



IMPACT REPORT 2019/20

Introduction



The BBP Climate Commitment must surely feature first when reflecting on our impact during 2019/20. The Commitment—launched in September 2019 with 25 signatories, representing over £300bn AUM and 11,000+ properties—galvanised major property owners around a net zero ambition, but it did more than that. The principle of transparency that runs through the commitment means that these words will be backed up with action by the signatories. This will be critical if we are to make the kind of progress needed, fast.

‘Tenacity’ was a word used by one of our stakeholders to describe the BBP recently. I liked this, and nowhere is this more evident than the work we have championed for over a decade on the in-use performance of commercial buildings. The launch of the new REEB platform was a major milestone this year and paves the way for REEB to fulfil its potential as an industry benchmark. Coupled with the ground-breaking Design for Performance initiative, our focus on delivering better, energy efficient buildings has never been more important in the journey to net zero.

The BBP has an increasingly extensive programme of work driven by our members. This report enables us to be held accountable for this and seeks to quantify our impact—the statistics enable us to demonstrate how we are putting the BBP resources to good use. However, the real value we bring to our members is often not quantifiable. I was very touched when one of our members described the BBP as being like a “sustainability family.” Real estate is a highly competitive industry, but the BBP and its members really back up the rhetoric of collaboration with an exceptionally open approach to sharing their knowledge and expertise, working together to address sector challenges. They are leading the industry and it’s a privilege to work with them.

In these times of uncertainty, there are some things that remain constant. I am, as always, hugely grateful to the tiny powerhouse that is the BBP Executive, who continue to show a huge amount of commitment and dedication to the work of the BBP and consistently produce the high quality outputs our members have come to expect.

At the time of writing this, we are still grappling with the impacts of the COVID-19 crisis. At the BBP we remain resolute in our commitment to support our members on a road to recovery with sustainability at its heart.

A handwritten signature in black ink that reads "Sarah Ratcliffe". The signature is written in a cursive, flowing style. The first letter 'S' is large and loops around the first part of the name.

Sarah Ratcliffe
CEO, The Better Buildings Partnership



It is a huge privilege to Chair the BBP, an organisation that exemplifies what can be achieved through active collaboration and ambition. I am always immensely proud when I look back over the previous 12 months at what we have achieved. This year is no exception; as this report shows our activities and relevance just keep expanding.

However, the Board and I also have to be forward-looking. There has been a clear change in business attitudes to climate risk and environmental, social and governance issues more broadly over the last 18 – 24 months. This is much welcomed and has brought with it rising interest in our activities, more demand for our services and outputs, and new members. It also brings a responsibility to leverage this new interest and build on our existing work to provide the industry with the best possible tools and information to move forward in tackling climate change faster than ever before. The BBP Climate Change Commitment is an excellent example of these twin effects in action – the demand from business leaders within the industry for a mechanism to drive change was met with an ambitious, practical initiative designed for the sector, by the sector. Other major projects currently in train – the Real Estate Environment Benchmark, Design for Performance, the Managing Agents Partnership – are all similarly designed to enable innovation and change through existing market mechanisms. Projects in the pipeline will continue to deliver this type of market transformation which is of course part of the vision of the organisation.

Just like any other business, the BBP will have to move quickly to respond to COVID-19 in the coming year. The global pandemic is an important lesson in the dangers presented by recognised but unmanaged risks – a description that can easily be applied to climate change. In the short term, however, it has practical implications for our members, of which the Board is acutely aware. This presents interesting challenges for us. The organisation is growing and we must continue to invest in developing tools and solutions to support the members and the wider sector in transitioning rapidly to a clean economy. We also need to ensure the organisation itself remains sustainable. For this we must stay relevant and useful to all our members, whilst driving innovation and ambition. This is only possible with a strong and committed executive and the ongoing support and collaboration of all the BBP members and particularly the Board. So thank you to everyone and particularly to my Board colleagues and our extremely hard-working and skilled executive for what you have achieved this year and for persisting in your vision for a more sustainable future.

