

Assura plc Sustainability Bond Reporting

Allocation & Impact Report
Initially published June 2022
Update published October 2022



£300m Sustainability Bond due 2033

In September 2021, Assura launched its debut Sustainability Bond in accordance with its published Sustainable Finance Framework ([LINK](#)).

This report provides the required reporting, being detail of the projects against which the proceeds have been allocated and also a summary of the positive social impact.

Sustainability finance framework

The Sustainable Finance Framework was created to enable the issuance of Social/Sustainability Bond/Loan(s) to finance or refinance eligible green and social projects in line with Assura's commitment to sustainability, including in respect of the Social Impact Strategy, SixBySix. Targeting minimum energy efficiency standards for buildings benefits stakeholders of the Group's properties, but also is how the Group manages the key climate change transition risks faced.

Assura's buildings are used to provide general medical services to the patients that those buildings serve, and the total number of registered patients at our buildings is how we measure our social impacts.

This Framework is in accordance with the ICMA Green Bond Principles ("GBP") 2021, Social Bond Principles ("SBP") 2021 and Sustainability Bond Guidelines ("SBG") 2021.

Eligibility criteria for green and social projects have been included on page 3.

Assessment of the project list for eligibility for social financing is the responsibility of the Sustainable Finance Working Group, which meets twice per year in June and December.

This Group reviewed and challenged the proposed list of properties considered to be eligible, as well as reviewing this report prior to publication, ensuring that all proceeds were appropriately allocated in the appropriate timescales.

External review

Both the Sustainable Finance Framework and this Allocation Report have been the subject of reviews by ISS-ESG. Copies of the external verification reports can be found on the Assura website at the following links:

Sustainable Finance Framework external verification report - [LINK](#)

Post-issuance external review report - [LINK](#)

Eligibility criteria

Alignment with GBP/SBP	Green buildings
Alignment with UN SDGs	 
Eligibility criteria	<p>New developments or acquisitions of publicly accessible primary care and community healthcare centres that target and receive third-party verified green building certification and subsequently achieve the following based on its design, construction and operational plans:</p> <ul style="list-style-type: none"> ▪ BREEAM "Very good" or Above; or ▪ Acquisitions of Minimum EPC B or higher ▪ Refurbishments which result in a reduction of Primary Energy Demand of at least 30% in comparison to the energy performance of the building before the Renovation OR a measurable improvement in the EPC rating of the existing building or spaces. <p><i>Measurable improvement in the EPC rating is defined as an improvement to a rating of B or higher or at least two rating bands (i.e. improving property at EPC E to EPC C or better)</i></p>
Examples of potential projects/ investments	<ul style="list-style-type: none"> ▪ Improving healthcare buildings to reduce the energy consumed - targeting an EPC rating of B or better across the portfolio. ▪ Advance our development process to be creating only buildings with a net zero carbon rating for construction and operation.
Alignment with GBP/SBP	Access to essential services – healthcare
Alignment with UN SDGs	
Eligibility criteria	Acquisition, development and refurbishment of publicly accessible primary care and community healthcare centres.
Examples of potential projects/ investments	<ul style="list-style-type: none"> ▪ Improving healthcare buildings to provide easy access to healthcare for disabled, elderly and people suffering from conditions such as dementia and autism.

Allocation reporting

As required under the Sustainable Finance Framework, the following tables detail the allocation of the proceeds against relevant eligible projects:

Total proceeds	£300m
Total allocated against eligible projects	£300m
Balance of unallocated proceeds	£nil

Total allocated against refinanced projects (initiated July 2018 – June 2021)	£243m
Total allocated against newly financed properties (initiated July 2021 onwards)	£57m
Total allocated	£300m

As can be seen from the table above, all proceeds have been allocated within the time frames defined in the Framework.

The following table illustrates the regional split of acquired or developed properties used for the allocation of proceeds.

Region	Refinanced (£m)	Newly financed (£m)	Total (£m)
London	63.8	11.9	75.7
Midlands	52.7	7.8	60.5
North East	42.1	11.4	53.5
North West	16.4	14.9	31.3
Scotland and NI	12.3	8.8	21.1
South East	44.4	2.3	46.7
South West	16.5	-	16.5
Wales	2.8	-	2.8
Total	251.0	57.1	308.1

Refinanced properties were acquired or completed by Assura between October 2018 and June 2021. Newly financed properties were acquired or completed by Assura July 2021 or later.

Impact reporting

As detailed in the Allocation Reporting on page 4, the proceeds have been used to refinance or newly finance £308.1m of acquisitions and developments.

In total, this is 52 properties which host GPs with a combined registered patient list size of 676,873.

The number of registered patients, which is taken from NHS records, represents the number of people that benefit from these healthcare buildings – being the entry point to the NHS for patients to see their GP.

Each property has either been allocated as Green (if it meets the requirements) or Social.

