LINSTOW

SORAINEN Helping clients succeed in the ESG transition: greening the construction sector



Linstow Baltic sustainability agenda – experience and learning points

Riga, Latvia May 8, 2024

PhDc geogr., BREEAM AP Andis Kublačovs // Project development and sustainability director Linstow Baltic



Awilhelmsen – Sustainability focus

- AWilhelmsen philosophy to create value for society, its employees, as well as pursuing its commercial goals
- Environmental, Social and Governance (ESG) aspects are an integral part of all capital allocation decisions at Group level
- Wilstar, (http://wilstar.no/) established in 2017, is the AWilhelmsen family's philanthropic arm and was founded out of the family's desire to have real and lasting social impact for future generations.
 - Three focus areas
 - Education
 - Women's Empowerment
 - Marine Conservation

AVILHELMSEN



Sustainability agenda for Linstow AS

- Vision *Building for better lives*
- Key pillars:
 - Greenhouse gas emissions (GHG)
 - BREEAM
 - Roadmap towards Y2050 (interim Y2030)
 - Social sustainability
- Linstow was among the first to set sustainability standards for buildings back in 2006 (*Energy and Environmental directives*).
- Linstow creates buildings, neighbourhoods, and destinations with human-centred design and **sustainability at the core**.
- From 2010 to 2018, Linstow reduced CO2 emissions by about 43%. Target until Y2030 CO2 emissions reduction by 60%,



The Real Estate sector's roadmap towards 2050 Initiative by the Norwegian Property Federation

10 immediate measures:

- Environmentally certify the organization
- Remove fossil heat (oil and gas)
- Use "healthy" building products
- Introduce an environmental management system, such as a BREEAM-In-Use
- Use of roof surfaces: Surface water management, energy production, green area
- Reward innovative solutions
- Requirements for reuse and waste minimization
- Reduce energy consumption (in the operation)
- Use building products with low GHG emissions
- Fossil-free construction site



08.05.2024.



• Targets to be adopted to each Linstow Baltic managed company depending on its activity.

BREEAM in Linstow policy

- BREEAM (British Research Establishment Environmental Ass essment Method) is the world's leading science-based certification system for sustainable built environment.
 BREEAM concentrates on a building's environmental performance across its life cycle, from design and construction to operation and demolition;
- Mandatory targeted level for Linstow AS assets Excellent;
- Practical goal for doing the BREEAM certification is to get verifiable and internationally recognized proofs regarding compliance to a building's sustainability requirements, deliver reduced common cost levels, higher efficiency while also better comfort and well-being conditions for all users (both employees and visitors) of the building.

BREEAM®

Rating (or star system)	%	
Pass	>/=30	
Good	>/=45	
Very Good	>/=55	
Excellent	>/=70	
Outstanding	>/=85	

BREEAM categories and their weight in credits



08.05.2024.

BREEAM scale is 100% plus 10% additional credits from Innovation category.

Ülemiste shopping center BREEAM certification

- BREEAM certificate "Retail / New construction and major refurbishment / Shell and Core" for its expansion project in Y2014 (UXP)
- Level «Good»
- Score 52.9%
- It was the first shopping center in the Baltics to obtain such a sustainability certificate





Ülemiste shopping center BREEAM certification

- Level "Very good"
- Score 60.8% (Part 1).
- Going for BIU certification for Part 2 in Y2024
- Targeting to reach level «Excellent» until Y2026.

REEAM®	Code for a Sustainable Built Environment www.breeam.com
BREEAM In-Use The assessment of the common areas of: Ülemiste Keskus Suur-Sõjamäe 4 Tallinn 11415 Estonia	BREEAM INTERNATIONAL
has been carried out according to Technical Ma BREEAM International In-Use: Comme by a Licensed Assessor for: Ülemiste Center OÜ Fotal area of assessment: 20596 m ²	
Certificate Number: BIU00013914-1.0	Issue: 1.0
The assessment process is certified by BRE Global Li Scheme Document SD6063.	mited in accordance with the requirements of
Asset Performance: 60.8%	Tepsli OU Licensed Assessor Company
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2058 Rev 0.0 Page 1 of 2	and Edublishment United Community Trade Mark 11771111



Linstow Baltic

Origo Shopping Center BREEAM certification

- Level "Excellent"
- Score 77.3%.
- This score is the highest ever hit for the sh/c in the Baltics.