Louise Ellison

Chair of the Board, the Better Buildings Partnership
Head of Sustainability, Hammerson

BBP Impact at a Glance

OUR 2020 IMPACT

34

BBP MEMBERS

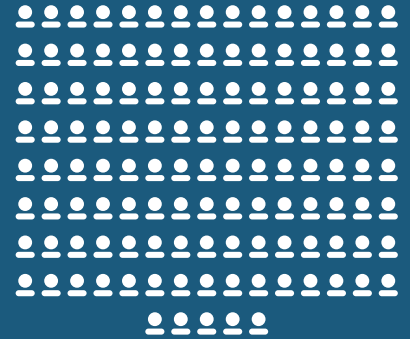
10

MAP MEMBERS



£240BN

in Assets Under Management¹



125

BBP and MAP
members
participating
in meetings

1,107

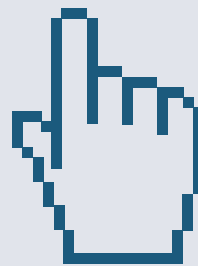
member hours

128,000

views on the BBP website

+30%

compared to previous years



+31%

compared to previous years



1,800

LinkedIn followers

+30%

compared to previous years

100%

of members are “**very satisfied**” with the benefits they receive from being members of the BBP

100%

of members said that attending BBP working group meetings had an **impact on their programme of work**

100%

of members feel the BBP “**plays a leadership role in driving the sustainability agenda within the UK real estate industry**”

BMO Real Estate Partners

BMO  Global Asset Management

“We see our participation in the BBP as instrumental in offering collaborative insight into the implementation of best practice and improved standards not only for our own benefit, but also for our wider industry.”

Andy Szyman, Head of Sustainability, BMO Real Estate Partners

“I consider there is no better Group recognised than the BBP at being at the forefront of thought leadership, creating practical deliverables, lobbying and raising the profile of ESG across the commercial property sector.”

Tim Coffin, Responsible Property Investment Manager, Royal London Asset Management



“We are pleased to be part of the industry’s collective commitment on climate change via the Better Buildings Partnership.”

John Davies, Head of Sustainability, Derwent London

DERWENT LONDON

“We are delighted to become a member of the BBP Managing Agents Partnership to share best practice with other agents within the partnership and to work together in a collaborative way.”

Barry Finlayson, Partner, Montagu Evans

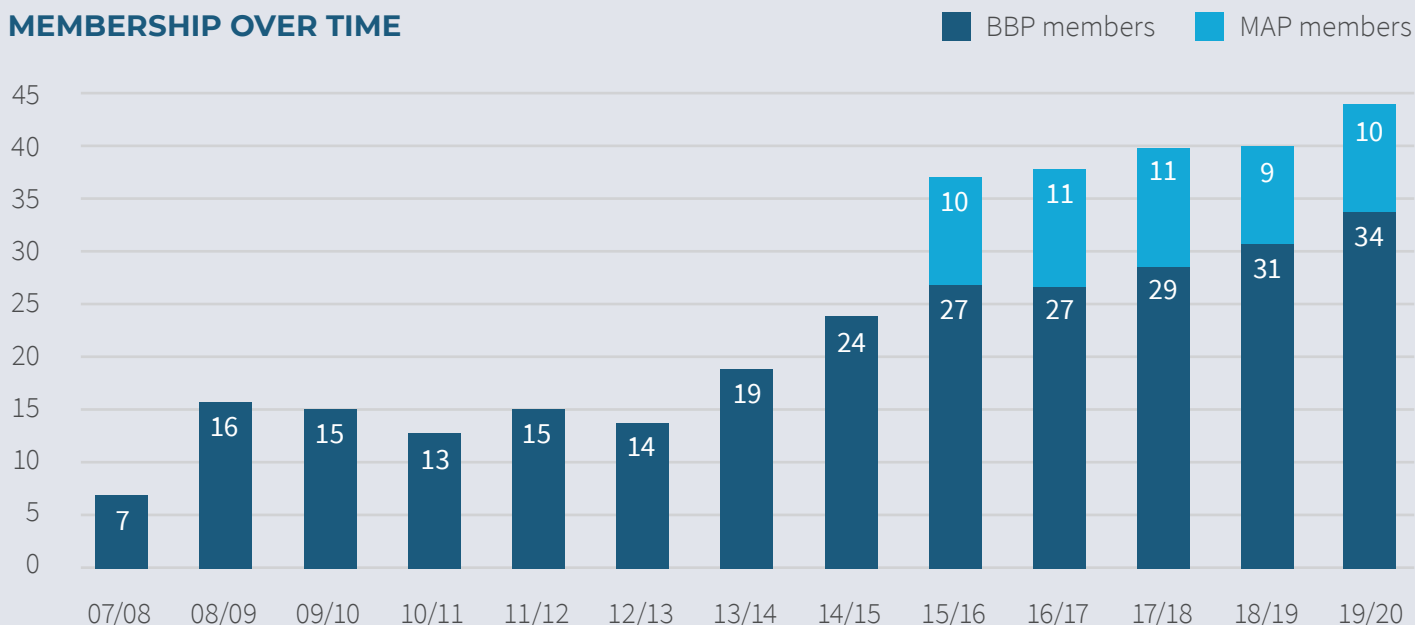


“We have set ourselves ambitious internal targets to achieve on our portfolio in the UK, and we look forward to working with the BBP and our industry peers to also achieve the targets of the Climate Change Commitment.”

