



Windmill Development Group

Corporate One Planet Living® leadership review
October 2023



One Planet Living®

windmill

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Report overview

Report overview

Company name:

The Windmill Group of Companies

Business sector:

Real estate development and design consultancy

Description:

The Windmill Group comprises three companies. Windmill Developments is an urban real estate development company founded in 2003. Urban Equation is the Windmill Group's advisory arm. The One Planet Living Fund is an impact real estate investment vehicle developed by Windmill Developments in partnership with Epic Investment Services.

The Windmill Group of Companies employs 34 staff and oversaw a gross asset development value of \$882,300,000 CAD during 2022-23.

Reporting period:

2022-23

Reviewer:

Nicole Lazarus

Sign-off and quality review:

Ronan Leyden

Date of review:

October 2023



Leadership status:



One Planet
Living®

Global
Leader 2024

Bioregional and One Planet Living

Bioregional and One Planet Living

About Bioregional

Bioregional is a purpose-led sustainability consultancy. It has worked in over 20 countries on sustainable development, working with local communities, cities, and companies.

Bioregional devised the One Planet Living framework in 2003 with WWF, based on our experiences creating the multi-award-winning BedZED in South London, the UK's first large-scale sustainable community. One Planet Living has guided the development of real estate across the world, shaping exemplar communities that enable sustainable living.



About One Planet Living

One Planet Living is our vision of a world where everyone can live happily and healthily within the limits of our planet's resources while leaving space for nature to thrive.

We need this vision because if everyone lived like the average Canadian, we would need nearly five planets to support us. The measure of this is called 'ecological footprinting'. Meanwhile, many lack what they need for a good life, and wildlife is being pushed out to make room for our demands.

The One Planet Living framework consists of 10 principles which cover the activities that drive resource consumption, and the elements that form the basis of a good life for everyone. The principles are used to identify the needs in a local area, to relate these to the planetary bottom-line, and then to structure responses to those needs.

-  Health and happiness
-  Equity and local economy
-  Culture and community
-  Land and nature
-  Sustainable water
-  Local and sustainable food
-  Travel and transport
-  Materials and products
-  Zero waste
-  Zero carbon energy



What is a One Planet Living leadership review?

What is a One Planet Living leadership review?

A review is when you open your action plan to scrutiny from a suitable qualified expert from Bioregional (or one appointed by us). It will include:

- Reviewing the action plan as a whole and providing advice and suggestions on how it might be improved
- Evaluating it against several criteria including impact, systems change, ambition and delivery
- Assessing the action plan against the One Planet Living goals and guidance and local industry best practice.

A One Planet Living user can then discuss with us whether the action plan could be a candidate for leadership recognition, and to be endorsed as either a 'Leader' or a 'Global Leader'.



About this leadership review

About this leadership review

This leadership review covers the business activities of Windmill Developments and Urban Equation, and the projects in the delivery portfolio of the One Planet Living Fund.

This document reviews the One Planet Living action plan for the Windmill Group of Companies, along with supplementary documents including:

- Sustainability Strategy 2023,
- 2023 Windmill Group Emissions Report,
- Windmill Group of Companies Procurement Policy,
- Design and Contractor Guidelines,
- Windmill Impact Standard Dashboard,
- Windmill's One Planet Living Carbon Specification.

Windmill has established a One Planet Living Lifestyles Working Group to create a package of post-occupancy support for all developments in the One Planet Living Fund portfolio. The work of this group is underway, and the support package will be launch during 2024. For the purposes of this review, the details of these post-occupancy measures are listed as opportunities for future editions of the OPAP.



Review summary and highlights

Review summary

Windmill Developments has been a leader in sustainable development in North America since 2003 when its first ground-breaking project at Dockside Green was certified as Canada's first LEED Platinum community. It created Canada's first One Planet Living (OPL) masterplan at Zibi in Ottawa and, in 2021, it established the \$46m One Planet Living Real Estate Fund, in partnership with Epic Investments.

One Planet Living is embedded in every aspect of the Windmill Group of Companies, in its corporate strategy, its governance structures, its staff culture, and in the formulation and specification of every development project in the One Planet Living Fund.

The Group's advisory arm, Urban Equation, makes all the technical realities of One Planet Living come alive, innovating and improving with new ideas on every project.

