

Tailored spaces, your way



EPRA SUSTAINABILITY REPORT 2023

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EPRA SUSTAINABILITY BEST PRACTICES RECOMMENDATIONS

The Company has chosen to report its material, environmental, social and governance data in accordance with the third edition of the European Public Real Estate Association ('EPRA') Best Practices Recommendations ("sBPR"), September 2017.

EPRA is a non-profit association representing Europe's publicly listed property companies. By responding to EPRA, the Company is promoting sustainability within the property portfolio, while also identifying opportunities for further improvements relating to sustainability regulations and initiatives.

This EPRA report is over three sections:

1. Overarching recommendations;
 2. Environmental performance measures; and
 3. Social and Governance performance measures.
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1. Overarching Recommendations

Organisational boundaries

The Company's EPRA sustainability reporting covers properties held as at 31 December 2023. At the date of this report, the Company is finalising the collection of performance data to report on the environmental performance measures to 31 December 2023. The Company expects this to be published and made available in the second half of 2024.

Coverage

The coverage of absolute performance measures amounts to 75.3% of all property assets held at 31 December 2023. The remaining assets are single or multiple occupancy assets with no landlord-obtained electricity gas and water ("Utilities").

The absolute performance measures relate to electricity, fuels and associated greenhouse gas ("GHG") emissions where the Company procures Utilities for common areas, shared services, occupier areas and those properties that are vacant.

Like-for-like performance measures include properties for which the Company has collected three years' worth of consistent data and excludes properties sold, acquired or under development during the period 1 January 2022 to 31 December 2023. The like-for-like portfolio therefore represents 75.3% of the assets covered in the organisational boundaries, and data coverage is 100% of these properties. Data was collected in the years following covid for which time properties were not fully occupied or utilised.

The Company aims to complete annual health and safety assessments for 100% of the assets, excluding those where the responsibility for health and safety assessments is with the occupier.

Boundaries – Reporting on Landlord and Occupier Consumption

The energy and associated GHG emissions data reported includes:

- Electricity and fuel consumption which the Company purchases as landlord covers common areas, shared services and occupier areas where this consumption is not sub-metered but recharged via the service charge;
- Utilities procured directly by occupiers is excluded as it falls outside the Company's operational control.

Estimation of landlord-obtained Utility Consumption

All data is based on invoices and/or meter readings where available. Estimations have been applied where invoices were not available at the time of publication. In these instances, the Company has estimated the consumption data based on the most recent invoice or reading for the corresponding period.

Analysis – Normalisation

Energy and emissions intensity indicators are calculated using floor area sq. ft. for whole buildings. The Company is aware of a mismatch between the numerator and denominator, as in some properties the utilities consumption relates to common areas only, and in others it covers both shared services, outside space and occupier areas where there are no sub-meters.

Analysis – Segmental Analysis (by Property Type, Geography)

Sector analysis is organised by the property classification as set out in the Asset Management section of the Company's financial reporting. Additional segmental analysis by geography is not applicable as all assets are in the United Kingdom.

Reporting Period

- Absolute performance measures and intensity metrics are reported for the most recent reporting year for which the Company holds full reporting data at the date of this report year ending 31 December 2023.
- Like-for-like performance measures are reported for the three most recent reporting years that the Company can collect consumption data for years ending 31 December 2020 to 31 December 2023.

Disclosure on Manager's Offices

Utilities associated with the Manager's office consumption and the Manager's employee-related performance measures are excluded, apart from where the Manager's space is leased from the Company, as they fall outside the scope of the organisational boundaries.

Data Verification and Assurance

All data is reviewed for consistency and coherence prior to disclosure. A third party, Carbon Footprint conducts a review of the data providing assurance of the data's validity.

Materiality

The following EPRA sustainability performance measures were not considered material and have therefore been excluded from reporting:

- District heating or cooling ("DH&C"); absolute & DH&C-like for like: No DH&C is procured across the portfolio.
- Diversity-Emp; Diversity-Pay; Emp-Training; Emp-Dev; Emp-Turnover & H&S-Emp: The Group has no direct employees. All administrative functions associated with the management of the portfolio are conducted by the Asset Manager and Investment Adviser, which are separate legal entities and therefore outside the organisational boundaries of this report.
- Waste-absolute & Waste-like for like: Operational waste is generated solely by the occupiers and is therefore outside of the Company's control. Waste generated through the Company's refurbishment/development activities is excluded from the scope of the EPRA sBPR.