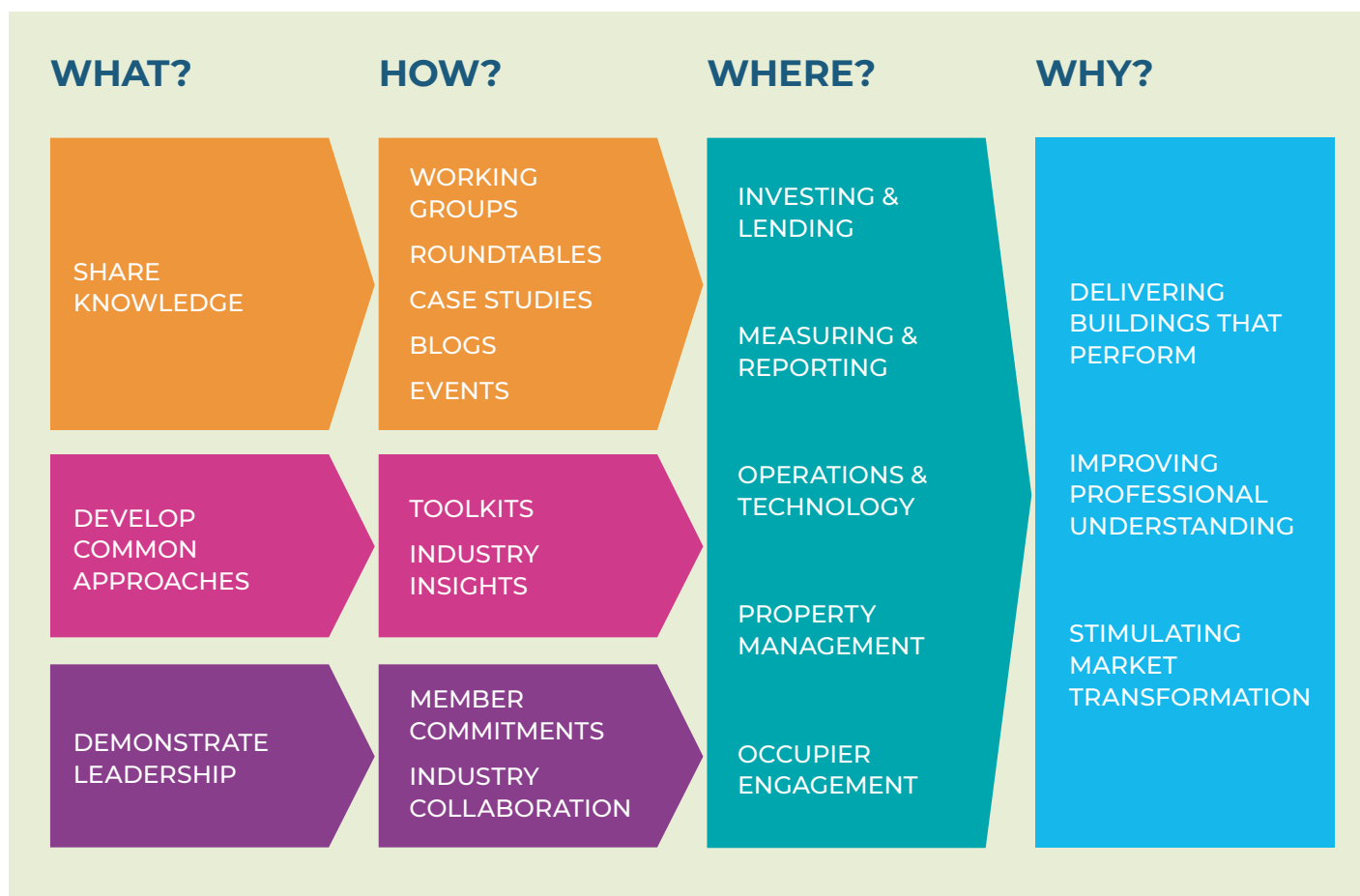
Ilaria del Beato, Chief Executive Officer, Frasers Property UK



MEMBERSHIP OVER TIME



What we do



Major Projects:

- Design for Performance
- BBP Climate Change Commitment
- Real Estate Environmental Benchmark
- Managing Agents Partnership

Working Groups & Roundtables:

- Climate Change Commitment
- Net Zero Carbon Pathways
- Climate Resilience
- Building Operations & Technology
- European Investments
- Sustainability Benchmarking
- REEB Strategy

Major Projects

In this Impact Report, we have decided to provide deeper insight into several of our major projects to illustrate the BBP's impact and progress in relation to our three key aims.

