

Energy and its role in Sustainability

Martin Ratcliffe
Procurement Manager

Kate Neale
Environment & Energy Manager



01

What does Sustainability mean for Hammerson?

02

Understanding Our Impact

03

Energy Management

04

Questions



01

What does Sustainability mean for Hammerson?



Introduction to Hammerson

Hammerson create retail destinations



Experience

23 prime shopping centres
UK, Ireland and France

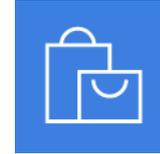
Around 280 million visitors
each year



Convenience

18 retail parks

2nd largest owner of retail
parks in UK



Luxury

19 Premium Outlets

12 countries across Europe



How we create value – our business model

Our mission

At Hammerson our mission is to create desirability for our consumers and commercial partners. We own, operate and develop retail destinations that interact seamlessly with digital and bring together the very best retail, leisure and entertainment brands. We seek to deliver value for all our stakeholders, and to create a positive and sustainable impact for generations to come.

Key resources

The success of our business depends on a number of principal inputs.

HIGH-QUALITY PROPERTY

High-quality property in prime locations across selected European retail markets

- Experience
- Convenience
- Luxury

TALENTED PEOPLE

Skilful and motivated people and teams united around a clear set of values

RETAIL INSIGHT

Deep retail knowledge captured through long-standing commercial relationships, data insight and consumer research

FINANCIAL CAPITAL

Dependable access to, and continued trust of, international capital markets

A clear operational model

The key actions that we undertake towards achieving our strategic objectives to create value.

ASSET MANAGEMENT

We skilfully manage our portfolio in a sustainable way to generate income growth and to attract tenants and shoppers

INVESTMENT MANAGEMENT

We employ market expertise to recycle our portfolio. Taking advantage of acquisition opportunities which enhance the quality of our portfolio and future returns and disposing of assets at the right time

DEVELOPING VENUES

We have a proven track record in creating sustainable retail and leisure destinations which anticipate future consumer needs and ensure that retailers will thrive for years to come

FINANCIAL EFFICIENCY

We manage and control our costs, both operational and financial, and optimise the capital base to support the delivery of our strategy

Uniquely differentiated by our Product Experience Framework

Our Product Experience Framework is embedded across everything we do, providing a unique point of differentiation. We constantly challenge ourselves to apply best practice in retail design and digital solutions, customer engagement and sustainability.



ICONIC DESTINATIONS



BEST AT RETAIL



CONVENIENT & EASY



INTERACTIVE & ENGAGING



ENTERTAINING & EXCITING



POSITIVE PLACES

To deliver value for our stakeholders

By successfully employing our business model we aim to deliver a positive result for all our stakeholder groups.

FINANCIAL RETURNS...

For shareholders

DESTINATIONS...

For retailers and shoppers

ECONOMIC AND SOCIAL BENEFITS...

For our people and communities

The Hammerson Brand Strategy Framework

PROPOSITION
We create desirability

VISION
We create destinations where more happens for communities, for consumers and for brands.

MISSION
Our mission is to create desirability for our consumers and commercial partners. We own, operate and develop physical destinations that interact seamlessly with digital and bring together the very best retail, leisure and entertainment brands. We seek to generate above industry returns for all stakeholders, and to create a positive and sustainable impact for generations to come.

VALUES

Ambition
We continually stretch ourselves to be the best we can be

Respect
We value people's time and ideas, and consider how our actions affect others

Collaboration
We work together as one team, openly sharing ideas, information and resources

Responsibility
We take ownership and encourage others to do the same

EXPERIENCE

Iconic destinations

World class architecture
Seamless technology
Heart of the community

Best at retail

Optimal merchandising mix
Flexible stores
Shared resources

Convenient and easy

Shopping centre services
Facilities

Supportive and engaging

Face to face cust service
Digital infrastructure
Reasons to dwell

Entertaining & exciting

Food & beverage
Integrated leisure
Highly programmed centres

Sustainability

We will create destinations that deliver positive impacts economically, socially and environmentally



Hammerson



Our sustainability Vision:

To create retail destinations that deliver positive impacts economically, socially and environmentally

Positive Places is our strategy for making that happen.



Positive Places – an evolution

Our five sustainability commitments

In 2015 we launched a new set of commitments, each with it's own set of targets:

Challenge & Innovate

Challenging the status quo and trialing new approaches and solutions to support the transition to a more sustainable business model

Protect & Enhance

Protecting and enhancing our natural environment by minimising resource consumption and delivering restorative projects

Serve & Invest

Delivering social value to the communities we serve, measured in jobs, skills, civic pride and investment

Partner & Collaborate

Taking a stakeholder led approach to create collaborative projects and evolve from client to partner

Upskill & Inspire

Investing in our people, and recognising and rewarding those that deliver change

02

Understanding our Impact



Setting our 2020 targets

Theme	Issue	Materiality
Environmental	Energy security and demand	High
Economic	Technology	High
Social	Community engagement, investment and relevance	High
Environmental	Waste	High
Economic	Meeting customer sustainability objectives	High
Environmental	Water	Medium
Environmental	Material use & sustainable procurement during development & operation	Medium
Social	Placemaking	Medium
Environmental	Adapting to climate change and climate change policy	Medium
Economic	Impact of sustainability on value	Medium
Social	Local economic development and demographic change	Medium

2015 – 2020 Targets

Our published medium term targets

Protect & Enhance

- Reduce carbon emissions intensity of the business by 20%
- Reduce operational energy use by 10% by 2018 across the like for like shopping centre and retail parks portfolio
- Build 2 mW renewable capacity-into our existing assets and new developments by 2020
- Achieve 100% diversion of operational and construction waste from landfill in the UK by 2020
- Achieve 98% diversion of operational and construction waste from landfill in France by 2025
- Reduce landlord water intensity by 10% by 2020 against a 2015 baseline for like for like shopping centre portfolio
- Meet 100% of irrigation demands and 25% of flushing demand from non-potable water for all new developments and major extensions entering planning and design after 1st Jan 2015

2015 – 2020 Targets

Our published medium term targets

Serve & Invest

- Community design workshops to be held for all UK shopping centre developments and major extensions by the end of RIBA Stage 2 from 1st January 2015
- Extend our place-making impact assessment across the UK portfolio by 2017

Partner & Collaborate

- Deliver a centre-based retailer engagement activity across all UK and French shopping centres by 2017
- Review and update the Supply Chain Survey in 2016

Upskill and Inspire

- Ensure that 100% of Hammerson employees who have been employed for 12 months or more have received sustainability training by 2017

03

Energy Management



Energy Procurement

Buying Green



- HH supplies certified renewable since October 2015
- NHH supplies certified renewable since October 2016
- Service charge and Landlord cost

Energy Procurement
Supplying Green



Demand Reduction

Reducing Spend



- 'Positive Places Plans' in place for every managed asset
- Bespoke asset efficiency targets
- Focus on LEDs, variable speed drives, and controls
- Always looking for innovation

05

Questions

