



IRELAND'S PREMIER PROPERTY FUND

IPUT plc | Sustainability Report 2017



ABOUT IPUT

IPUT is a core income fund with an unrivalled track record in delivering consistent income returns to shareholders through multiple cycles.

The Fund's principal objective is to provide institutional investors with a consistent income yield from Irish commercial real estate. Shareholders have received over €540 million through quarterly cash dividends over the past 10 years.

The IPUT portfolio comprises 470,000 sq m (5 million sq ft) of institutional grade, prime commercial real estate and includes large scale offices, retail and industrial properties with a particular focus on offices in Dublin's core central business district.

The management team has multi-cycle experience and seeks to grow rental income and maximise shareholder returns. Our strategy has delivered consistent long-term performance outperforming the IPD/MSCI benchmark over all time horizons.

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KEY FIGURES*

Total Portfolio Size

5m sq ft

Total Properties

94

Net Asset Value

€2.4bn

Portfolio Weightings

Office **69%**

Retail **19%**

Industrial **10%**

Other **2%**

* As of 30th June 2018

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Chief Executive's Foreword



A handwritten signature in black ink, reading 'Niall Gaffney'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Niall Gaffney
Chief Executive

Sustainability is integral to how we do business. We generate consistent income returns for shareholders through the active management of our commercial real estate portfolio. Over the course of 2017, we further integrated sustainability into our strategy to help us achieve this.

In our 2016 Sustainability Report we were pleased to introduce our sustainability strategy. This set out how we intend to develop a unified and effective approach to sustainability which drives value whilst reducing the negative impact on society and the environment. In its second year, our sustainability strategy became more embedded and resulted in notable reductions in energy and carbon, as well as increased engagement with tenants around energy use in buildings.

In 2017, our sustainability strategy and active management improved the energy efficiency of our assets by 4% across both electricity and natural gas in our like for like portfolio. We piloted the Collaborative Asset Performance Programme (CAPP) at Riverside Two. This programme uses analytics on building management system data to reduce energy

waste, reducing cost to tenants and improving comfort in the buildings. In addition, our developments at 40 Molesworth Street and The Exchange achieved LEED Gold certification, while 10 Molesworth Street is expected to achieve a LEED Platinum certification in 2018.

We have an exciting year ahead in 2018. We have established site level targets on energy and water, and are aiming to continue to reduce the impact our buildings have on the environment. We are also investing in other aspects of sustainability, such as wellbeing with our new office expected to be the first to achieve the WELL Standard for health and wellbeing in the workplace in Dublin. These standards will continue to define the qualities which are reflected in our brand "An IPUT Building".

2017 Highlights

LEED Gold

Achieved at 40 Molesworth Street

-7%

**Greenhouse
Gas Reduction**

2 Star

GRESB Rating

13%

**of portfolio (by value) has
achieved or is on track to
achieve LEED certification**

738,000

**Hours on construction projects
with only one lost time incident**

Our Sustainability Strategy

Our sustainability programme has 4 strategic objectives:



1. Deliver well designed and sustainable buildings

IPUT is committed to developing sustainable buildings. To this end we are committed to certifying all new developments to LEED standard, with the aspiration of Gold or better.

We also aim to deliver buildings which focus on the health and wellbeing of occupants and enhance the local built environment.



2. Engage with our industry to set and enforce high standards

Our sustainability policy defines our commitment to upholding minimum sustainability standards which are transparent to stakeholders. Our strategy seeks to deliver on the commitments in the policy, laying out a structure of governance and processes which will be followed by IPUT and our managing agents.

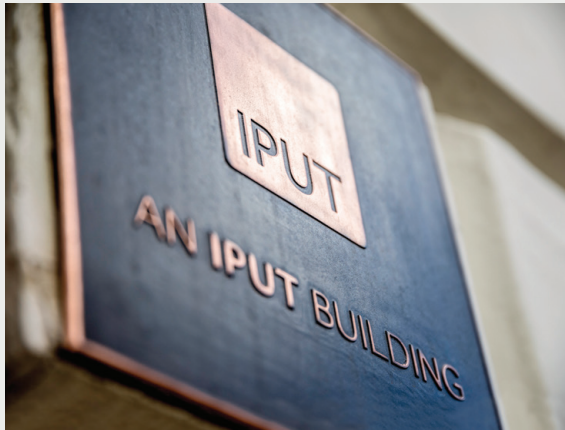


Industry Affiliations



3. Provide responsible management of our buildings

We actively manage the buildings within our portfolio. This involves closely monitoring the energy use of the building and also engaging with both our managing agents and tenants to try and ensure the buildings are operating at maximum efficiency.



4. Support the social and cultural fabric of Dublin City

IPUT has a clear and longstanding objective to support the social and cultural fabric of Dublin City. Our sustainability policy requires us to manage the impacts of our business activities on the environment and the communities within which we operate.