One Planet Living is exquisitely well communicated in all Windmill communications material. This is true for the 2023 Sustainability Strategy. The governance structures and corporate culture at Windmill are inspiring and OPL is beautifully integrated into all group operations.

The use of 'projects', 'workplace', 'industry', and 'homes and communities' as key headings work well and provide a great framework for corporate sustainability action planning and delivery.

The Group has skilfully focussed on its biggest impact areas, setting ambitious goals to address all 10 of the OPL principles.

Bioregional is pleased to recognise the Windmill Group of Companies as Global Leaders in One Planet Living.



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Comment from Windmill Group of Companies

“ Windmill Development Group aims to transform the way we build and live. We have been delivering impact in development for 20 years. Specifically, we’ve been embedding sustainability in all we do – including our projects, workplace, industry and communities. Our first project, Dockside Green, in Victoria, B.C., laid the foundation to transform the way we build and set the bar for our brand of sustainable development throughout Canada.

Since then, we have led our industry in:

Delivering Canada’s first LEED® Platinum communities and mixed-use buildings;

Developing zero-carbon district energy networks;

- Initiating a First Nations Friendship Agreement for urban development;
- Establishing green loans and other creative financial structures to deliver positive lifecycle outcomes; and
- Building a portfolio of One Planet Living® communities.

For Windmill, One Planet Living endorsement doesn’t replace other project endorsements; rather it complements them. On each of our projects, we target both One Planet Living and environmental endorsement using either LEED Platinum or the Zero Carbon Building Standard. Windmill applies the 10 One Planet Living Principles, both within our company and outside, to:

- **Develop** financially successful real estate projects that help people learn to live happy, healthy lives within the resources of the planet.
- **Advise** others how to do this on their development projects through our advisory arm, Urban Equation.
- **Partner and share risk** so other developers can join us in transforming the development industry.
- **Give responsible capital a voice** through the One Planet Living Real Estate Fund.



Comment from Windmill Group of Companies (continued)

- **Openly share** our experience so anyone, anywhere can learn from our journey and be inspired to join us in our mission to embrace One Planet Living as the way of the future.

Finally, we are committed to One Planet Living as a company. For Windmill, sustainability means delivering impact in four areas:

- Our Projects
- Our Workplace
- Our Industry
- Our Homes and Communities.

These areas are distinct, yet inter-related. Together they focus on shifting our projects, our company, our industry, and our homes and communities towards three overarching objectives: decarbonization, regeneration and social innovation. Our sustainability strategy is embedded throughout Windmill. Sustainability is not the responsibility of any one individual or department. Rather, every Windmill employee and service area is expected to do their part to achieve our sustainability aspirations. Our team shares our purpose – to co-create regenerative communities. That is, places where everyone can prosper within the resources of our planet, now and in the future. We invite others to join us on this mission.



Overall leadership qualities

Overall leadership qualities

Scope of the action plan

Does the action plan address all impacts and important considerations that relate to the company's activities?

- Windmill has provided a comprehensive approach with its four sustainability areas: Workplace, Projects, Industry, and Homes and Communities.
- The group-wide carbon footprint assessment produced in June 2023 provides a baseline from which to tackle all carbon-related impacts, covering scopes 1, 2, and 3, including upstream and downstream emissions. It highlights the priority areas for action.
- Projects under Windmill Development's control are addressed in an exceptionally thorough way, allowing the company's biggest impacts to be addressed head on.
- Workplace and Industry areas are also addressed in an inspiring way, demonstrating true leadership.
- The approach to downstream impacts of Windmill's developments is being enhanced by a dedicated working group, with a new group-wide package of post-occupancy support to be launched during 2024.
- Windmill's procurement policy is excellent, but we identify some potential further opportunities to improve the way that service providers are selected, in areas such as the company pension scheme, insurance, banking, and IT services. These will be addressed in the coming year.
- The action plan addresses all 10 of the One Planet Living principles in creative, holistic, and inspiring ways.

Transformation potential

Is the team approaching things in a way that is likely to succeed in showcasing a positive sustainable future, ideally helping to transform accepted norms?

There is clear commitment from the Group's top management team.

