

Sustainability update 2018



Our results

1,100+

Disadvantaged people supported into employment through our Community Employment Programme

£100,000+

Funds raised for our national charity partner Barnardo's

100%

Strategic suppliers paying the living wage in London

28.6%

Reduction in carbon emission intensity

1.4MW

On-site renewable electricity capacity

100%

Waste diverted from landfill

£13.2bn

Total contribution to the UK economy each year from people based at our assets



By strengthening our relationships and achieving the right results we make our company more resilient. We want customers to prefer our space. We want communities to be pleased it's us operating in their area. We want our partners to share our priorities and principles. And we want our employees to feel this is the best place to invest their energy and ambition. Get all of this right and we can sustain Landsec as a strong and respected company for years to come.

Robert Noel, Chief Executive



Our sustainability programme focuses on three key areas:

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

See overleaf for a summary of the progress we've made against our twelve commitments in these three priority areas. This year you'll find updates on all our sustainability activities, performance and data embedded throughout our Annual Report.

Our 2017/18 highlights include; undertaking a climate change resilience study to assess the risks and opportunities to our business, launching a sustainability charter

for partners which sets out our sustainability expectations, retrofitting solar panels to several of our Retail assets and producing our first economic contribution report.

Find out more

You can see our 2018 Performance Data Report plus more detail on our sustainability activities at: landsec.com/sustainability

For further queries contact Caroline Hill, Head of Sustainability and Public Affairs: caroline.hill@landsec.com

For regular sustainability updates follow us



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Sustainability performance at a glance

Our commitments and progress to date

Commitments

 Existing commitment

 New commitment

Creating jobs and opportunities



Community employment

Commitment

Help a total of 1,200 disadvantaged people to secure jobs by 2020.

Progress:  On track

Employment secured for 1,149 people from disadvantaged backgrounds.



Fairness

Commitment

Ensure the working environments we control are fair and ensure that everyone who is working on our behalf – within an environment we control – is paid at least the Foundation Living Wage by 2020.

Progress:  On track

Continue to be an accredited Living Wage employer. Launched our new Sustainability Charter setting out our expectations of our partners.



Diversity

Commitment

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

Progress:  On track

We have made clear progress in three out of four of our stated diversity targets this year.



Health, safety and security

Commitment

Maintain an exceptional standard of health, safety and security in all the working environments we control.

Progress:  On track

Raised awareness of physical and cyber security in our own organisation and across our industry, and continued our work in improving industry standards on physical and mental health, without losing our focus on safety.

Efficient use of natural resources



Carbon

Commitment

Reduce carbon intensity together (kgCO₂e/m²) by 40% by 2030 compared to a 2013/14 baseline, for property under our management for at least two years.

Progress:  On track

Reduced carbon intensity by 28.6% compared to 2013/14 baseline.



Renewables

Commitment

– Continue to procure 100% renewable electricity across our portfolio
– Achieve 3 MW of renewable electricity capacity by 2030

Progress:  Complete

– Continue to procure 100% renewable electricity across our portfolio and at least 15% of gas volumes from green sources

Progress:  On track

– Renewable electricity capacity reached 1.4 MW



Energy

Commitment

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

Progress:  On track

Reduced portfolio energy intensity by 14.3% compared to our 2013/14 baseline.



Waste

Commitment

– Send zero waste to landfill
– At least 75% recycled across all our operational and construction activities by 2020

Progress:  Complete

– Diverting 100% from landfill

Progress:  On track

– Recycling 74.9%

Sustainable design and innovation



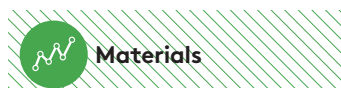
Resilience

Commitment

Assess and mitigate site-specific climate change adaptation risks that are material across our portfolio.

Progress:  On track

Undertaken research to assess climate risk across the business, modelling different scenarios of warming. Disclosing against the Task Force for Climate-related Financial Disclosures (TCFD) for the first time.



Materials

Commitment

Source core construction products and materials from ethical and sustainable sources.

Progress:  On track

Encouraging designers at 21 Moorfields and One Sherwood Street to specify materials from within the EU and using industrial by-products in concrete; thereby reducing our carbon emissions.



Biodiversity

Commitment

Maximise the biodiversity potential of all our development and operational sites and achieve a 25% biodiversity net gain across our five sites currently offering the greatest potential, by 2030.

Progress:  On track

63 biodiversity enhancements have been identified across the five key sites. Ten measures installed since 2016/17.



Wellbeing

Commitment

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

Progress:  On track

BREEAM health and wellbeing criteria being used to assess and improve acoustics, air quality and daylighting in London development pipeline.