



Assurance Statement: AA1000

EVORA Global Limited (“EVORA”) was engaged by Clearbell Capital LLP (“Clearbell”) to provide assurance of the environmental data for the following funds (collectively “the Funds”) reported under Clearbell Sustainability Report 2021 (the “Report”) for the reporting period of 1st Oct 2020 to 30th Sep 2021:

- Clearbell Property Partners II (CPPII)
- Clearbell Property Partners III (CPPIII)

This assured data is intended to be reported to GRESB 2022 assessment as well.

The assurance was provided in accordance with AccountAbility’s AA1000 Assurance Standard V3 (AA1000AS) Type 2 moderate level and 2016 INREV Sustainability Reporting Guidelines as well as GRESB criteria.

Responsibilities

Clearbell has responsibility for preparation of the Report. The EVORA Consultancy Team has been appointed by Clearbell to prepare the environmental data for the Report.

The EVORA Assurance Team (‘We’ / ‘Our’) have responsibility to express a conclusion on alignment with INREV guidelines and GRESB for the reporting period of 1st Oct 2020 to 30th Sep 2021, in all material respects. The same data set would be reported to GRESB 2022 assessment. The procedures selected depend on our judgment, including an assessment of the risks of material misstatement or material non-compliance of the matter being assured. We conducted our engagement in accordance with the AA1000AS.

Intended users

The intended users of this assurance statement are the Management of Clearbell, the Funds, their stakeholders and GRESB.

Assurance standard and criteria

The assurance was conducted in accordance with AccountAbility’s AA1000 Assurance Standard 2020 v3 (AA1000AS), Type 2 at a moderate level of assurance.

The Report has been prepared by Clearbell in accordance with the 2016 INREV Sustainability Reporting Guidelines and GRESB (the “Criteria”).

Assurance scope

The scope of assurance covered the indicators outlined below pertaining to Landlord procured and managed utilities for the reporting period of 1st October 2020 to 30th September 2021 (collectively the ‘Subject Matter’):

Landlord managed and procured:

- Electricity Consumption (kWh)
 - District Heating (kWh)
 - Fuels Consumption (kWh)
 - Water Consumption (m³)
 - Greenhouse Gas (GHG) Emissions (tCO₂e) – scope 1 and scope 2 (location based)
 - Waste (tonnes) - assured only for CPPII and excluded for CPPIII.
- Intensity Calculations:
- Energy (kWh / m²)
 - GHG (kgCO₂e/m²) – scope 1 and scope 2 (location based)
 - Water (m³/m²)
- Alignment check of the Funds’ reporting against 2016 INREV Sustainability Guidelines and GRESB criteria.

Disclosures covered

This assurance report covers the Subject Matter as defined above which forms part of the Clearbell’s



Sustainability report for the reporting year 1 Oct 2020 to 30 Sep 2021, and will be reported to GRESB 2022 assessment as well.

Methodology

The procedures conducted in performing our moderate assurance included:

- Performing a risk assessment, including considering internal controls relevant to Clearbell's preparation of the Report and associated data to inform further procedures
- Making enquiries, primarily of persons responsible for the preparation of the Report
- Understanding Clearbell's activities covered within the scope of the Report
- Applying analytical and other review procedures including assessing relationships between energy and emissions data and other information under our scope
- Examination of source evidence including invoices, meter records, third party reports for a select sample of data
- Analysing and inspecting on a sample basis, the key systems, processes and procedures and controls relating to the collation, validation, presentation and approval process of the information included in the Report.

Use of our assurance statement

This report has been prepared for Clearbell, the Funds and their stakeholders for the sole purpose for reporting on the matters being assured under our scope. We understand that this report will be included in the Clearbell's Sustainability report and GRESB 2022 assessment. We agree that copy of this report may be provided to Clearbell's stakeholders.

We disclaim any assumption of responsibility for any reliance on this report to any person or users other than Clearbell, or for any purpose other than that for which it was prepared.

Limitations

There are inherent limitations in performing assurance - for example, assurance engagements are based on selective testing of the information being examined - it is possible that fraud, error or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all instances of non-compliance with the established Criteria, as an assurance engagement is not performed continuously throughout the year and the procedures performed are undertaken on a test basis. The conclusion expressed in this report has been formed on the above basis.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and sampling or estimating such data.

