



A document outlining
our sustainability
expectations and ambitions
for our partners

The power of partnership

Our sustainability charter



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**We're Landsec.
We believe great
places are for
people to experience
and are made
with the experience
of great people.**

This philosophy runs right through our business. Investing in people, understanding people and building relationships with people is how we build experiences.

The places and experiences we create aren't just innovative, efficient and resilient. They also have the potential to deliver a positive impact for the communities they're part of, the customers they serve, the people we invest in, and those who invest in us.

How we work

Our sustainability vision is to be the UK listed real estate sector leader. And our purpose is to provide the right space for our customers and communities – helping businesses to succeed and people to thrive. That's why we're here and it drives everything we do.

Experience tells us that thinking well ahead enables us to make much smarter decisions today. Get it right and we strengthen our reputation and deepen our relationships with the people who matter to us the most: our customers, employees, communities and you, our partners. Working in this way ensures that we can remain healthy and successful for years to come.

The power of partnership

Our business model of developing and operating properties relies on a network of partners. From construction to cleaning, our partners have far greater capacity than our business alone. What we buy, and how we choose to buy it affects our impact on others.

But poor labour standards in overseas supply chains, reliance on fossil fuels for material production, and ongoing health and safety challenges all affect the work we deliver. To tackle these problems, we work more closely together with partners, using our experience to approach each new challenge. We think carefully about what we buy, how we buy it and where we buy it from.



How to use this charter

In this charter, you'll find a guide to how we want to work together.

This charter applies to all our partners delivering projects and contracts across our business. Whether it's construction or cleaning, if you're providing goods and labour, or services to Landsec through any form of contract, this charter is for you. For our wider network of suppliers who only provide goods, we use our pre-qualification and on-boarding system to make sure that our expectations are met.

We use this charter to support positive and proactive conversations between our employees and our partners. So, when we're agreeing new contracts, reviewing existing contracts or planning a new project together, this charter needs to play a part in the conversation.

We recognise that many of our partners will have their own sustainability programmes, and those often work well alongside ours. But in some cases, we need our partners to use this charter to improve practices. Either way, we need to make sure that all our partners can meet our expectations, and that every contract or project moves us closer to meeting our ambitions.

Your partnership pledge

By partnering with us, there are some things we expect you to do. These are fundamental expectations which help to protect human rights, fairness and the environment. Where you don't meet these standards, we work with you to make improvements. In cases where you won't work with us to improve, we're prepared to stop trading with you completely. We always make this clear through our contracts.

- Provide safe, comfortable and healthy working conditions for your employees.
- Ensure that all forms of work in any part of your supply chain associated with Landsec projects and contracts are voluntary, safe and fair. In all parts of our supply chain, workers' rights need to be protected and this includes any forced, illegal or child labour.
- Comply with our One Best Way standards and commit to our One Best Way pledge, which provide the framework for health, safety and security in every project and contract.



- Have the right controls in place to avoid all forms of bribery and corruption, and promote ethical behaviour among your employees.
- Pay sub-suppliers associated with our projects promptly. We became signatories to the Prompt Payment Code in 2012. This means we are committed to paying our partners on time, giving clear guidance on our payment procedures and encouraging good practice. We are committed to paying our suppliers within 60 days, and are working to make 30 days the norm. We expect you to do the same, reinforcing this throughout your own supply chain.
- Pay the Living Wage throughout your operations where they are associated with our business. We're an accredited Living Wage Foundation employer so we expect you to check whether current Living Wage rates are being paid on our behalf. This is a 2020 commitment and we need to work together to ensure we deliver it by April 2020.

And most importantly, we expect you to reinforce everything in this pledge within your own projects, contracts and supplier appointments where they are associated with Landsec. We carry out due-diligence through our worker engagement surveys and site visits to make sure this is happening on the ground. And we work with you to do this in a practical and collaborative way.



Our sustainability commitments





Our sustainability commitments and what they mean for you

We believe sustainability is an opportunity to create better experiences. We've created twelve commitments which underpin everything we do. In this section of the charter, we take you through all of our commitments and explain what that means for you when you're working with Landsec.

Our sustainability strategy focuses on these areas:

- Creating jobs and opportunities
- Efficient use of natural resources
- Sustainable design and innovation

Under each commitment we've outlined our ambition in two categories.

Expectations

Expectations describe the things we need all our partners to do. This means that if you're not doing it already, you need to address it when you're working with us.

Opportunities

Opportunities are things we'll tackle together through shared goals, which we'll deliver through our projects and contracts. We discuss how to deliver these through the procurement process, or as part of our ongoing conversations through service delivery.