2017 HIGHLIGHTS

40 Molesworth Street Achieves LEED Gold Certification

40 Molesworth Street was acquired by IPUT in March 2013. In order to bring the building up to an IPUT building standard we secured planning permission for a substantial refurbishment of the entire property.

Vacant possession was secured in May 2016 and thereafter we commenced a full refurbishment. The existing structure was stripped back to its frame, with two penthouse office floors added. The facade was fitted with a high-performance curtain walling system finished in a distinctive hand laid Petersen brick. The project completed in 2017 and achieved LEED Gold certification.

40 Molesworth Street is situated in a prime city-centre location and is a perfect example of a holistically sustainable approach to a building. Works involved

retaining 76% of the existing structure, gaining merit under the LEED rating system. A green roof was installed as part of the project, with native and adaptive species, promoting biodiversity and reducing the heat island effect. In addition the excellent views, access to public transport and ample numbers of shower and bicycle facilities all contributed to achieving the LEED Gold rating.

This is the first property in the IPUT portfolio to achieve LEED certification and underlines our commitment to delivering well designed and sustainable buildings.





PROJECT TIMELINE:

2013

MARCH
Acquired

2016

MAY
Construction
commenced

2017

APRIL
Letting
agreed

2017

JULY
Project
completion

2017 HIGHLIGHTS

GRESB Improvements

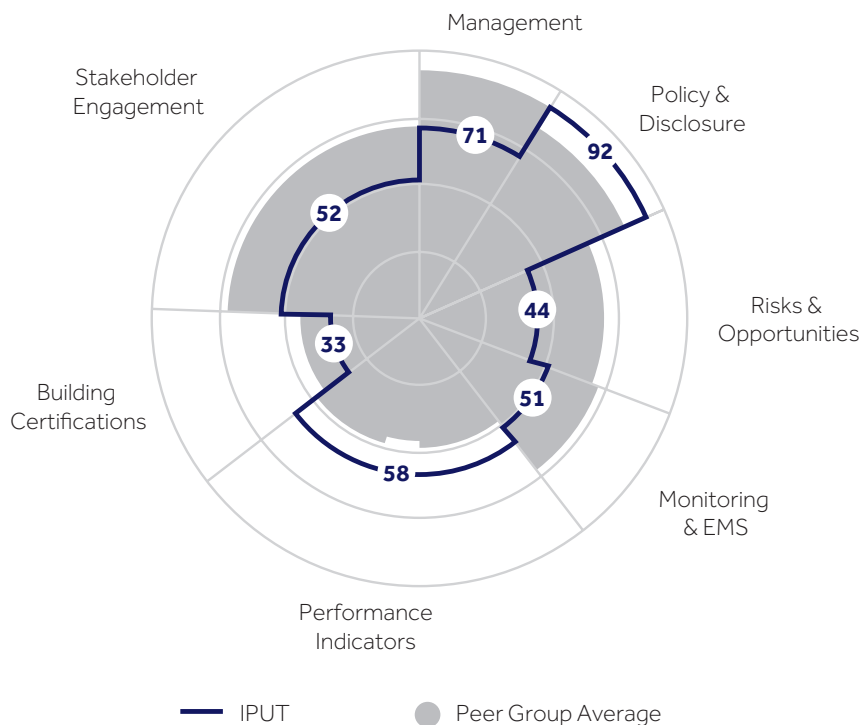
IPUT participated in the Global Real Estate Sustainability Benchmark (GRESB) for the second time in 2017. This second assessment included reference to our sustainability strategy and resulting activities.

We use the GRESB benchmark to measure and communicate the progress of our sustainability journey to investors. Whilst our progress to date leads the Irish market, we see opportunities for improvement as our sustainability programme develops.

In 2017, we achieved a significant year-on-year improvement in our sustainability performance. Our GRESB score of 56 achieved a 2 star Green Star rating and reflects further progress towards our 2018 target of a 3 star Green Star rating.

There is momentum in our sustainability activities and our objective is to continue to drive improvement in our GRESB score.

"We achieved a significant year-on-year improvement in our sustainability performance."