2. Environmental Performance Measures

EPRA Code	Performance Measures	Unit	Scope	Absolute 2022	Absolute 2023	LfL 2022	LfL 2023	LfL Change %
Elec-Abs Assets Elec-Lfl	Total Electricity Consumption	kWh	Total landlord obtained	33,402,818	30,671,195	33,317,617.00	30,642,476.00	-8.03%
DH&C-Abs Assets DH&C-LfL Assets	Total district heating & cooling consumption	kWh	Total landlord obtained	0	0	n/a	n/a	n/a
Fuels-Abs Asset Fuels-Lfl Asset	Total fuel consumption	kWh	Total landlord obtained	25,012,703	22,466,920	24,650,631.00	22,152,172.00	-10.14%
Energy-Int Asse	Building energy intensity	kWh/m ² /year	Building energy intensity	118.56	109.77	118.69	110.01	-7.29%
GHG-Dir-Abs Ass	Total direct GHG emissions	tonnes CO ₂ e	Scope 1 – direct emissions	4,566	4,044	4,499.73	3,987.73	-11.39%
GHG-Indir-Abs A	Total indirect GHG emissions	tonnes CO ₂ e	Scope 2 – indirect emissions	6,459	6,351	6,422.96	6,345.26	-1.52%
GHG-Indir-Abs A	Total indirect GHG emissions	tonnes CO ₂ e	(location-based)					
GHG-Int Assets	Greenhouse gas (GHG) emissions intensity from building energy consumption	kg CO ₂ e/m ² /year	Scope 1 and 2 (location)	22.38	21.47	22.40	21.54	-3.88%
Water-Abs,LfL	Total Water Consumption			164.505.00	186.642.04	164138.00	185730.00	13.5%
Water Int	Building water intensity			0.49	0.58	0.49	0.58	18.43
Waste Lfl	Total weight of waste by disposal route			1,571	1,261		1,127	-20%

3. Social and Governance Performance Measures

EPRA Code	Performance Metric	Unit of Measurement	2021	2022	2023
Diversity-Emp Corporate	Employee gender diversity	% female: male	The organisation has no employees	The organisation has no employees	The organisation has no employees
Diversity-Pay Corporate	Ratio of the basic salary and/or remuneration of men to women	Ratio per GRI guidelines	The organisation has no employees	The organisation has no employees	The organisation has no employees
Emp-Training Corporate	The average hours of training that the organisation's employees have undertaken	Average hours	The organisation has no direct employees	The organisation has no direct employees	The organisation has no direct employees
Emp-Dev Corporate	The percentage of total employees who received regular performance and career development reviews	Percentage of total employees	The organisation has no employees	The organisation has no employees	The organisation has no employees
Emp-Turnover Corporate	The total number and rate of new employee hires and employee turnover	Total number and rate	The organisation has no employees	The organisation has no employees	The organisation has no employees
H&S-Emp Corporate	The occupational health and safety performance of the reporting organisation with relation to its direct employees	Injury rate, lost day rate, absentee rate and work-related fatalities	The organisation has no employees	The organisation has no employees	The organisation has no employees
H&S-Asset Assets	Proportion of assets for which health and safety impacts have been reviewed or assessed for compliance or improvement	Percentage of assets	100%	100%	100%
H&S-Comp Assets	Incidents of non-compliance with regulations and/or voluntary standard concerning the health and safety impacts of assets assessed during the reporting period.	Description of non-compliance	The organisation has not identified any non-compliance with regulations and/or voluntary codes	The organisation has not identified any non-compliance with regulations and/or voluntary codes	The organisation has not identified any non-compliance with regulations and/or voluntary codes
Comty-Eng Assets	Assets under operational control that have implemented local community engagement, impact assessments and/or development programmes	Percentage of assets	n/a	n/a	n/a

Governance Performance Measures

EPRA Code	Description	Disclosure
Gov-Board	Composition of highest governance body	Refer to pages 104 to 107** of this report
Gov-Selec	Process for selection of highest governance body	Refer to pages 128 to 133** of this report
Gov-COI	Process for management of conflicts of interest	Refer to page 132** of this report

** All page numbers refer to 31 December 2023 Regional REIT Annual Report



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