- Windmill takes care to nurture its internal sustainability culture and values.
- The Group's website communicates the deep integrity of its sustainability commitments in an inspiring way.
- The team is proactively seeking and building supply chain partnerships that help to address Windmill Group's biggest impacts.
- Dedicated working groups are developing a group-wide support package for communicating sustainability to Windmill project residents, transforming lifestyles and personal ecological footprints.
- Windmill is already an inspiration to North America's real estate industry, and it continues to excel and innovate and tell its story to bring about systemic change.

Overall leadership qualities

Ambition (Goals/outcomes)

The outcomes in the action plan align with the One Planet Living goals across all 10 principles. The outcomes are comprehensive and aspirational.

Windmill has skilfully selected indicators that are trackable and that demonstrate progress towards the outcome. It has set highly ambitious targets for the indicators that will make the most difference and which are most directly under Windmill's control - see detail in the action plan summary section.

Implementation (Actions)

Windmill Group has a long-established track record that inspires confidence in the deliverability of the goals in this action plan.

The actions set out in this action plan, along with the Group's Sustainability Strategy and other supporting technical documents, demonstrate a clear path for delivery for every outcome.



Detailed review

Action plan summary

The table below presents a principle-by-principle summary of how the action plan addresses each of the 10 OPL principles. It highlights any opportunities for further action and presents a colour-coded rating of 1-5 as shown to the right.



- 5 Well addressed
- 4 Well addressed but additional suggestions provided
- 3 Partly addressed but additional content needed
- 2 Not adequately addressed
- 1 Not addressed

Highlights	Opportunities	RAG rating
 <p>The ambition is for those who work at Windmill to be happy, engaged with their team, and satisfied with their job. Progress is tracked with a quarterly health and happiness survey and an annual Gallup employee satisfaction score. Windmill also offers a ‘Health and Wellness’ benefit of \$1,700/year for staff to invest in fitness or healthcare.</p> <p>In new build communities, the well-being of occupants is supported through walkable neighbourhoods and amenities, and through healthy indoor air quality.</p>	<p>The OPL lifestyle package can promote health and well-being for community occupants.</p>	5
 <p>Windmill is targeting 10% affordable homes across its portfolio. In the absence of subsidy, this is a stretching best-practice target for the region. Windmill has a working group in place to identify the best definition of affordable to use over the next year.</p> <p>Windmill will set project-specific targets for jobs created for ‘equity seeking groups’.</p> <p>Windmill also has an active program to openly share the Group’s thought leadership and experience of delivering exemplary sustainable developments.</p> <p>For its staff, Windmill runs a monthly facilitated lunchtime discussion on diversity, equity and inclusivity, and a monthly support group for women as they are currently underrepresented in the real estate industry. The Group’s HR advisors are diversity and inclusivity experts.</p>	<p>Windmill plans to explore possible sustainability credentials of service providers such as its company pension, insurance, and banking providers.</p>	4

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Highlights	Opportunities	RAG rating
<div style="display: flex; align-items: center; margin-bottom: 10px;">  <div> <p>Windmill strives for an inclusive workplace in which people can bring their whole selves to work. It seeks to empower staff to make healthy choices in both their work and home lives. It is even initiating an interesting initiative including a coaching program to enable staff to take ownership of Windmill’s corporate culture.</p> <p>All staff receive an OPL introduction as part of their onboarding, led by the company’s OPL lead, the Manager of Corporate Culture and Communications.</p> <p>The action plan includes measures to connect staff with local community groups, targeting two volunteering events each year.</p> <p>For new development projects, a ‘Community Benefits Plan’ will reflect local indigenous interests. There will be an eco-concierge program and there are targets around residents knowing most of their neighbours.</p> </div> </div>	<p>Details of condo board agreements for ongoing governance, an eco-concierge service and OPL lifestyle package to be launched in 2024.</p>	<div style="background-color: #28a745; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">5</div>
<div style="display: flex; align-items: center; margin-bottom: 10px;">  <div> <p>Windmill is committed to improvements in natural ecology and biodiversity on every site it develops. Targets include 30% green or outdoor amenity space and 40% tree canopy cover. It also strives to enable a connection with nature for both staff and the residents of its developments. Designs aim to provide every resident with a quality view of nature outdoors. Outdoor staff activities in nature are encouraged.</p> </div> </div>	<p>Windmill could consider a group-wide biodiversity partner such as a nature reserve or a conservation volunteer partner.</p>	<div style="background-color: #28a745; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">4</div>

