

Barwood.

Impact Report.

Mid Year 2024

Introduction.

There remain huge challenges to achieving net zero in the construction industry.



Danielle Sheppard, FRICS
Senior Investment Director & Head of Sustainability.

Firms are still battling to make big and bold commitments regarding when net zero will be achieved, however, the credibility behind some of these claims remains debateable.

What is evident is that all parties need to be aligned to achieve the Paris Agreement goals (an international treaty adopted in 2015 with the aim of keeping the rise in global temperatures to below 2 degrees), whereby emissions need to reduce by roughly 50% by 2030. Ultimately, this is a huge undertaking and one that would be incredibly costly to do in isolation. As a result, Barwood will need to rely on its supply chain, partners, the National Grid, the Government and to some extent its competitors, to achieve this.

To effectively reduce emissions, we must focus on the factors that we can control and make informed commercial decisions. Off the back of this, we are excited to announce that Nottingham 360, our first Net Zero in Construction and Net Carbon enabled property, has completed. We aim to make this the standard in as many of our developments as we can. We also strive to include as many sustainable initiatives as possible in our developments, not only because it is beneficial for the environment, but also because we believe it is the standard occupiers and ultimately investors expect. Additionally, for Barwood to remain relevant and drive returns we need to be thinking ahead of the game. A recent example of this is our development in Richmond, which saved embodied carbon (carbon used in construction) by

utilising the existing frame of the building, rather than demolishing and rebuilding the structure. It has achieved an EPC rating of A and a BREEAM Excellent score.

While Barwood is dedicated to lowering emissions overall, we won't make any audacious promises or declarations that we don't think can be supported by data. Without knowing our current emissions (our base line year), we are unable to declare that our emissions have decreased, and obtaining this information requires a significant amount of data collection. Our aim is to disclose the base year for all our funds and by the year end. Despite its seeming insignificance, this is an important advancement towards establishing a genuine and credible route towards net zero. As we achieve this, we're determined to continue giving our investors strong returns they rightly expect from us.

Going forward we have decided to align our Impact Report with our Financial year end, hence this interim report is being produced, to provide an update on our accomplishments thus far this year, and what our goals are for the next six months.

We hope this is informative and would be happy to hear from you.

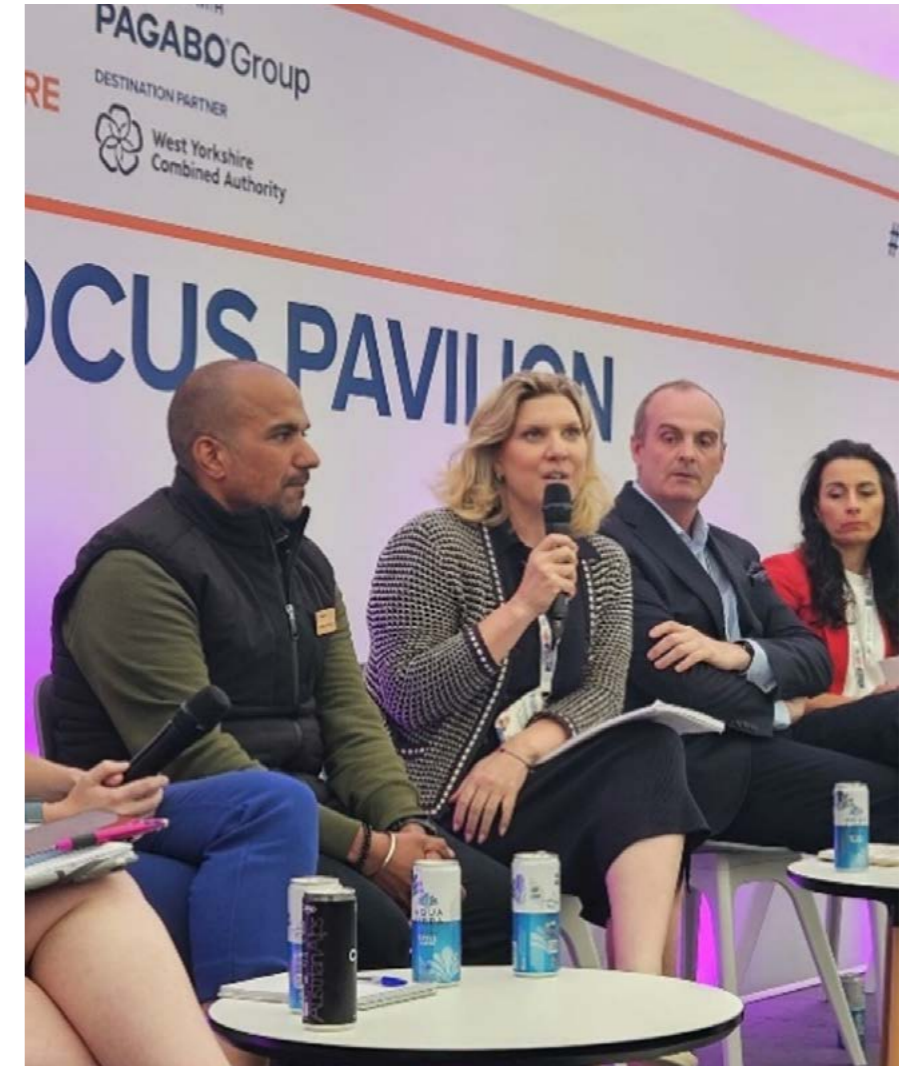
Please do get in touch with the Barwood Impact Committee members to discuss any ideas you may have, both current and future.

