Environmental performance results

Table 1: Environmental performance 2019 to 2022

Like-for-like performance	2021	2022	% change	Comments
Building electricity intensity (kWh/m² NLA)	15.1	15.6	(4%)	Our like-for-like electricity intensity has increased year-on-year. This is because of the increase in occupancy at our assets following the lifting of the COVID-19 lockdown restrictions. It is also reflective of the fact that we are increasingly electrifying our buildings as we begin to remove gas from the landlord areas.
Building fuel intensity (kWh/m² NLA)	11.8	9.7	(-18%)	We have reduced the like-for-like fuels intensity of our portfolio year-on-year. This is primarily driven by the ongoing work to remove gas from the landlord areas of our portfolio.
Greenhouse gas intensity from building energy (kgCO₂e/m²)	2.9	2.6	(-9%)	The continued removal of gas and electrification of our assets has resulted in a reduction in the like-for-like greenhouse gas intensity of the portfolio. This is further helped by the ongoing decarbonisation of the UK electricity grid.
Building water intensity (litres per m²)	190	215	(13%)	Our like-for-like water intensity has increased year-on-year. This is because of the increase in occupancy at our assets following the lifting of the COVID-19 lockdown restrictions.

Absolute data — Our 2022 absolute emissions data has received limited assurance by Deloitte in accordance with the ISAE 3000 and ISAE 3410 standards	2019	2020	2021	2022	Comments
Energy consumption from electricity (kWh)	69,429,969	53,095,906	50,581,844	56,416,696	During 2022 we saw increases in total gas (fuel) and electricity consumption as the occupancy levels of our buildings increased following the lifting of COVID-19 lockdown restrictions. Total energy consumption and carbon emissions are significantly lower than 2019, which is the baseline year for our science-based targets. We are currently ahead of schedule to achieve a 55% reduction in scope 1 and 2 emissions by 2030 against the 2019 baseline.
Energy consumption from district heating and cooling (kWh)	0	0	4,738,722	4,760,859	
Energy consumption from fuels (kWh)	33,237,476	26,554,834	23,326,683	25,034,282	
Direct greenhouse gas emissions (tonnes CO₂e)	6,111	4,883	4,273	4,570	Our 2022 absolute emissions data has received limited assurance by Deloitte in accordance with the ISAE 3000 and ISAE 3410 Standards.
Indirect greenhouse gas emissions (tonnes CO₂e)	17,746	12,379	11,558	11,723	
Water withdrawal by source (m³) - absolute	296,093	229,009	174,833	194,111	The increase in water use in 2022 is a reflection of increasing occupancy and headcount in our buildings following the lifting of the COVID-19 lockdown restrictions.
Waste by disposal route (tonnes) (and %recycled and % diverted from landfill)	6,556 (54% recycled, 99% diverted from landfill)	5,571 (43% recycled, 85% diverted from landfill)	4,430 (46% recycled, 97% diverted from landfill)	1,017 (55% recycled, 100% diverted from landfill)	There has been a reduction in the amount of waste collected in 2022. During 2023 we will therefore be working with our property managers, facilities management integrator and data providers to increase the quality and coverage of the waste data that we collect. We have achieved a 100% diversion from landfill for waste reported in 2022.

Table 2: GRI INDEX (G4) *

* 2017 standard

Risk management

		Status	
Acquisitions	Ensure all acquisitions have a detailed sustainability appraisal which highlights key risk areas and actions required. This is to include a net-zero carbon audit.	Achieved	All acquisitions follow our comprehensive sustainability due diligence process.
EPC Improvement	Develop an action plan for each asset on how to improve its EPC performance in line with emerging legislation and carbon reduction targets. This is to be reflected in the net- zero audits and the asset sustainability plans.	Achieved	The percentage of EPCs with an F and G rating at the end of 2022 had reduced to 1% by number.