A moderate or limited level assurance engagement is restricted primarily to enquiries and analytical procedures and the work is substantially less detailed than undertaken for a high level or reasonable assurance engagement. As such the level of assurance is lower than would be the case for a reasonable assurance engagement.

Note:

- GRESB has not yet released their 2022 assessment criteria but have confirmed that there are no changes to the core environmental reporting as well as assurance requirements. This assurance would thus be valid for Clearbell's GRESB reporting as well.
- Our scope included only the Landlord managed and procured energy, water, waste and GHG. Clearbell is likely to report on Tenant consumption as well when they report to GRESB in 2022, which has not been the subject of this assurance report.
- Waste data for CPP III was excluded from our assurance, because they could not provide the required evidence within the timescale set for this assurance exercise.

Independence and Competence

We acknowledge EVORA's role in providing consultancy advisory services to Clearbell as well as assurance services.



In conducting the assurance engagement, we have complied with the independence requirements of the International Federation of Accountant's (IFAC) Code of Ethics for Professional Accountants through the implementation of internal controls to maintain independence, including:

- The EVORA Assurance Team are independent and geographically separate from the Advisory Services conducted by the EVORA Consultancy Team.
- Assessing the significance of independence threats according to the IFAC Code and confirmed that threats are clearly insignificant.
- Independence declarations were received from each of the assurance team members, confirming no financial, commercial, governance, ownership or other relationships exist that may impair our independence.

Our multi-disciplinary assurance team is highly competent and experienced on sustainability matters covering environmental, social and economic aspects. Our Managing Director is a Chartered Accountant with experience of working at a professional audit firm and extensive experience in real estate and asset management. The assurance team is led by an experienced sustainability professional who is Lead Assuror for various sustainability and GHG standards and has been part of the AA1000 V3 assurance standard technical working group.



Findings conclusions and recommendations

Comments on AA1000 Accountability Principles:

Principle	Observations, Findings & Recommendations
<p>Inclusivity: actively identifying stakeholders and enabling their participation in establishing an organisation’s material sustainability topics and developing a strategic response to them.</p> <p>An inclusive organisation accepts its accountability to those on whom it has an impact and to those who have an impact on it.</p>	<p>Clearbell has documented an interested parties (stakeholder) analysis which forms part of its ESG strategy which was developed in Q4 2020. The analysis identifies key stakeholders with respect to sustainability topics and includes:</p> <ul style="list-style-type: none"> • Employees • Tenants • Investors • Purchasers • Community • Regulators/local authorities • Competitors <p>The ESG strategy has identified the expectations of the company’s stakeholders and has defined controls required for the management of such expectations.</p> <p>Stakeholders are engaged in a variety of ways, including (but not limited to):</p> <ul style="list-style-type: none"> • Employees are engaged through various mechanisms that include ESG training, office events (e.g. mental health week). An employee survey was completed in September 2021 which resulted in an action plan to improve gaps identified. • Tenant engagement through various ways which can include direct communications via quarterly meetings with property managers and environmental data requests. Tenant surveys are also completed periodically to ensure the Manager has oversight of tenants’ satisfactions levels regarding the services offered. • Investors are updated via the quarterly fund report which includes a section on Sustainability with information on Environmental, Social and Governance topics relating to the funds and the Manager’s operations. • Local communities are engaged with on an ad hoc basis, dependent on the assets.



