

# Sustainability Report 2024/25



# Think Differently, Deliver Difference



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# Lloyd Lee, Managing Partner



At Yoo Capital, 2024 has been a year of progress and increased commitment to sustainable development. We are driven by a conviction that positive social value is at the core of transformative real estate; and we believe that a focus on creating added social value goes hand-in-hand with investment returns. We recognise our impact and acknowledge our responsibility to develop and manage our real estate developments in alignment with Environmental, Social, and Governance (ESG) principles. Our work is an example of how real estate, when approached thoughtfully, can act as a catalyst for positive change; creating not just value for investors but meaningful and lasting benefits for people and the environment.

Over the last year, we started our consultation at the Camden Film Quarter and saw over 500 residents. We are delighted that Camden Council has subsequently adopted our Master Vision. We have secured legal planning permission for our Shepherd's Bush Market masterplan and have retained strong relationships with the traders and community. At the Saville, we have reflected resident and Council feedback from consultations this year into revised proposals. We hope to secure resolution to grant planning consent in early Q2 2025.

We strongly believe that communities can flourish when they develop a strong connection to the places where they live or work. Environmental protection is central to our decision-making process and is deeply integrated into the planning and design of our developments. Equally, we recognise the importance of strong governance to embed ESG at the heart of everything we do.

Looking ahead, we will continue our efforts to further improve our ESG approach, responding to innovation developments, new challenges, latest ESG guidance, and changing needs of our stakeholders. Our vision is to create spaces that empower people, celebrate diversity and culture, while not harming the environment. Together with our partners, investors, and communities, we are committed to creating positive change.

This report aims to complement our ESG Policy and illustrate our progress to date as well as show transparency around our aims and ambitions moving forward.

We hope you enjoy reading it and welcome your invaluable feedback.



# FY2024 Highlights

# Impact Potential



5000

Target New FTE jobs  
over project lifetime



25%

Designated  
affordable space



20%

Materials with recycled  
content by weight



>10%

Bodiversity Net  
Gain



<650

kgCO2e/m2 GIA

Embodied carbon in  
construction



90+

Target Gresb Score



100%

Applicable portfolio WELL  
Certified



25%

Of area dedicated to  
community & public use

# Global Engagement 2024 Roadmap



Lloyd Lee participated in the Zak World of Façades conference held in London in 2024. The event brought together industry experts to discuss façade design, innovations and best practices in the field.



A leisure and culture session was hosted with Yoo Capital and Future City.



A panel with The London Real Estate Forum (LREF) - Designing inclusive places for science and innovation In association with Pilbrow & Partners.



Lloyd Lee presented at the property and real estate trade show, MIPIM ASIA on “Policy Shifts and the Impact on UK Real Estate Investment”

## PERE

Private Equity Real Estate (PERE) hosted roundtable discussion, focusing on investment strategies to assist the UK real estate market's recovery from the challenges posed by Brexit and COVID-19.

## LONDON MUSEUM

London Museum: A breakfast and panel conversation with David Camp

## OPPORTUNITY LONDON

Yoo Capital hosted 30 local authority representatives from Opportunity London and held a panel discussion at Olympia on Asset in Action: Leisure and Culture.

## Labour

Yoo Capital hosted a panel discussion on “The value of creative districts to the UK economy” with BAFTA, BECTU and guests from the creative industries and parliament.

# Global Recognition Accolades & Features



Received Reuters Sustainability Award 2024 for Net Zero Operations Transformation



Ranked 160<sup>th</sup> among the world's top 200 private equity real estate managers in 2024.



City AM Dragon Awards. Yoo Capital was shortlisted in the Investor of the year Award category.



Shortlisted in the Sector Specialist of the Year category at the Real Deals ESG Awards 2024.



Shepherd's Bush Market, shortlisted for the in Masterplans and Area Strategies (unbuilt) category.



Currently serving as a case study for the JUST Transition Criteria initiative.

# Sustainable Development Goals



Yoo Capital is committed to creating spaces that promote physical and mental health and well-being, as well as encouraging social interaction and creating inclusive communities. All developments target WELL Building Standard certification, and two of our key projects already have Precertification status.



We are committed to ensuring all contractors have water management plans or policies in place to ensure responsible usage, treatment, and disposal throughout the construction of the development. We are also committed to encouraging sustainable water use in their operation.



We are dedicated to delivering developments that embody inclusive designs, ensuring they are non-discriminatory, safe, and resilient, while also generating socioeconomic and environmental benefits. Communities can flourish when they develop a strong connection to the places where they live or work. We recently committed to aligning with place-based impact investing (PBII)



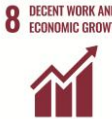
We are steadfast in our commitment to climate action, actively sourcing sustainable, low embodied carbon materials, implementing efficient energy management practices during construction, and installing energy-efficient building systems upon completion. We align with industry best practices, such as the London Energy Transformation Initiative, and are members of the UK Green Building Council.



We are committed to integrating green spaces and vegetation that enhance biodiversity, offering shelter and sustenance to diverse species, including birds and invertebrates. We are also ensuring that all developments are in alignment with the latest biodiversity requirements.



We are motivated to increasing the proportion of women in leadership positions. To ensure gender equality we have a Flexible-Working Policy and a Hybrid Working Policy to remove any potential barriers.



Our aim is to design, develop and deliver multi-dimensional community hubs that create socioeconomic benefits for the surrounding community. Policies are in place to ensure decent opportunities, work, and pay for our labour force. We invest in our staff and are increasing our training & development opportunities alongside other benefits.



Committed to achieving BREEAM certification, our focus lies on sourcing suppliers and materials for the development sustainably and responsibly. This commitment encompasses implementing policies that promote sustainable consumption and usage during- and post-development.





# Overview of Yoo Capital



# Yoo Capital Fund II (YCFII)

Yoo Capital was co-founded in 2010 by global property entrepreneur John Hitchcox and finance veteran Lloyd Lee with the ambition of delivering visionary investments that create value for investors, communities, and consumers alike. We have invested in central London and are committed to creating new spaces for London that support the arts, creative, hospitality and science-led industries and are sustainability-minded to evolve and stand the test of time. Yoo Capital Investment Management is a partnership between Yoo Capital Management and Astarte Capital Partners LLP. In May 2023, Yoo Capital announced the final close of its second fund, Yoo Capital Fund II (YCFII), the first in a series of funds launched by a partnership between Astarte Capital Partners and Yoo Capital.

Over the last ten years, Yoo Capital has been trusted by public companies, government bodies and institutional investors to deliver some of London's most exciting, creative and diverse real estate projects. The firm is proud to be delivering transformative and sustainable real estate projects that benefit local communities while not harming the environment and adding value to investors.

## SAVILLE THEATRE:

We are returning the Saville Theatre at 135 Shaftesbury Avenue to a live performance venue with designs for a 622-seat theatre, a unique ground floor bar and restaurant and a new 200+ room hotel for a luxury affordable hotel brand.

↓ CGI of the Saville Theatre proposals from Shaftesbury Avenue





**SHEPHERD’S BUSH MARKET:**

We are investing in one of London’s historic markets to sensitively reinvigorate it, drive footfall and support market traders old and new. On adjacent land, known as the Old Laundry Yard, we are building a 200,000sqft life sciences building and 40 new affordable homes for the London Borough of Hammersmith & Fulham

↓ Secchi Smith, Sheperd's Bush Market



**CAMDEN FILM QUARTER:**

We are creating a first for the UK—state-of-the-art film studios located in the heart of the city, harnessing the incredible creative talent found in Kentish Town, Camden, and across London. This unique and dynamic new neighbourhood will be anchored by studios dedicated to film, television, and digital content production, with creative workspace, world-class educational facilities, an incubator space, on-site accommodation for industry professionals, immersive studio-led visitor attractions and 50% affordable housing

↓ CFQ Kentish Town aerial shot





# Our investment philosophy



**OUR INVESTMENT PHILOSOPHY:**

Yoo Capital invests in undermanaged real estate to create new innovative and creative places, founded on an ethos of community and social inclusion. Our projects celebrate heritage and culture, foster innovation, and scientific discovery, and aim to blend into and add value to local communities. We are committed to creating new spaces for London that support the arts, creative and science-led industries and are sustainable and resilient to evolve and stand the test of time.

Creating long-lasting positive impact

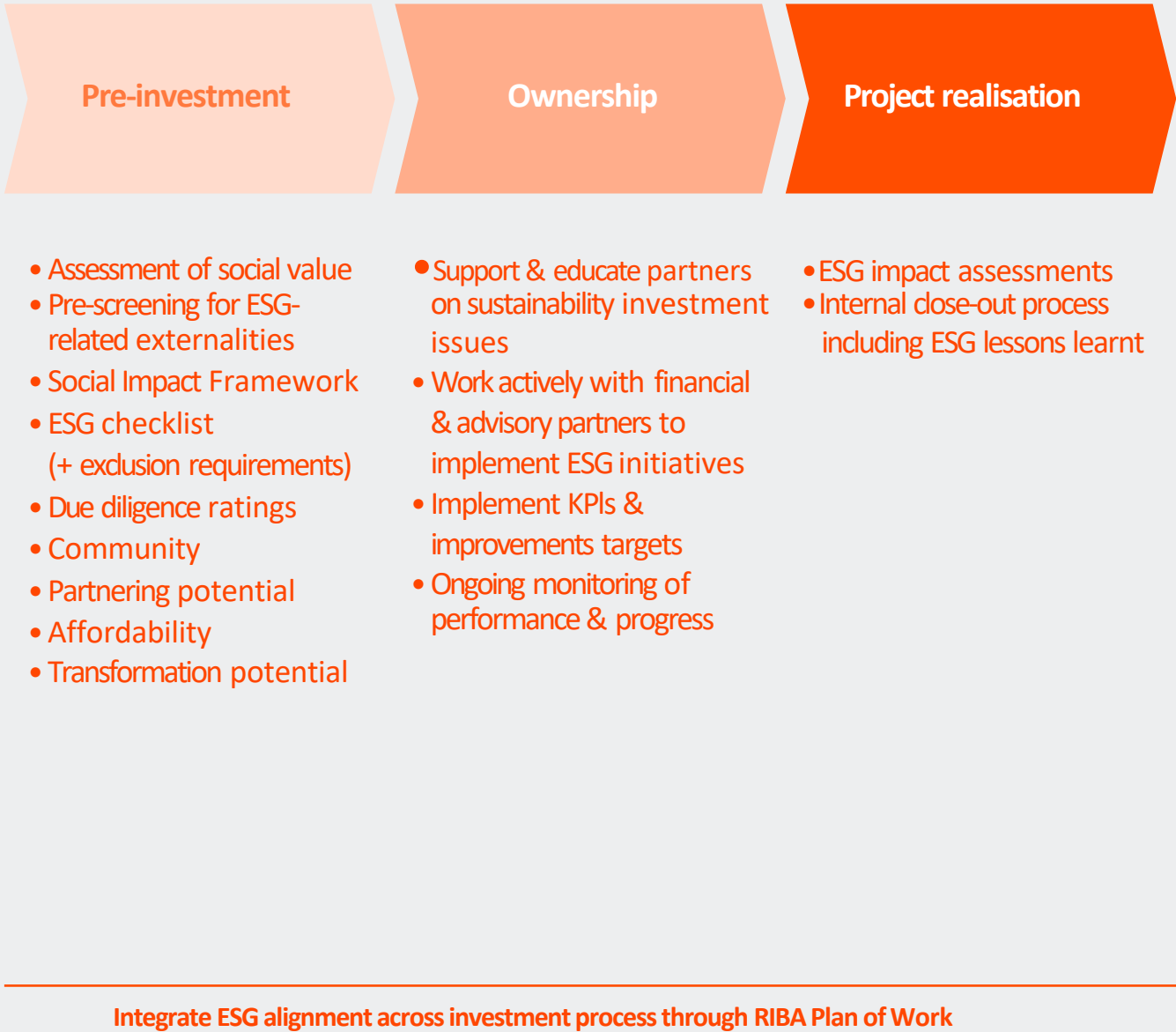
- We radically reimagine undermanaged real estate to create visionary new places founded on an ethos of community and social inclusion.
- Our projects celebrate heritage and culture, foster innovation and science and make long-lasting positive impacts in their areas.
- We actively seek to identify investment opportunities that have the potential for positive social value.
- We rate opportunities based on 4 social value criteria: community, partnering potential, affordability, and transformation potential.

