

Hibernia Real Estate Group

hibernia

Independent Assurance Statement

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TO: THE STAKEHOLDERS OF HIBERNIA

Independent assurance statement by JLL UK Sustainability Consulting (“JLL”) to the stakeholders of Hibernia concerning the data used in its ESG Progress Report 2023 Sustainability Report, ESG 2022 Databook and GRESB submission for the period covering 1st January 2022 to 31st December 2022.

SCOPE OF WORK

Hibernia engaged JLL to provide independent assurance of its energy, water and waste performance information, greenhouse gas (GHG) emissions relevant to its 2023 GRESB submission and ESG Progress Report 2023, and social and governance performance measures stated within its ESG Progress Report 2023 and ESG 2022 Databook. Hibernia’s 2022 performance against its Net Zero Carbon Pathway target has also been assured. The engagement was Type 2 moderate assurance in accordance with the AA1000AS v3 standard which consisted of:

- A. Evaluation of Hibernia’s adherence to the AA1000 AccountAbility Principles (AA1000AP 2018) of inclusivity, materiality, responsiveness and impact.
- B. Evaluation of the reliability of the specified sustainability performance information and associated data collection and management processes and systems.

RESPONSIBILITY

The management of Hibernia is responsible for the completion of the GRESB submission, ESG Progress Report 2023, ESG 2022 Databook and all statements and figures contained therein. JLL’s responsibility was to complete the assurance process, prepare this assurance statement and to provide a report on its findings for the management of Hibernia.

METHODOLOGY

JLL undertook the following assurance activities:

- Interviewed:
 - Thomas Edwards-Moss – Chief Executive
 - Neil Menzies – Director of Sustainability
 - Hannah O’Keeffe – Sustainability Executive
 - John Cairns – Asset Manager
- Reviewed internal and publicly available information relating to the principles of inclusivity, materiality, responsiveness and impact and drew upon information gathered in 2023 through interviews conducted with Hibernia staff.
- Discussed data, evidence and data issues with Hibernia data managers and users.
- Reviewed Greenhouse gas calculation worksheets and verified relevant emission factors back to source.

- Reviewed the approach to data collection, management and reporting, including review GHG reporting methodology.

LEVEL OF ASSURANCE AND LIMITATIONS

JLL provided a moderate level of assurance which included desktop review, management and property level data verification and evidence gathering from internal sources and third parties. The verification did not include financial data, technical descriptions of, or information relating to, buildings or other information not related to sustainability.

The scope of our data testing was limited to the 2022 calendar year. We tested a sample of both landlord and occupier data consisting of 49 data points from a total of 335 data sources (e.g. meters or waste disposal routes) from 15 properties within Hibernia that are reporting environmental data in its ESG Progress Report 2023, ESG 2022 Databook and GRESB submission, a sample of occupier controlled meters were also selected and assured. A methodological review of Scope 3 GHG emissions calculations and verification of relevant emissions factors was conducted. JLL also assured a selection of social and governance data by testing each metric reported. Verification of reported progress against Hibernia's Net Zero Carbon Pathway target as included as part of the assurance process. The energy use intensity (EUI) calculation was reviewed (kWh/m²/yr) in relation to the percentage reduction against the baseline year (2019).

The scope of AA1000 Assurance is based on the amount of interaction and information provided. Material from utilities providers, the data Management Team and Director of Sustainability were provided as part of the evidence. Other key evidence reviewed included documentation from Hibernia's HR system and publicly available information accessed via its corporate website.

A: EVALUATION OF HIBERNIA’S ADHERENCE TO THE AA1000 ACCOUNTABILITY PRINCIPLES (AA1000AP 2018) OF INCLUSIVITY, MATERIALITY, RESPONSIVENESS, AND IMPACT

Based on the scope of work described above, nothing has come to our attention to suggest that Hibernia did not adhere to the majority of the criteria under the principles of inclusivity, materiality, responsiveness and impact for 2022.

INCLUSIVITY - HOW THE ORGANISATION ENGAGES WITH STAKEHOLDERS AND ENABLES THEIR PARTICIPATION IN IDENTIFYING ISSUES AND FINDING SOLUTIONS

Hibernia’s Sustainability Policy outlines the businesses commitment to stakeholder engagement. Hibernia have integrated stakeholder engagement into its process of identifying and responding to material ESG issues. Hibernia staff, interviewed as part of this engagement, identified employees, occupiers, suppliers, Brookfield, and local communities as key stakeholders. Hibernia was acquired by Brookfield during 2022. Despite this change, Hibernia’s reporting structure, sustainability strategy and key focus areas has remained the same. Internally, the Sustainability Committee continues to facilitate cross functional engagement on sustainability issues. The Sustainability Committee is chaired by the Chief Executive and attended by representatives from Brookfield, heads of departments and other internal stakeholders that are responsible for the day-to-day oversight of sustainability-related issues. The committee meets every quarter to discuss KPI’s and assess business level performance against targets. Hibernia identifies and responds to key material issues through its collaborative approach and multi-stakeholder initiatives. During 2022, in support of developing and formalising its approach to occupier engagement, Hibernia has partnered with University College Dublin to develop an occupier engagement programme. This also demonstrates Hibernia’s commitment to promoting two-way learning, through collaboration with external stakeholders. Information on Hibernia’s sustainability strategy, areas of focus, industry initiatives and trends are communicated via training sessions, regular all-hands meetings and the distribution of relevant articles and newsletters. Employees are also encouraged to share best practice between teams and to work with tenants on sustainability initiatives.

