APIS GUIDE 10 · INVESTMENT

EU Taxonomy & ESG *for property owners.*

Your building is not in the European Union. The requirement still reaches you — through your lender, your investor, your parent company or your customer. What to establish, from whom, and in what order.

APIS · ENGINEERING & ADVISORY

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Position as at this date — verify before relying

ABOUT THIS GUIDE

This guide will *go out of date.*

READ THIS BEFORE ANYTHING ELSE

This document describes the position as at 20 August 2026 and is certain to be superseded. The European sustainable finance framework has been amended repeatedly since its introduction, was subject to a substantial simplification exercise during 2025, and continues to develop. Scope, thresholds, timing and the identity of the entities caught have all changed more than once.

Accordingly, this guide states no threshold, no percentage, no date of application, no article number and no reporting deadline. Any such figure printed here would be wrong within a year, and a reader relying on it would be worse off than a reader with nothing.

What it gives instead is the **structure that has proved stable**: how the requirement reaches a building outside the EU, which framework is actually asking, how the tests are built, what evidence a building has to produce, and the order in which to establish your position. Those have not changed and are unlikely to.

Every specific requirement must be confirmed, in writing, with the party asking you for it, at the time they ask. That instruction appears throughout, and it is the single most important thing in the document.

Kosovo is not a member state of the European Union, and neither are most of the markets this guide is written for. The EU Taxonomy does not apply to your building directly, and no authority in Kosovo will ask you to comply with it.

You will be asked anyway. The requirement travels through commercial relationships rather than through regulation: a bank that must classify its own loan book, an investor subject to sustainability disclosure, a parent company consolidating its reporting, a tenant with its own commitments, a customer whose procurement now asks questions it did not ask three years ago.

This guide covers how that transmission works and who is likely to ask you, which framework is behind the question, how the Taxonomy tests are structured, what a building physically has to produce as evidence, the gap between that and what most buildings can produce, the social and governance dimensions that get forgotten, and how to respond when the questionnaire arrives. It ends with a forty-point checklist.

Who this is written for

- Owners of commercial, industrial, logistics and residential property in the Western Balkans
- Companies with EU parents, EU lenders, EU investors or significant EU customers
- Developers whose buildings will be sold or financed into EU-linked capital
- Finance directors and boards who have received a questionnaire and do not know what it is for
- Public bodies and institutions financed by international financial institutions

What this guide is not

It is not legal, regulatory, accounting, tax or financial advice, and it is emphatically not a compliance manual. It cannot tell you whether a requirement applies to you, what it requires, or whether you meet it — those are questions for your advisers, your auditor and the counterparty asking. It is written from the engineering side: what a building must be able to demonstrate, and how to put it in a position to do so.

How to use it

If a questionnaire has arrived: start at Section 07, then work backwards. If you are planning ahead: Sections 01 to 03 establish who will ask and what they are asking under, and Sections 04 and 05 are the engineering work. Section 09 is the checklist.

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SECTION 01

Why this reaches you, *and through whom.*

Not through your regulator. Through the person on the other side of a contract who has an obligation of their own.

The most common misunderstanding about the EU sustainable finance framework outside the Union is that it is a compliance question. For a property owner in Kosovo, North Macedonia, Albania, Montenegro or Bosnia and Herzegovina it is generally not. No local authority enforces the EU Taxonomy against your building.

It reaches you commercially. Somebody you deal with has a reporting or classification obligation, that obligation requires information about assets in their portfolio or their value chain, and your building is one of those assets. They cannot answer their question without answering it about you.