Yoo Capital’s unique Sustainability and social-value-first approach creates investment value through stable income growth, greater tenant retention, and a more attractive investment profile to major investors seeking longevity, stability, and sustainability.

We are driven by the conviction that positive social value is at the core of transformative real estate; and that a focus on creating societal value goes hand-in-hand with investment returns.

We have historically created our turnaround plans based on the fundamental premise that affordable housing, real communities, safer environments, sustainable construction methods, and working with charitable and public benefit groups all create true intrinsic value in the fabric of its real estate. The challenge is to ensure not to take on these elements as an after-thought, but rather to integrate them into the original design and plan from the start. This creates an authentic, sustainable and vibrant mix within the real estate that is tangible and creates bonafide investment. It engenders stable income growth, greater tenant retention and a more attractive investment profile to major institutional and retail investors seeking longevity, stability and sustainability.

# Yoo Capital’s investment process





## DRIVING IMPACT

We continuously monitor international frameworks and standards, to ensure we meet the highest levels of sustainability possible and adopt ideas and practices that can minimize our negative and strengthen our positive impact. We set clear, ambitious but realistic Sustainability goals, track key performance indicators (KPIs), which are aligned with the double materiality findings, and evaluate the progress at the project level.

### Environmental Impact

- We ensure that all our developments are accredited by leading environmental standards, including BREEAM, WELL, AirScore, WiredScore, and Nabers, aligning our operations with industry best practices
- We promote the use of sustainable materials with low embodied carbon across projects minimizing our impact.
- We design all our buildings to be energy-efficient, to reduce consumption during construction and operation.
- We implement measures to promote sustainable water use, contributing to resource conservation.
- We adopted zero-waste strategies and set specific targets for contractors to minimize construction site waste.
- We aim to maximize biodiversity potential in all our developments, integrating green spaces.

Our environmental targets are ambitious but realistic. This balance is important to ensure that we deliver real, meaningful change and positive environmental impact.

### Social Responsibility

- We host cultural events, fostering community engagement and celebrating diversity.
- We look at the extent to which the community can directly access, use and benefit from our places
- Our projects deliver affordability, in terms of a) housing and commercial space, and b) visiting the spaces we create
- We embed social value in our projects from the offset and create places that can be enjoyed by all.

To date, Yoo Capital invested approximately £1.5 million into Shepherd's Bush Market and its businesses, enhancing the market's infrastructure and supporting local traders. In the Camden Film Quarter project, we committed to delivering 50% affordable housing, community infrastructure, and educational facilities for the film industry, creating additional social value and supporting community involvement. Yoo Capital expanded the Market Academy at Shepherd's Bush Market, offering free training to existing traders and aspiring entrepreneurs, providing access to affordable trading spaces and ongoing business support.

### Governance Practices

- We have embedded Sustainability into every job description, and each member plays an active role in delivering our commitments.
- We offer tailored training and hold monthly all Sustainability meetings.
- We address stakeholder needs and expectations and integrate sustainability considerations into our decision-making and investment strategy.
- We recognise that firms that support the health and wellbeing of their employees have happier teams, are better at retaining staff and report higher returns on investment.
- We support and encourage diversity and inclusion at Yoo Capital through our recruitment practices, internal training and partnerships with external organisations.

These ongoing initiatives reflect our dedication to integrating Sustainability principles at the core of our operations, t serves.

STAKEHOLDER ENGAGEMENT

We engage with communities as soon as we become active in an area. This helps us understand what’s important, what the issues are and where we can add value. We can then create buildings and schemes that are an active part of their community from the offset.

Community Engagement

- Community engagement is and always has been core to what we do. It enables us to better identify risks and opportunities, leading to well-informed decision-making.
- We strongly believe that stakeholder engagement creates better, more authentic places that in turn deliver stronger returns for our investors and create more liveable areas for local people.
- Our team engages with key stakeholders at every level, from members of the local community to prospective tenants. This gives us a deep understanding of their needs and results in creating places that serve the people they are designed for.

Contractors and Suppliers

We recognise the important role our contractors and suppliers play with regards to the impact and performance of our developments. Therefore, we have established governance processes through our Procurement Policy that ensure environmental and social performance is reviewed at the proposal and appointment of contractors and suppliers. Key expectations include:

- Environmental commitments and policies
- Sustainable and responsible procurement of supplies and materials
- Health and safety procedures for workers
- Ethical procurement of labour (including anti-slavery and fair living wage)

Tenants, local businesses, and users

Our future tenants and users play a central role in the deliverance of environmental performance across our assets. Yoo Capital ensures that future tenants share our core values and commitment to being a responsible and active neighbour.

A commitment to upholding certain standards is included in leases and community engagement is and always has been core to what we do. Our community engagement strategies have been formulated in line with best practice guidance from industry bodies and combined with our on-the-ground experience.

We appreciate that every community is different. We believe engagement should be meaningful, measurable, and reportable; however, a significant part of our approach involves spending time within communities ourselves, building relationships, and creating a trusted dialogue.

We openly share our Sustainability policy with our suppliers and inform them about the social value criteria we use to assess our value chain. We foster discussions around social value and offer guidance to stakeholders who want to further engage on these topics.

	Phase 1: Investment	Phase 2: Planning	Phase 3: Design	Phase 4: Construction	Phase 5: Operation
Phase description	Due diligence and early appraisals pre-acquisition	Site acquired and core project team appointed	Project team evolving designs during pre-application process	Planning permission secured and project under development	Building tenanted and operated
Phase of engagement	Stakeholder research & due diligence. Initial social value analysis to assess opportunity for additionality	Begin stakeholder engagement to gain insight and understanding, and identify potential social value additionality	Involve stakeholders on the design of the scheme	Continued engagement with stakeholders in line with Considerate Constructors Scheme. Delivery of social value through jobs	Tenant social value scheme and satisfaction monitoring in place

*Our*

*Pillars*

FOUR SUSTAINABILITY PILLARS

In 2024, Yoo Capital conducted a comprehensive double materiality assessment to refine and align our Sustainability strategy with the areas most important to our stakeholders and where we have, or may have, the greatest impact. This approach acknowledges that Sustainability matters not only influence Yoo Capital’s financial performance but also shape the broader social and environmental landscape through our projects and partnerships.

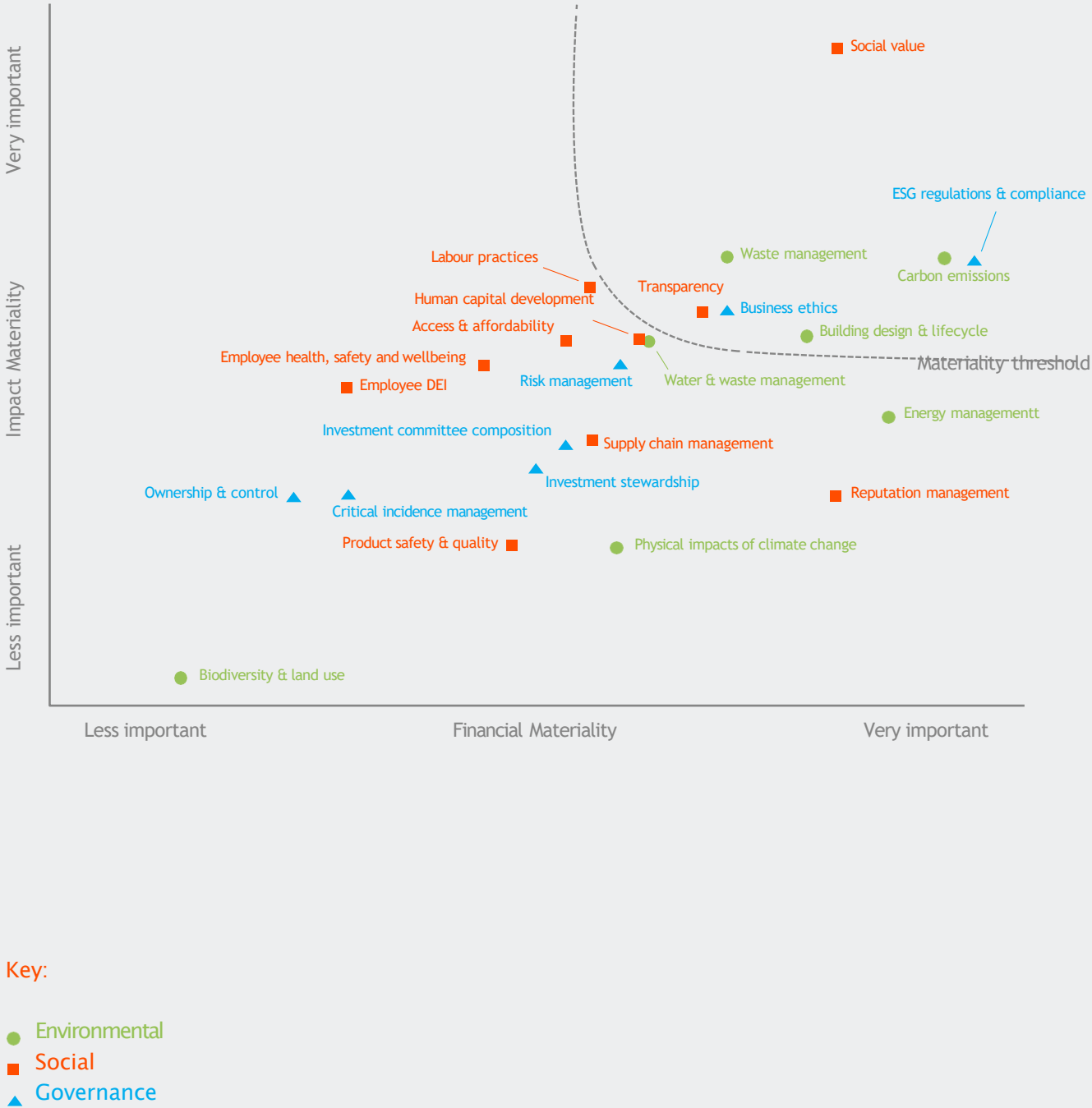
Our assessment involved engaging a wide range of internal and external stakeholders, including board members, employees, investors, consultants, tenants, and government bodies. Through surveys and interviews, we identified and prioritised 24 Sustainability issues material to our business, which formed the basis for our Sustainability pillars. These pillars reflect the most critical areas for our stakeholders and provide a clear framework to guide our actions. Based on the double materiality results, our Sustainability strategy is structured around four key pillars:

- **Empowering Authentic Local Communities**
- **Driving Decarbonisation Through Longevity**
- **Championing Accountable Governance**
- **Invest in our People**

The feedback we received reinforced our commitment to delivering social value, as demonstrated by initiatives such as rent freezes at Shepherd’s Bush Market. Stakeholders also highlighted the importance of our continued efforts to reduce carbon emissions and enhance biodiversity across all our developments. By conducting this assessment, we remain aligned with evolving regulatory standards, such as the Corporate Sustainability Reporting Directive (CSRD), ensuring that our Sustainability strategy is informed by stakeholder insights and focused on delivering meaningful impact.

The following pages provide a deep dive into each of these pillars, outlining their core objectives, how we measure progress, and key achievements from the latest reporting period.

Figure 2: Yoo Capital double materiality results.





# Pillar 1

‘Empower  
authentic  
local  
communities’

## ‘Empower authentic local communities’

↓ Shepherds Bush Market



This first pillar is core to Yoo Capital’s unique approach and emphasises our commitment to social value. We incorporate this from the outset of our real estate development planning process to truly understand the local communities in which we work. Yoo Capital is passionate about fostering London’s culture and to do this we need to understand the heritage and values of the areas in which we operate. We strive to be active neighbours, and we believe that good engagement creates better, more authentic places that in turn deliver stronger returns for our investors and create more liveable areas. Core to our strategy is that affordable housing, real communities, safer environments, and working with charitable and public benefit groups all create true intrinsic value in the fabric of our real estate.

This aligns with Yoo Capital’s recognition of social value as the most material topic in our double materiality assessment. Our social value approach aligns with industry standards, with a strong focus on the place-based impact investing (PBII) principles.

The incorporation of these principles into our social value plan supports our unique investing approach. Our social value plan incorporates health and well-being, and we champion this across our portfolio, having completed the WELL pre-accreditation for Shepherd’s Bush Market and having a wider social value strategy in place, aligning with healthy development principles.





† Secchi Smith, Sheperd's Bush Market

# Social Value

Yoo Capital has a history of delivering exceptional places, and social value is at the forefront of our investment decisions. From our guiding vision to our daily operations, communities are at the heart of everything we do, and we create our investment thesis around the social value our projects will generate.

“We engage with communities as soon as we become active in an area. This helps us understand what’s important, what the issues are, and where we can add value. We can then create buildings and schemes that are an active part of their community from the offset.”

Louise Page-Jennings,  
Director

## Creating long-lasting positive impact

- We radically reimagine undermanaged real estate to create visionary new places founded on an ethos of community and social inclusion.
- Our projects celebrate heritage and culture, foster innovation and science and make long-lasting positive impacts in their areas.
- We actively seek to identify investment opportunities that have the potential for positive social value.
- Through screening, we rate opportunities based on 4 social value criteria: community, partnering potential, affordability, and transformation potential.

Yoo Capital’s unique Sustainability and social-value-first approach creates investment value through stable income growth, greater tenant retention, and a more attractive investment profile to major investors seeking longevity, stability, and sustainability.

We are driven by the conviction that positive social value is at the core of transformative real estate; and that a focus on creating societal value goes hand-in-hand with investment returns.

Figure 4: IFC Operating Principles for Impact Management.



“The power of any firm ultimately lies in its people and their ability and will to pursue a common vision. As a firm, we see the communities we help to build in the same way: people sharing common ground whose ultimate long-term success and strength resides in their ability to grow as a whole.

Lloyd Lee, Managing Partner

We follow a place-based impact investment (PBII) methodology to guide our approach to social value. PBII takes a holistic view of communities, considering the impact of physical and non-physical factors that affect social and environmental matters. Physical factors include the types of buildings we create and related infrastructure initiatives, such as the planned creation of a community garden in Shepherd’s Bush Market to boost biodiversity and provide more green spaces, which both reduce the urban heat island effect<sup>1</sup> and have demonstrable benefits for mental health<sup>2</sup>. Non-physical factors include our commitment to integrating diversity, equity, and inclusion (DEI) considerations into our developments and ensuring we are creating spaces that are welcoming and accessible for all.

Our PBII approach aligns with the core tenets of the IFC’s Operating Principles for Impact Management. The nine principles of this framework are outlined in Figure 4, which is included for information only. PBII is guided by these principles.

1 A phenomenon whereby cities experience higher temperatures due to roads and buildings displacing natural surfaces like trees, ponds, and soil. <https://climate.mit.edu/explainers/urban-heat-islands>.  
2 Urban greenspace was correlated with individuals having ‘less mental distress, less anxiety and depression, greater well-being, and healthier cortisol profiles’. Barton J, Rogerson M. The importance of greenspace for mental health. BJPsych International. 2017;14(4):79-81.doi:10.1192/S2056474000002051.



Guided by these principles and our commitment to PBII, we follow a fund- and asset-level strategy that considers the intent of an investment, the contributions an investment will deliver to communities and investors, and measurements that evaluate our impact for transparency and accountability. We apply this framework to all business activities and go beyond compliance to actively seek additionality, which is the delivery of social value outcomes above what would have been achieved by purely financial incentives.

Stakeholder engagement is and has always been core to our activities. For example, we provide our suppliers with our ESG policy and social value requirements. We then engage with suppliers on social value issues and provide guidance for those who wish to further engage on these topics. We believe that strong engagement creates better places, which in turn deliver stronger returns for our investors and create more livable areas.

Our engagement strategy is highlighted in Figure 5. Phases of engagement are adapted and tailored for individual projects; we focus on enhancing social value for our employees, our supply chain partners, our tenants, and our communities.

	Phase 1 Investment	Phase 2: Planning	Phase 3: Design	Phase 4: Construction	Phase 5: Operation
Phase description	Due diligence and early appraisals pre-acquisition	Site acquired and core project team appointed	Project team evolving designs during pre-application process	Planning permission secured and project under development	Building tenanted and operated
Phase of engagement	Stakeholder research & due diligence. Initial social value analysis to assess opportunity for additionality	Begin stakeholder engagement to gain insight and understanding and identify potential social value additionality	Invoice stakeholders on the design of the scheme	Continued engagement with stakeholders in line with Considerate Constructor Scheme. Delivery of social value through job creation	Tenant social value scheme and satisfaction monitoring in place

† Fig 2 Social value phases of engagement.

We believe PBII yields happier, more prosperous communities, as well as a greater return on investment for our business partners and investors. Furthermore, we believe environmental and social goals are often mutually beneficial; a focus on one can frequently benefit the other. PBII schemes can be complicated, involving multiple stakeholders, and require lengthy planning processes, and so investors need to hold a long-term view. Nevertheless, we believe the PBII investment strategy creates assets that are both defensive and capable of delivering enhanced long-term risk adjusted returns, whilst making a real positive difference to communities.

As part of our PBII approach, we measure progress towards social value goals with a combination of quantitative and qualitative KPIs that are tailored to each project, in addition to firm-level KPIs.

For social value, we will measure and report our progress using the following KPIs:

- 1

**Percentage (%) of space that is designated affordable per project** We aim to contribute affordable spaces within our developments to support local communities and make sure they are accessible to as many people as possible. For example, we are providing 100% affordable housing in our Shepherd’s Bush Market development, with no private housing. We are also providing affordable office space and separate spaces for community use.
- 2

**Number of new good quality, well-paying jobs supported** Job creation is a core part of the social value we aim to create for our local communities and in our supply chain. So far for our YCFI developments, we estimate we will support 2,000 new jobs that are paid at least real living wage.
- 3

**Tenant mix and use class mix across portfolio**

Measuring the tenant mix and use class mix across our developments helps us determine how many stakeholder groups we are creating social value for and recognise where we might need to address additional needs. At Shepherd’s Bush Market, Yoo Capital recently worked with CACI to undertake an in-depth look at the current customer profile and the needs of the local community. This will be used to shape the Market’s business plan and tenant mix.
- 4

**Total area available for community and public use per project (%)** As outlined in this social value section, we aim to create social value for local communities even if they were not originally affiliated with the development site. An integral part of this is ensuring that surrounding communities can make use of our developments so that we do not exclude anyone from accessing the social value we contribute. The total area available for community and public use in Shepherd’s Bush Market is 23%.

# Measurable Impact

↓ Fig 3: Overview of Yoo Capital's ESG KPIs.

KPI	TARGET	2023	2024
Percentage (%) of space that is designated affordable per project	25%	15%	15%
Number of new good quality, well-paying jobs supported	5,000	2,000 consented in planning	2,000 consented in planning
Total area available for community and public use per project (%)	25%	23%	23%

# Case Study: Proactive Engagement

↓ Simon Lear, Camden Film Quarter, and Ed Miliband MP



## Galvanising the Community

A multi-staged engagement process was undertaken for the creation of Camden Film Quarter's Masterplan Vision.

- Stage 1: 'Introduction' – November 2023
- Stage 2: 'Assessment and Initial Ideas' – April 2024
- Stage 3: 'Masterplan Vision' – July 2024

A first round of public consultation was undertaken in November 2023 to introduce the project to local residents and stakeholders, as well as to better understand the local context and any concerns residents might have about future development. During this initial stage, community stakeholder groups were offered a briefing on the early principles behind the Masterplan and members of the wider community were invited to attend in-person events to learn more about Yoo Capital.