1. Creating jobs and opportunities

Building a strong workforce for the future

We're helping people from all backgrounds to build long and rewarding careers in property-related industries, including construction and hospitality. By doing this, we make our workforce stronger and more diverse – and our business more successful.



1.1 Community employment

Our commitment: Help 1,200 disadvantaged people to secure jobs by 2020

We help candidates find work in construction, on our sites and with our partners, and we help people into customer service roles at our office properties and shopping centres. To achieve this, we partner with other organisations, such as local authorities, charities and specialist training providers. By doing so, we boost local economies, strengthen our workforce, and enhance our reputation.

Expectations

We expect you to:

- Support our community employment commitment through creating job opportunities in your own organisation for our Community Employment Programme graduates. We agree a target for this through each project or contract.
- Use your knowledge, experience and skills to bring value to our educational programmes through volunteering.
- Provide training and development to your own employees to build skills and capacity.

Opportunities

We want to work with you to:

- Improve how we measure the economic and social value created through our projects and contracts. This might include calculating social return on investment (SROI), or quantifying the economic impact created through employment.
- Find ways to increase our spending with social enterprise and community interest companies.
- Look for new, innovative ways to expand the training academies to ensure that we are constantly addressing skills gaps.

1.2 Fairness

Our commitment: Ensure the working environments we control are fair and that everyone who is working on our behalf – within an environment we control – is paid at least the Foundation Living Wage

Fairness is about paying people a fair wage. It's also about upholding human rights and making sure people feel safe and respected in the workplace. Being fair is the right thing to do, ethically and commercially: it helps us attract, motivate and retain great people, and makes us the sort of responsible business our partners want to work with.

We're an accredited Living Wage Foundation employer so we expect you to check whether the Foundation Living Wage is being paid on our behalf and provide evidence of this. Evidence can be in the form of payslips or other records of pay which prove that the current Foundation Living Wage rate is being paid.

In all parts of our supply chain, workers' rights need to be protected and this includes any forced, illegal or child labour. You need to be able to prove you are checking this, especially in low-skill, high-churn jobs like construction cleaning and other minimum-wage labour roles.

We have a zero-tolerance approach to breaches of our human rights policy. Where we find forced labour or poor working conditions we work with the supplier to change it. However, where we've tried to make improvements but the supplier isn't responding, we're prepared to stop trading completely.

Expectations

We expect you to:

- Pay the Foundation Living Wage throughout your operations that are associated with our business.
- Ensure that all forms of work are voluntary, safe and fair, in any part of your supply chain associated with Landsec projects and contracts.
- Have the right controls in place to avoid all forms of bribery and corruption, and promote ethical behaviour among your employees.

Opportunities

We want to work with you to:

- Learn more about fair pay in every tier of our supply chain so we can ensure fair pay and good working conditions.

1.3 Diversity

Our commitment: Make measurable improvements to the profile – in terms of gender, ethnicity and disability – of our employee mix

Diversity in our project teams helps us avoid group think in our decision-making. It also fosters creativity and enhances the way we consider and manage risk. By making our teams more representative of the diverse customers and communities we support, we're more likely to be able to anticipate and respond to people's needs. We expect our contracts and projects to support this approach by encouraging diversity.

Expectations

We expect you to:

- Create, and be part of an inclusive culture where gender, sexuality, ethnicity and disability are respected, in all of our projects, contracts and destinations.

Opportunities

We want to work with you to:

- Make your diversity data more transparent. This will help us to measure and monitor our impact.
- Improve female, ethnic and LGBTQ representation at leadership level in all of our contracts and projects.

1.4 Health, safety and security

We know that accidents can delay our projects, damage our reputation and make it hard to attract skilled people. We also know the health impacts from construction can create far greater impacts. By setting outstanding health and safety standards and providing the right environment for people to thrive, we build a healthier, happier and more productive workforce. And by focusing on security, we protect people, information and business value.

As our partner, we expect you to align your way of working with the relevant Health, Safety and Security Charter for your area. We operate an annual charter through our Customer Improvement Groups where we ask our partners to join us in tackling the most important issues in that year. More on our Customer Improvement Groups on page 25.

Expectations

We expect you to:

- Deliver safe, healthy and secure projects and contracts without incident.
- Provide safe, healthy and secure places for people to work and our customers to visit and shop.
- Treat health like safety, with both physical and mental health in mind.
- Share knowledge and work together to improve health, safety and security management.

Opportunities

We want to work with you to:

- Set the tone and push the boundaries as informed and intelligent clients to our partners throughout the supply chain.
- Inspire visible leadership in health, safety and security, and provide a vision for behavioural change.
- Innovate and challenge existing standards to continually improve health, safety and security in our industry.