Resources and environment

Environmental certification	Achieve BREEAM excellent on all new builds. Aspire for BREEAM excellent and achieve a minimum of BREEAM very good on all major refurbishments.	Partially achieved	BREEAM targets were achieved on the majority new buildings and major refurbishments.
Managing Agents	Include environmental KPIs in all managing agent contracts and review performance quarterly.	Achieved	KPIs were included in all managing agent and Facilities Management Integrator contracts in 2022.
Supply chain	Include sustainability KPIs in all second-tier supply contracts through our managing agents and receive quarterly reports on performance.	Partially achieved	KPIs for suppliers continue to be included in all managing agents supply chains and our own supply chain.
ISO 14001	Continue to maintain ISO 14001 accreditation on all managed buildings and other managed assets where applicable.	Achieved	All managed assets are accredited or aligned to ISO 14001.

Leadership and engagement

Employee objectives	Ensure that every member of the property team has sustainability related objectives included in their formal performance objectives.	Achieved	All property management related employees had sustainability objectives in their appraisal criteria.
Training	Ensure that all new employees in LGP undertake sustainability training and the existing employees receive regular updates on sustainability.	Achieved	New employees completed a bespoke, in-house, induction course which includes sustainability and all asset managers attend regular sustainability update sessions to keep up to date with latest developments and to review achievements which can be replicated throughout the portfolio.
Occupier engagement	Engage with as many occupiers as possible to gather stakeholder feedback and implement asset sustainability plans (ASPs) to improve the sustainability of our assets.	Partially achieved	Stakeholder feedback was received through our managing agents. During 2022 we continued the rollout of our client engagement tool, Vizta by L&G. Since the start of 2022 we have accelerated the installation of automatic metering in our occupier spaces.
Community engagement & social value	Seek to have a positive impact on the communities around our assets and seek ways to measure social impact.	Partially achieved	During 2022 we established a new social impact framework and toolkit, working in collaboration with Legal and General Capital. We also initiated a number of early-adopter pilots to test and refine the framework and toolkit.
Investor engagement	Engage with investors and investment agents to gather stakeholder feedback and promote our belief that sustainability will enhance returns and minimise risk. Develop feedback on current reporting options and action any changes required.	Partially achieved	We engaged with a number of investors on sustainability issues. In general, we found that during 2022 there was an increasing number of investors and their agents who are interested in sustainability (ESG) performance.
Joint venture partners	Seek to influence all joint venture partners in terms of the sustainability aspects of our joint investments.	Partially achieved	Meetings were held with some of our JV partners in terms of sustainability.
GRESB	Continue to participate in the Global Real Estate Sustainability Benchmarking (GRESB) imitative on an annual basis to benchmark sustainability performance.	Achieved	In 2022, sixteen funds were submitted to GRESB. The average scores achieved in 2022 increased by 1.6 points across the platform compared to 2021. Five of our funds achieved a maximum 5 stars.
Operational ratings	Support all initiatives to create voluntary operational ratings in the commercial property sector	Achieved	We continued to use the Better Building Partnerships, Real Estate Environmental Benchmarks (REEB) to measure the operational performance of all our assets. We are also supporting the Design for Performance (DfP) project, which is working to introduce the Australian rating system NABERS into the UK.
Benchmarks	Continue to submit data to legal and general corporate sustainability benchmarking initiatives i.e.: UNPRI, BITC etc. and the Better Building Partnerships, Real Estate Environmental Benchmarking (REEB).	Achieved	Data was submitted to all requested corporate benchmarking initiatives. We also continued to participate in REEB and submitted all our applicable funds to the GRESB survey. We participated in the following groups and organisations: · UK Green Building Council (UKGBC) board of trustees · British Property Federation (BPF) sustainability committee · Better Building Partnership (BBP) board of directors · British Council for Offices (BCO) sustainability committee · Institution Investors Group on Climate Change (IIGCC) · Global Real Estate Sustainability Benchmark (GRESB) benchmarking committee
Industry participation	Participate in industry groups to help further knowledge of sustainably issues and help promote best practice.	Achieved	
Climate risk and resilience	To put in place a process to assess the climate related risks, primarily flooding, for each asset to 2100. To develop resilience and adaption strategies to manage these risks at an asset and fund level.	Achieved	Risk analysis was carried out on all assets to identify the degree of flooding risk to 2100. During 2022 we initiated a programme of risk-review with our funds in order to identify potential mitigation opportunities for medium and higher risk assets. This will continue to be rolled out during 2023.