A second round of public consultation was held in April 2024, to share an analysis of the research undertaken for the Masterplan and several Masterplan options looking at the key routes and character areas through the site. The project team was on hand to provide detailed explanation and gather feedback on the proposed options. The feedback received revealed a number of key themes that respondents wanted to see addressed including design, landscaping, community uses, along with other topics.

The Masterplan Vision was developed in the following months and a third round of consultation was held in July 2024. During this round, a more detailed Masterplan was shared including ideas for how high buildings could be and proposed transport and access connections to the surrounding community.

# Pillar 2

‘Drive  
decarbonisation  
through  
longevity’





↓ Secchi Smith, Shepherds Bush Market Residential

## ‘Drive decarbonisation through longevity’ Pillar 2

The second pillar focuses on driving decarbonization and minimizing environmental impact. We achieve this by developing durable, high-quality buildings with a low environmental footprint, reducing the need for future construction projects. By constructing buildings to last longer, the frequency of new construction projects is reduced, thereby decreasing the embodied carbon throughout the whole life cycle of urban spaces. We strategically focus on developments with longer lifespans that require fewer

replacements and renovations, in turn reducing the carbon emissions associated with demolition, disposal, and replacement of building components. We strive to minimize material quantities in our developments and collaborate with manufacturers, suppliers, and contractors to source sustainable materials. Whole life-cycle carbon (WLC) assessments are conducted to measure emissions across all stages of a building’s lifespan. Additionally, we effectively manage waste throughout every phase of a project, from demolition to construction and operation.



A child is running across a paved courtyard towards the right. The background features a large, dark building with a textured, perforated facade. A white wireframe graphic, resembling a distorted grid or a series of concentric, wavy lines, is overlaid on the image, extending from the left side towards the right. The scene is captured in bright daylight, with long shadows cast on the ground.

Build it once,

build it right.



# Building design & lifecycle

For all our developments we follow the Greater London Authority (GLA) guidance on circular economy and whole life-cycle carbon assessments. We adopt several strategies to create sustainable and long-lasting places, including working towards minimising material quantities, optimising energy use, and sourcing sustainable materials.

We strive to minimise material quantities in our developments by employing methods such as prefabrication and modular construction, in which components are produced offsite in controlled environments to control material use more precisely. For Shepherd’s Bush Market for example we are aiming to utilise prefabrication techniques for structural elements and facades. Additionally, incorporating energy- efficient systems allows us to reduce our operational costs as well as our environmental impact. Energy efficiency in Shepherd’s Bush Market is exemplified by the adoption of air-source heat pumps, triple-glazed window fittings, and a shading strategy which significantly reduces energy demand.

Furthermore, we engage with our manufacturers, suppliers, and contractors to source sustainable materials, referencing sourcing guides such as Greenspec and Green Guide. Wherever possible, we try to source local products, source products with high recycled content and source products with Environmental Product Declarations (EPDs). Furthermore, we prioritise material suppliers that operate an Environmental Management System. For the development of Shepherd’s Bush Market, we aim at an overall minimum target of 20% for recycled content by value for materials to be procured. We further break this target down for specific material categories, following the Royal Institution of Chartered Surveyors (RICS) guidance to have up to 5% recycled content by mass for all concrete materials, 97% recycled content by mass for all rebar materials and 30-50% recycled content for steel materials.

“We make our environmental commitments meaningful. We are proud to have worked with our contractor to use the UK’s first fully electric crawler cranes at Olympia, so far saving an estimated 12 tonnes of carbon compared to traditional diesel cranes.”

Dominic Holmes, Principal

In line with our “build it once, build it right” ethos, we also believe that the materials we source should support the longevity of buildings; the longer a building is functional the less materials need to be used in the future for both maintenance and reconstruction. For elements with a long lifespan, which we define as over 25 years, we try to use concrete for longevity and high thermal mass and steel since this is highly recyclable. The building layers with shorter life expectancy (less than 25 years) are designed for ease of maintenance, reuse, and recoverability.

Our efforts to implement circular economy initiatives into our developments feed into our whole life-cycle carbon (WLC) assessments, which we submit for each development. A WLC assessment quantifies the total carbon emissions associated with all stages of a building’s life, from material extraction and construction to operation and eventual demolition. This allows us to identify significant sources of emissions and opportunities to implement more sustainable practices throughout our development’s lifespans. The table below describes the life cycle modules and stages included in our assessments.

↓ Fig 4: Whole life-cycle carbon assessment stages.

Product Stage			Construction Process Stage		Use Stage							End-of-Life Stage				Benefits and loads beyond the system boundary		
Raw material supply	Transport	Manufacturing	Transport to building site	Installation into building	Use/application	Maintenance	Repair	Replacement	Refurbishment	Operational energy use	Operational water use	Deconstruction/demolition	Transport	Waste processing	Disposal	Reuse	Recovery	Recycling
A1	A2	A3	A4	A5	B1	B2	B3	B4	B5	B6	B7	C1	C2	C3	C4	D	D	D
X			X	X	X	X	X	X	X	X	X	X				X		

For building design and lifecycle, we will measure and report our progress using the following KPIs:

- 1

**Portfolio embodied carbon in construction (kgCO<sub>2</sub>e/m<sup>2</sup> GIA)** To measure the embodied carbon in our portfolio we utilise the GLA WLC assessments. We have set a target of 650 kgCO<sub>2</sub>e/m<sup>2</sup> GIA for all our new build elements of development by 2030 for the construction phase (A1-A5).
- 2

**Total portfolio embodied carbon (kgCO<sub>2</sub>e/m<sup>2</sup> GIA)** We measure total portfolio embodied carbon using our GLA WLC assessments.
- 3

**Percentage (%) of materials with recycled content used across portfolio.**To reduce embodied carbon, we aim to increase our use of materials with recycled content across the portfolio. Our current target is to reach 20% of materials by weight having recycled content.
- 4

**Percentage (%) of materials certified under BREEAM- recognised schemes.** We also aim to use materials certified under BREEAM-recognised schemes, since this does not only help our environmental performance but also means we consider supply chain transparency and material efficiency, durability, and longevity. Our target is to ensure 100% of timber materials are certified under BREEAM-recognised schemes. For all other materials we aim for over 36% being certified by weight.
- 5

**Percentage (%) of materials recovered across portfolio** To reduce the overall impact of our redevelopment work, we aim to retain as much of the original buildings and structures as we can. Where we need to demolish parts of a development, we aim to recover materials to reduce the environmental impact of this. We anticipate to recover 9.2% of materials for Shepherd’s Bush Market and are in the process of determining this for Saville Theatre.

↓ Fig 4: Overview of Yoo Capital's ESG KPIs.

KPI	TARGET	2023	2024
Portfolio embodied carbon in construction (kgCO <sub>2</sub> e/m <sup>2</sup> GIA)	650 kgCO <sub>2</sub> e/m <sup>2</sup>	SBM: 689.9 kgCO <sub>2</sub> e/m <sup>2</sup> Saville: 582 kgCO <sub>2</sub> e/m <sup>2</sup>	SBM: 689.9 kgCO <sub>2</sub> e/m <sup>2</sup> Saville: 582 kgCO <sub>2</sub> e/m <sup>2</sup>
Portfolio embodied carbon (kgCO <sub>2</sub> e/m <sup>2</sup> GIA)	1,400 kgCO <sub>2</sub> e/m <sup>2</sup>	SBM: 1,012 kgCO <sub>2</sub> e/m <sup>2</sup> Saville: 966 kgCO <sub>2</sub> e/m <sup>2</sup>	SBM: 1,012 kgCO <sub>2</sub> e/m <sup>2</sup> Saville: 966 kgCO <sub>2</sub> e/m <sup>2</sup>
Percentage (%) materials with recycledcontent used across portfolio	20% by weight	SBM: 8.7%	SBM: 8.7%
Percentage (%) materials certified under BREEAM-recognised schemes	100% timber 36% by weight for all other materials	Saville: 100% Timber	Saville: 100% Timber
Percentage (%) materials recoveredacross portfolio		SBM: 21% re-use of demolition waste onsite	SBM: 21% re-use of demolition waste onsite



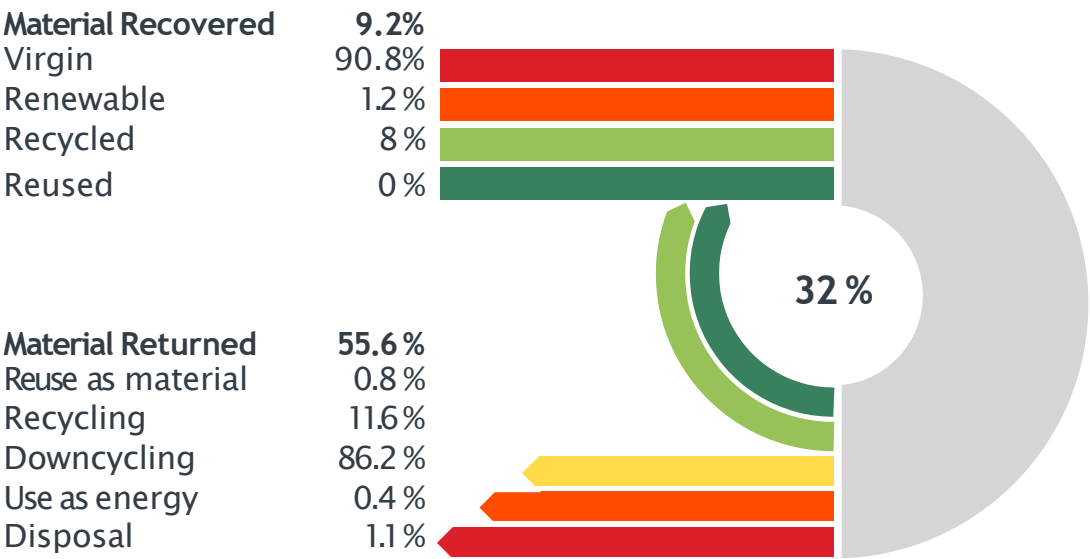
# Waste Management

We have a comprehensive approach in place for all our developments to manage waste effectively across all phases of the project from demolition to construction to operations. All our strategies follow the waste hierarchy of eliminate — reduce — reuse — recycle.

During the demolition and construction phase, we estimate the material arising and develop a strategy around diverting waste from landfill and reusing as much of the material as possible. For Shepherd’s Bush Market, we estimate a total of 3,025 tonnes of material arising from demolition and aim to divert 95% of demolition and non-demolition waste from landfill and reuse some of the concrete and brick material for the piling mat and the construction of temporary roads. Furthermore, we set targets around waste minimisation for the construction process and work with

our manufacturers and contractors to accomplish these.