Stimulating Market Transformation The BBP Climate Change Commitment

Perhaps the most critical piece of work taken on by The Better Buildings Partnership in 2019/20 was our [Climate Change Commitment](#). The Commitment was initiated after the BBP hosted a "Directors' Dinner" in March 2019, focusing on the collective climate impact of the property industry. At this dinner, CEOs and CIOs heard from Christopher Rapley, Professor of Climate Science at University College London, who outlined in no uncertain terms what risk the industry faces if it fails to act.

At the request of these industry leaders, the Better Buildings Partnership catalysed collective action, working with our members to produce a Climate Change Commitment for property owners. The commitment needed to reflect different ambitions, scale & business models, but align with the scientific imperative, aiming to deliver net zero carbon buildings by 2050. Importantly, members were clear that this long-term target needed to be complemented by short-term goals that would enable greater transparency concerning the signatories progress. Hence, one of the most important aspects of the Commitment was signatories' agreement to publish their net zero carbon pathways by the end of 2020, and to publish progress on this pathway every year thereafter.

The Climate Change Commitment was launched on the same day as the Climate Strikes in September 2019 and alongside a major new sustainability campaign by Estates Gazette. It has now been signed by 25 property owners with a combined total of £300bn in Assets Under Management and has been acknowledged by both BBP members and external stakeholders as an initiative that has the potential to transform the market.

To support our members in fulfilling the Commitment, we established the new Net Zero Carbon Pathways Working Group and organised a full-day workshop aimed at enabling members to share progress in developing their net zero carbon pathways. This provided members with the opportunity to share their experience of developing net zero carbon pathways and to discuss some of the more challenging issues that they have faced.

100%

of members believed the BBP Climate Change Commitment was "Very Impactful"

Source: BBP Member Impact Survey 2019/20



BBP CLIMATE CHANGE COMMITMENT

"Our customers, who range from start-ups to established brands, and investors are increasingly asking us about our resilience to climate change, so it is important that we are transparent with our stakeholders on what we intend to do to protect the environment for future generations."

Karen Jamison
Head of Sustainability
at Workspace



BBP CLIMATE CHANGE COMMITMENT

"The case to support action on climate change is both an economic as well as a moral one. It gives us a better chance of success if these efforts are underpinned by initiatives such as the BBP's Climate Change Commitment to ensure that we're all pulling in the same direction."

Ben Brakes
Group Sustainability Manager
at SEGRO

Signatories



BBP CLIMATE CHANGE COMMITMENT

“At DWS, reducing the carbon impact in our investments is a key priority for the business. The real estate industry needs to work together to create methods and implement the pathway for net carbon within our investment processes and investment decisions.”

Jessica Hardman
DWS Head of Real Estate Group,
UK & Ireland



BBP CLIMATE CHANGE COMMITMENT

“We are pleased to sign this ground-breaking Climate Change Commitment from the BBP and look forward to collaborating with the other signatories as we tackle the growing risks of climate change in our respective portfolios.”

Toby Courtauld
Chief Executive at Great Portland
Estates plc



BBP CLIMATE CHANGE COMMITMENT

“I am delighted to be able to offer LaSalle's support for this Commitment in the UK. Sustainability is at the heart of our investment process and our corporate ethos so it is great to see the industry coming together to reduce this threat going forward.”

Alan Tripp
Head of UK at LaSalle
Investment Management



BBP CLIMATE CHANGE COMMITMENT

“Climate change poses significant risks to businesses and society. Each and every one of us has an important role to play. We look forward to collaborating across the industry to address this critical challenge.”

Victoria Quinlan
Managing Director, Investment Management
at Lendlease Europe

Delivering Building Performance

The Real Estate Environmental Benchmark

The Real Estate Environmental Benchmark (REEB) collects and analyses actual operational performance data of the UK's largest commercial real estate owners. With over 1,000 properties in the database, and with floor area totalling 11.7 million m², it is the largest voluntary dataset of its kind, filling a vital role in better understanding the energy performance trends of commercial properties in the UK.

The findings from 2018/19 show continued improvement in energy efficiency, with a 3.3% improvement in like-for-like energy consumption (comparing the same 729 properties two years in a row). The 79 properties which have remained in the dataset from the beginning have reduced energy consumption by 26%, resulting in a 3.7% annual decline. While this is great news, the indexed energy intensity for offices in the dataset remained static from 2017/18 to 2018/19.

This year, the BBP undertook substantial work in order to build an online platform for REEB. The aim of this was to streamline data collection and automate validation issues and calculations. Moving to a web-based platform that enables members to upload their data and view discrepancies immediately has saved time and allows us to ensure that the database is as accurate as possible.