Final Certificate	STAMABLE BUIL
Origo Shopping Center Satekles iela 2b Riga LV-1050 Latvia	
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Retail Shell and Core and basel on the Academic Report produ	\sim
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Origo One Business Center BREEAM certification

- Level "Excellent"
- Score 79.1%.
- It is the highest score ever hit for offices BREEAM certifications (final certificate) in Latvia.

The assessment of: Origo One Business Center Satekles iela 2b Riga LV-1050 Latvia	BREEAM	Origo One Business Cen Satekles iela 2b Riga LV-1050 Latvia	
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S/c Origo new building – birdseye view from the top







Linstow Baltic

Various and sustainable ladscaping solutions at Origo sh/c & Origo One Business Center



Origo sustainability development efforts Communicated in Origo website, B2C



Convenient access using various means of transport



Convenient access for people with prams and strollers



Tenants' portal for exchange of information







Waste sorting and recycling

Car sharing platform Linstow Baltic

Origo sustainability development efforts Communicated in Origo website, B2C



Energy efficiency measures in ORIGO



Responsible management of water resources



Use of gentle cleaning agents in cleaning indoor areas



Use of sustainable construction materials



Reducing light pollution Linstow Baltic



Indoor climate in the building

Solar panels on Origo One Business Center

- Y2023
- Installed capacity 320 kW (AC) or
 411.6 kWp (DC)
- Target to cover
 ~5% of the total electricity
 consumption at Origo



Development of Satekles Business Center in progress – targeted BREEAM level «Outstanding»



Satekles Business Center BREEAM certification

- Level "Outstanding"
- Score 89.9%. •
- It is the highest score ever ٠ hit for offices BREEAM certifications (design certificate) in Latvia.

	SATEKLES BUSINESS CE	
2016 •••••	by: UAB SEES Group Assessor Company Kestutis Kvietkauskas Ucensed Assessor BREEAM International Ne Office Fully Fitted Overall Score: 89.9%	KK15 Assessor Number
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tis Kvietkauskas	Health and Wellbeing Energy	88
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Additional qualities from BREEAM certification process

- Direction towards more structured PM process that exceeds traditional PM understanding & structuring among designer, constructor and construction supervisory teams in Baltics.
- More holistic approach for the development project evaluating issues that are not necessarily always under direct control of developer – e.g., improved accessibility by public transport, promotion of car-sharing, electric cars and bicycles, evaluation of external risks (contamination, flood), life-cycle costing.
- Paying more attention to **landscaping details.** Particularly for mix of vegetation species and lighting quality.
- Push towards introduction of alternative electricity sources right on the site.
- Support for **SUDS** (sustainable urban drainage systems) introduction.





Costs factor for BREEAM certified developments

- Belief in **increasing property value** in respect to similar non-BREEAM certified properties:
 - Still not a coefficient in annual valuations
 - Demand by the office market
 - Life-cycle costing
- Soft costs (e.g. assessor fees, external studies, additional work for architects and engineers) in New Construction certification increase project budget by ~1% (min. ~200k EUR). No re-certification needed.
- BREEAM In-use certification costs are in the range of 10-20k EUR depending on asset specifics and certification scope (Part 1 & Part 2). Must be recertified every 3 years.
- Since Y2024 RE tax reduction in Riga by 50% for duration of 10Ys if reaching at least 55% threshold in specific sustainability certification schemes (BREEAM, LEED, DGNB).

Project	Total dvlp budget, kEUR	Hard costs for Sh&C, kEUR	BREEAM soft costs		
			kEUR	% from total	% from Sh&C
Ülemiste sh/c expansion (Y2012-14)	37,230	26,290	350	0.9	1.3
Origo sh/c & Origo One b/c expansion (Y2015-20)	61,590	48,230	570	0.9	1.2
Satekles Business Center (Y2022-25)	35,810	24,770	240	0.7	1.0

Thank you!