This includes assessing a development’s building circularity score. For Shepherd’s Bush Market we aim to produce no more than 13.3 m<sup>2</sup> of waste per 100m<sup>2</sup> gross internal floor area and have implemented manufacturer “take-back” schemes to reduce waste. We anticipate Shepherd’s Bush Market to have a building circularity score of 32%, with 9.2% recovered material and 55.6% returned material at the end of life of the building.



For the operational phase of the development, we develop a waste management plan covering aspects such as bin availability and capacity, collection frequencies, and waste separation. For example, waste in Shepherd’s Bush Market will be separated into dry recyclables, general waste and food waste and we plan to the London Plan municipal recycling target of 65% by weight and business waste recycling target of 75% by weight by 2030.

For waste management and lifecycle, we will measure and report our progress using the following KPIs:

- 1 Weight of non-hazardous construction waste (m<sup>3</sup>/100m<sup>2</sup> GIA)**  
We aim to reduce the amount of construction waste we use by designing our developments efficiently to use less materials. Our target is to produce less than 4.5 m<sup>3</sup>/100m<sup>2</sup> GIA across our portfolio.
- 2 Weight of hazardous construction waste (m<sup>3</sup>/100m<sup>2</sup> GIA)**  
Measuring hazardous construction waste is important primarily from a health and safety perspective so we can ensure sufficient processes and supports are in place to effectively deal with and dispose of hazardous waste. We are currently in the process of setting a target for this across our portfolio.
- 3 Percentage (%) of construction waste diverted from landfill**  
Waste diverted to landfill as a large environmental impact, which is why we aim to minimise this for our development sites. We expect to divert 95% of construction waste from landfill for both the Shepherd’s Bush Market and Saville Theatre developments.

↓ Fig 5: Overview of Yoo Capital's ESG KPIs.

KPI	TARGET	2023	2024
Weight of non-hazardous constructionwaste (m³/100m² GIA)	<4.5 m³/100m²	N/A – not in construction	N/A – not in construction
Weight of hazardous constructionwaste (m³/100m² GIA)		N/A – not in construction	N/A – not in construction
Percentage (%) construction wasterediverted from landfill		SBM: 95% Saville: 95%	SBM: 95% Saville: 95%

← Fig 6: Building circularity score of Shepherd's Bush Market.

# Carbon Emissions

We recognise that our operations and the buildings we develop contribute to carbon emissions. We plan carefully, take proactive action and are fully committed to reducing our impact. We calculate our carbon footprint in accordance with the Greenhouse Gas (GHG) Protocol using an operational control approach and account for scope 1 (direct emissions), scope 2 (indirect emissions), and material scope 3 emissions (other indirect emissions). Scope 3 categories are deemed material if their associated emissions contribute to more than 1% of the total carbon footprint. The following scope 3 categories are considered material: Purchased Goods and Services, Transportation and Distribution, Business Travel, Employee Commuting, Waste (including water)

In 2022, our total emissions amounted to 73.65 tCO2e. 95% of this total stem from scope 3 emissions, particularly Business Travel (45% of our total footprint) and Purchased Goods and Services (37% of our total footprint). Figure 8 shows the distribution of our footprint by emission activity. While we have not yet calculated our emissions for 'Investments' (Category 15 of the GHG Protocol), we recognise this is material to us as a real estate investor.

For 2023 and 2024 Scope 3 emissions are limited to Category 6: Business Travel under the GHG Protocol, as it is the most relevant to our operations.

KPI	2023Status	2024 Status
Gross Scope 1, 2 and 3 emissions (tCO2e)	Scope 1: 0 tCO2e Scope 2: 21.04 tCO2e Scope 3*: 17.16 tCO2e Total: 38.20 tCO2e	Scope 1: 0 tCO2e Scope 2: 18.42 tCO2e Scope 3*: 42.82 tCO2e Total: 61.24 tCO2e
Energy use during construction (kWh/£100,000 construction spend)		No sites in construction

Table 7: Scope 1, 2 and 3 emissions for 2023 and 2024

For carbon emissions and our decarbonisation journey we will measure and report our progress using the following KPIs:

- 1

**Gross Scope 1, 2 and 3 emissions (tCO e)**  
  
We aim to calculate our emissions annually and will complete GHG Protocol Category 15 calculations in 2025/26.
- 2

**Energy use during construction (kWh/£100,000 construction spend)**  
  
This KPI will enable us to monitor our energy use for our developments, which will be beneficial when addressing our Scope 3 Category 15 emissions.

Secchi Smith, Shepherds Bush Market Residential





# Pillar 3

‘Champion  
accountable  
governance’



## ‘Champion accountable governance’

The third pillar centres on championing accountability through robust governance practices that ensure compliance, business ethics, and transparency are front of mind at the board level.

Our ESG Committee meets monthly and reports to our Investment Committee. Its purpose is to oversee reporting, manage risks, ensure regulatory compliance, satisfy stakeholder Sustainability needs, plan actions and review and update our corporate policies.

The Committee is currently working on our pathway to Net Zero and compliance with IFRS standards. The Investment Committee considers climate-related risks and opportunities at each stage of the investment cycle and provides ultimate sign-off on the investment. Detailed information can be found in the relevant Sustainability Policy.

↓ Secchi Smith, Shepherds Bush Market Lab



Sustainability responsibilities are embedded and clearly allocated into every job description. Responsible governance is also supported by tailored training provided to our team, and monthly-held company-wide sustainability meetings, featuring experts and industry leaders.

Governance

We have a clear governance structure for the embedding and implementation of sustainability within our team and the assets across our funds. On joining the company, all staff receive sustainability training. Each job description includes a sustainability requirement, and appraisals are linked to sustainability goals, with further training offered. Our staff are encouraged to participate in stewardship activities. We provide each employee with the opportunity to make a meaningful impact beyond the workplace by offering them one day per year to volunteer for projects or charities of their choosing.

Our entire team actively engages with residents, businesses, contractors, suppliers, politicians and other key stakeholders to provide information about our sustainability principles and the continuous commitment to these. We recognise the important role our contractors and suppliers play with regards to the impact and performance of our developments. Therefore, we have

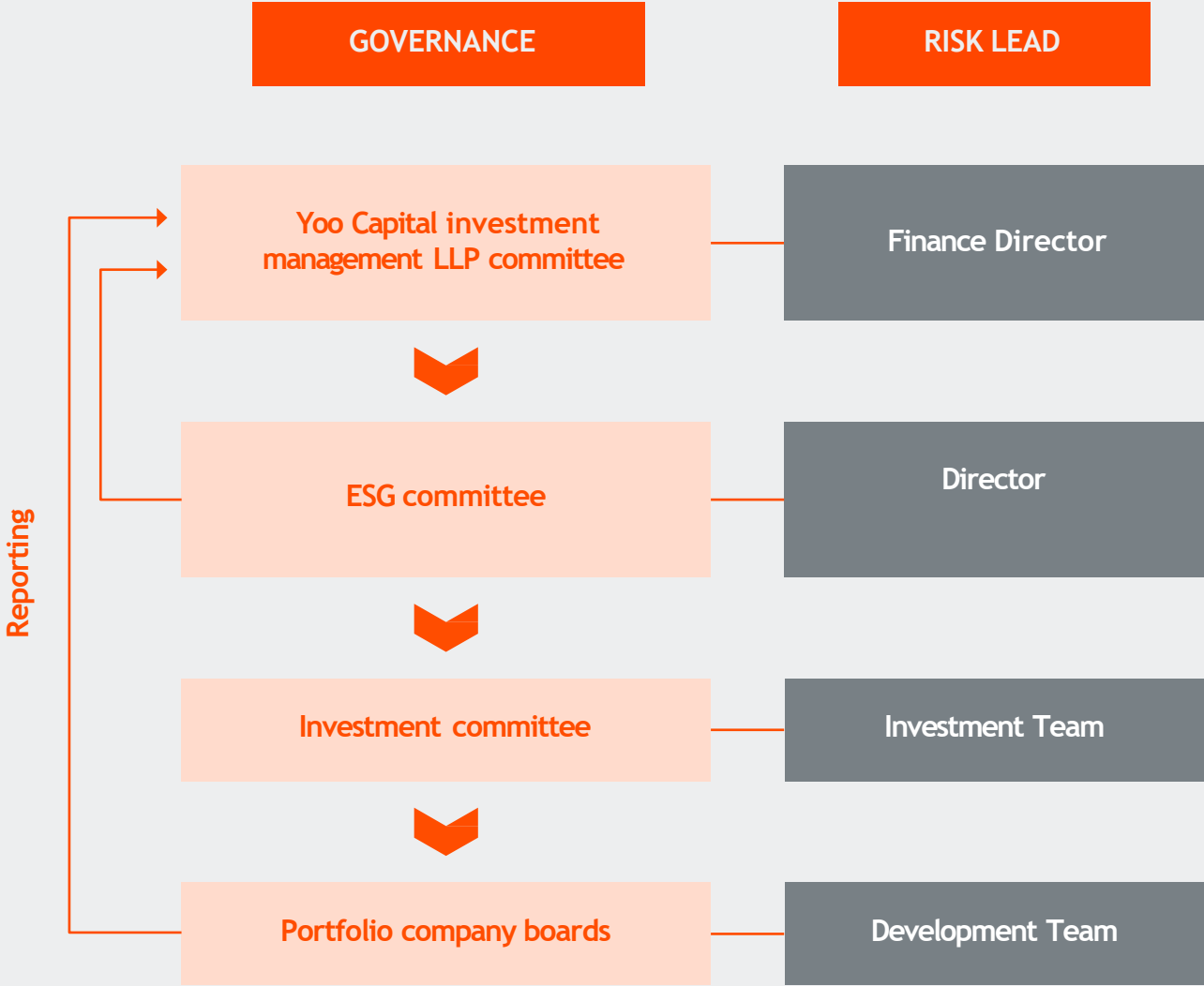
established governance processes through our Procurement Policy that ensures environmental and social performance is reviewed at proposal and appointment of contractors and suppliers. Key expectations include:

- Environmental commitments and policies
- Sustainable procurement of supplies and materials
- Health and safety procedures for workers
- Ethical labour procurement (anti-slavery & fair living wage)
- Social value commitments

These expectations apply to all contractors, sub-contractors, and suppliers appointed. We further expect continuous delivery against Yoo Capital’s Sustainability principles throughout the length of the projects.

At Yoo Capital, we are committed to maintaining an ethical working environment and conducting all our business in an honest and ethical manner. We provide employees with an Employee Handbook, including a Compliance Manual, which sets out the policies and procedures that they are expected to follow, including:

Yoo Capital’s governance structure





# Regulation & Compliance

Due to our activities in the real estate sector, Yoo Capital falls under several UK regulations that have an impact on our strategies and actions regarding ESG.