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Highlights	Opportunities	RAG rating
 <p>As a business, Windmill’s procurement policy ensures that all cleaning products are selected to reduce water pollution.</p> <p>All new Windmill developments are designed for best practice water efficiency, with potable water consumption designed to be <100l/person/day, less than half the baseline consumption level.</p> <p>Condo agreements will require post-occupancy water consumption monitoring for five years.</p> <p>All developments celebrate water in some way through a water feature.</p> <p>Surface and groundwater management on new schemes are addressed at a project level.</p>	<p>The OPL lifestyle package could include education and engagement on water efficient behaviour.</p>	
 <p>Windmill staff all learn about sustainable food through in-house knowledge sessions or activities. Windmill’s sustainable catering checklist ensures that veggie and vegan options make up ~95% of food purchases, and that food is healthy and lower in carbon impacts.</p> <p>For the residents on new Windmill developments, over half will have access to food growing space and/or a community kitchen.</p>	<p>The eco-concierge package currently in development will look at ways to inform residents about sustainable food options, to partner with a local supplier and possibly to evaluate impact through a resident survey.</p>	

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Comment	Opportunities	RAG rating
 <p>Windmill Group targets sites with excellent ‘Walkscores’ of >75.</p> <p>Parking provision is kept low, generally <0.5 spaces per dwelling. All parking is EV-ready with a quarter fitted with fast level 2 chargers. Parking spaces are designed to be adapted for other uses in the future.</p> <p>All new developments provide at least three low-carbon mobility options for residents.</p> <p>Windmill’s travel policy encourages lower carbon options and active travel for its employees. Windmill tracks emissions from business travel, including flights. It also carries out periodic staff commuter surveys. It is committed to reporting and reducing its travel-related carbon footprint as part of its wider footprint.</p> <p>Windmill offers a bike-to-work mileage allowance for staff who cycle to or for work.</p>	<p>The OPL lifestyle package could address resident travel choices next year.</p>	5
 <p>Unsurprisingly, the embodied carbon of development projects represents Windmill Group’s single largest source of corporate carbon emissions. Its action plan tackles this area firstly by performing life cycle analysis on all projects. The target is for 90% of projects to have embodied carbon <500kgCO₂/m², in line with Canada Green Building Council’s zero-carbon building requirements, which are applied to all development projects.</p> <p>However, for earlier stage projects, it is considering an even more ambitious target of 350kgCO₂/m².</p> <p>Windmill is pioneering the innovative use of cross-laminated timber frame construction in four of its current mid-rise developments.</p> <p>For business product purchases, Windmill maintains a sustainable procurement policy and a list of preferred products.</p>	<p>The OPL lifestyle package can encourage residents of built projects to consider sustainable consumption habits and a sharing culture.</p>	5

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Comment	Opportunities	RAG rating
 <p>All development projects commit to >90% construction waste diversion from landfill. Completed developments feature best practice in recycling facilities and promotion of a sharing culture in new developments.</p> <p>For business waste, the group uses good practice for waste minimisation and recycling. It is particularly focused on eliminating food packaging waste through a strong catering procurement policy.</p>	<p>Development occupant waste represents 6% of the group’s carbon footprint so in addition to recycling facilities, the Resident OPL Lifestyle working group is exploring options for a post-occupancy eco-concierge support package.</p> <p>In 2024, a working group will investigate ways to monitor waste post-occupancy during the one-year period that Windmill still has access to the building.</p>	5
 <p>The Group commits to zero operational carbon emissions from its development projects. All projects will be combustion-free and verified as zero carbon by the Canada Green Building Council, either through LEED or the Zero Carbon Building Standards review process.</p> <p>All projects have ambitious maximum thermal energy demand intensity and greenhouse gas intensity targets, as well as on-site renewables targets.</p> <p>Condo agreements will enable post-occupancy energy use monitoring for five years.</p> <p>The Group’s corporate emissions will be quantified and publicly disclosed, covering scopes 1, 2 and 3. The largest emission sources are already being targeted.</p> <p>Windmill has assessed its carbon footprint baseline and has committed to a decarbonisation pathway aligned with staying within 1.5°C of warming, adopting carbon intensity targets for 2030 and 2050.</p>	<p>Windmill can engage with the residents living in its developments to encourage energy efficient behaviour.</p>	3

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