figure 7, page 36

3.9 Building water intensity (m³ per m²)

0.42 – shown in Figure 7, page 36

3.10 Total weight of waste by disposal route (tonnes)

1,161 recycled, 986 incinerated (with energy recovery), shown in Figure 9 (not split by hazardous and non-hazardous) (0 to landfill), page 37

3.11 Proportion of waste by disposal route (total managed portfolio)

54% recycled, 46% incinerated (with energy recovery), shown in Figure 9 (not split by hazardous and non-hazardous) (0% to landfill), page 37

*As per EPRA Best Practice Recommendations, this data covers utilities procured by Derwent London only.

GLOSSARY

Building Management System (BMS)

A BMS is a computer-based control system installed in buildings that controls and monitors the building's mechanical and electrical equipment such as ventilation, lighting and power systems.

Building Research Establishment Environmental Assessment Method (BREEAM)

BREEAM is an environmental impact assessment method for non-domestic buildings. Performance is measured across a series of ratings, Good, Very Good, Excellent and Outstanding.

Carbon Disclosure Project (CDP)

The CDP is an organisation which works with shareholders and listed companies to facilitate the disclosure and reporting of climate change data and information.

Carbon Reduction Commitment Energy Efficiency Scheme (CRC)

This is the UK Government's mandatory scheme for carbon emissions reporting and allowance purchasing.

Global Real Estate Sustainability Benchmark (GRESB)

The Global Real Estate Sustainability Benchmark is an initiative set up to assess the environmental and social performance of public and private real estate investments and allow investors to understand their performance.

UK Green Building Council (UKGBC)

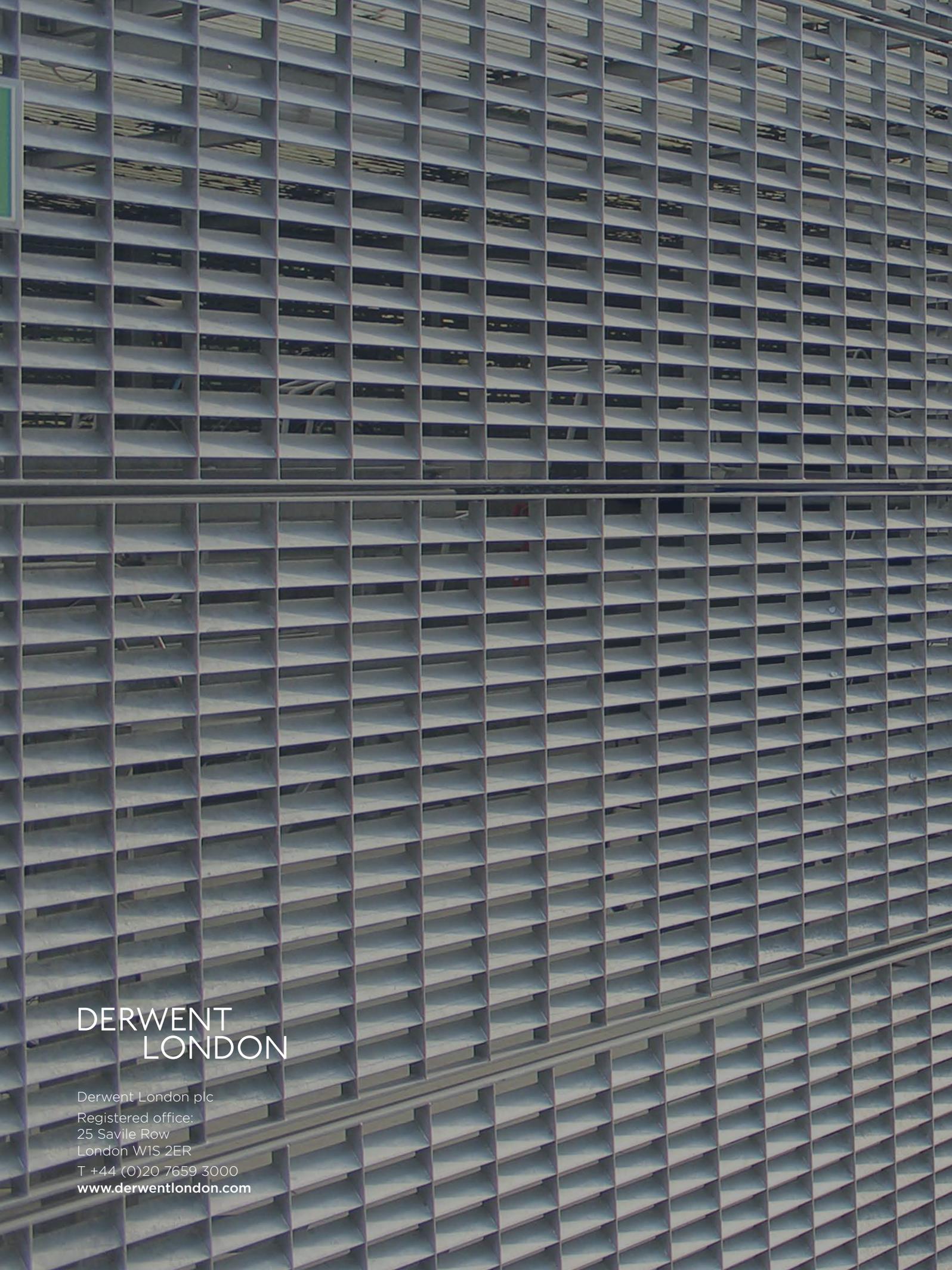
The UKGBC is a membership organisation formed as a result of the 2004 Sustainable Building Task Group Report, which called for the "advisory bodies concerned with sustainable buildings to be simplified and consolidated to provide a clear direction for industry".

Ska Rating

The Ska Rating is an environmental impact assessment method designed specifically for non-domestic fit out projects. Performance is measured across a series of ratings, Bronze, Silver and Gold.

Waste Resources Action Programme (WRAP)

WRAP is a not-for-profit organisation which assists organisations to become more efficient in the use of natural resources.



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