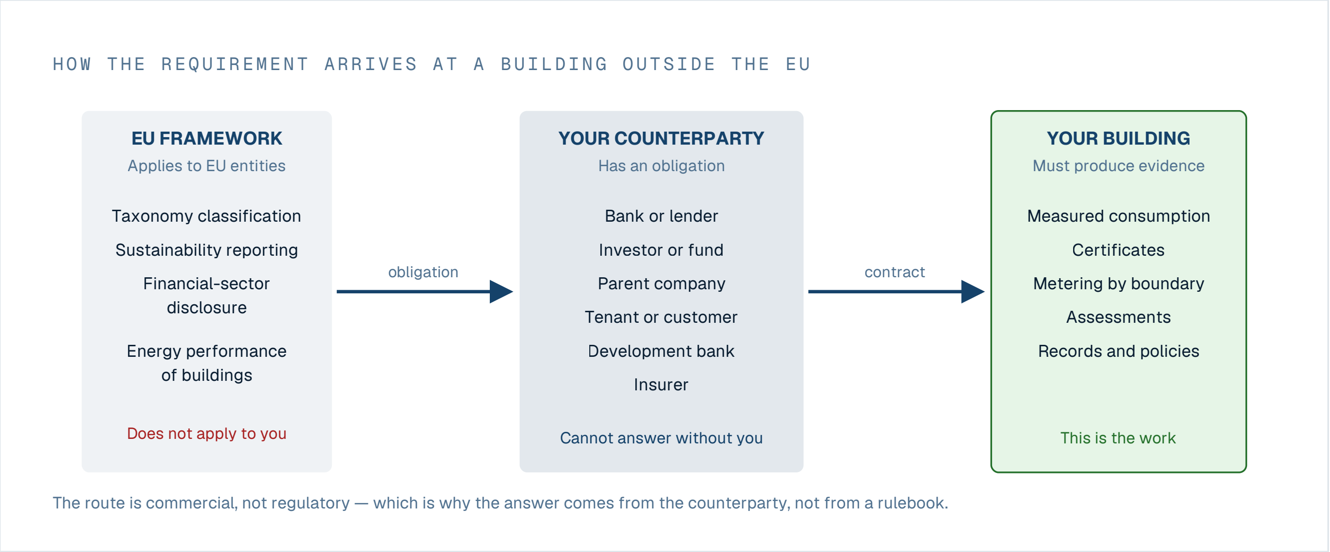

Figure 1.1 — The transmission mechanism. The obligation sits with your counterparty; the evidence sits with your building. Nothing in this chain is enforced against you by a local authority.

Who is likely to ask, and what they need

Who	Why they are asking	What they typically need from you
A bank or lender	Must classify its lending, and increasingly prices or conditions credit on it	Building performance evidence, certificates, and sometimes a commitment to an improvement path as a loan condition
An investor or fund	Subject to disclosure about the sustainability characteristics of what it holds	Asset-level data, at acquisition and then annually. This is the most demanding and the most persistent
A parent or group company	Consolidates your entity into its own reporting	Consumption, emissions and policy data on a group template, on a group deadline
A tenant or corporate customer	Reporting its own value chain, or has its own commitments	Data about the space they occupy — which usually means metering that does not exist
A development bank or IFI	Applies its own environmental and social framework, often stricter and older than the EU one	Assessments, management plans, monitoring, and frequently a stakeholder engagement process
An insurer	Underwriting physical climate risk	Exposure and resilience information about the asset and its location
A buyer, eventually	Their own financing and reporting depend on it	Everything above, at the worst possible moment — during a transaction

THE CONSEQUENCE, STATED PLAINLY

A building that cannot produce the evidence is not fined. It is **financed on worse terms, or not financed; bought at a lower price, or not bought; let to a narrower pool of tenants**. The exposure is commercial and it arrives at the moments when you have least room to respond — at refinancing, at sale, at lease renewal.

That is also why the work is worth doing before you are asked. Evidence assembled calmly over a year costs a fraction of evidence assembled during a transaction, and it is materially more credible.

What is arriving locally, separately

The commercial route above is the immediate one. There is a second, slower route: the Western Balkan states have commitments to align parts of their energy and environmental legislation with the European framework, and building energy performance requirements are within that scope.

What that means for your building, and by when, must be established locally. The pace and detail of transposition differ by country and by instrument, and this guide states no position on any of it. Ask your legal adviser what is in force, what is drafted, and what is committed — and ask again when you next revisit this subject, because the answer will have changed.

SECTION 02

Which framework *is actually asking.*

Six different things get called “ESG requirements” and they want different answers. Establishing which one you are facing is most of the work.

A questionnaire rarely says what it is for. The same spreadsheet may be serving a Taxonomy classification, a corporate report, a fund disclosure, a lender’s internal policy or a certification. They overlap, but they ask for different things at different depths, and answering the wrong one wastes the effort.

WHAT IS BEHIND THE QUESTION

Framework	What it does	What it wants from a building
The Taxonomy	A classification system determining whether an economic activity counts as environmentally sustainable. Not a reporting obligation in itself — a definition others use	A binary answer against defined technical criteria, with evidence. Section 03
Corporate sustainability reporting	Requires certain companies to report on sustainability matters to a defined standard, including their value chain	Consumption, emissions, policies, targets and progress — often on the parent’s template
Financial-sector disclosure	Requires financial market participants to disclose sustainability characteristics of their products and holdings	Asset-level indicators, annually, in a fixed format. Where a fund holds your building this is the persistent one
Building energy performance rules	National legislation on the energy performance of buildings, including certification and, increasingly, minimum standards	Certification, and eventually compliance with a minimum standard — the only route on this list that could become locally enforceable
A lender’s or IFI’s own framework	An institution’s internal environmental and social policy, which may be stricter than any legal requirement and is contractually binding once you sign	Whatever the policy says. **Read it before signing rather than after**
Voluntary certification	Building certification schemes, assessed by third parties against their own criteria	A defined evidence pack and an assessment. Useful as a marketing and evidence asset, and not a substitute for any of the above

FIVE QUESTIONS TO ASK WHOEVER SENT THE QUESTIONNAIRE

Ask them before answering anything. They are reasonable questions, they are usually welcomed, and they routinely reduce the work by more than half.