Besides these key regulations, we comply with general UK regulations applicable to private limited companies such as corporation tax, annual accounts & reports, and employment laws. Furthermore, Yoo Capital as a financial services company is regulated by the Financial Conduct Authority (FCA), meaning we comply with all relevant FCA regulations, such as the anti-greenwashing rule.

We are aware of emerging Sustainability legislation and are actively aligning to this, even if we do not yet fall under it or it is not mandatory in the UK. This forward-thinking approach positions us at the forefront of our sector and allows us to futureproof ourselves against requirements coming down the line. We are committed to early adoption to ensure compliance, sustainable growth and resilience. Sustainability regulations such as the UK Sustainability Disclosure Standards (SDS), CSRD, EU taxonomy for sustainable activities (EU Taxonomy), Energy Savings Opportunity Scheme (ESOS) and Sustainable Finance Disclosure Regulation (SFDR), do not apply to us as a business, since we are exclusively UK-based, and fall below the employee headcount or turnover thresholds.

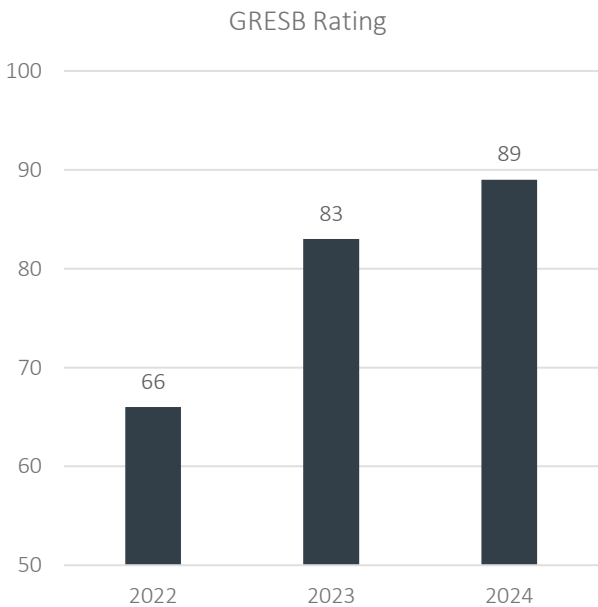
Examples where we have already acted include identifying material climate change risks and opportunities in line with TCFD/IFRS and conducting a double materiality assessment in line with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

Equality Act 2010	The Companies Act 2006
Bribery Act 2010	The London Plan & Local Borough Development Plans (2021)
Biodiversity Net Gain (BNG) Regulation	UK General Data Protection Regulation (GDPR)/Data Protection Act 2018
Building Regulations 2010	Town and Country Planning (Environmental Impact Assessment) Regulations 2017

# Transparency

We recognise the importance of transparent ESG reporting and are proud to align our operations with globally accepted benchmarks and frameworks.

**GRESB:** GRESB provides a benchmark assessment that is used by investors to understand and compare the effective responsible management of real estate assets. Our Global Real Estate Sustainability Benchmark (GRESB) journey began in 2022, when we first submitted the GRESB Real Estate Development Benchmark Assessment for YCFII. We submitted our GRESB assessment again in 2023 and 2024 and are in the process of our 2025 assessment submission. Yoo Capital’s YCFII earned a three-star rating with a score of 89 out of 100 in the 2024 GRESB Real Estate Benchmark Assessment; this is a one star, and 6 points increase from our 2023 score and a 23-point increase from the 2022 score, respectively. We outperformed our peer group, and the global average.





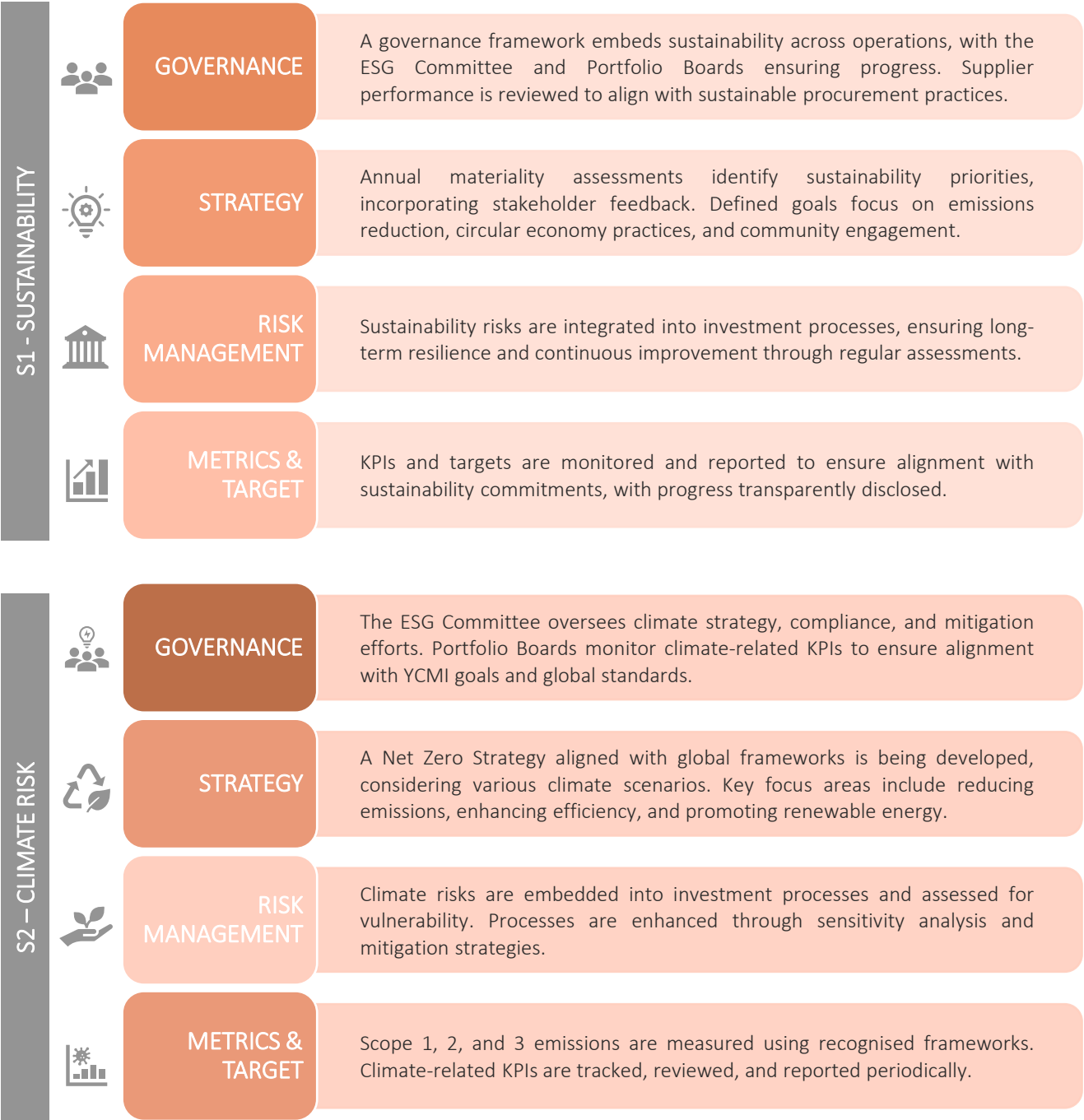
**PRI:** We have been a signatory to the Principles of Responsible Investment (PRI) since 2 February 2021. In 2024 our submission achieved a ranking above the median global performance showcasing excellence compared to other signories in the same industry. We earned four stars in all three reporting categories. We improved on our 2023 submission from 61 to 72 out of 100 points in the ‘Policy Governance and Strategy’ category. The ‘Direct - Real Estate’ category also increased from 72 to a new score of 81 out of 100.

**BREAM:** All our developments are accredited by BREEAM, which is the leading environmental assessment method for UK non-residential buildings and UK domestic refurbishments. BREEAM sets the standard for best practice design and encourages and certifies the incorporation of best environmental practices within the building design and construction stages.

**WELL Building Standard:** Health & Wellbeing feeds into a few of our core pillars and wider Sustainability strategy, applying to our staff, contractors, designers, and people living and working in the communities in which we operate. We hold our buildings to a high standard and are proud to have received WELL pre-certification for multiple developments. Our Olympia and Shepherd’s Bush Market offices both achieved WELL Precertification in 2024, and we intend for our Shepherd’s Bush Market offices to achieve WELL Gold or Platinum certification upon completion.

**ISO 14001:** We are ISO 14001 certified to validate our comprehensive environmental management system (EMS). Our EMS includes proactive measures to minimise our environmental footprint, comply with relevant legal requirements, and achieve our environmental objectives.

**IFRS:** Yoo Capital is aligning with IFRS S1 and S2, the leading global standards for sustainability and climate-related disclosures, to enhance transparency, accountability, and resilience in our reporting practices. IFRS S1 sets out general requirements for sustainability-related financial information, ensuring that material sustainability risks and opportunities are integrated into corporate reporting. IFRS S2 focuses specifically on climate-related disclosures, addressing governance, strategy, risk management, and metrics related to climate risks and opportunities.



# Climate Risk

Climate Risk Assessment outlines key transition and physical risks categorised by materiality and financial impact. Transition risks include technology, policy, legal, and market factors, each of which highlights potential challenges related to capital expenditure (Capex), operating expenditure (Opex), and revenue. Physical risks, categorised into acute and chronic, include the impact of extreme weather events such as storms and floods, along with longer-term concerns like heat waves and rising sea levels. The analysis identifies risks and opportunities in adapting to climate-related changes while maintaining operational resilience.

## Transition Risk

	MATERIALITY	FINANCIAL IMPACT	
Technology	<div><div>Low</div><div>High</div><div></div></div>	Capex	Lower emissions products or services could provide an opportunity to improve Sustainability performance but are often higher cost.
Policy	<div><div>Low</div><div>High</div><div></div></div>	Capex, Opex & Revenue	Enhanced climate disclosure requirements, implementation of carbon pricing, changes in build standards and government intervention to speed transition all create risks that impact how we develop and operate our assets and add risk in areas such as planning.
Legal	<div><div>Low</div><div>High</div><div></div></div>	Capex, Opex & Revenue	Legal changes identified stem from policy considerations and are related to planning, for example, with changes to build standards and government intervention comes increased risk of Judicial Review as local authorities grapple to understand changes.
Market	<div><div>Low</div><div>High</div><div></div></div>	Capex, Opex & Revenue	Risks identified include an inability to meet shifting customer preferences, specialist skills shortage, desirability of London/UK property market, reduced investor demand for high carbon property, disruption in energy supplies, increased construction costs for development and material.