1 Grand Canal Square



Riverside One



Riverside Two



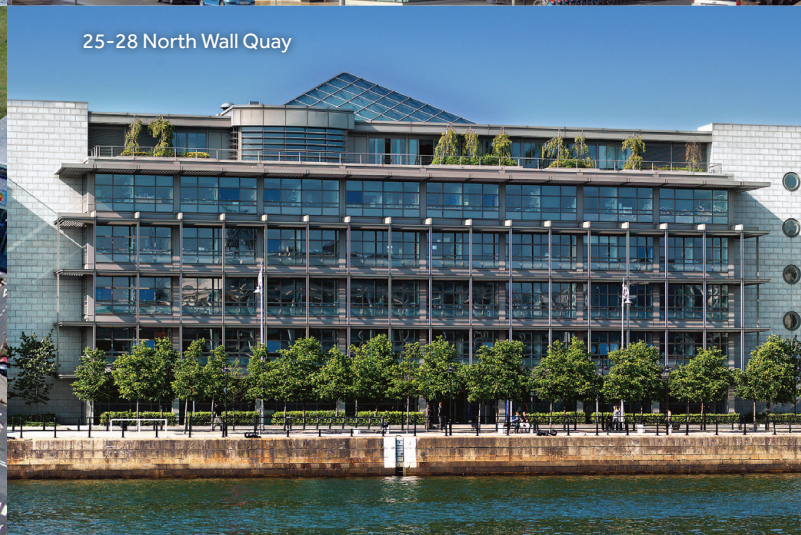
7 Hanover Quay



The Park, Carrickmines



25-28 North Wall Quay



2017 HIGHLIGHTS

Reduction in Greenhouse Gas Emissions

In our 2016 Sustainability Report, we were pleased to introduce our sustainability strategy. This set out how we intend to develop a unified and effective approach to sustainability which drives value to IPUT, its shareholders and stakeholders, whilst reducing negative impacts to society and the environment.

In its second year, our sustainability strategy became more embedded and resulted in notable reductions in energy and carbon, as well as engagement with tenants over energy use in buildings.

This year we're pleased to see an overall reduction in greenhouse gas emissions. Our sustainability programme has improved data coverage in the past year, but with the

majority of data being filled in historically to the beginning of 2016 to provide an accurate performance trend over the past two years.

Whilst we are pleased with our progress to date in reducing greenhouse gas emissions, our strategy to reduce climate change risks continues to develop and improve.

Scope		2016	2017	Year-on-Year Change
Scope 1	Emissions arising from the combustion of natural gas and operations of any facility and the use of refrigerant gas	1,583 tCO ₂ e	1,599 tCO ₂ e	1%
Scope 2	Emissions arising from purchased electricity	3,394 tCO ₂ e	3,163 tCO ₂ e	-7%
Scope 1&2		4,977 tCO ₂ e	4,762 tCO ₂ e	-4%
Scope 3	Emissions arising from waste disposal, tenant electricity and natural gas (where available), electricity transmission and distribution and the distribution and treatment of water	2,845 tCO ₂ e	2,645 tCO ₂ e	-7%

Please refer to detailed information on pages 26 to 29

The Exchange, Dublin 1



2017 HIGHLIGHTS

Our New Working Environment

To accommodate our continued growth, we have moved to our newly developed offices at 47-49 St Stephen's Green. By investing in our own estate, our new office allows us the opportunity to create a unique working environment that promotes the wellbeing of our people.

Wellness & Sustainability

IPUT's investment in the built environment and its impact on human health and well-being is reflected in the careful design of our new office. Our new space is on track to achieve WELL certification, which is based on seven categories of building performance; air, water, nourishment, light, fitness, comfort and mind. The new office has also achieved an A3 energy rating placing it in the top 1% of commercial buildings in Ireland. This rating is reflective of our focus on the energy efficiency of our buildings throughout our portfolio.

Working Environment

The new space has been designed with collaboration and comfort in mind. Flexible working spaces have been designed to encourage interaction across various project teams with sit-stand desks, stand up meeting spaces, interactive touch screens and access to roof gardens while new meetings rooms and casual meeting spaces allow the team to have an array of facilities when working.

The investment in technology and use of interactive screens and video conferencing facilities will lead to a further reduction in the use of paper and travel for meetings.

We are also actively monitoring the air quality within the office to help improve the working environment.

Enriching our Buildings

The relationship between artwork and architecture gives our buildings life and personality. Our goal as owners and developers of over 5 million sq ft of commercial real estate in Dublin, is to create spaces that people enjoy. The quality of finishes and level of detailing within the office represents IPUT's commitment to innovative and considered design.

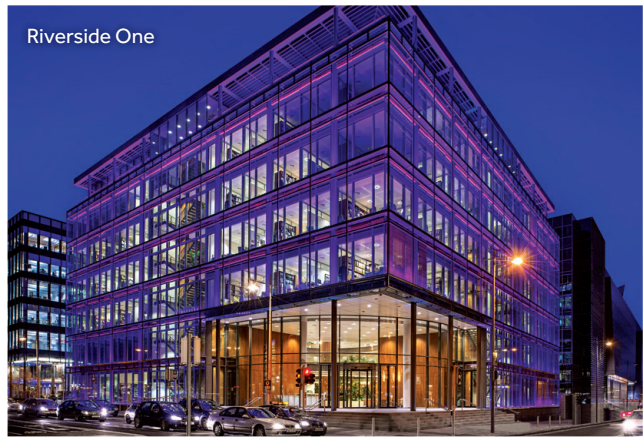


Interior of IPUT's offices at 47-49 St. Stephen's Green

An IPUT Building

Establishing a brand identity

We introduced “An IPUT Building” brand in 2015 and we incorporate quality design into all of our activities. Our brand represents aesthetically appealing, innovative and considered designs as well as focusing on energy efficiency and wellbeing. Through the establishment of a brand identity we believe this will help differentiate our product in an increasingly competitive market.