1. **Which framework or obligation is this being collected under?**
2. **Is this a legal obligation on you, or your own internal policy?** The answer changes how much room there is to negotiate scope and timing.
3. **Which questions are mandatory and which are best-endeavours?** Most questionnaires contain both and do not distinguish them.
4. **What happens if a data point does not exist?** Very often an explained gap with a plan is acceptable and an estimate is not — and nobody says so unprompted.
5. **What is your deadline, and what is it driven by?** Their reporting cycle is usually the real constraint, and it is often further away than the covering email suggests.

The overlap is real, and it is your leverage

The underlying evidence is largely the same across all six: measured consumption, metering at sensible boundaries, certificates, condition and risk assessments, and a small set of policies. A building assembled to answer one of them can usually answer most of the others.

Build the evidence base once, hold it in one place, and treat each questionnaire as a mapping exercise from that base rather than a new project. Section 08 sets out how.

DO NOT ANSWER WHAT YOU HAVE NOT VERIFIED

An estimate entered into a lender's or investor's return may be relied upon, repeated in their own published disclosure and audited later. A wrong figure supplied helpfully is a materially worse outcome than a gap declared honestly with a date by which it will be closed.

Mark every answer as measured, calculated, estimated or unavailable. Serious counterparties expect this and it strengthens rather than weakens your position.

SECTION 03

How the Taxonomy is built — *three tests.*

The structure has been stable since the beginning. The criteria underneath it have not, which is why this section describes only the structure.

The Taxonomy determines whether an economic activity is environmentally sustainable. For property, the relevant activities are broadly the acquisition and ownership of buildings, new construction, renovation, and certain individual measures and installations.

An activity qualifies only if it passes all three of the following. Failing any one fails the whole assessment, and the second and third are where property assessments most often fail.

THE THREE TESTS

Test	What it asks
1 · Substantial contribution	Does the activity contribute substantially to at least one of the framework's environmental objectives — which cover climate change mitigation, climate change adaptation, water and marine resources, the circular economy, pollution prevention, and biodiversity and ecosystems? For buildings this is usually assessed against defined technical criteria relating to energy performance
2 · Do no significant harm	Does the activity avoid significantly harming any of the other objectives? A building can perform excellently on energy and fail here — on climate risk assessment, water use, construction waste, materials, or pollution. **This is the test property owners are least prepared for**
3 · Minimum safeguards	Does the undertaking meet minimum social and governance safeguards, aligned with international standards on responsible business conduct, human rights and labour? This is about the company, not the building — Section 06

WHY THIS GUIDE STATES NO CRITERIA

The technical screening criteria beneath test one — the thresholds a building must meet, how they are measured, and how they differ between new construction, existing buildings and renovation — are the part of the framework that has been amended most and is most likely to change again.

Printing them here would produce a document that is confidently wrong within a year. The structure above has been stable; the numbers have not. **Obtain the current criteria from your adviser or from the counterparty asking, at the time they ask, and confirm which version applies to the assessment you are being included in.**

Two distinctions that cause most of the confusion

Eligible is not aligned

An activity is **eligible** if it is one of the activities the framework describes — that is a question about what you do. It is **aligned** if it also passes all three tests — that is a question about how well you do it. Owning a building is generally eligible. Almost nothing is aligned by accident.

Questionnaires frequently conflate the two, and reporting an eligible activity as aligned is a serious error with a serious downstream consequence, because your counterparty will repeat it in their own disclosure.

The DNSH test includes climate risk

The do-no-significant-harm test typically requires an assessment of physical climate risks to the asset — flood, heat, drought, wind, subsidence, whatever the location presents — together with adaptation measures where material risk is identified.

Most buildings in the region have never had one. It is not an expensive assessment, it is a defined piece of work, and it is one of the most common reasons an otherwise strong asset fails. Section 05 returns to it.

> WHOSE ASSESSMENT IS IT?
>
> Establish who is performing the assessment: you, or the counterparty using data you supply. It matters, because **if they are assessing, you are supplying evidence rather than reaching a conclusion** — and you should be careful about stating a conclusion on alignment at all.
>
> Supply verifiable facts about the building. Let the party with the obligation, and their advisers, reach the classification. Volunteering an alignment claim you cannot substantiate transfers a risk to you that was never yours.