We engaged a software development company, Avco, to develop the platform, with project management provided by Verco. Members provided a substantial amount of input into the planning and feedback processes, ultimately guiding the prioritisation of different capabilities for the site. The end result was a user-friendly platform which produced a wide range of charts for analysis. See below for a screenshot of the platform.

We published two REEB reports in 2019/20: the [2018/19 Real Estate Environmental Benchmark](#) and the [2018/19 REEB Energy Snapshot](#).

The REEB initiative has proven to be a valuable tool for the wider industry, and in 2020 we will expand the work of the Benchmarks to collect data from our Managing Agents Partnership.

"What an amazing job from the BBP team, a gargantuan effort to get the platform sorted. I have no doubt it will help to provide more transparency and sharing of data."

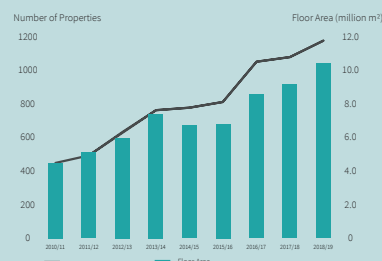
Janine Cole, Head of Sustainability at Great Portland Estates

2018/19 REAL ESTATE ENVIRONMENTAL BENCHMARK

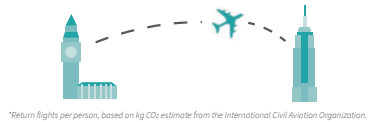
31
MEMBERS
SUBMITTING DATA

1,038
PROPERTIES

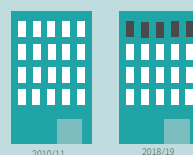
11.7M
M² OF FLOOR AREA



Between 2017/18 and 2018/19, BBP members reduced like-for-like energy consumption by **3.3%**. That's equivalent to **109,390 people** flying from London to New York and back*.



*Return flights per person, based on kg CO₂ estimate from the International Civil Aviation Organization.



Between 2010/11 and 2018/19, BBP members reduced energy intensity by **25%**

Between 2010/11 and 2018/19, BBP members reduced the energy consumption of 78 commercial properties by

26%

That's enough energy to power

7,400
homes
for 1 year.*



*Based on Typical Domestic Consumption Value from OFGEM.

84%

of members believe the Real Estate Environmental Benchmark is “moderately or very impactful”

Source: BBP Member Impact Survey 2019/20

"For me operational energy data is the only way we can start to improve the performance of our current building stock in order for it to be 'Paris proof.' This should be mandated (with locked in targets to improve over time), but until then, the only option is REEB for offices and shopping centres."

Quinten Babcock, Environmental Manager at Transport for London

Delivering Building Performance The Design for Performance Initiative

In June 2019, the BBP launched the next phase of the Design for Performance (DfP) initiative. It concluded that not only was a Design for Performance approach possible, but very much needed in the UK, through the publication of [Design for Performance: A new approach to delivering energy efficient offices in the UK](#). At an event hosted by Nuveen Real Estate, in partnership with NABERS, the BBP announced its plans to bring the knowledge and success of NABERS to the UK via a certification scheme for new UK office developments.

The launch coincided with the announcement of 9 Delivery Partners who committed to funding the project and to implementing the Design for Performance approach on at least one major office development in their pipeline, as well as 13 Delivery Partners who committed to upskilling internally in order to embed DfP principles within their MEP services.

Throughout 2019/20, the BBP has been supporting the Pioneers and working with Verco and Delta Q to develop the technical infrastructure required to get the scheme off the ground. A key component of that was the development of the rating tool (see [Base Building Rating Tool Report](#)). Industry collaboration and recognition has been another overarching theme, with Design for Performance now referenced in the following publications:

- [BCO Guide to Specification 2019](#)
- BSRIA's [Soft Landings and Design for Performance](#) guide
- Greater London Authority's [‘Be seen’ energy monitoring guidance: Pre-consultation draft](#)
- [LETI Declaration](#)
- UKGBC's [Net Zero Carbon Buildings: A Framework Definition](#)

Throughout 2020 the BBP will continue working on other major milestones including the development of a UK Independent Design Review Panel and identifying a UK Administrator, to prepare for a launch in 2020/21.