<p>Materiality: identifying and prioritising the most relevant sustainability topics, taking into account the effect each topic has on an organisation and its stakeholders.</p> <p>A material topic is a topic that will substantively influence and impact the assessments, decisions, actions and performance of an organisation and/or its stakeholders in the short, medium and/or long term</p>	<p>Clearbell undertook a thorough materiality review to reset its sustainability strategy and set targets in 2020. This was conducted by an external consultant through a series of peer analysis, sector benchmarks and senior management workshops.</p> <p>A long list of potential material issues was initially selected from the Global Reporting Initiative standards combined with consideration of industry policies, Clearbell's existing strategy and its peers' disclosure. The key issues were then rated by assessing the economic, social and environmental impact of each key issue on the company's value. Each sustainability key issue was then rated against stakeholders' expectations and interest over Clearbell's decisions relating to these issues. A consolidated score for each material issue was calculated for their relevance to the business model and their relevance to stakeholders</p> <p>This was further finalised through workshop exercise with members of the ESG Committee. The ESG Committee has the overarching responsibility of ensuring that the requirements set within the strategy are implemented at all stages of investment.</p> <p>Contributions to the materiality approach is considered via various channels including:</p> <ul style="list-style-type: none">- Investor interest: ESG has gained increased interest and focus by investors who request ESG information regarding the funds' and Manager's operations- External reporting/GRESB: the GRESB survey has evolved and now includes a broad range of sustainability topics. Other reporting mechanisms and standards such as UN PRI, TCFD, INREV, have influenced the sustainability considerations covered by the materiality assessment- Asset level considerations: local aspects such as utilities access and performance and availability/feasibility of green building certifications have fed into the materiality process.- Real estate industry: the real estate industry is continually evolving and the Manager needs to adapt to such changes to avoid stranding from future market's expectations. Clearbell engages with external sustainability consultants who advise and help shape the ESG strategy and approach based on emerging market trends and industry expectations.
<p>Responsiveness: an organisation's timely and relevant reaction to material sustainability topics and their related impacts.</p>	<p>Clearbell remains responsive to its stakeholders through various channels including reports publications, website enquiries and various events. Clearbell has taken all of their stakeholders feedback in consideration while determining their</p>



<p>Responsiveness is realised through decisions, actions and performance, as well as communication with stakeholders</p>	<p>material issues, and have formulated their ESG strategy on basis of these material issues. The ESG strategy is also disclosed in the annual sustainability report.</p> <p>The funds externally communicate progress against their sustainability commitments via annual disclosures (investor reporting, INREV-aligned reports) and by responding to surveys such as GRESB. The Manager’s website has a dedicated section on sustainability. Investor specific queries are handled on an ad-hoc basis.</p> <p>Managing agents communicate with tenants on an ongoing basis at asset level through regular meetings. Tenant surveys are issued periodically to capture tenant’s satisfaction levels and develop improvement plans.</p>
<p>Impact: the effect of behaviour, performance and/or outcomes, on the part of individuals or an organisation, on the economy, the environment, society, stakeholders or the organisation itself.</p> <p>Material topics have potential direct and indirect impacts — which may be positive or negative, intended or unintended, expected or realised, and short, medium or long term</p>	<p>Clearbell has developed its ESG strategy and policy based on the various impacts that its operations have on the society and stakeholders. The key impacts and corresponding key ESG topics include:</p> <ul style="list-style-type: none"> - Environmental: energy and carbon emissions, building certifications, sustainable procurement, climate change and resilience, materials, waste, biodiversity - Social: diversity and equality, health and wellbeing - Governance: industry partnerships <p>ESG objectives were set as part of the ESG strategy which are used to measure, report and improve on the impacts. The ESG committee has the responsibility for ensuring progress against such objectives is monitored and for setting and updating objectives for the following year. Commitments cover four main areas:</p> <ul style="list-style-type: none"> - Environmental - Health and wellbeing - Socio-economic - Governance <p>Metrics for reporting have been set against each objective. Reporting mechanisms include:</p> <ul style="list-style-type: none"> - Annual fund report aligned with INREV sustainability reporting guidelines that covers energy, water, waste and GHG performance metrics as well as MEES compliance. The report includes a section that covers progress against objectives and notes challenges faced if an objective has not been met. - GRESB Reporting and communication of results - Quarterly and annual investor reporting - Dedicated sustainability section on Manager’s website - Internal performance monitoring



Observations from Assurance

- Waste data for CPP III was excluded from our assurance, since the required evidence could not be provided within the timescale set for this assurance exercise. We recommend Clearbell to maintain an audit trail of all the externally reported data sets in advance.

Our unqualified opinion

Nothing has come to our attention that causes us to believe that:

- CPPII and CPPIII do not adhere to the principles of inclusivity, materiality, responsiveness and impact as per the AA1000 Accountability Principles (2018).
- the Subject matter is not prepared in accordance with the INREV 2016 Guidelines by the Funds in all material respects, for the reporting period 1st Oct 2020 to 30th Sep 2021.
- the Subject matter (Landlord environmental data) is not prepared in accordance with the GRESB criteria (expected to be the same in 2022 as was for 2021) by the Funds in all material respects, for the reporting period 1st Oct 2020 to 30th Sep 2021.

EVORA Global Limited, London, UK

Date: 21 December 2021



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