SECTION 04

What a building *has to prove.*

The engineering half. Whatever the framework, the evidence a building must produce comes from a short and stable list.

Frameworks change; the physical evidence does not. A building that holds the following can answer most questions from most counterparties, and a building that does not will struggle with all of them regardless of how well it performs.

THE EVIDENCE BASE

Evidence	What it is	Why it is asked for
Measured consumption	Actual metered energy use by fuel, at interval granularity, for at least the last two to three years	The foundation of everything. A certificate is a calculation; consumption is a fact, and serious counterparties increasingly want the fact
Metering by boundary	Sub-metering by system and, critically, by tenant or occupied area	Without it, tenant-level data cannot be produced at all — and tenants with their own obligations will ask for it. Guide 09 §03 sets out where the boundaries go
Energy performance certification	The certificate, its class, its date and the assessment behind it	The most commonly requested single document, and the one most often out of date
Emissions calculation	Emissions derived from consumption, with the factors used and their source stated	Requested almost universally. The factor source matters and should be recorded, since counterparties may require a specific one
Physical climate risk assessment	An assessment of the hazards the location presents to this asset, with adaptation measures where risk is material	Required by the DNSH test and by insurers. **The most common gap** — Section 03
Water consumption	Metered water use, and the specification of water-consuming fittings where relevant	An objective in its own right, and frequently unmetered
Waste and materials	Operational waste arrangements; for construction and renovation, waste management and diversion records	Circular economy objective. Retrospectively impossible for completed works — which is why it belongs in the contract
Refrigerants	Type, charge, leak checking records and regulatory status of every system	Emissions, pollution and asset life. Covered in Guides 04 and 07 of this series
Hazardous materials	Asbestos survey, register and management plan where applicable to the building's age	Pollution objective, and a liability question independently
Building condition and lifecycle plan	Asset register, condition, and a dated capital expenditure forecast	Demonstrates the asset is managed rather than merely owned. Guide 04 of this series
Improvement pathway	A dated, costed plan for the asset's performance over the holding period	Increasingly the question that matters more than current performance — see below

THE PATHWAY MATTERS MORE THAN THE POSITION

A sophisticated lender or investor knows that most of the existing building stock in the region does not currently meet a demanding standard. They are rarely surprised by that.

What distinguishes an acceptable asset from an unacceptable one is usually not today's performance but **whether the owner knows what the position is and has a credible, costed, dated plan to improve it.** An honest baseline with a five-year plan is a far stronger answer than a vague claim of good performance.

This is also why the first action is measurement rather than improvement. You cannot construct a credible pathway from a position you have not established.

New construction and major renovation

If you are building or refurbishing, the evidence is cheap to produce during the works and expensive or impossible afterwards. Put it in the contract:

- **Design-stage performance calculation**, retained with its assumptions and method
- **Metering strategy** designed in, at the boundaries that will be asked about — including tenant boundaries
- **Construction waste records**, by stream, with diversion evidenced. Retrospectively unobtainable
- **Materials information** where the specification claims a characteristic that might later need substantiating
- **Climate risk assessment** performed at design stage, where it can still change the design rather than only document it
- **Commissioning records and measured performance** after handover, not just the design calculation. The gap between the two is the question a good assessor asks
- **Refrigerant selection** recorded with regulatory status, per Guide 07

THE CALCULATION AND THE METER WILL DISAGREE

Design calculations and measured consumption routinely diverge, sometimes substantially, for reasons that are usually legitimate — occupancy, hours, weather, unregulated loads, and commissioning quality.

Expect the question and prepare the answer. A building that can explain the gap between its certificate and its meter, with evidence, is in a strong position. A building whose owner has never compared the two is in a weak one, and the comparison costs nothing.

SECTION 05

The evidence gap, *and how to close it.*

What most buildings in the region cannot currently produce, in the order it is worth fixing.

The gap is rarely performance. It is usually documentation: the building may be adequate and cannot prove it. Below is what is typically missing, what it costs to close in effort rather than money, and what it unlocks.