Sustainable Developments in 2017









IPUT is committed to developing buildings with sustainability at their core. To this end we are committed to certifying all new developments to LEED standard, with the aspiration of Gold or better. We see this as the market leading position our tenants and investors expect from us.

Our aim to achieve LEED Gold or better on all new developments was achieved in 2017 with the completion of two developments at The Exchange and 40 Molesworth Street. Both certified to LEED Gold with a BER rating of A3 placing these assets among the top 1% of energy efficient commercial buildings in Ireland.

In 2018, we look forward to the completion of 10 Molesworth Street, which we expect will be the first new build office to achieve LEED Platinum accreditation. The building includes a green roof and over 750 sq m (8,000 sq ft) of rooftop gardens and terraces.

As well as LEED Certification, IPUT requires the following documentation as a matter of course on all new developments:

- A Low and Zero Carbon feasibility study in the design process to ensure all technologies to reduce the greenhouse gas impacts of the site have been identified
- A Sustainable Procurement Plan for the development which will include responsible sourcing of materials and obtaining certifications for materials used.

	Existing BER Pre-development	Target BER	Target LEED rating
 10 Molesworth Street	BER D2	BER A3	 LEED Platinum
 40 Molesworth Street	BER C2	BER A3 (Achieved)	 LEED Gold (Achieved)
 The Exchange	BER C2	BER A3 (Achieved)	 LEED Gold (Achieved)
 One Wilton Park	BER C2	BER A3	 LEED Platinum

Safety, Health and Welfare

In line with best industry standards IPUT lives by our firm belief in 'Safety First'

Safety first...



in our role
as client



in dictating safety
expectations for
our contractors to
build safely



in ensuring that our
designers manage
risk throughout the
design process



in creating a safe
built environment
that can be used and
maintained safely

Having a belief does not in itself deliver a safe project. Accordingly, we have a clear expectation document that sets out our vision for our designers and contractors. Our Project Managers demonstrate visible safety leadership in bringing our vision to life across all projects.

Safety begins by ensuring that we have selected the right designer and contractor. We maintain a rigorous approach to assessing competency and tracking safety performance online.

We provide online design risk management tools to simplify the process for designers and to provide greater transparency and communication of control measures.

To extend our vision, we encourage contractors to implement a behavioural based safety approach on our projects. This has brought meaningful results, with industry-leading safety performance and visible results on sites.

During construction, our Project Managers actively participate in principal tours and immediate corrective action walk-downs. We focus on worker engagement, identifying safe and at-risk behaviours. We also engage independent safety consultants to assure safety performance on our projects.

We invest in safety initiatives on sites. These range from Golden Month awards (where safety performance exceeds expectations), to individual contractor commendations (where we want to visibly acknowledge exemplar achievements).

Measuring Safety Performance

Across IPUT projects we actively measure safety performance, using leading and lagging metrics. Using our online safety statistics system, we can analyse performance per market, project and contractor. This allows us to proactively validate safety performance and address trends with our contractors.

In 2017, we achieved over 738,000 hours on our construction projects with only one lost time accident.

Together with our designers and contractors, IPUT have delivered exemplar safety performance on our projects and we continue to build on this success and improve our processes.

Safety Statistics

Scope	Hours	Positive Safety Observation Reports	Negative Safety Observation Reports	Audits	Inspections	Lost-Time Accident
10 Molesworth Street	298,853	803	375	11	10	0
30-32 Sir John Rogerson's Quay	376	0	0	8	19	0
40 Molesworth Street	66,026	2	4	16	1	0
47-49 St Stephen's Green	30,365	0	0	1	2	0
2 Shelbourne Buildings	7,460	16	1	245	226	0
5 Earlsfort Centre	41,986	299	97	43	58	1
The Exchange, IFSC	287,714	147	29	34	49	0
Unit 624 Northwest Business Park	5,311	36	14	3	9	0
Totals:	738,091	1,303	520	361	374	1

Active Management of our Buildings

Active engagement with managing agents and tenants over energy and sustainability issues has been the primary focus of the environmental programme in 2017. Energy from electricity and fossil fuels is a notable cost to tenants making it a focal point in routine engagement with agents and tenants.

