



THE
MERCERS'
COMPANY

ENVIRONMENTAL ACTION PLAN

JUNE 2024 | SUPPORTING A LOW CARBON FUTURE



Environmental Action Plan

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JUNE 2024



The Whittington Building – view from fifth floor terrace



Mercer Walk, Covent Garden

FOREWORD

Our vision is to support a low carbon future

The Mercers' Company is a livery company focused on being a philanthropic force for good. We coordinate our Philanthropy Framework, collaborating with the charities of which we are a trustee, awarding c.£10 million per year to help disadvantaged people to reach their potential.

We manage, develop, and maintain our own property estate which extends over five acres in Covent Garden and two acres in the City. Revenues are reinvested, support operations and, importantly, help deliver our purpose-led philanthropic work.

Across our estate, we are committed to reducing our carbon emissions, supporting the Paris Agreement (IPCC), and UK Government's goal to limit global temperature rises to 1.5°C.

We are delighted to announce our first Environmental Action Plan, which outlines our commitments and sets a target to significantly reduce emissions across our property portfolio and operational footprint.

Our commitment:

- **43% reduction in CO2e emissions by 2030**

Our Environmental Action Plan will be reported on an annual basis, reviewing progress and re-calibrating the scope of the plan to achieve stated plan and targets.

We are committed to reducing our carbon emissions and sustainable development through:

- Reduction in absolute energy consumption through operational efficiencies – Scope 1,2 & 3 targets
- Electrification of the property portfolio
- BREEM building standards Excellent or Outstanding
- Biodiversity, conservation and integrated approaches to land-use planning

Our commitment to the environment and safeguarding the planet for future generations, underpins the decisions and actions we take, across every aspect of our business. We have achieved a lot already, however there is still much to do and the Mercers' Company look forward to delivering on our Environmental Action Plan.

PETER LANE – MASTER

June 2024

Our commitment



CARBON EMISSIONS

Scope 3 emissions

Complete report to establish Scope 3 emissions and set targets in 2025

Scope 1, 2 & 3 emissions

Achieve 43% reduction in emissions, compared to 2024 baseline, by 2030

Net zero emissions

Set net zero timetable once Scope 3 emissions report completed



ELECTRIFICATION

- Cease ordering new mains gas connections
- Implement power data gathering and analysis for management
- Evaluate and procure renewable energy PPA arrangement 2024
- Investigate options to become part of a power generating group and sleeve renewable electricity across the grid



BREEAM BUILDING

- All new building and refurbishment projects - minimum of BREEAM Excellent, target BREEAM Outstanding where economically viable
- New buildings to achieve a minimum B EPC rating
- Assess buildings for embodied carbon to inform project evaluation



INVESTMENT

- ESG focused investment strategy



BIODIVERSITY

- Continuous improvement of biodiversity across investment and operational property estates
- Green roof installation to the Whittington Building, supported by the Pollinating London Together initiative
- Rainwater harvesting, green roof and living wall installations across Covent Garden Yards portfolio

What we've achieved so far

Scope 1 & 2 emissions

We commissioned a Scope 1 & 2 emissions report in 2023, to measure and assess our carbon emissions which established a 2019 base-year of 20295 tpa CO₂e (16,412 tpa (81%) electricity, and 3,883 tpa (19%) mains gas).

We have set an interim target of a 43% reduction of direct Scope 1, 2 & 3 emissions against a 2024 baseline by 2030. This target, if achieved, will put us on the Paris trajectory to limit global warming to 1.5°C by 2050.

Estate development/refurbishment

Since 2018 we have delivered a number of environmental enhancements across our property estate to improve environmental efficiencies across energy, heating and cooling.

Across the portfolio, smart electricity and gas meters have enabled detailed monitoring for both new build and refurbishments monitor and improve energy usage. We have also set targets to improve EPC ratings across our estate, with residential properties as a priority.



City of London

Frederick's Place (No.1/3 & 7/8) – 33k sq. ft

2019: £20m project, new double-glazed windows, energy efficient air conditioning, comprehensive upgrade of external fabric

Becket House – 42k sq. ft

2024: £1.1m refurbishment of floor 7 (5.5k sq. ft) replacing a/c fan coils, installing a new Building Management System and integrated LED lighting controls

2023: Replacement of air conditioning chillers. £270k project, saving 36k kWh p.a. of electricity, £38k p.a. in electricity costs and 8 tonnes CO2e p.a.

2022: £5.5m refurbishment project of floors 3,5 and 6 (21k sq. ft)