UKREiiF.

Board members Danielle Sheppard (head of Sustainability) and Andrew Barlow attended this year's UKREiiF in May, which had over 12,000 attendees.

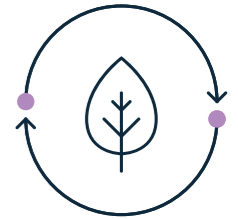
The conference, which was held over three days, had a strong focus on sustainability and offered the opportunity to network and learn from some of the leading thinkers in real estate and sustainability.

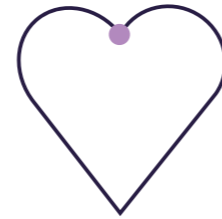
Danielle joined a panel of experts in a discussion about the challenges and complexities of embodied carbon data and accurate whole life cycle assessments. In addition to providing a platform for showcasing Barwood's operations to a diverse audience, it also offered a valuable exchange of knowledge among panellists and a chance to deliberate on challenging and intricate matters that are essential to achieving net zero. Danielle had previously written an article on the subject which you can read [here](#).



Other highlights from the conference included a live session of the UK's number one Podcast 'The Rest is Politics', with guests including Baroness Judith Blake (shadow spokesman for Housing Communities and Local Government).

The Key note speech was delivered by Angela Rayner on the same day as the Government announced the date of the next general election.





Creating Desirable Places.

Below is a selection of development projects that prioritise energy efficiency, eco-friendly construction practices, and community well-being.

Explore, Richmond.

Practical completion of this extensive office re-development was granted in May 2024

The project delivers a best-in-class office building to Richmond and the wider Southeast market.

As occupiers refine and focus on their corporate ESG targets, Explore has adopted passive design principles that optimise the building performance and reduce energy demand. BREEAM Excellent is the adopted base level target for the building. WiredScore Gold, Fitwell 2* and EPC A have also been achieved.



Nottingham 360.

Practical completion of this speculatively developed industrial and logistics building was achieved in December 2023. Working closely with Winvic as the main contractor, the scheme delivers a best-in-class warehouse with leading ESG credentials that capture Net Zero in construction, Net Zero in operation, BREEAM Excellent and EPC A.

Other design features of importance that have contributed to the ESG credentials include PV panels capable of delivering an additional 170kva of power, green roofs to the warehouse canopies and a biodiversity enhancement and management plan.

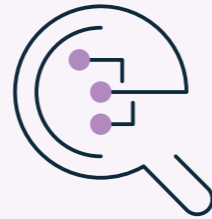


Greet, Gloucestershire.

Our BRIP 7 scheme, Manor Court, is progressing well with completion expected this Summer. Manor Court is located in the picturesque village of Greet, Gloucestershire and is an exclusive development of six family houses.