2. Efficient use of natural resources

When we buy, use and re-use resources efficiently, we see big benefits.

We minimise our effect on the environment. We reduce costs, for ourselves and for our partners. We are becoming more resilient to challenges caused by climate change, such as resource shortages and changing regulations.



2.1 Carbon

Our commitment: Reduce carbon intensity (kgCO₂/m²) by 40% by 2030 – compared to a 2013/14 baseline – for property under our management for at least two years, with a longer-term ambition of an 80% reduction by 2050.

In 2016, we set a Science-Based Target for reducing our emissions. This target was developed in partnership with the Carbon Trust and approved by the Science-Based Targets initiative. It is designed to prevent the worst impacts of climate change by keeping us within a two-degrees of warming scenario. When it comes to natural resources, everything we do needs to support meeting our carbon reduction target. But the system only works if other companies and industries get on board too. That's why we've committed to encourage you, our partners, to reduce carbon emissions.

Expectations

We expect you to:

- Have a target in place to reduce your company carbon emissions each year and be actively working towards it.
- Find ways to reduce the number of diesel and petrol vehicles in your fleet, especially in congested cities.

Opportunities

We want to work with you to:

- Set an approved Science-Based Target for reducing your carbon emissions.
- Move away from reliance on fossil fuels, particularly in the production of materials, both in the UK and overseas.

2.2 Renewable Energy

Our commitment: Procure 100% renewable energy across our portfolio and achieve 3 MW of on-site renewable electricity capacity by 2030.

As of 1 April 2016, all the sites we manage are supplied by SmartestEnergy, the UK's first officially certified 100% renewable electricity producer.

And we're proud to have been the first property company to join RE100, a group of influential businesses committed to renewable energy.

We are adopting renewable energy tariffs during construction too so that the power we use comes from certifiable renewable sources throughout the property lifecycle.

Expectations

We expect you to:

- Either procure renewable electricity, or have a plan in place to switch to a Renewable Energy Guarantees Origin (REGO) backed renewable tariff, where your electricity connection is under your control.

Opportunities

We want to work with you to:

- Find ways to increase our renewable capacity, through investing in new projects and installing new energy generating and storage equipment.

2.3 Energy

Our commitment: A 40% reduction in energy intensity (kWh/m²) by 2030 compared to a 2013/14 baseline, for property under our management for at least two years.

Managing energy well is important in reducing carbon intensity and keeping us on track to hit our targets. It keeps costs down, for us and for our customers. Renewable energy also makes us less dependent on fossil fuels, while on-site generation means we don't have to rely so heavily on the National Grid.

Expectations

We expect you to:

- Measure and manage your energy consumption in line with our ISO 50001 standards, including our Environment and Energy Policy and Metering Policy, which we always discuss and include in relevant projects and contracts.
- Know your energy use across your own properties and sites and have plans in place to reduce it each year.

Opportunities

We want to work with you to:

- Find innovative techniques and products to help us reduce energy costs for our customers.
- Partner on developing new solutions and trialling cutting-edge technologies and methods.

2.4 Waste

Our commitment: Send zero waste to landfill with at least 75% recycled across all our activities, and reduce construction waste to 6.5 tonnes/100m²

When businesses manage waste poorly, they waste money and there's an enormous impact on our planet. It stems from discarding resources that could be reused or recycled, then spending extra on waste collection. Our focus is on creating a circular economy: an economy where, instead of throwing things away, we re-use and recycle them.

Expectations

We expect you to:

- Send zero waste to landfill or have a plan in place to reach zero. We have a public commitment to reach zero waste to landfill by 2020 and expect you to tackle this whilst you're working with us.
- Have procedures in place to measure and manage the waste you produce.

Opportunities

We want to work with you to:

- Find innovative ways to reduce the amount of waste we produce through operating and developing properties.
- Find ways to re-use waste products in new materials, and send our waste to locations where it can be directly recycled.



3. Sustainable design and innovation

Great design creates great experiences for everyone

It increases efficiency and encourages people to spend time in our spaces. This is good for our customers, communities and partners – and therefore good for us. But we also need to use sustainable design to address risk. The risk of environmental and social issues in supply chains overseas. And the risks of climate change which are becoming more noticeable across our portfolio and activities.



3.1 Resilience

Our commitment: Assess and mitigate site-specific climate change adaptation risks which are material across our portfolio.

Business continuity is essential to all our customers. Whether this is retailers or office customers, disruption through flooding or building damage can be devastating. Climate change affects certain climatic factors like wind speeds, the volume of rain and snow, and extreme temperatures. But nobody really understands how these things might affect businesses in the long term.