MATERIALITY – HOW THE ORGANISATION DETERMINES THE RELEVANCE AND SIGNIFICANCE OF AN ISSUE TO ITSELF AND TO ITS STAKEHOLDER

Hibernia has committed to undertaking materiality assessments every two years to help identify and prioritise the ESG issues that matter most to its stakeholders, inform its business strategy, and ensure it remains responsive to market trends. During 2022 Hibernia completed its second materiality assessment which was undertaken by an external consultant. This assessment involved engagement with key internal and external stakeholders, a peer review, and an assessment of compliance obligations. A double materiality approach was applied, which considered how the business is impacted by sustainability issues and how Hibernia’s own activity impacts society and the environment. The results confirmed that the strategy Hibernia set in 2021 was appropriate and that the material issues of carbon emissions, energy efficiency, embodied carbon, climate change mitigation, resilience, transitional and physical risks, and social wellbeing are all a priority to its stakeholders. Hibernia has the relevant competencies and resources to integrate assessment processes and implement actions to manage ESG risk and opportunity, this process is coordinated by its in-house Director of Sustainability,

Sustainability Executive and a network of sustainability professionals and consultants contributing to its ESG strategy.

RESPONSIVENESS – HOW THE ORGANISATION RESPONDS TO STAKEHOLDER ISSUES AFFECTING SUSTAINABILITY THROUGH ITS PERFORMANCE, ACTIONS, DECISIONS AND COMMUNICAITON

Hibernia has a robust governance structure and the necessary competencies and resources in place to respond effectively to sustainability related material issues. The Director of Sustainability is responsible for Hibernia's sustainability strategy and working towards the goal of being a net zero carbon business by 2030. ESG has become more directly embedded into the business through the creation of this role as it has resulted in sustainability representation amongst the Senior Management Team. Similarly, the former CFO has been appointed as the Chief Executive, resulting in sustainability being embedded further up the organisational chain. In addition, the role of Sustainability Executive was created during 2022. The Sustainability Executive supports the Director of Sustainability, focuses on asset level improvements, ensures the sustainability strategy is integrated into day-to-day business practice and works on community engagement and social impact. Hibernia employees continued to attend sustainability-related professional training events in 2022. Hibernia have also engaged climate change and waste management consultants to provide training for occupiers. Hibernia continues to facilitate cross functional engagement on sustainability related issues through its Sustainability Committee. The Committee meets every quarter to discuss issues that have arisen, decisions that need to be made and receive an update from the Director of Sustainability on performance against targets.

In 2022, Hibernia published its Sustainable Development Brief which applies to major redevelopments and refurbishments. The Brief sets guidelines for contractors around providing buildings that are adaptable and resilient to climate change, have low embodied carbon and promote the health and wellbeing of occupiers and the surrounding areas. In addition, Hibernia's Net Zero Carbon Pathway, Sustainability Statement of Intent and communication with sustainability working groups, occupiers, suppliers and building management teams demonstrates that Hibernia responds to issues in a way that considers the expectations of stakeholders. Hibernia continues to communicate climate-related activities and performance by disclosing relevant consumption metrics and emissions data across its portfolio of assets. Stakeholder reporting is comprehensive and makes use of suitable reporting principles and guidelines, supporting the comparability of information.

IMPACT – HOW THE ORGANISATION MONITORS AND MEASURES THE EFFECTS OF ITS BEHAVIOUR AND PERFORMANCE ON THE ECONOMY, THE ENVIRONMENT, AND SOCIETY

Hibernia have a collection of processes in place to monitor performance against the requirements of its sustainability strategy and associated policies. Progress is tracked against ESG activities undertaken, annual targets are published, and strategic objectives are monitored by both non-financial and financial metrics and reported to the committees; demonstrating accountability to stakeholders. Hibernia quantifies environmental impact by reporting utility consumption and waste production data. Asset level performance is monitored via assessments, certifications, real time energy monitoring sensors and waste and energy audits which are used to inform better waste practices and energy efficiency. In addition, performance is benchmarked externally though Hibernia's involvement in reporting frameworks such as GRESB and CDP, and are committed to aligning with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). During 2022, Hibernia have gained a better understanding of the embodied carbon impact of its major schemes and have mandated that

whole life carbon assessments are carried out and integrated at the design stage for future projects of all sizes. Senior Management have direct oversight over Hibernia's process of evaluating and managing ESG impact via its Director of Sustainability and asset management team who report performance to the Sustainability Committee every quarter.