Energy efficiency has been at the forefront of the design process and each home is targeting an EPC A rating. To achieve this, the development incorporates a range of sustainability features including air source heat pumps, solar PV panels and battery storage, alongside triple glazing, comprehensive roof and ceiling insulation, and electric vehicle charging points.





Working with our suppliers.

Barwood is proud to be a signatory of the Good Business Charter.

It comprises ten key standards committing organisations to focus on care for our employees, suppliers, customers and the environment, whilst ensuring organisations pay their fair share of tax.

We recognise that we can't achieve our impact goals alone and so we want to ensure our partners and suppliers are aligned to our values. To achieve this, we have now adopted a procurement process which is oriented around the requirements of the Good Business Charter, whereby we ask our suppliers to complete a questionnaire informed by the ten key standards, prior to issuing an instruction.

This also extends to the shortlisting and appointment of contractors in the build contract tendering processes, and we also issue the questionnaire to existing suppliers annually, to ensure we continue to work with partners with similarly high sustainability aspirations.

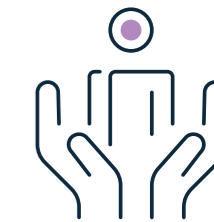
This year, we are delighted to see a continued high level of engagement and responsiveness from our valued partners and suppliers, in their adherence to the principles of the Charter. We have also introduced a new level of sign off to ensure that all major suppliers are aligned with the principles.

Head of Sustainability, Danielle Sheppard, recently wrote an article on the issue of mental health amongst the construction industry, highlighting why it is important that we engage with our suppliers. You can read the article [here](#).



Components of the GBC.

Real Living Wage	Fairer Hours and Contracts
Employee Well-being	Employee Representation
Equality, Diversity and Inclusion	Environmental Responsibility
Pay Fair Tax	Commitment to Customers
Ethical Sourcing	Prompt Payment to Suppliers



Charity.

Over the past 12 months, Barwood is proud to have donated £15,000 to our Charity of the Year, Towcester Larder.

This remarkable organisation operates a network of community larders, collaborating with local supermarkets, businesses, and food surplus providers, to distribute affordable food throughout our community. By supporting Towcester Larder, we have not only contributed to reducing food waste, but also helped ensure that nutritious food reaches those in need.

We proudly completed 10 volunteering days over the past year, actively engaging in various charitable initiatives. In September, we challenged the Barwood team to walk or run as far as possible to raise funds, with Barwood contributing £1 for every kilometre travelled. Our team's efforts resulted in significant contributions to this worthy cause. Additionally, our fundraising activities included transforming a garden to benefit the community and hosting a Macmillan Coffee Morning.

Our collective efforts have made a meaningful impact, demonstrating our commitment to social responsibility and community well-being, making a positive impact through both physical effort and community engagement.



New Leaf Learning.

We are also excited to extend our efforts to support our new Charity of the Year for 2024/25, New Leaf Learning.

New Leaf Learning, based in Northampton, offers a unique, nature-based educational program that empowers children, who are not currently engaging in learning in mainstream schools, to develop crucial life skills.

The charity offers numerous activities such as slackline, den-building and pond-dipping, as well as gardening, cooking, and arts and crafts, to develop and enhance the key skills of trying, resilience and understanding as well as empathy, self-regulation and most

importantly teamwork – better known as the TRUST Programme. Learning takes place outside wherever possible, in open parkland, kitchen gardens, along bodies of water, and amongst trees.



The Barwood Impact Committee.



Danielle Sheppard.



Hitesh Patel.



Tom Darby.



Nick Masters.



Joy Gordon.



Cerys Cheesman.

“Sustainability and social impact are now core to our culture at Barwood.”



I have been proud to see what the whole team has achieved and am excited about the plans that the Impact Committee has going forward.

There has been a noticeable change of pace at Barwood in terms of social impact, with everyone embracing their volunteering days and the positivity it has made to office morale, which I believe improves our productivity.

As a company, we will continue to strive to have a positive impact on the environment, and while we remain

committed to delivering the strongest possible returns to our investors, we also recognise that to achieve this, we have to increasingly align the needs of society and the environment with our goals.

I firmly believe that this is how we can get the most out of our staff and remain relevant and competitive.



Hugh Elrington
Managing Director.