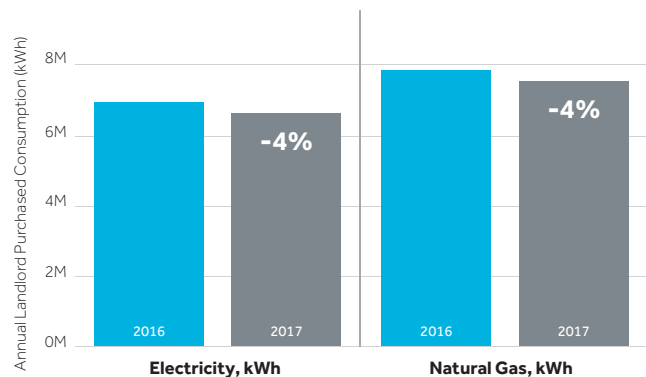
Progress at “Focus Sites”

In the 2016 Sustainability Report, we introduced the programme of active management of “Focus Sites” which have the highest opportunity for energy savings. In 2017, the active management of these sites led to a more formal approach to energy reduction opportunities.

The increased focus is having an impact: IPUT's like for like portfolio of assets which were under management in both 2016 and 2017 saw a 4% year-on-year reduction in both electricity and natural gas use. The overall reduction derived from a number of assets.

The focus on active management has identified the necessity for improved metering infrastructure to be rolled out across the portfolio. Metering may not directly result in energy reduction, but without this detailed information it is difficult to accurately manage site performance. In conjunction with ESB Smart Energy Services, IPUT is piloting a smart buildings programme to increase electricity monitoring in a number of properties. This project will support and inform future metering and smart building initiatives across the estate.

Like for Like Managed Portfolio Performance



“IPUT's like for like portfolio of assets which were under management in both 2016 and 2017 saw a 4% year-on-year reduction in both electricity and natural gas use.”



Riverside Two, Sir John Rogerson's Quay, Dublin 2

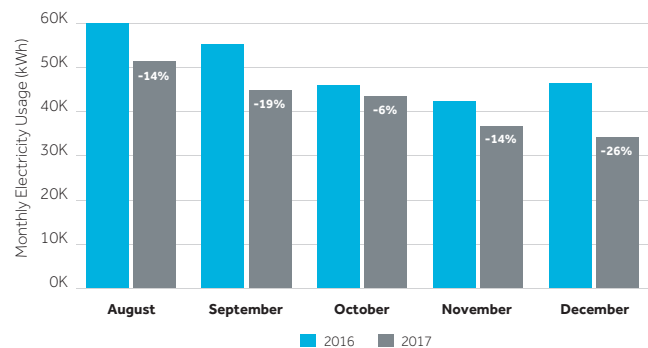
CASE STUDY

Riverside Two

Another example of using granular building data to improve performance is a pilot project using smart building analytics to implement energy improvement opportunities. With increased monitoring of plant and equipment on site, the electricity and natural gas usage in Riverside Two was reduced by 16% and 15%, respectively, compared to the same period in 2016.

The result was not just a reduced cost of energy for tenants, but also a more detailed understanding of how the building is controlled – making comfort controls and maintenance more straightforward. This programme is an example of how our targeted approach to sustainability improves the management of our buildings.

Electricity Reductions, Year-on-Year, at Riverside Two



Social Responsibility

IPUT has continued to invest in the social and cultural fabric of the city of Dublin.

Our sustainability policy speaks to social impact as well as environmental improvement. Engagement with the Dublin community has resulted in the following cultural activities:

- Sponsoring the Freemasons Young Musician of the Year
- Supporting the Irish Architectural Archive, which preserves records of Irish architecture.
- Continuing to commission Irish artwork for prominent display in our key assets throughout Dublin, increasing exposure for local independent artists.
- An open-air event in the IPUT owned Wilton Park for the RTE Concert Orchestra and Jenny Green of 2fm where IPUT worked closely with the organisers to deliver the event.



Clockwise from top left: Freemasons Young Musician of the Year; 'Unfur' by Eilis O'Connell; RTE Concert Orchestra and Jenny Green in Wilton Park.



CASE STUDY – PUBLIC REALM ENHANCEMENT

Molesworth Street

As part of IPUT's sustainability programme and a commitment to enhance the public space in which it invests and operates, we have commenced a programme of improvements on Molesworth Street.

IPUT is planting new trees, laying granite paving and widening footpaths adjacent to our developments at 10 and 40 Molesworth Street. Upon completion, the overall scheme will include new trees and granite paving on the north footpath from Dawson Street to Kildare Street.

We believe the Molesworth Street works will complement the rich heritage of the surrounding area and enhance the built environment where our buildings are located. We will continue to work with the local authorities on other similar initiatives so that future generations can continue to enjoy Dublin City and its environs.