	Number	Total (£m)
Green projects – acquisitions	21	131.9
Green projects – developments	15	73.2
Social projects – acquisitions	15	90.1
Social projects – developments	1	12.9
Total	52	308.1

Green projects – acquisitions	Number
EPC A	3
EPC B	18
Total	21

Green projects – developments	EPC A	EPC B	Total
BREEAM Excellent	8	2	10
BREEAM Very Good	3	2	5
Total	11	4	15

Case study – Oldfield Surgery, Bath

Oldfield Surgery in Bath is an acquisition completed in September 2020. The building serves just over 11,000 patients and had, when acquired, an EPC rating of C. As part of our SixBySix strategy pledge to have our entire portfolio at EPC B by 2026, we completed our first 42 building improvement projects in March 2022 – including Oldfield Surgery. This involved the upgrade of the lighting system to LED – not only improving the EPC rating at the building to B, but also reducing the energy consumed by approximately 57%.



Case study – Cinderford Medical Centre, Gloucestershire

Cinderford Medical Centre in Gloucestershire is a new build development completed in August 2020.

Serving just over 14,000 projects, the building is the first in the UK to be certified as "Dementia-Friendly", having been designed in partnership with the University of Worcester's Association for Dementia Studies. Subsequently, the principles developed during the design process have been turned into a bespoke Design for Everyone design guide for healthcare premises.

Over £3.5m of social value was generated by the building project – through local employment, construction activities and also 40 weeks of apprenticeships whilst on site.

The building included over 280 sq.m of solar panels, amongst many energy efficient design measures that helped deliver a carbon reduction of 25.8 tCO₂e. The building achieved a BREEM rating of Very Good (Outstanding for the Energy Rating) and an EPC of A.



Properties included in Allocation Report

The following table lists the 52 properties that have been refinanced or newly financed by the proceeds of the Sustainability Bond.

Property	Town	Region	Type
Anchor Healthcare Centre	Peacehaven	South East	Acquisition
Artesian Health Centre	London	London	Acquisition
Avonside Health Centre	Warwick	Midlands	Acquisition
Buckshaw Treatment Centre	Preston	North West	Development
Cambuslang Gate	Glasgow	Scotland & NI	Acquisition
Canterbury Medical Centre	Canterbury	South East	Development
Cinderford Medical Centre	Cinderford	South West	Development
College Green Medical Practice	Bournville	Midlands	Development
Cornerstone Medical Centre	Belfast	Scotland & NI	Acquisition
Crich Medical Practice	Matlock	Midlands	Acquisition
Dolphin House Surgery	Ware	South East	Development
Garland House Surgery	Barnsley	North East	Acquisition
Green Lanes Medical Centre	London	London	Acquisition
Hackbridge Medical Centre	Hackbridge	London	Acquisition
Halcyon Medical Centre	Birmingham	Midlands	Acquisition
Headingley Medical Centre	Leeds	North East	Acquisition
Herstmonceux Integrated Health Centre	Herstmonceux	South East	Acquisition
Heysham Primary Care Centre	Morecambe	North West	Acquisition
Hillside Primary Care Centre	London	London	Acquisition
Horne Street	Halifax	North East	Acquisition
Islington Medical Centre	London	London	Acquisition
Jubilee Health Centre	Wallington	London	Acquisition
Kings Hill Medical Centre, Kent	Malling	South East	Acquisition
Knebworth Medical Centre	Stevenage	South East	Development
Launceston Medical Centre	Launceston	South West	Development
Manor Park Surgery	Leeds	North East	Acquisition
Narberth Health Centre	Pembrokeshire	Wales	Acquisition
New Barn Close Surgery	Broadway	Midlands	Development
Newbiggin Hall Surgery	Newcastle	North East	Development
Newtown Health Centre	Birmingham	Midlands	Development
Oldfield Road Surgery	Bath	South West	Acquisition
Parchmore Medical Centre	London	London	Acquisition
Park Medical Practice	Timperley	North West	Acquisition
Pinfold Surgery, Methley	Leeds	North East	Acquisition
Prince of Wales Medical Centre	London	London	Acquisition
Prospect View Medical Centre	Malvern	Midlands	Acquisition
Rothbury Community Hospital	Northumberland	North East	Acquisition
Scott Arms Medical Centre	Great Barr	Midlands	Development
St Leonards Medical Centre	Hastings	South East	Development
St Martin's Medical Centre	Leeds	North East	Acquisition
Station Medical Centre	Hereford	Midlands	Development
Strand Medical Group	Worthing	South East	Acquisition
Summerfield Health Centre	Colney	London	Development
Taylor's Avenue Medical Centre	Cleethorpes	North East	Acquisition
Tonbridge Medical Centre	Tonbridge	South East	Development
Townhill Medical Centre	Caterham	London	Acquisition
Warwick Gates	Warwick	Midlands	Acquisition
Waterside Health Centre	Londonderry	Scotland & NI	Acquisition
West Hoe Surgery	Plymouth	South West	Acquisition
Whittlesey Surgery	Peterborough	South East	Acquisition
Willowbrook Medical Centre	Leicester	Midlands	Acquisition
Windmill Health Centre	Leeds	North East	Development



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