2018: £3.2m building improvement project

The Whittington Building – 36k sq. ft

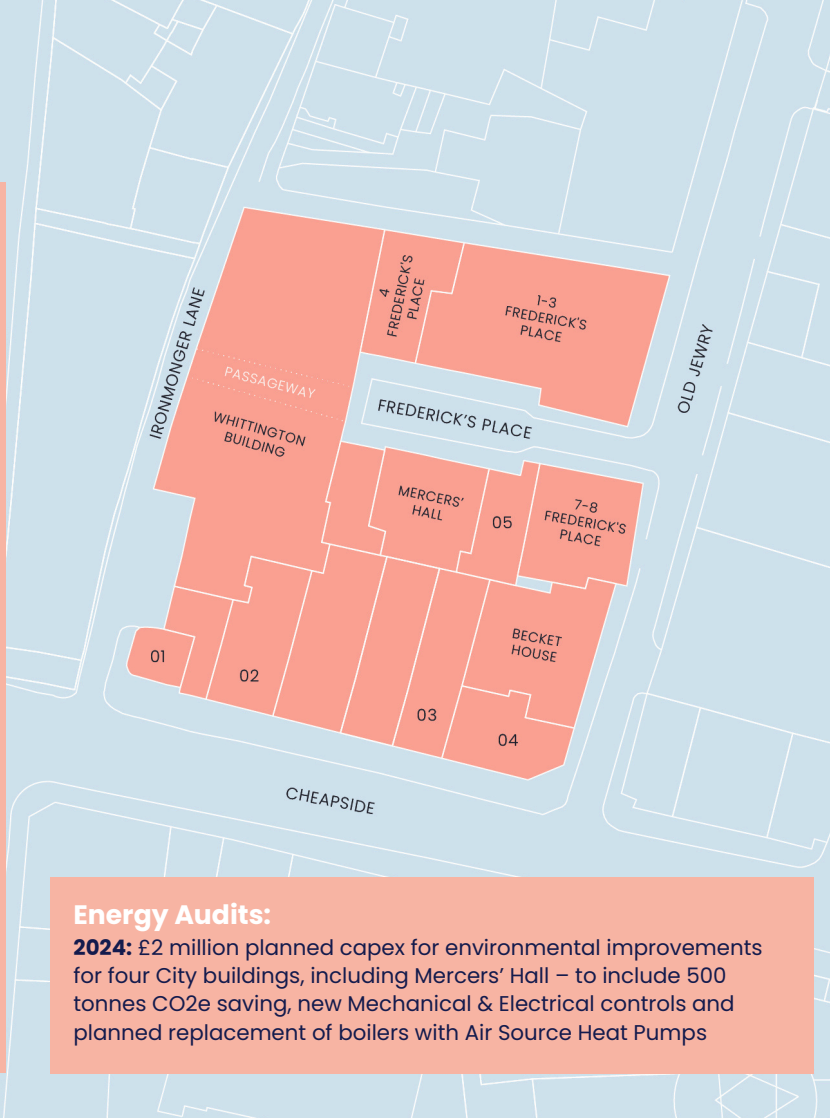
2024: £40m development of new Grade A offices, EPC A and BREEAM Excellent, mixed mode ventilation: openable windows; grey water recycling, PV array, bio-diversity features

The Archive Building – 5k sq. ft

2024: £5m new Archive Building, thermally efficient, low running costs

Energy Audits:

2024: £2 million planned capex for environmental improvements for four City buildings, including Mercers' Hall – to include 500 tonnes CO2e saving, new Mechanical & Electrical controls and planned replacement of boilers with Air Source Heat Pumps



Grade A, 36,000 sq. ft office development

The Whittington Building, completed February 2024, is a Grade A office and restaurant development spanning five floors, with 36,000 sq. ft of lettable space.

Sustainability has been at the heart of this £40 million project. Designed by leading architects Stanton Williams, the Whittington Building is environmentally efficient through its consideration of space, heating, and cooling, as well as facilities for occupiers.

The Whittington Building is the first Company project to achieve an EPC A rating and BREEAM Excellent and showcases the Mercers' Company's commitment to sustainable development and will be used as a blueprint for future estate regeneration.

ENVIRONMENTAL CREDENTIALS



**BREEAM
Excellent**



EPC A



**Optimised
Energy
Metering**



**Fully
Electric**



**Hybrid VRF AC
System**

47%

**Best
Performance
Part L Regulation**

100%



**Fresh Air
Ventilation**



**Air Source
Heat Pump**



**Passive Solar
Shading**



**Optimised Glazing
Specification**

Covent Garden

Guinness Experience, the Yards – 50k sq. ft:

2022–2024: £70 million Diageo project across five buildings, targeting BREEAM Excellent, grey water recycling, PV array

Block C refurbishment – 38k sq. ft:

2023: £1.8 million project, installation of new double-glazed windows and new roof insulation

Block D & F residential – 9k sq. ft:

2023: £2.65 million project, major office to residential use swap with environmental upgrades, including secondary glazing, wall and roof insulation and substitution of gas heating for electric



Timeline

2024 – 2026

Scope 1, 2 & 3 emissions

- Complete all Scope 1, 2 & 3 emissions analysis and prevention first strategy – review carbon off-set

Electrification

- Cease ordering new mains gas connections
- Implement power data gathering and analysis for management
- Evaluate and procure renewable energy PPA arrangement
- Investigate options to become part of a power generating group and sleeve renewable electricity across the grid
- Collaborate with battery storage operators

BREEAM

- All new building and refurbishment projects – minimum of BREEAM Excellent and BREEAM Outstanding where economically viable
- New projects across the property estate to achieve a minimum B EPC rating
- Assess buildings for embodied carbon to inform project evaluation

Biodiversity

- Continuous improvement of biodiversity across investment and operational property estates
- Green roof installation to the Whittington Building, supported by the Pollinating London Together initiative
- Rainwater harvesting, green roof and living wall installations across Covent Garden Yards portfolio

2026 – 2027

Scope 1&2 emissions

- Complete remaining actions

Scope 3 emissions

- Define Scope 3 plan and targets

Electrification

- Cease ordering new mains gas connections

2030

CO2e emissions

43% reduction in emissions across Scope 1, 2 & 3 compared to 2024 baseline by 2030

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