28-29 Grafton Street, Dublin 2



Ambitions for 2018

We have an exciting year ahead in 2018 as we look forward to completing IPUT's first LEED Platinum new office development.

GRESB Participation

We will once again participate in the GRESB Real Estate assessment in 2018 with a view to building on the significant progress made over recent years. In addition, 2018 marks our first year as a full GRESB member proving our commitment to be the market leading organisation in our sector when it comes to sustainability.

New Developments

IPUT is focused on developing market leading buildings. The latest research and trends in energy efficiency, renewables, technology and health and wellbeing in the workplace will play an important role in our approach to new developments in 2018 and beyond. Furthermore we will continue to engage with local authorities on other public realm enhancements which will complement our assets and the local community and drive value back to the Fund.

Responsible Management

We own and actively manage a significant portfolio of high quality assets in key locations in Dublin, one of Europe's top performing property markets. An ethos of responsibility and sustainability is inherent in how we manage our assets at both a portfolio level and individual asset level. We identify opportunities to reduce the impact our buildings have on the environment. We have established energy reduction targets across our managed portfolio and will continue the rollout of the smart metering initiative to support future smart building processes across the portfolio. We have obtained a BER energy rating certification on all our properties which will allow us to identify deficits in energy efficiency across our portfolio.

Health & Wellbeing

Our new head office is on track to be the first office in Dublin to achieve the WELL standard for health and wellbeing in the workplace. Health and Wellbeing features in IPUT buildings improve the quality of the workplace and the productivity of the people who work there. In piloting the WELL standard we are taking the lead in an evolving market and developing a vision of the workplace of the future, so that we can continue to lead the Irish property market with high-quality buildings and workplaces.

Environmental Performance Data

Now in our second year of environmental reporting, IPUT are pleased to report progression in key assets.

We report in alignment with the Greenhouse Gas Protocol, using operational control, meaning that we are reporting on our directly managed assets where we have oversight on energy, water and waste. This means that common areas and shared services (such as heating, ventilation and air conditioning) and any other energy which we directly procure is in scope. Energy which tenants directly procure from a supplier is outside of scope, and classified as our Scope 3 indirect emissions.

Of our 100 buildings, we have operational control over 30 of them. Some of the buildings and tenant areas where we do not have operational control we are able to report on usage provided by tenants, and this will be reported as "Scope 3" indirect emissions.

"Compared with 2016, absolute electricity consumption for the directly managed portfolio decreased by 4% in 2017."

Tenants use the vast majority of energy used on IPUT sites, and we are addressing this with tenant engagement programmes and projects such as the CAPP at Riverside Two which will reduce both landlord and tenant emissions. We are actively increasing coverage of Scope 3 emissions each year as our engagement with tenants on energy matters continues.

Compared with 2016, absolute electricity consumption for the directly managed portfolio decreased by 4% in 2017. The related "Scope 2 emissions" is related to the use of electricity. In 2017 the Irish electricity grid has reduced in carbon intensity by 3%, which is part of the 7% reduction in emissions related with electricity use, the remainder due to optimised energy performance, particularly at Riverside Two, Airside Retail Park and Opera Lane.

Absolute natural gas consumption increased by 1% from 2016 to 2017, but this was primarily due to the inclusion of 3 Shelbourne Buildings in the portfolio midway through 2016. When comparing like-for-like natural gas usage fell by 4% year on year. There have been some notable improvements in natural gas usage such as at 6 George's Dock and Riverside Two which saw 19% and 6% decreases, year on year, respectively.

Pictured Right:
Facade detail at 10 Molesworth Street



Environmental Performance Data (continued)

Greenhouse Gas Emissions – Absolute

These greenhouse gas emissions reflect the impact to the environment of our operations, and we are pleased to have less of an impact in 2017 than in 2016. This is based on all assets which we have control over, and the parts of our supply chain which we have been able to measure. This table includes some of the portfolio changes year on year, new lettings, acquisitions and disposals which occurred during the year.

Scope	Emissions source (tCO ₂ e)	2016	2017	YoY Change %
Scope 1	Natural Gas	1,583 tCO ₂ e	1,599 tCO ₂ e	1%
	Refrigerant	0 tCO ₂ e	0 tCO ₂ e	0
	Total Scope 1	1,583 tCO₂e	1,599 tCO₂e	1%
Scope 2	Electricity	3,394 tCO ₂ e	3,163 tCO ₂ e	-7%
	District Heating and Cooling	0 tCO ₂ e	0 tCO ₂ e	0
	Total Scope 2	3,394 tCO₂e	3,163 tCO₂e	-7%
Scope 3	Water (tCO ₂)	86 tCO ₂ e	95 tCO ₂ e	11%
	Waste to landfill (tCO ₂)	0 tCO ₂ e	0 tCO ₂ e	0
	Waste to incineration and diverted (tCO ₂)	19 tCO ₂ e	42 tCO ₂ e	126%
	Tenant Electricity (tCO ₂)	2,233 tCO ₂ e	2,009 tCO ₂ e	-10%
	Tenant Natural Gas (tCO ₂)	47 tCO ₂ e	47 tCO ₂ e	0%
	Elec T&D losses (tCO ₂)	460 tCO ₂ e	452 tCO ₂ e	-2%
	Total Scope 3	2,845 tCO₂e	2,645 tCO₂e	-7%