84%

of members believe the Design for Performance project is “moderately or very impactful”

Source: BBP Member Impact Survey 2019/20







DESIGN FOR PERFORMANCE

A new approach to delivering energy efficient offices in the UK

JUNE 2019

Improving Professional Understanding BBP Working Groups & Roundtables

In 2019/20, BBP & MAP members contributed over 1,100 hours to members meetings. We remain incredibly appreciative for their contributions, which enable us to ensure that our meetings and outputs remain relevant and of the highest quality. Our working groups cover a wide range of sustainability topics and focus on the role of the property owner in driving change. Two highlights from this year's 47 meetings include:

- A meeting of the Building Operations & Technology Working Group with the specific focus of understanding and measuring embodied carbon. Speakers included: John Davies, Head of Sustainability at Derwent London; Nils Rage, Sustainable Design and Innovation manager at Landsec; and Neil Pennell, Head of Design Innovation and Property Solutions at Landsec.
- A meeting of the Climate Resilience Roundtable that covered what climate risk looks like according to the insurance industry. Speakers included: Greg Lowe, Global Head of Resilience & Sustainability at Aon; and Ralph de Mesquita, Senior Risk Analyst at Zurich Risk Engineering UK. The meeting also provided a valuable update on industry initiatives related to climate risk, including work of the UNEP FI Property Working Group and CRREM (the Carbon Risk Real Estate Monitor).

70%

of members feel working group meetings are “**very valuable**”, with the remaining 30% feeling they are “**valuable**”.

Source: BBP Member Impact Survey 2019/20

1,211

hours contributed by stakeholders

+30%

compared to previous years

1,107

hours contributed by BBP and MAP members

+30%

compared to previous years

47

meetings held by the BBP

125

members participated in meetings

The members of the BBP continue to cite Working Group meetings as one of the most valuable parts of the BBP's work programme. The meetings provide a critical space for members to learn from one another and discuss challenges and opportunities they have encountered. This non-competitive environment also facilitates member collaboration, which contributes to our goal of "stimulating market transformation." The working group meetings continue to be an important platform for members even while meetings are being held online.

90%

of members feel involved in BBP activities and outputs.

Source: BBP Member Impact Survey 2019/20

"One of the most significant benefits of membership to the BBP is the sheer volume of material and cross-business engagement – having these resources to hand is extremely valuable. Similarly, being part of a like-minded group of businesses and industry colleagues to tackle some of the biggest challenges we collectively face has really helped when testing our approach to topics such as net-zero carbon."

Miles Lewis, Lendlease

"The net zero roundtable was incredibly insightful and helped me gain a better understanding as to where other BBP members were positioning their strategies."

Tim Coffin, Royal London Asset Management

Improving Professional Understanding The Managing Agents Partnership

Managing Agents are a vital stakeholder in the delivery of sustainability across large portfolios of assets and in providing a vital link between owners and occupiers. The MAP initiative continues to develop, providing a vital forum to share knowledge of the practical implementation of sustainability. In the last year, the Managing Agents Partnership held Roundtables on the following topics:

- Artificial intelligence and machine learning
- Climate risk
- Electric vehicle charging
- Indoor Environmental Quality (IEQ)
- WELL Building Standards

BBP | MANAGING
AGENTS
PARTNERSHIP

The Managing Agents Partnership has a big year planned ahead with the development of a new Responsible Property Management Toolkit, piloting of the NABERS Waste Rating Tool and the submission of sustainability data for properties that they manage to the Real Estate Environmental Benchmark.

Stakeholder Engagement

We have been thrilled at the increasing profile of the BBP within the industry and the coverage of our programme of work in 2019-20. This enables us to demonstrate that we are contributing to the transformation of the industry, a principle that remains central to the BBP's ethos.

All of the work that we do at the BBP is underpinned by an active programme of stakeholder engagement designed to ensure that our impact reaches beyond the BBP membership. We primarily engage with our stakeholders through the following media:

- Case Studies
- Blogs
- Newsletters
- Social Media
- Speaking Engagements

16

Conferences

201

Subscribers to Weekly Newsletter

19

Case studies

1,083

Subscribers to Quarterly Newsletter

EG Sustainability Hub

This year, in order to take advantage of the communications platforms used by the property sector, the BBP became an ambassador of the Estates Gazette (EG) Sustainability Hub and has worked hard with EG to make sustainability content more accessible for the whole industry. Since the Sustainability Hub launched in July 2019, the site has received over 23,000 page views and over 13,000 unique visitors.

