For self-certified investors only, not suitable for retail investors.

Responsible property development and investment strategy:

2022/2023

KLUG NOWY GROUP

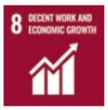
The Klug Nowy Group (KNG) aims to lead in responsible and sustainable investment within our sector. To ensure we can do this, we've outlined our sustainable and refurbishment standards below.

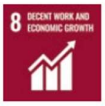
The standards we're implementing are applicable to all of our refurbishment and development projects. We've sub-categorized these into; energy, materials, waste, water, climate resilience, bio-diversity, health/safety/well-being and community. We've also incorporated how our standards fit within the United Nations Sustainability Goals – indicated by the iconography next to each standard.

Category	Ref	Standard	UN Sustainability Goal
Energy	EN1	All new and major refurbishment projects to achieve a Building Research Establishment Environmental Assessment Method (BREEAM) Excellent and develop a pathway to achieving BREEAM Excellent for review by Project Manager.	
	EN2	Non-residential and residential developments to reduce CO2 emissions by at least 35% less than the level required by Building Regulations Part L (2013), with at least 15% achieved through a passive, fabric first approach including efficient building system designs and the remainder delivered through low and zero carbon technologies.	
	EN3	A minimum Energy Performance Certificate (EPC) rating of 'A' is targeted for all new-build development projects and a 'B' targeted for all refurbishment projects.	
	EN4	A feasibility study of low and zero carbon technologies, including district heating networks, CHP and renewables shall be undertaken for new-build projects and major refurbishment projects.	
	EN5	Undertake operational energy modelling using the Chartered Institution of Building Services Engineers (CIBSE) TM54 methodology as part of the design process	
	EN6	All new build and major refurbishment projects at Royal Institute of British Architects (RIBA) Stage 2 through to RIBA Stage 4 to undertake an embodied carbon assessment of materials for developments, and contractors to map and monitor the footprint during the delivery phases.	
	EN7	All new build and major refurbishment projects to target a reduction in embodied carbon in construction A1-A5 to less than 600kgCO2/m2 which aligns with the London Energy Transformation Initiative (LETI) 2020 recommendations.	

	EN8	External contractor to procure 100% green tariff energy for construction works.	
	EN9	Design for Performance Pilot on a major office development.	
	EN10	For all new build and major refurbishment projects an operational energy Net Zero Carbon feasibility assessment of stage B6 is to be provided during RIBA stage 2. This should clearly set out how the scheme can be readily adapted in the future to achieve Net Zero Carbon.	
	EN11	All new building and major refurbishment projects to undertake Post Occupation Evaluations 12 months after full occupation and where we still retain control of the building.	
	EN12	A target of up to 20% of parking spaces to be designated to electric vehicles with the appropriate infrastructure capacity to convert 50% of parking spaces into electric vehicle spaces in the future for all new developments and major refurbishments.	
Materials	M1	All timber and timber products used in construction (including site timber) shall be from sustainable sources accredited by the Forest Stewardship Council or the Pan European Forestry Council.	
	M2	All new and major refurbishments to target the supply of materials with International Organisation for Standardisation (ISO) 14001 and where possible Building and Engineering Services BES 6001 Very Good certification for plasterboard, aggregates, concrete, cement, asphalt, block-work and rebar.	
	M3	Design teams to explore modern methods of construction such as Cross Laminated Timber (CLT) or modular construction techniques during the lead up to Stage 2 design.	
	M4	In-situ concrete specification to be targeted to contain a minimum of 30% cement replacement such as Ground Granulated Blast-furnace Slag (GGBS) or similar product where possible.	
	M5	Suppliers outside of the EU to be checked against fair pay and labour standards	
	M6	All granite/stone to be sourced through ETI (Ethical Trading Initiative) accredited companies.	
Waste	WS1	95% of demolition, strip-out, excavation, construction and fit-out waste by weight to be diverted from landfill.	
	WS2	Construction Waste shall not exceed 7.5 m3/6.5 tonnes per 100 m2 Net Internal Floor Area (NIFA) for new-build	