Environmental Performance Data (continued)

Environmental Data – Like for Like

The like for like portfolio reflects how we have managed a common collection of buildings between 2016 and 2017. The reductions that we see in this dataset are more reflective of how we manage our assets than the absolute as it does not include acquisitions or the sale of assets.

Emission Source		2016	2017	YoY Change %
Electricity	Total electricity consumption	11,498 MWh	10,779 MWh	-6%
	For IPUT's operational control	7,405 MWh	7,068 MWh	-5%
	Available tenant data	4,093 MWh	3,711 MWh	-9%
	Number of assets Included	22		
Natural Gas	Total natural gas consumption	8,088 MWh	7,796 MWh	-4%
	For IPUT's operational control	7,834 MWh	7,542 MWh	-4%
	Available tenant data	254 MWh	254 MWh	0%
	Number of assets Included	22		
Direct greenhouse gas emissions	Scope 1 - emissions from natural gas combustion and refrigerant top ups	86 tCO ₂ e	95 tCO ₂ e	11%
Indirect greenhouse gas emissions	Scope 2 - emissions from purchased electricity and district steam	3,176t CO ₂ e	2,952t CO ₂ e	-7%
Indirect greenhouse gas emissions	Scope 3 - emissions from third parties in value chain	2,306t CO ₂ e	2,119t CO ₂ e	-8%

Environmental Performance Data (continued)

Water and Waste

In 2017 we stepped up how we collect water and waste data and now review this data on a quarterly basis. Some of the increases are due to improved data quality.

Water		2016	2017	Change %
Absolute	Total Water Consumption (m3)	81,853 m3	90,687 m3	11%
	For IPUT's operational control	81,853 m3	90,687 m3	11%
	Available tenant data	0 m3	0 m3	-
	Number of assets reporting water usage	15	15	-
Like for Like	Total Water Consumption (m3)	78,984 m3	83,499 m3	6%
	For IPUT's operational control	78,984 m3	83,499 m3	6%
	Available tenant data	0 m3	0 m3	-
	Number of assets reporting water usage	12	12	-

		Absolute tonnes		% Diverted from Landfill	
Waste		2016	2017	2016	2017
Absolute	For IPUT's operational control	882 tonnes	1,927 tonnes	100%	100%
	Available tenant data	0 tonnes	0 tonnes	-	-
	Total data obtained	882 tonnes	1,927 tonnes	100%	100%

Notes

- Emissions were calculated using the applicable DEFRA, BEIS and IEA emissions factors.
- Scope 1 includes all natural gas consumption and refrigerant top-ups. The 1% increase in absolute Scope 1 emissions is due to increases at 3 Shelbourne Buildings and 30-32 Sir John Rogerson's Quay coming into the portfolio midway through 2016. There is a 4% decrease in like-for-like Scope 1 emissions from 2016 to 2017.
- There are no Scope 2 emissions related to District Heating or Cooling in either year, though certain properties in the Docklands have the infrastructure to use district steam and may do so in future years.
- Scope 3 includes all exclusively submetered tenant consumption, as well as electricity grid "transmission and distribution losses", tenant electricity grid "transmission and distribution losses", water consumption and waste. There is a 7% decrease in absolute Scope 3 emissions. Tenant electricity consumption for 6 George's Dock contributes to 40% of IPUT's Scope 3 consumption in 2017.
- Waste collection is IPUT's responsibility across 16 of the managed sites. Waste output has increased from 2016 to 2017. This is primarily due to increased waste output at Pavilions Shopping Centre and at 6 George's Dock. Our waste data programme has also improved in 2017, which is likely also a factor in the increase.
- Water provision is IPUT's responsibility across 15 of the managed sites. Water consumption has increased from 2016 to 2017 in both absolute and relative terms. As with waste, data is likely to have improved in 2017 due to better data controls and monitoring.
- There is no district heating supplied to the IPUT portfolio. Sites in the Docklands have the infrastructure to use district steam and may, therefore, begin to use this source in future years.
- Instances of refrigerant regassing were not IPUT's responsibility but were in the tenant demise. We review this situation each year to ensure correct reporting, as noted in building log-books.
- Renewable energy is only generated at Pavilions Shopping Centre, where there are solar photovoltaic cells which serve the on-site hot water system and the provision of fresh air.
- The majority of estimations relate to filling in specific invoices. Energy use has been collected through automatic meter reading (AMR) data, where possible, invoices or a mixture of both AMR and invoice data. Where required to fill data gaps, proration is used.
- Intensity metrics use floor area as the denominator.
- Tenant electricity is reported where possible. The coverage of Scope 3 data has increased from 2016 to 2017 and so the 2016 figures have been restated to reflect that changes are due to improved data management rather than changes to performance.

