

Sustainability update 2020



We are a global sustainability leader in our sector, creating long-term financial, physical and social value for our stakeholders. Here are some of our key achievements in 2019/20.

Creating a net zero carbon strategy for our business

We've committed to becoming a net zero carbon business by 2030 and developed a five-point plan to achieve this through: reducing energy use and carbon emissions, investing in renewable energy, using an internal shadow price of carbon, reducing our construction impacts, and offsetting our remaining emissions.

Progress towards our new 2025 social value target

Measuring the positive impact we generate through our community programmes means we can target our work to where we can make a difference. This includes creating opportunities for young people from diverse socio-economic backgrounds, current and ex-offenders, and people experiencing homelessness. We're committed to creating an ambitious £25m of social value by 2025 and this year we achieved over 4.8m, exceeding our in-year target of £4m.

Our community response to Covid-19

In response to the Covid-19 pandemic, we've helped our charity partners to provide immediate and ongoing support to people in our local communities, including people experiencing homelessness, families in poverty, people facing job insecurity and vulnerable individuals in isolation. In addition, we are a founding supporter of LandAid's Covid-19 appeal, which unites the property industry in helping charities to deliver basic necessities to vulnerable young people. We've also used our spaces to provide free car parking for NHS staff and other key workers.

Making responsible material choices and maximising biodiversity across our developments

Within our growing development pipeline, we're working closely with our partners to equip them with the right tools for meeting our expectations around responsible sourcing of construction materials. This year we've published a new Prohibited Materials List to strengthen our fight against modern slavery, reduce negative health impacts and improve resource efficiency.

In addition, we've published our new Biodiversity Brief to embed sound ecological principles into our new developments and contribute to a healthy and thriving green infrastructure. We are committed to maximising the biodiversity potential of all our developments by achieving significant net gain in a way that is considerate of each site's ecological context.

Find out more

You can find detailed performance and disclosures in our 2020 Sustainability Performance and Data Report and in the 2020 Annual Report, plus more detail on our policies and approach to environmental, social and governance issues at landsec.com/sustainability.

For further queries contact sustainability@landsec.com

In the face of the considerable near-term impact of Covid-19, it can be easy to lose sight of the very significant threat posed by climate change. Landsec has always been a sector leader in this space – we were the first commercial real estate company in the world to commit to science-based reduction targets for CO₂ and we built on that in 2019 by committing to become net zero carbon by 2030 – and I am determined that we continue to build on this leadership position in the years ahead."

Mark Allan
Chief Executive

Sustainability performance against commitments 2019/20

Progress

- Complete
- On track
- Incomplete





Commitments

- ↻ Existing commitment
- + New commitment
- ↑ Updated commitment





Creating jobs and opportunities

Social value 	Fairness 	Diversity 	Health and Safety 
<p>Commitment ↑</p> <p>Create £25m of social value through our community programmes by 2025.</p>	<p>Commitment ↻</p> <p>By 2020, ensure everyone working on our behalf, in an environment we control, is given equal opportunities, protected from discrimination and paid at least the Real Living Wage.</p>	<p>Commitment ↻</p> <p>Make measurable improvements to the profile – in terms of gender, ethnicity and disability – of our employee mix.</p>	<p>Commitment ↻</p> <p>Maintain an exceptional standard of health, safety and security in all the working environments we control.</p>
<p>●●● Performance: On track</p> <p>Created over £4.8m of social value through our community programmes, exceeding our in-year target to create £4m.</p>	<p>●●● Performance: On track</p> <p>We continue to be an accredited Real Living Wage employer and we're on track to meet our 2020 commitment to ensure everyone working on our behalf, in an environment we control will be paid the Real Living Wage by the end of 2020.</p>	<p>●●● Performance: On track</p> <p>Across the whole organisation 52% of our employees are female, exceeding our 2025 target of 50%. In the representation of women at leader level, we increased to 24% this year (2019: 19.5%) but at senior-leader level, we moved backwards to 30% (2019: 38%).</p>	<p>●●● Performance: On track</p> <p>Migrated to ISO 45001 and launched a new mandatory health and safety training for all employees. In response to the Grenfell fire we've invested over £7m rectifying almost 125,000 firestopping defects in our buildings.</p>

Efficient use of natural resources

Carbon 	Renewable energy 	Energy 	Waste 
<p>Commitment ↑</p> <p>Reduce carbon emissions (tCO₂e) by 70% by 2030 compared with a 2013/14 baseline, for property under our management for at least two years.</p>	<p>Commitment ↻</p> <p>– Ensure 100% of our electricity supplies through our corporate contract are from REGO-backed renewable sources</p> <p>– Achieve 3MW of renewable electricity capacity by 2030.</p>	<p>Commitment ↻</p> <p>Reduce energy intensity (kWh/m²) by 40% by 2030 compared with a 2013/14 baseline, for property under our management for at least two years.</p>	<p>Commitment ↻</p> <p>– Send zero waste to landfill</p> <p>– At least 75% waste recycled across all our operational activities by 2020.</p>
<p>●●● Performance: On track</p> <p>Reduced our carbon emissions by 42% compared to 2013/14 in line with our updated target. Carbon intensity has been reduced by 48% since 2013/14.</p>	<p>●●● Performance: Complete</p> <p>Continue to procure 100% renewable electricity across our portfolio.</p> <p>●●● Performance: On track</p> <p>Our current on-site renewable electricity capacity is 1.5 MW.</p>	<p>●●● Performance: On track</p> <p>Reduced energy intensity by 22% compared to 2013/14.</p>	<p>●●● Performance: Complete</p> <p>Continue to divert 100% from landfill across our operational activities</p> <p>●●● Performance: On track</p> <p>We recycled 73% of operational waste</p>

Sustainable design and innovation

Resilience 	Materials 	Biodiversity 	Wellbeing 
<p>Commitment ↻</p> <p>Assess and mitigate physical and financial climate change adaptation risks that are material across our portfolio.</p>	<p>Commitment ↻</p> <p>Source core construction products and materials from ethical and sustainable sources.</p>	<p>Commitment ↻</p> <p>Maximise the biodiversity potential of all our development and operational sites and achieve a 25% biodiversity net gain across our five operational sites currently offering the greatest potential, by 2030.</p>	<p>Commitment ↻</p> <p>Ensure our buildings are designed and managed to maximise wellbeing and productivity.</p>
<p>●●● Performance: On track</p> <p>Continue to align our climate-related disclosures with the TCFD recommendations. We'll update the physical climate change impact research and undertake a quantitative assessment of transition risks during the summer 2020.</p>	<p>●●● Performance: On track</p> <p>Created a Prohibited Materials List to guide our supply partners and mitigate human rights risks. 99.9% of key construction materials are responsibly sourced.</p>	<p>●●● Performance: On track</p> <p>Continue to partner with The Wildlife Trusts to enhance biodiversity net gain at our five operational sites. On track to deliver significant net gain on our developments and published our new Biodiversity Brief for developments.</p>	<p>●●● Performance: On track</p> <p>The WELL recertification process for our HQ is progressing. Our commercial office developments are designed to enable customers to achieve the WELL certification for their operations.</p>