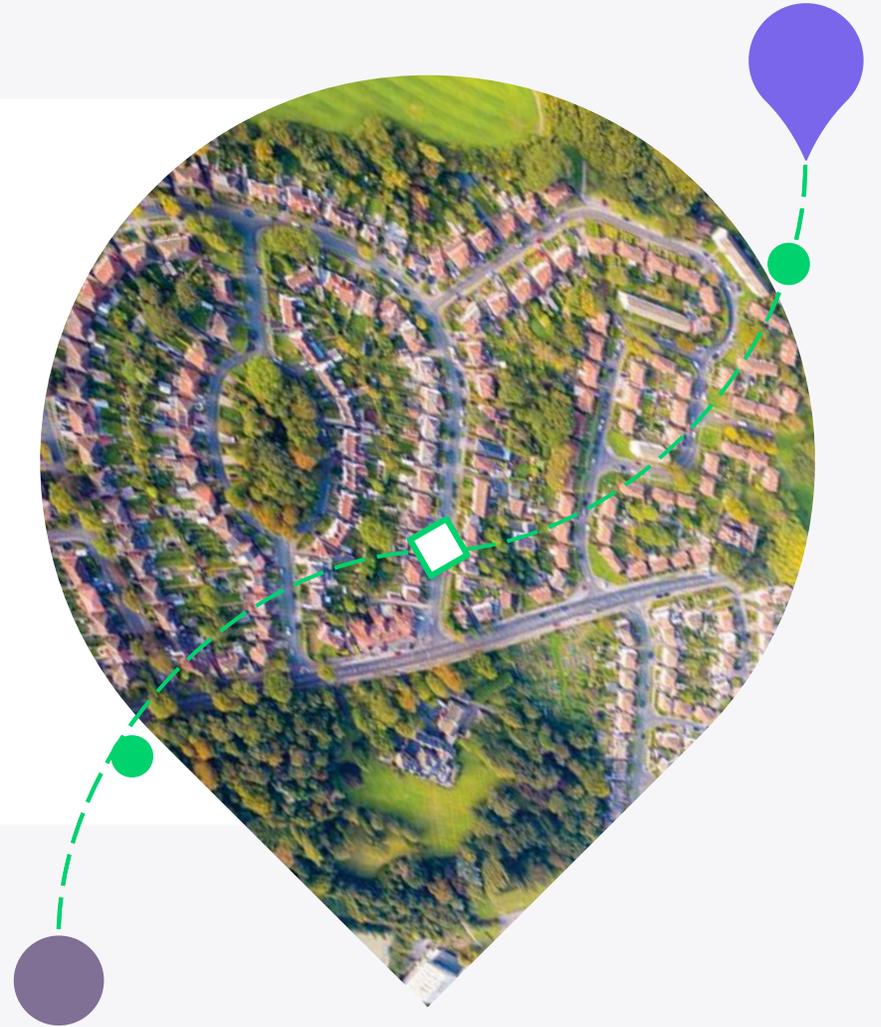




Brownfield and ESG Opportunity or threat?

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Agenda

01 / What is ESG?

02 / ESG Mark II

03 / How does ESG relate to brownfield land?

04 / Brownfield and Climate Change

05 / Brownfields and sustainable investments

06 / Summary



What is ESG?

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- + Fundamental rewiring of risk & reward - A Transformative way of looking at business risk and opportunity
- + Origins - UNEP 2004 - 'Who cares wins': Endorsing institutions are convinced that a better consideration of environmental, social and governance factors will ultimately contribute to stronger and more resilient investment markets, as well as contribute to the sustainable development of societies'.
- + What problem is ESG trying to solve? Inequities. Market excess/ fragilities. Externalities.
- + Led to a boom in ESG funds £34TN, ESG consultancies, ESG Law firms, ESG screening tools, ESG financial products, ESG University courses.



ESG Mark II



ESG Mark II

- + Need for better ESG Metrics & rating tools
- + Greenwashing - (un)sustainable investments
- + Strong pushback in USA - Republic Party: February 3rd 2023 New republican ESG working group to 'Combat the threat to our capital markets posed by those on the far-left pushing environmental, social and governance (ESG) proposals'.



**How does ESG relate to
brownfield land?**

How does ESG relate to brownfield land?

E Impacts

- + Brownfields & climate change
- + Sustainable remediation - SuRF-UK: Carbon, water Energy
- + Nature-based remediation solutions
- + Investment from GVNT & markets into nature recovery programmes
- + Climate resiliency/ physical risk management considerations for site management and design: Sea level rise, flooding, wildfires and coastal erosion
- + Reporting - Methane pledge at COP 26 - 30% cut targeted by 2020

How does ESG relate to brownfield land?

S Impacts

- + Benefits of unlocking brownfields for communities/ future generations thinking

- + Brownfields & wellbeing - Green prescribing

<https://www.england.nhs.uk/personalisedcare/social-prescribing/green-social-prescribing/>

G Impacts

- + Integrating brownfield outcomes into governing frameworks & strategies

- + Disclosure - SSAB standards for disclosure of financially material sustainability information (which could impact enterprise value) by companies to their investors - includes waste water and energy usage. What next?



Brownfield land and climate change

Brownfield land and climate change

S Impacts

- + Climate duty of care/ duty to warn:
Lawyers - Yes
Surveyors? Environmental Consultants?
- + Climate searches and brownfield sites
- + Climate/ ESG litigations on the rise



Brownfields and sustainable investment

Brownfields and sustainable investment

- + Increased interest in ethics and sustainability of investments
- + Social impact investment
- + Lenders & investors - Bank of England stress testing
- + Sustainability linked loans for redeveloping brownfields



Summary

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- + Opportunity to leverage ESG/ social impact for brownfield regeneration projects
- + Brownfields as an exemplar for ESG investment



Thank you

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