Verification Statement

Carbon Credentials Energy Services Ltd (Carbon Credentials) has been contracted by IPUT plc (IPUT), of 47-49 St. Stephen's Green, Dublin 2, D02 W634, Ireland for the independent third party verification of direct and indirect carbon dioxide equivalent emissions (CO₂e) and the underlying activity data, as provided in the company annual report and accounts 2017 to a limited level of assurance. This verification exercise has been performed against the ISO 14064-3 standard.

Roles and responsibilities

The management of IPUT is responsible for the organisation's GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information.

It is Carbon Credentials' responsibility to express an independent GHG verification opinion on the emissions as provided in the IPUT Sustainability Report 2017 for the period 1st January 2017 – 31st December 2017.

Description of activities

The organisational boundary was established following the operational control approach on an international basis. The scope of this engagement covered the assessment of emission sources and underlying energy, water, waste, and refrigerant top-up data reported from:

Scope 1 Emissions

- Emissions arising from the combustion of natural gas and operations of any facility and the use of refrigerant gas.

Scope 2 Emissions

- Emissions arising from purchased electricity.

Scope 3 Emissions

- Emissions arising from waste disposal, tenant electricity and natural gas (where available), electricity transmission and distribution and the distribution and treatment of water.

Objectives

The objectives of this verification exercise were, by review of objective evidence, to confirm whether any evidence existed that the GHG emissions as declared in the organisation's GHG assertion were not: accurate, complete, consistent, transparent and free of material error or omission in accordance with the criteria outlined below.

Criteria

Criteria against which the verification assessment was undertaken:

I. Reporting standard:

- Scope 1 emissions: WRI/WBCSD: Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition (the GHG Protocol)
- Scope 2 emissions: WRI: GHG Protocol Scope 2 Guidance: An Amendment to the GHG Protocol Corporate Standard
- Scope 3 emissions: World Resources Institute/ World Business Council for Sustainable Development Greenhouse Gas Protocol: Corporate Value Chain (Scope 3)

II. Reference calculation methodologies:

- DEFRA (2013) Environmental Reporting Guidelines: Including mandatory greenhouse gas emissions reporting guidance
- INREV (2016) Sustainability Reporting Guidelines

Level of Assurance and Materiality

The level of assurance agreed is that of limited assurance. A materiality level of 5% was applied. Note that assessment of compliance and materiality was undertaken against the stated reporting standard calculation methodology.

Conclusion & Verification Opinion

We planned and performed our work to obtain the information, explanations and evidence that we considered necessary to provide a limited level of assurance based on the process and procedures conducted.

We conducted our verification with regard to the GHG assertion of IPUT, which included assessment of the company GHG information system and monitoring and reporting methodology. This assessment included the collection of evidence supporting the reported data and multiple checks relative to the provisions of the legislation, reporting standard and calculation methodologies referenced in the verification criteria. This statement shall be interpreted with the GHG assertion of IPUT as a whole.

Carbon Credentials' approach is risk-based, drawing on an understanding of the risks associated with calculating GHG emission information and the controls in place to mitigate these risks. Our examination included assessment, on a limited sample basis, of evidence relevant to the reporting of emission information.

Based on the data and information provided by IPUT and the processes and procedures conducted, Carbon Credentials concludes with limited assurance there is no evidence that the GHG assertion:

- is not materially correct;
- is not a fair representation of the GHG emissions data and information; and
- is not prepared in accordance with the criteria listed above.

It is our opinion that IPUT has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

The GHG information for the period 01/01/2017 – 31/12/2017 is verified by Carbon Credentials to a limited level of assurance, consistent with the agreed verification scope, objectives and criteria. 100% of emissions by scope are verified as follows:

Reporting Period: 01/01/2017 – 31/12/2017		
Scope 1	Scope 2 (location-based approach)	Scope 3
Reported Emissions: 1,599 tonnes of CO ₂ e	Reported Emissions: 3,163 tonnes of CO ₂ e	Reported Emissions: 2,645 tonnes of CO ₂ e

Observations

- Based on our work, Carbon Credentials considers that material GHG sources are appropriately identified and reported on.
- All material errors in reported data identified during the verification process have been duly corrected.

Attestation:



Oliver Smallman
Lead Verifier

On behalf of Carbon Credentials Energy Services Ltd



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