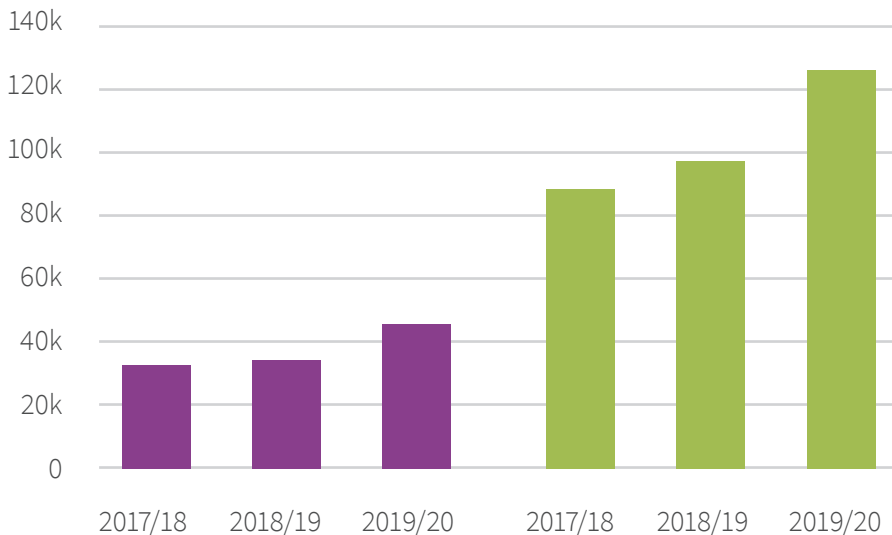


Measuring Our Impact

The BBP website provides a vital resource for the wider industry and our stakeholders and website traffic and users have increased substantially.

WEBSITE ENGAGEMENT

Website users Page views



25%

increase in website users
from 2018/19

31%

increase in website traffic
from 2018/19

1,800

LinkedIn Followers

216%

increase from 2018/19

2,094

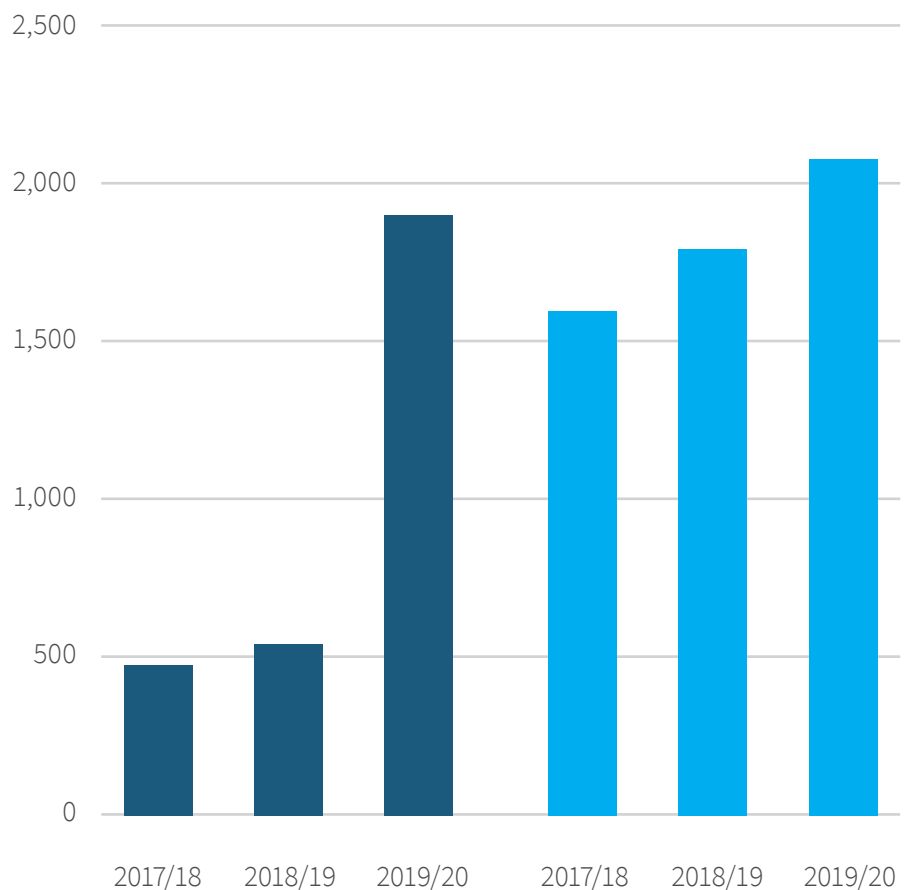
Twitter Followers

15%

increase from 2018/19

SOCIAL MEDIA ENGAGEMENT

LinkedIn Followers Twitter Followers



Industry Collaboration

We believe that the property industry is stronger together, and that through effective collaboration we can make greater progress towards our sustainability goals. Industry engagement & collaboration therefore form an essential part of our programme of work and 2019/20 was no exception:

- With Global Real Estate Sustainability Benchmark (GRESB) now firmly established as a key benchmark for property investors, we provide extensive feedback each year and our consultation response can be found on the [BBP website](#).
- Based on our extensive experience of gathering performance data for commercial assets through both REEB and the DfP project, we contributed to the UK Green Building Council (UKGBC) report on [Energy Performance Targets for Offices](#) and the launch of the

London Energy Transition Initiative (LETI) [Climate Emergency Design Guide](#). We also worked closely with the BCO to help develop a section on Design for Performance for the British Council for Offices (BCO) [Guide to Specification](#), and with BSRIA to develop a guide on [Soft Landings and Design for Performance](#).