THE COMMON GAPS

Gap	Effort to close	What closing it unlocks
No interval consumption data	**Low** — usually already held by the supplier or operator and simply never requested	Almost everything. The first action in this guide
No sub-metering	Medium — installation, cheapest during other works	Tenant-level answers, system-level analysis, and any credible improvement plan
Certificate absent or expired	Low — a defined assessment	The single most requested document
No physical climate risk assessment	**Low** — a defined piece of work, and one nobody has asked for until recently	The DNSH test, and the insurer conversation. Highest return for the effort
No emissions calculation	Low, once consumption exists	Group and investor reporting
No water metering	Low to medium	An objective in its own right, and leak detection independently
No refrigerant register	Low — a survey	Emissions, and the asset life question in Guides 04 and 07
No asset register or capex plan	Medium	Demonstrates management. Guide 04 sets out how
No waste records	Low operationally; **impossible retrospectively** for completed construction	Circular economy objective. Must be contracted before works
No policies — environmental, human rights, anti-corruption	Low, and frequently the last thing anyone thinks of	The minimum safeguards test. Section 06
No named owner for any of this	Costs nothing	Everything above, sustained beyond the first questionnaire

THE ORDER TO CLOSE THEM IN

One. Get the interval data. It usually already exists, held by the supplier or the distribution operator, and has simply never been requested. It costs an email and it is the foundation of every other answer.

Two. Commission the climate risk assessment. A defined piece of work, the most common single failure point, and the item with the highest return for the effort involved.

Three. Fix the certificate. The most requested document, and out of date more often than not.

Four. Everything else, against the pathway. Once you know the position, the remaining gaps can be sequenced and costed like any other capital plan.

Where the evidence should live

The gaps reopen when the person who closed them leaves, or when the answer is assembled fresh for each questionnaire from whoever happens to have the file. One place, one owner:

- **A single asset data pack** per building, holding everything in Section 04, with the date and source of each item recorded
- **A stated status for every item —** measured, calculated, estimated, or not available with a date by which it will be. This is what makes the pack usable under pressure
- **A named owner** and a review interval, so it is current when asked for rather than reconstructed
- **A mapping** from the pack to each questionnaire you have answered, so the next one is a mapping exercise rather than a project

This is unglamorous and it is the difference between answering a request in a week and answering it in three months. During a transaction, that difference is the whole value.

BEWARE THE IMPROVEMENT CLAIM YOU CANNOT EVIDENCE

Claiming an improvement — a percentage saving, an emissions reduction, an upgrade benefit — without a measured baseline and a verification method is a risk, not an asset. It may be repeated in a counterparty's published disclosure, and unsubstantiated environmental claims carry reputational and, increasingly, legal exposure.

Guide 05 in this series sets out how to establish a baseline and verify a saving properly. Do not claim what that method could not confirm.

SECTION 06

The S and the G — *the parts everyone forgets.*

Property owners prepare for the environmental questions and are caught by the social and governance ones — which are about the company, not the building.

The minimum safeguards test in Section 03 is not about energy. It asks whether the undertaking conducts itself in line with international expectations on responsible business conduct, human rights and labour — and it applies to the company, its subsidiaries and, to a degree, its supply chain.

For an engineering-led organisation this is the least familiar territory, and it fails not because conduct is poor but because nothing is documented. The safeguards test is generally evidenced by policies, procedures and records rather than by outcomes, and an organisation that behaves well without documenting it will struggle to demonstrate it.

WHAT IS TYPICALLY EXPECTED

Area	What is usually asked for
Human rights	A policy commitment, a due diligence process proportionate to the business, and a route for raising concerns
Labour and employment	Compliance with applicable labour law, freedom of association, no forced or child labour, and how this is assured in the contractor chain
Health and safety	A management system and its records. Construction and property work is high-hazard, and this is examined seriously
Anti-corruption and bribery	A policy, training, and a reporting route. Frequently the first question in a lender's questionnaire
Grievance mechanism	A means for workers, neighbours and affected parties to raise a concern, and a record that concerns are handled
Supply chain	What is required of contractors and suppliers, and how it is verified. This is where the safeguards question reaches a property owner most directly
Tax conduct	Increasingly included in responsible business conduct assessments
Stakeholder and community	Particularly where a development affects neighbours, land use or access. IFI frameworks in particular are demanding here

GOVERNANCE IS THE SHORTEST ROUTE TO A STRONG ANSWER

The governance questions — who is accountable, what is documented, what is reviewed and by whom — are the cheapest part of this entire subject to answer well, and they carry disproportionate weight because they tell an assessor whether the rest of your answers can be trusted.

Establish and record: **who at board or management level is accountable for sustainability matters; what policies exist and when they were last reviewed; how performance is monitored and reported internally; and whether anything has been reported through a grievance or whistleblowing route and how it was handled.** A short, honest, dated set of documents beats an extensive one that nobody has reviewed since it was written.

Existing certifications are worth more than they are used for

An organisation already operating certified management systems is further along than it thinks. Certification to recognised standards for quality, environment, occupational health and safety and energy management provides documented processes, records, internal audit and management review — which is most of what a governance question is asking for.