Expectations

We expect you to:

- Have a plan to address climate risk and know what to do if flooding, storms or over-heating affect your operations.

Opportunities

We want to work with you to:

- Conduct regular inspections of our properties and sites to ensure they are resilient to storms.
- Have a Business Continuity Plan in place so that everyone knows what to do in the event of flooding.

3.2 Materials

Our commitment: Source core construction products and materials from ethical and sustainable sources.

Who we work with and who we purchase from is important at every level, from partners on our sites in the UK to workers in factories and mineral extraction abroad. The Global Slavery Index shows that certain countries have substantial risk of slavery in manufacturing, and many manufacturing processes are hugely damaging to the environment through pollution and carbon emissions. To address pollution and labour standards in material production, first we need our partners to support us in developing better transparency. So, when our designers specify materials or buy materials from outside the EU, we will engage with the supplier to ensure expectations are met.

Expectations

We expect you to:

- Purchase materials produced in a safe and healthy way.
- Avoid buying materials which cause pollution or carbon emissions in the manufacturing process, like anodised metals, crude-oil derived products and materials with high transport emissions.

Opportunities

We want to work with you to:

- Trial assessments and audits to check sub-suppliers, particularly outside the EU, against fair pay and labour standards. This could be through tools like SEDEX, EcoVardis and SA8000.

3.3 Biodiversity

Our commitment: Maximise the biodiversity potential of all our development and operational sites. Achieve a 25% biodiversity net gain across the five sites offering the greatest potential by 2030.

Biodiversity is the variety of plant and animal life in a habitat. Biodiversity can inspire people to spend more time in a space and help create a great experience, so it's an important consideration in our developments. However, activities in our industry, like building on green spaces, over-using natural resources and employing processes that pollute water and damage soil can damage biodiversity. That's why we're working to increase biodiversity at our assets – by carefully considering green infrastructure like green roofs and other vegetation.

Expectations

We expect you to:

- Minimise any negative impacts your activities have on biodiversity through our contracts and projects.

Opportunities

We want to work with you to:

- Improve biodiversity across our sites, and deliver improvements in the quality and area of biodiversity through our development programme.

3.4 Wellbeing

Our commitment: Ensure our buildings are designed and managed to maximise wellbeing and productivity.

All kinds of people visit our spaces – from office workers and clients to shoppers and retail staff, from local residents to tourists. We want all of them to have a great experience. That’s why we’ve committed to making sure our buildings are designed and managed to maximise wellbeing and productivity. This means creating extraordinary spaces where people can be happy: offices that attract, support and inspire the very best talent, and shopping and leisure developments that draw visitors from miles around.

Expectations

We expect you to:

- Protect your employees’ health by avoiding the use of harmful substances in cleaning, construction and manufacturing.
- Provide support and assistance to employees for stress and mental health, and avoid long working hours.

Opportunities

We want to work with you to:

- Improve working environments in temporary offices, particularly on construction sites.
- Promote healthy lifestyles through sports, social and wellbeing activities.



How to get started

This charter is supported by our Whistle-Blowing Hotline. You can use this to report anything that might compromise our expectations for health, safety, security and fair working conditions. This includes everyone working for Landsec and our partners. This service is provided by EXPOLINK a completely independent organisation with impartial staff that will handle your information. You can call on 0800 374 199 which is an anonymous, free to call and confidential service where your call will not be traced or recorded. Alternatively, you can send an email to landsec@expolink.co.uk and your email will not be traced or stored if you have asked to remain anonymous.

We want you to promote our Whistle-Blowing Hotline in your own organisations. Please share the phone number and email with your colleagues and suppliers and encourage them to use it to report cases where our charter isn't being upheld, from poor labour standards to bribery and corruption.

The most important thing you need to do is read our partnership pledge on page five. These are our fundamental expectations and they're the best place to get started.

Throughout the charter we talk about expectations and opportunities. Where you spot an opportunity and want to partner with us to tackle it, we want you to get in touch. The best person is always your main Landsec contact, but you can also contact the Sustainability team on sustainability@landsec.com, and the Health, Safety and Security team on hsmanagers@landsec.com.

You can also get involved with our Customer Improvement Groups – nine groups covering everything from construction to cleaning. The groups meet at different locations around the country on a quarterly basis and discuss best practice, innovation and partnering. You can find out more and join our Customer Improvement Groups by emailing hsmanagers@landsec.com.

This charter is supported by our [sustainability policy](#) which applies to everything we do, and our [sustainability brief](#) which sets out our approach to developments. We use this set of documents to make our sustainability programme relevant to everything we do. We update this charter regularly to make sure it's always relevant – so let us know what's working, what isn't and what could be improved.



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