- We have also continued to engage with the UK Government on issues of particular importance to our members. This year this has focused on our response to the BEIS consultation on [Non-domestic private rented sector minimum energy efficiency standards: future trajectory to 2030](#), and ongoing engagement to help inform the Government's plan to issue a consultation on the mandatory disclosure of energy performance in use for commercial assets.

Throughout the year, the BBP works with a wide range of organisations who engage with, contribute to and collaborate on the work of the BBP. We are very grateful for their continued support and appreciative of the opportunity to represent the views of the BBP members in their work.



IN 2019/20 THE BBP COLLABORATED WITH OVER 55 ORGANISATIONS TO DELIVER ITS WORK PROGRAMME

ADVISORY

EVORA Global
Verco Global
Carbon Credentials
Arbnco
Carbon intelligence
WSP
New Star
BPR Group
Don't Waste
Pod point

ENGINEERING AND CONSULTING

Aecom
Arup
Atelier Ten
Atkins
Built Physics Limited
BuroHappold Engineering
Cundall
Hoare Lea
KJ Tait
Ramboll
Sweco
TFT
Watkins Payne
WSP

INDUSTRY BODIES

ASBP
UKGBC
BCO
BRE
BSRIA
CIBSE
CREFC Europe
ULI
Building Performance Network
Society of Property Researchers
UNEP FI
GLA
EPRA
National Social Value Task Force
Construction Leadership Council
WGBC
OID
GRESB
RICS
Energy UK
GPA
IPF

GOVERNMENT, CAMPAIGNS & ACADEMIA

BEIS
Green Finance Institute
NABERS
LETI
University of Delft
University College London
Hubbub
A Plastic Planet

REAL ESTATE OWNERS, LENDERS AND OCCUPIERS

Stanhope
The Climate Group
The Hospitality Sector Carbon Reduction Forum
Innovation Gateway
CoreNet Global

What Next

With 2019/20 proving to be a very impactful year for the BBP, our challenge is to build upon this during 2020/21 against the backdrop of a world changed by the experience of COVID-19 but with an increasing imperative to address the climate crisis and sustainable development goals.

We have an extensive programme of work planned to ensure that we continue to deliver on our objectives of stimulating market transformation, delivering building performance, and enhancing professional understanding. Our main priorities for the next year are:

1. Climate Commitment

2020 will mark a major milestone for signatories to the BBP Climate Change Commitment. We will continue to support our members in developing their net zero carbon pathways, enabling members to compare and contrast approaches and to benefit from a series of roundtables designed to get to grips with the detail of issues such as embodied carbon, energy use intensity, renewables procurement and offsetting. We'll also be continuing our work on Climate Resilience and Occupier Engagement.

We will be publishing a full list of the member pathways on our website, providing industry leadership and guidance and collaborating across the industry to drive change.

2. Design for Performance Expansion

The coming year marks the conclusion of the Design for Performance project, but we hope the outcomes of this project will have an impact on the industry for many years to come. Do watch out for some very exciting developments as the BBP's long-term focus on buildings' performance in-use is translated from theory into practice and embedded across the industry.

3. Property Management Toolkit

This substantial piece of work acknowledges the critical role that property managers play in securing sustainability outcomes across real estate portfolios. Building on the success of the [Managing Agents Sustainability Toolkit](#), we are working with both BBP and MAP members to produce an extensive toolkit which outlines the steps needed in order to deliver responsible property management.

4. Upskilling the industry

Sustainability rhetoric and strategic policies must be supported by the skills and resources required to deliver the transition to a sustainable economy. This coming year the BBP will continue to help its members develop their skills, but will also be reaching out to the wider industry with an exciting new initiative aimed at embedding sustainability as a core skill for all real estate professionals.

5. Occupier Engagement

The new BBP led Owner & Occupier Forum has attracted support from a wide range of owners, occupiers and industry bodies and the programme of work will start in earnest in 2020. It is hoped that the projects developed by the Forum will enable owners and occupiers to work together to challenge industry conventions and develop collaborations based on mutual trust and shared sustainability objectives.

As always, we will be working with our members to co-create a series of outputs that will not only be of benefit to our members, but will also drive change across the industry. We remain keenly focused on delivering our objective of improving the sustainability of commercial real estate portfolios and driving market transformation. If you have any ideas about how the BBP could accelerate action and escalate its impact, please do get in touch.