Map what you already hold against what is being asked, before building anything new. The mapping routinely covers a substantial share of a questionnaire and costs an afternoon.

WHERE PERSONAL DATA ENTERS

Some social reporting asks for workforce data — composition, pay, turnover, incidents. Where that data identifies individuals, whether directly or through small group sizes, data protection obligations apply.

Establish the lawful basis and the aggregation level before supplying anything, particularly to a party outside your jurisdiction. Aggregating to a level where individuals cannot be identified usually satisfies the requirement and removes the exposure — but it must be decided before the data leaves, not afterwards. This is a question for counsel.

SECTION 07

The questionnaire *has arrived.*

What to do in the first week, in order — and what not to do at all.

The first week

1. **Establish what it is for.** The five questions in Section 02. Do not begin answering before you have the answers, and do not be embarrassed to ask — the sender usually knows the questionnaire is imperfectly targeted.
2. **Establish the real deadline** and what drives it. It is usually their reporting cycle, and it is frequently later than the covering email implies.
3. **Name one owner internally.** A questionnaire answered by four departments independently produces four inconsistent answers, and inconsistency is the thing an assessor notices first.
4. **Triage the questions** into: we have this; we can get this; this does not exist for this asset; this question does not apply. Four categories, done fast, before any answering begins.
5. **Go back with the triage** before completing anything. Confirming what is genuinely required, and what an acceptable answer looks like where data does not exist, saves more time than any other step.

THREE THINGS NOT TO DO

Do not estimate silently. An unmarked estimate becomes a fact in somebody else's audited report. Mark every answer as measured, calculated, estimated or unavailable.

Do not claim alignment. Supply verifiable facts about the building; let the party with the obligation reach the classification. Section 03.

Do not answer the questions that do not apply. Answering a question about an activity you do not carry out, or an asset you do not own, creates a data point that will be repeated back to you next year and the year after.

How to present a gap

Gaps are normal and expected. What distinguishes a good response is how they are presented. A gap stated with a reason, an owner and a date is a plan; a blank cell is a problem, and an invented figure is a liability.

THE FOUR-COLUMN ANSWER

Question	Status	Basis	Plan
Annual electricity consumption	Measured	Metered, interval data, 2023–2025	—
Tenant-level consumption	**Not available**	No sub-metering at tenant boundaries	Sub-metering in the 2027 capital plan; available from Q1 2028
Physical climate risk	In progress	Assessment commissioned	Report due [date]
Scope 3 category X	Not applicable	Activity not carried out by this entity	—

This format takes no longer to complete than a blank one, and it changes the character of the response entirely. It also becomes your own tracker: next year, the plan column is the work list.

If it is a loan or investment condition

Where the requirement is contractual rather than informational, the stakes change and so should the process.

- **Read the covenant before signing.** What exactly must be delivered, to what standard, by when, and what happens if it is not — a margin adjustment, an event of default, or a reporting obligation only
- **Establish who verifies** and at whose cost, and whether a third-party verification is required
- **Negotiate the timetable against the works**, not against the reporting cycle. A commitment to reach a standard by a date that does not allow for design, procurement and a seasonal commissioning period is a commitment you will breach
- **Establish what happens if the standard itself changes** during the term. This is a real risk in this field and it is rarely addressed in drafting
- **Take legal advice on the covenant.** This is the point in the whole subject where the exposure becomes concrete and binding

SECTION 08

Building the position, *in order.*

Twelve months of unglamorous work that converts an exposure into an asset — and the order that matters.

Months one to three — establish the position

- **Request interval data** for every meter, every fuel, for as far back as it exists. Costs an email; unlocks everything
- **Assemble what already exists** — certificates, assessments, surveys, policies, certifications, maintenance records. Most organisations hold more than they think and know where less of it is than they think
- **Identify who will ask.** List your lenders, investors, parent, major tenants and major customers, and establish what each is subject to. Ask them; they will tell you
- **Name the owner** internally, with time in their objectives

Months three to six — close the cheap gaps

- **Commission the physical climate risk assessment.** The highest-return item
- **Renew or obtain the energy performance certificate**
- **Calculate emissions** from the consumption data, recording the factors and their source
- **Complete the refrigerant register** — a survey, and it feeds Guides 04 and 07
- **Draft or review the policies** in Section 06, and map existing certifications against what is asked
- **Build the asset data pack** and put it in one place with one owner

Months six to twelve — build the pathway

- **Commission an energy audit** to establish what improvement is available and what it costs — Guide 05 of this series
- **Fill the metering gaps**, prioritising tenant boundaries where tenants will ask — Guide 09 §03
- **Produce the dated, costed improvement plan** over the holding period. This is the deliverable that matters most, per Section 04
- **Integrate it with the capital plan** so that improvement happens at the moment plant is replaced anyway, at marginal rather than full cost — Guide 05 §07
- **Set the review interval** for the whole position, and diarise it

THE TWO DISCIPLINES THAT KEEP THIS FROM DECAYING

One: everything carries a date and a source. An undated figure in an asset data pack is unusable within a year, because nobody can tell whether it is current or what it was derived from.