## Physical Risk

	MATERIALITY	FINANCIAL IMPACT	
Acute	<div><div>Low</div><div>High</div><div></div></div>	Capex Damage & disruption	Extratropical storms were identified as a risk in terms of the import of materials, other areas of risk identified were river flood, flash flood, storm surge and site selection management.
Chronic	<div><div>Low</div><div>High</div><div></div></div>	Capex Disruption	Given YCIM’s focus on London, chronic issues are less prevalent however precipitation stress, heat waves, rising sea levels and drought were identified as potential issues. Heat waves in particular are already changing how buildings are being designed to keep people cool in hot summers.

This table presents a detailed matrix evaluating various climate risk categories across short, medium, and long-term time horizons. It highlights the balance between risks (R) and opportunities (O), providing a comprehensive view of the potential climate-related challenges and opportunities faced by the organisation.

	RISK CATEGORY	RISK (R) VS OPPORTUNITY (O)	SHORT TERM	MEDIUM TERM	LONG TERM
TECHNOLOGY	Lower emissions products or services	R & O			
LEGAL	Government intervention to speed transition	R & O			
	Changes in building standards	R			
POLICY	Enhanced climate disclosure requirements	R			
	Implementation of carbon pricing	R & O			
MARKET	Unable to meet shifts in customer preferences	R			
	Specialist skills shortage	R			
	Desirability of UK/London property market	R & O			
	Reduced investor demand for high carbon property	R & O			
	Disruption in energy supplies	R			
	Increased construction costs for development & material	R			
REPUTATION	Greenwashing	R			
	Stakeholder sentiment	R & O			
	Sustainability strategy	O			
ACUTE PHYSICAL RISK	Extratropical storms	R			
	River flood	R			
	Flash flood	R			
	Storm surge	R			
	Site selection and management	O			
CHRONIC PHYSICAL RISK	Precipitation stress	R			
	Heat waves	R			
	Drought	R			
	Rising sea levels	R			

# Do No Significant Harm

We adhere to the Do No Significant Harm (DNSH) principle because it ensures that our activities and investments contribute positively to sustainability goals without causing undue harm to the environment or society. This commitment reinforces our dedication to responsible growth and a just transition towards a sustainable future.

RISK CATEGORY	DNSH THEME	POTENTIAL POSITIVE IMPACT	POTENTIAL RISKS	MITIGATION
GHG Accounting	Emissions	Development may increase site intensity, but modern design reduces overall emissions.	Every project contributes to emissions; impacts require project-level calculation.	All developments will target Zero Emission Neighbourhood Status, aiming for Scope 1 & 2 emissions reduction. Example: Target portfolio embodied carbon < 650 kgCO <sub>2</sub> e/m <sup>2</sup> GIA.
	Biodiversity	YCIM projects meet a biodiversity net gain requirement of 10%.	Urban settings may limit biodiversity enhancement.	Projects typically exceed targets, e.g. Shepherd's Bush Market achieved 200% net gain. BNG target: 10%. Example: Saville site achieved 317.99% BNG.
Nature & Circularity	Land & Soil Quality	Sustainable design practices can enhance soil health and promote ecological balance.	Construction may disturb contaminated land.	Pre-construction contamination surveys ensure identified pollutants are rectified. 100% timber usage for BREEAM schemes. Example: Saville site uses 100% timber for BREEAM certification.
	Water Quality	Adoption of sustainable drainage systems (SuDS) reduces water pollution and improves local water ecosystems.	Construction may introduce contaminants to water systems.	Schemes must register with Thames Water, obtain discharge licences, and specify pollution management systems. Example: On-site water capture KPIs to be developed.
	Whole Life Use Assessment (Circularity)	Material reuse reduces demand for new materials.	Lack of circularity planning can lead to excessive waste.	Circular Economy assessments ensure >90% construction waste is reused. Target: 20% recycled materials across portfolio. Example: SBM site achieved 21% reuse of demolition waste.

RISK CATEGORY	DNSH THEME	POTENTIAL POSITIVE IMPACT	POTENTIAL RISKS	MITIGATION
Community & Human Impact	Local Community Engagement	Effective consultation de-risks planning and aligns projects with community needs.	Insufficient engagement increases planning risks.	Ensure significant community engagement across all projects, with a target of 75% Sustainability training for employees.
	Minimum Working Conditions	Commitment to high working standards boosts workforce wellbeing and productivity.	Regulatory non-compliance risks legal and reputational issues.	YCIM strictly adheres to regulatory requirements, ensuring compliance with working condition standards. Example: 100% adherence to labour regulations across sites.
	Diversity	Developments can provide tangible benefits to displaced communities.	Risk of displacing vulnerable communities.	Conduct Equality Impact Assessments to prevent long-term community harm. Example: No communities displaced in current developments.
Sustainability Business Resilience	Sustainability Governance	Strong governance enables operational success.	Poor governance undermines Sustainability performance and trust.	Ensure clear governance structures across all portfolio companies, aiming for BREEAM and WELL certifications. Example: Predicted 100% portfolio WELL pre-certification.
	Disclosures & Reporting	Timely Sustainability reports drive continuous improvement.	Delayed or incomplete reporting risks credibility loss.	YCIM accelerates Sustainability risk reporting and escalates issues to the ESG and Investment Committees as necessary. Example: 3-star GRESB rating, aiming to improve.
	Sustainability Remuneration	Incentivising Sustainability goals fosters long-term sustainability.	Sustainability misalignment with remuneration may deprioritise sustainability efforts.	Sustainability KPIs are embedded in job descriptions and annual appraisals, though not directly tied to remuneration. Example: Sustainability KPIs evaluated annually for every staff member.



For transparency we will measure and report our progress using the following KPIs:

- 1 Percentage (%) portfolio with BREEAM Excellent certification** We aim to achieve BREEAM Excellent certifications across our entire portfolio (100%) to showcase our work on ESG from a third-party, independent perspective. For both Saville and Shepherd's Bush Market we have achieved BREEAM Excellent in the pre-assessment process and aim to achieve the same for Camden Film Quarters.
- 2 Percentage (%) portfolio with WELL certification/precertification**  
We want to achieve WELL certifications for as many of our developments as possible to demonstrate our commitment to social value, and health and well-being. We have recently achieved WELL precertification for Shepherd's Bush Market, meaning 50% of YCFII has achieved this.
- 3 GRESB and PRI scores**  
We believe that disclosing our GRESB and PRI scores is important to remain accountable and to show stakeholders the results of our continuous efforts on ESG. Please see the PRI and GRESB sections above for a breakdown of our results.

For business ethics we will measure and report our progress using the following KPIs:

- 1 Total number of incidents/reports made in relation to business ethics**  
This will allow us to monitor how well we are complying with business ethics and that we are addressing any issues that arise. In 2023, we had 0 incidents or reports raised in relation to business ethics.
- 2 Total number of resolved incidents/reports**  
This KPI will be relevant if we have incidents or reports on business ethics raised during the year. Since in 2023 we had 0 incidents or reports, the total number of resolved incidents and reports is also 0.

↓ Fig 8: Overview of Yoo Capital's ESG KPIs.

KPI Title	Target	2023 Status	2024 Status
Biodiversity net gain (BNG) & urban greening factor (UGF)	BNG: 10% UGF: 0.3	SBM: 317.99% BNG Saville: 0.366 UGF	SBM: 317.99% BNG Saville: 0.366 UGF
Total fines (£) for violation of laws		£0	£0
Total number of incidents/reports made in relation to business ethics		0	0
Total number of resolved incidents/reports		0	0
ISO 14001 certification	Certified	Not Certified	Certified
Percentage (%) portfolio with BREEAM Excellent certification		Predicted 100% for YCFII	Predicted 100% for YCFII
Percentage (%) portfolio with WELL certification/pre-certification	100%	50%	50%
GRESB score		3-star rating (83/100) Management: 24/30 Development: 59/70	3-star rating (89/100) Management: 27/30 Development: 61/70
UNPRI score		Four stars in "Direct – Real Estate" & "Confidence building measures".  Three stars in "Policy Governance and Strategy"	Four stars in all categories: Direct – Real Estate Confidence building measures Policy Governance and Strategy

# Case Study: Stewardship Labour Party Conference

## Creative Districts take Centre Stage

In September 2024, Yoo Capital attended Labour Party Conference in Liverpool. Yoo Capital hosted a panel discussion titled ‘Creative Districts take Centre Stage’. Lloyd Lee, Managing Partner of Yoo Capital was joined by Jane Millichip, Chief Executive, BAFTA Fabien Riggall, Future Philippa Childs, BECTU Andrew Pakes, Member of Parliament for Peterborough. The panel discussed how investment in and support for the screen and creative industries generates economic growth and improves social mobility.

The discussion highlighted how investment must be injected at all levels of the ecosystem from education, training and skills, to start ups and freelancers and in large-scale projects to draw international companies to the UK, to ensure the benefits are felt by all. The event was well attended by MPs, screen industry leaders and members of the public. Following the fringe event, Yoo Capital hosted a series of 11 meetings with London councillors, MPs and GLA members to discuss UK and London policy and opportunities and challenges in different boroughs.

↓ Lloyd Lee, Jane Millichop (BAFTA), Andrew Pakes MP, Philippa Childs (BECTU), Fabien Riggall (Future)



# Pillar 4

‘Invest in  
our  
people’



## ‘Invest in our people’



↑ Alexandra Bennett and Phoebe Loades

Human capital development is fundamental to Yoo Capital’s approach to our staff. In line with our project-level longevity goals, we aim to hire individuals with long-term growth potential, and we provide training and development opportunities for our staff.

We recognise that firms that support the health and well-being of their employees have happier teams, are better at retaining staff and report higher returns on investment. We have created robust policies to ensure that our team has the support to thrive. We also support and encourage diversity and inclusion at Yoo

Capital through our recruitment practices, internal training, and partnerships with external organisations. We have employee benefits including life and healthcare insurance, mental health first aid training and paid volunteering leave. We measure the success of our policies through annual staff satisfaction surveys, absenteeism reports and diversity, equity, and inclusion (DEI) data collection. This year we have also set ambitious KPIs to further enhance the opportunities available to our team, including external and tailored training on ESG, and the integration the latest DEI best practices.

“An inclusive and diverse business environment fosters excellence in the creation of investor and social value”

Human capital development

In line with our 4th Sustainability Pillar, we are committed to directing and increasing investment into the development and training of our team in 2025; fostering growth, innovation, and excellence across our organization and operations

Health & Wellbeing:

We prioritise the mental and physical health and well-being of our staff to create a better working environment and achieve better results. Firms that support the health and well-being of their employees have happier and more productive teams, are better at retaining staff, and report higher returns on investment. We also acknowledge the profound impact of mental health on the workplace, and we have implemented a range of policies to support staff health and well-being, including:

- Life insurance and healthcare insurance
- Mental health first aid training
- Paid time for volunteering in the local community (minimum 1 day per year)
- Ergonomic office furniture and sit-stand desks on request
- Flexible working arrangements, such as home-working
- A board and staff diversification plan
- Paid parental leave
- Employee assistance programme (EAP)

Diversity, Equality & Inclusion

Inclusion and diversity means valuing an individual regardless of their gender, marital or family status, sexual orientation, gender identity, age, disability status, ethnicity, religious beliefs, cultural background, country of origin, socio-economic background, perspective and experience.