		development projects, and not exceed 4.5 m3/1.2 tonnes per 100 m2 NIFA for refurbishment projects.	
	WS3	Design out waste workshop to be held with the design team by the end of stage 2 to identify and eliminate major areas of waste (including embodied waste). This must be documented and the outcomes measured at RIBA stages following this.	
	WS4	Where bins are provided in communal or public realm areas recycling facilities shall also aim to be provided.	
Water	WA1	All new-build and major refurbishment projects shall incorporate water efficiency measures and/or water recycling to reduce mains water use by 40% compared to base build.	
	WA2	Complete a cost benefit review of Greywater and rainwater within the design for new developments.	
	WA3	Meet threshold requirements for fundamental Water Quality in line with WELL V2.	
	WA4	Reception spaces and changing rooms to have water bottle refilling stations	
Climate resilience	CR1	Full flood protection review undertaken and appropriate measures implemented within design. This should allow for 1:100 year + 30% event at a minimum.	
	CR2	Explore the opportunity for natural ventilation within developments. Where natural ventilation is being pursued the design shall limit the risk of overheating in accordance with CIBSE TM52 and appropriate future weather files.	
	CR3	For air-conditioned developments incorporate passive design measures to reduce the current cooling demand against current weather files. Design team to test proposed design solutions against future 2030 weather files and demonstrates how the building has been designed to be easily adaptable in the future using further passive design solutions.	
	CR4	Select materials for external horizontal surfaces that have a high albedo to reduce local overheating and the urban heat island effect.	
	CR5	No new residential developments to be built on Flood Zones with high possibility of flooding.	
	CR6	Landscape design to incorporate appropriate drought tolerant and flood-resistant planting.	
Bio-diversity	BD1	All new and major refurbishments to achieve a net gain in biodiversity.	

	BD2	Actively consider, and where possible, incorporate bio diverse green and brown roofs on all appropriate roof space for new and major refurbishment schemes.	 
	BD3	Wall shrubs and climbers to be considered within projects to provide simple green walls that provide visible green infrastructure.	
	BD4	Install appropriate habitat for native and identified species (e.g. bird and bat boxes and insect walls).	
	BD5	Assess the opportunities to incorporate occupier food growing initiatives	
Healthy, safety and well-being	HW1	All new-build and major refurbishment projects shall incorporate materials with lower levels of harmful emissions (e.g. low VOC content) specified.	  
	HW2	The Contractor shall be required to commit to achieving zero reportable health and safety incidents as part of the works.	
	HW3	All new-build and major refurbishment sites shall be registered under the Considerate Constructors Scheme (CCS) and the Contractor shall be required to achieve a CCS score of 40 with a minimum score of 7 achieved in each scoring section of the scheme.	
	HW4	Design team to review the feasibility of the Building Standard WELL Core 'Platinum' and Fitwel shell and core '3* Rating' on all new build developments and pursue certification for one system on all new commercial office developments.	
	HW5	Meet threshold requirements for fundamental Air Quality in line with WELL V2.	
	HW6	Active stairwells to be designed in to all developments that are aesthetically pleasing to encourage active movement within the buildings.	
	HW7	Active facades usage on ground floor spaces of commercial to promote social interaction and pedestrian activity to be encouraged on all new developments.	
	HW8	Adhere to British Council for Offices (BCO) best practice guidelines for ventilation rates.	
	HW9	Access to nature and water should be considered within the public realm and views out to nature from the building.	
	HW10	Incorporate design features into the development that promotes the 5 ways to wellbeing. Highlight how the design incorporated wellbeing features at the end of stage 2.	

	HW11	Contractors to ensure that one Mental Health First aider is present on site and this is communicated to all construction workers.	
	HW12	Shower and changing room provision to be in line with BCO best practice requirements.	
Community	CO1	Contractors to support at least one community engagement activity each year, where team members give time to a project that benefits and supports the local community.	 
	CO2	New and major refurbishment development will support and promote the provision of training and skills initiatives in the local area during the construction phase.	
	CO3	Ensure consultation and engagement activities are targeted to local demographics and includes engagement with underrepresented groups within the community.	
	CO4	Development and implementation of a communication plan and community monitoring plan during the design and construction phase	

Please note: this is a working document and as such, the objectives and targets contained here-in may change to reflect the most relevant environmental legislation as the Group become aware of them.

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The views expressed are those of KNG at the date of publication unless otherwise indicated, which are subject to change, and is not investment advice.

Telephone calls may be recorded.

Issued in 15 September 2021 by the Klug Nowy Group Ltd, Kemp House, 152 – 160 City Road, London, EC1V 2NX.