Two: the position is reviewed on a diarised interval, not when asked. This subject changes. A pack assembled once and never revisited will be confidently out of date at exactly the moment it matters, which is during a transaction or a refinancing.

What this is worth

The case for doing the work before being asked is not compliance — there is nothing to comply with. It is commercial:

- **Financing terms and access to lenders** whose own classification requires it
- **Transaction readiness.** Evidence assembled calmly costs a fraction of evidence assembled during due diligence, and it is materially more credible. Guide 04 describes what a buyer's adviser does with a gap
- **Tenant access.** Corporate tenants with their own reporting obligations are a narrowing pool for buildings that cannot supply data
- **Asset value**, to the extent that the market prices this — which varies, is developing, and is for your valuer rather than this guide
- **The work is useful anyway.** Interval data, sub-metering, an audit and a capital plan improve a building's operation whether or not anybody ever asks for them. That is the strongest argument in this document, and it does not depend on any regulation surviving

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On the cost of all this. This guide states no figure, because the cost depends entirely on what already exists. For most buildings the first six months of the programme above is a modest professional fee and some internal time, and it closes the majority of the gaps. The capital element sits in the improvement pathway, and belongs in the capital plan rather than in an ESG budget.

SECTION 09

The forty-point *checklist.*

Work through it once, then review it on a diarised interval. Every item is something you either hold, or know you do not.

A · ESTABLISH WHO IS ASKING

- [ ] Lenders listed, and what each is subject to established with them
- [ ] Investors and shareholders listed, and their obligations established
- [ ] Parent or group reporting requirement and template obtained
- [ ] Major tenants' and customers' requirements established
- [ ] Any IFI or development bank framework obtained and read
- [ ] Insurer's requirements on climate risk established
- [ ] Local legal position established with counsel, and a date set to ask again
- [ ] One internal owner named, with time in their objectives

B · WHEN A REQUEST ARRIVES

- [ ] Framework or obligation behind the request identified
- [ ] Legal obligation versus internal policy distinguished
- [ ] Mandatory versus best-endeavours questions distinguished
- [ ] Acceptable treatment of unavailable data agreed with the sender
- [ ] Real deadline and what drives it established
- [ ] Questions triaged into have / can get / does not exist / not applicable
- [ ] Every answer marked measured, calculated, estimated or unavailable
- [ ] No alignment conclusion volunteered — facts supplied, classification left to the asker
- [ ] Gaps presented with reason, owner and date rather than left blank

C · THE BUILDING EVIDENCE

- [ ] Interval consumption data obtained for every meter and fuel
- [ ] Two to three years of history secured
- [ ] Sub-metering position established, with tenant boundaries identified
- [ ] Energy performance certificate current, with the assessment behind it retained
- [ ] Emissions calculated, with factors and their source recorded
- [ ] Certificate and measured consumption compared, and any gap explained
- [ ] Physical climate risk assessment commissioned or held
- [ ] Adaptation measures identified where material risk was found
- [ ] Water consumption metered, or the gap recorded
- [ ] Refrigerant register complete with type, charge and regulatory status
- [ ] Asbestos and hazardous materials position established where applicable
- [ ] Asset register and dated capital expenditure forecast in place
- [ ] Waste arrangements documented; construction waste contracted where works are planned
- [ ] Dated, costed improvement pathway produced over the holding period

D · COMPANY, SAFEGUARDS AND GOVERNANCE

- [ ] Human rights, labour, anti-corruption and grievance policies in place and dated
- [ ] Health and safety management system and records available
- [ ] Contractor and supplier requirements defined and verified
- [ ] Existing management system certifications mapped against what is asked
- [ ] Board or management accountability for sustainability matters named
- [ ] Workforce data aggregation level and lawful basis established with counsel

E · KEEPING IT

- [ ] Single asset data pack per building, each item carrying a date and a source
- [ ] Mapping retained from the pack to each questionnaire answered
- [ ] Review interval diarised, and the legal position re-checked at each review

Position sign-off

Complete, date, and review on the stated interval.