Yoo Capital recognises that an inclusive and diverse workforce will help us attract and retain the best people from the widest pool of available talent. Furthermore, we believe that diversity encourages a range of perspectives and fosters excellence in the creation of investor value. It improves the quality of decision-making and thus enhances our capacity for expansion and growth.

Our DEI Policy applies across the organisation with the support of Yoo Capital Investors and senior management and encompasses recruitment, pay, promotion, learning and development and other areas of employment at Yoo Capital, with all decisions based on merit.

Target & Progress:

For transparency we will measure and report our progress using the following KPIs:

1. Percentage (%) of employees receiving ESG training. Making sure all our employees receive training on ESG areas such as business ethics, diversity, equity, and inclusion (DEI), and climate change will ensure we remain an ethical business that addresses the concerns of our stakeholders.
2. **Response rate (%) from annual staff satisfaction survey.** We conduct an annual staff satisfaction survey, to assess what our staff feel we are doing well, what we could be doing better and where they need more support. The response rate for 2024 was 86%. **Staff turnover (%).**
3. We value staff retention and seek to foster a workplace that encourages professional development and enables employees to grow. Our current staff turnover rate is 19%.

↓ Fig 9: Overview of Yoo Capital's ESG KPIs.

KPI Title	Target	2023 Status	2024 Status
Percentage (%) of employees receiving Sustainability training	75%	20%	68%
Response rate (%) from annual staffsatisfaction survey	80%	86%	93%
Staffturnover (%)	20%	21%	19%

# Case Study: Giving Rise to the Next Generation

↓ Future of London 2023/24 Emerging Talent cohort



## FUTURE OF LONDON EMERGING TALENT PROGRAMME

Throughout 2024, Yoo Capital supported the Future of London Emerging Talent Programme. The Emerging Talent Programme was set up in 2022 to improve ethnic diversity in the built environment sector. The programme supports people from ethnic minority backgrounds starting their career and or looking for a career change. Yoo Capital hosted two placement graduates, one for 9 months and one for six months.

The recruitment process for Yoo Capital was entirely blind and we were sent CVs once the placement was confirmed. The process was incredibly rewarding, bringing new perspectives and a new generation of the thinking into the firm. As a result of her hard work and the incredibly positive impression that she left on the firm, a permanent position was offered to Fiona Rodrigues on the Camden Film Quarter team. Yoo Capital continues to support Fiona’s growth and is now supporting her to gain her RICS accreditation.

“My passion for the Built Environment came from growing up in Brixton and seeing the changes taking place in my area and wanting to be involved in making a change that actually benefitted the community, the people who live there and ensuring that developments moving forwards had the voice of the community.”  
Fiona Rodrigues, Emerging Talent Placement and now Junior Development Manager, Camden Film Quarter



Looking

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Ahead

Yoo Capital's forward-looking sustainability approach is rooted in a commitment to innovation, accountability, and meaningful, measurable community impact. By embedding sustainability factors and considerations into our corporate strategy and decision-making processes, and focusing on social value first, we aim to create buildings and places that are environmentally considerate and contribute to a more inclusive and equitable society.

We aim to deepen our pursuit of Net Zero carbon targets by leveraging cutting-edge technology and sustainable practices, such as using renewable energy solutions and low-impact materials. We also plan to broaden our alignment with global sustainability standards, including the IFRS S1 and S2 standards.

We see sustainability as an investment and value-creation opportunity, and we will continue championing environmental and social progress through all our operations. By integrating sustainability into every aspect of our operations, promoting transparency and accountability we envision a future where our developments will set benchmarks for resilience, sustainability, and community well-being.

We will continue to push ourselves, as well as our stakeholders, to be more sustainable and consider sustainability risks and opportunities throughout the whole lifecycle of our projects. As investors in the built environment and custodians of place, we have a responsibility to our people, our communities, and our planet.

In the future we aim to use responsible investment KPIs to evaluate the performance of our board members. We also plan to disclose climate-related information such as metrics, goals and progress achieved and assess the resilience of our investment strategy against climate change scenarios.

↓ Secchi Smith, Shepherds Bush Market Office Space



## NET ZERO

- ✓ We support UK decarbonisation goals and Net Zero targets within our portfolio
- ✓ Our carbon reduction targets will be aligned with international standards and frameworks
- ✓ We do not only aim to achieve net zero but also to serve as a leader in demonstrating how real estate can play a transformative role in global decarbonisation efforts.

We are currently developing a Net Zero Strategy with clear goals and actions. Central to our Net Zero pathway is alignment with globally recognised frameworks and standards that provide scientifically grounded guidelines and a clear method to set measurable, realistic yet ambitious climate goals and reduce greenhouse gas (GHG) emissions in line with the Paris Agreement.

Our net zero strategy emphasises energy efficiency, renewable energy adoption, and circularity in building practices to minimize environmental impact while delivering long-term value. We focus on reducing embodied carbon in construction materials and processes. We prioritise the use of sustainable materials, encourage modular construction techniques, and partner with suppliers who are committed to low-carbon production methods.

Additionally, we engage stakeholders—including tenants, suppliers, and local communities—to collaboratively promote sustainable behaviours and technologies.

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Glossary



Term	Definition
Accessible	Physically and economically available to all.
Affordable	Reasonably priced to be accessible to those on or below the median household income.
Biodiversity	The variety of plant and animal life in the world or in a particular area.
BREEAM	The Building Research Establishment Environmental Assessment Methodology (BREEAM) is a science-based suite of validation and certification systems for a more sustainable built environment.
Carbon footprint	A carbon footprint measures the greenhouse gas (GHG) emissions from all the activities across an organisation (organisational carbon footprint) or for a specific product or service (product/service carbon footprint). Carbon footprints enable you to identify and quantify your key emissions sources and, ultimately, pinpoint opportunities to reduce emissions.
Community	People with common interests living in a particular area.
Corporate Sustainability Reporting Directive (CSRD)	The Corporate Sustainability Reporting Directive (CSRD) builds on the EU's Non-Financial Reporting Directive (NFRD). It has stricter reporting guidelines and covers an additional 40,000 companies. The goal is to ensure consistent and comparable reporting of environmental, social, and governance (ESG) performance. The steps are very closely aligned and build on the GRI framework which includes double materiality and KPI setting.
Decarbonisation	Reduction or elimination of carbon dioxide emissions.
DEI	Diversity, equity, and inclusion.

Term	Definition
Double materiality	Double materiality considers financial materiality and impact materiality. A double materiality assessment identifies the most important ESG topics to a company based on stakeholder perceptions and industry trends.
Embodied carbon	The embodied carbon of a building can include all the emissions from the construction materials, the building process, all the fixtures and fittings inside as well as from deconstructing and disposing of it at the end of its lifetime.
Environmental, social, and governance (ESG)	Environmental, Social, and Governance represent the non-financial factors that can be used to analyse a company's processes and impact. Incorporating ESG considerations at the centre of corporate strategy has increasingly become standard practice and represents the numerous non-financial benefits that companies can generate through their operations. ESG has also become an important metric for investors to analyse a company's material risks and growth opportunities.
Global Real Estate Sustainability Benchmark (GRESB)	GRESB is a mission-driven and industry-led organization that provides actionable and transparent environmental, social and governance (ESG) data to financial markets. GRESB collects, validates, scores, and independently benchmarks ESG data to provide business intelligence, engagement tools, and regulatory reporting solutions for investors, asset managers, and the wider industry.

Term	Definition
Greenhouse gas (GHG)	Greenhouse gases that absorb and trap heat in the atmosphere. There are six recognized GHGs by the Kyoto Protocol: Carbon dioxide (CO <sub>2</sub> ), Methane (CH <sub>4</sub> ), Nitrous oxide (N <sub>2</sub> O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur hexafluoride (SF <sub>6</sub> ). Although a carbon footprint considers all six of these gases, its unit of output is usually presented in tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e). CO <sub>2</sub> e allows different greenhouse gases to be compared on a like-for-like basis relative to one unit of CO <sub>2</sub> and is calculated by multiplying the emissions of the six greenhouse gases by their 100-year global warming potential.
Governance	Governance in the context of ESG is about how a company is managed at board level. It is about how well executive management, and the board of directors attend to the interests of the company's various stakeholders – employees, shareholders, and customers. Governance concerns include management structure, employee relations, executive compensation, cybersecurity, data protection and privacy, fraud and bribery and corruption.
KPI	Key performance indicator.
Neighbourhood	A district or community.
Net zero	A state where we add no incremental greenhouse gases to the atmosphere. This means achieving a balance between carbon emissions and carbon sinks through a combination of emissions reduction and carbon sequestration.
Principles for Responsible Investment (PRI)	The PRI is a list of six principles that were developed by investors for investors, which commit signatories to developing a more sustainable global financial system.

Term	Definition
Scope 1, 2 and 3 emissions	Scope 1 are direct emissions that result from activities within an organisation's control. Scope 2 are indirect emissions from any electricity, heat or steam an organisation purchases. Scope 3 are all other indirect emissions from sources outside an organisation's direct control, which includes 15 categories as compiled by GHG Protocol covering emissions produced up or down the value chain.
Social value	The impacts for people and communities that can be created by going beyond fit-for-purpose built environment design and creating socially sensitive infrastructure or architecture.
Stakeholder	An individual or group that has an interest in any decision or activity of an organisation. (ISO 26000)
WELL Building Standard	WELL is a performance-based system for measuring, certifying, and monitoring features of the built environment that impact human health and well-being, through air, water, nourishment, light, fitness, comfort, and mind.
Whole life-cycle carbon assessment (WLC)	A WLC assessment quantifies the total carbon emissions associated with all stages of a building's life, from material extraction and construction to operation and eventual demolition.

# Yoo Capital Investment Management LLP

This report covers all operations and activities managed by Yoo Capital. Its geographic scope includes all regions where Yoo Capital operates, and the data presented encompass all Yoo Capital employees. The reporting period covers from January 1, 2024, to December 31, 2024.

The report presents detailed information related to environmental stewardship, labour practices, business ethics, community engagement, sustainable land use, waste management, and carbon emissions reduction, reflecting Yoo Capital's commitment to transparency and accountability across its Sustainability framework.