Hibernia measures social impact through regular disclosure of its social and governance metrics and donations to charities and local community organisations as part of its social impact strategy. Hibernia has also achieved the WELL Health-Safety Rating across its managed office portfolio and are committed to gaining full WELL certifications across all new assets to provide occupiers with improved health and wellbeing offerings. In addition, Hibernia published its Community Engagement Charter in 2022 and commenced its first whole-life social impact assessment of the Clanwilliam Quarter in 2022 to help better understand and improve the social value that the business brings to its local communities.

OBSERVATIONS & RECOMMENDATIONS

- During 2022, Hibernia was acquired by Brookfield. Despite this change, Hibernia's reporting structure and vision for sustainability has remained the same and the Sustainability Committee continues to facilitate cross functional engagement on sustainability issues.
- The sustainability working groups and Sustainability Committee meetings provide an opportunity for stakeholders to discuss various KPI's, assess business performance against targets and facilitate discussions between key stakeholders on issues of sustainability.
- Hibernia demonstrate efforts to understand and respond to sustainability issues in an inclusive way, guided by its Net Zero Carbon Pathway and Sustainability Statement of Intent.
- Hibernia completed its second materiality assessment during 2022 to help identify and prioritise ESG issues that matter most to stakeholders, inform business strategy, and ensure that the business remains responsive to market trends. Prioritisation of issues is supported by ongoing communication with investors, occupiers and through engagement with employees and service partners.

The above findings and additional observations and recommendations have been presented to the Management of Hibernia in a more detailed management report.

B: EVALUATION OF THE RELIABILITY OF THE SPECIFIED SUSTAINABILITY PERFORMANCE INFORMATION AND ASSOCIATED DATA COLLECTION AND MANAGEMENT PROCESSES AND SYSTEMS

Based on the scope of work described above, nothing has come to JLL's attention that causes it to believe that the specified 2022 energy (gas, electricity and PV), water and waste performance information, GHG emissions and social and governance KPIs are not fairly stated for Hibernia.

Based on the scope of work described above, nothing has come to JLL's attention that causes it to believe that the 2022 progress against the net zero carbon target is not fairly stated for Hibernia.

2022 Environmental performance data:

Electricity: 2,699,814 kWh

Fuel: 3,539,037 kWh

Water: 6,905 m³

Waste: 275 tonnes

GHG: Scope 1: 733 tCO₂e
Scope 2: 770 tCO₂e
Scope 3: 8,137 tCO₂e

Categories 1, 3, 5 and 13 were assured back to source in line with the methodology stated above. A methodology review of categories 6 and 7 was conducted.

2022 EPRA Social and Governance Performance Measures:

Diversity-Emp: 34% (executive staff)

13% (all senior levels and Board)

Diversity-Pay: 187% (executive staff)

139% (all senior levels and Board)

Emp-Training: 20 (hours)

Emp-Dev: 83%

Emp-Turnover: 11% (new hires)

11% (turnover)

H&S-Emp: 0 (injury rate)

0 (lost day rate)

	0.42 % (absentee rate)
	0 (fatalities)
H&S-Asset:	100% (office portfolio)
	100% (residential portfolio)
H&S-Comp:	No instances of non-compliance (office portfolio)
	No instances of non-compliance (residential portfolio)
Comty-Eng:	44% (office portfolio)
	N/A (residential portfolio)

OBSERVATIONS & RECOMMENDATIONS

- Social and governance data was well presented with easy to follow calculations, and the required evidence was made available on request.
- All evidence was provided promptly and in a format that was straight forward to understand, Hibernia staff were responsive and collaborative towards queries and requests for additional evidence/explanation.
- Scope 3 calculations were organised and easy to follow with sources of emission factors available.
- Please ensure that estimation methodologies are clearly explained and signposted in the first instance to avoid multiple follow-ups and enable the recalculation of the missing months to confirm the methodology is correct.
- It is essential that data is finalised and remains frozen once the assurance process has begun to ensure that the sample stays representative of the data being assured. Any changes to the data must be agreed prior to enacting them and clearly communicated.

The above findings and additional observations and recommendations have been presented to the management of Hibernia in a more detailed management report.

INDEPENDENCE OF ASSURANCE

Due to our expertise and experience with non-financial information, sustainability management and social and environmental issues, we have the competencies required to conduct this independent assurance engagement. We are bound by the JLL Code of Business Ethics and are independent as defined by AA1000AS V3.

JLL is a consultant to Hibernia and provides support on its environmental, social and governance programme. The assurance team has not been involved in the delivery of these other services for Hibernia and we do not consider that there is any conflict of interest between these other services and this verification engagement.

D. Aston



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JLL UK Sustainability Consulting

Debbie Aston
Director

Debbie.Aston@jll.com

30 Warwick Street
 London
 W1B 5NH

Robbie Platais
Senior Consultant

Robbie.Platais@jll.com

30 Warwick Street
 London
 W1B 5NH

Erica Spencer
Sustainability Graduate

Erica.spencer@jll.com

30 Warwick Street
 London
 W1B 5NH

www.jll.com

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