ESG POSITION SIGN-OFF

Item	Name and role	Date and signature
Entity and asset		
Position established as at		
Counterparty requirements confirmed by		
Legal position confirmed by		
Asset data pack owner		
Checklist points 1–40 confirmed		
Next review due		

IF YOU CAN ONLY DO THREE THINGS

One. Get the interval consumption data. It usually already exists, costs an email, and every other answer depends on it.

Two. Commission the physical climate risk assessment. It is the most common single gap and the cheapest one to close.

Three. Produce a dated, costed improvement pathway. A serious counterparty is rarely surprised by a building's current performance — they are asking whether you know what it is and what you intend to do about it.

REFERENCE

References *and where to look.*

This subject is governed by legislation and by counterparty policy rather than by engineering standards. What follows is where to look, not what it says.

WHY NO LEGAL INSTRUMENT IS CITED BY NUMBER IN THIS GUIDE

The European sustainable finance and building performance framework consists of several instruments, each amended repeatedly, each supported by delegated acts and technical standards that are themselves revised, and all subject to a simplification exercise during 2025 whose final form must be verified as at the date you read this.

Citing an instrument, an article or a threshold here would create a false impression of currency. **Obtain the position from your legal adviser and from the counterparty asking, at the time they ask.** That is not evasion — it is the only responsible instruction this document can give.

Where to establish the position

For	Ask
Whether anything applies to you	Your legal adviser, and the counterparty asking. Nobody else can answer it
The current criteria for a building	The party performing the assessment, and the current published technical criteria they are applying — confirm the version
Local legislation and transposition	Your legal adviser, and the responsible ministry or agency. The pace differs by country and instrument
A lender's or IFI's own framework	The institution. It is published, it is contractually binding once signed, and it is frequently stricter than any legal requirement
Emissions factors	The counterparty first — they may require a specific source. Otherwise the recognised national or international dataset, recorded with its version
Certification schemes	The scheme operator. Criteria and versions change and an old certificate may be assessed against a superseded version

ENGINEERING STANDARDS RELEVANT TO THE EVIDENCE

Reference	Relevance
EN 16247 series	Energy audits — the method behind any credible improvement pathway
ISO 50001 · ISO 50006	Energy management systems, and measuring performance using baselines and indicators
IPMVP	Measurement and verification — how a claimed saving is substantiated. Guide 05 of this series
EN ISO 52000 series	Energy performance of buildings — the general assessment framework behind certification
EN ISO 52120-1	Contribution of building automation and controls, superseding the former EN 15232
ISO 14001	Environmental management systems — documented processes that answer much of a governance question
ISO 45001	Occupational health and safety management systems — the safeguards evidence
ISO 55000 series	Asset management — the framework behind lifecycle planning and the capital pathway
ISO 14064 series	Greenhouse gases — quantification and reporting at organisation level

THE INSTRUCTION THAT GOVERNS THIS WHOLE DOCUMENT

Nothing in this guide is a statement of law, of regulatory requirement, or of the content of any framework. It describes a structure and a method of preparation. Every specific requirement must be confirmed with your legal adviser and with the party asking, at the time they ask, against the version then in force.

About APIS

APIS is an integrated engineering group founded in Kosovo, operating across the Western Balkans and into the European Union. The Group delivers mechanical, electrical, energy and infrastructure works through twenty-one delivery divisions across two strategic business units — Building Systems & Technologies, and Energy, Industry & Infrastructure — supported by four engineering excellence centres. APIS operates management systems certified to ISO 9001, ISO 14001, ISO 45001 and ISO 50001.

The **Engineering Excellence Centres** provide the engineering half of this subject: measurement and baseline development, energy audit, metering and monitoring design, capital and lifecycle planning, and the improvement pathways that turn a position into a plan. **APIS does not provide legal, regulatory or accounting advice, and nothing in this guide should be read as such.** Where a requirement's applicability is in question, that is a matter for your legal adviser and for the counterparty asking.

Prepared by APIS Engineering & Advisory · **Document** APS-GD-10 issue v1.0 of 20 August 2026 · **Contact** apisgroup.net/contact

Had a questionnaire from your bank *and no idea what it is for?*

The engineering half of this is measurable and we do it: interval data, baselines, metering design, climate risk input, energy audit, and the dated costed improvement pathway that turns a gap into a plan. The legal half belongs with your counsel — and knowing which half is which is most of the battle.

SPEAK TO APIS ENGINEERING & ADVISORY

Asset data pack assembly · baseline and measured consumption · metering and monitoring design · energy audit to EN 16247 · improvement pathway and capital integration · measurement and verification · evidence support for lender and investor requests

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