



Hammerson

Balancing Projects

**Our approach to
using insets and
offsets to reach our
Net Positive targets**



Our approach to becoming Net Positive focuses on reduction through good management, investment in efficiencies, technology and onsite renewables first and foremost. This lies at the heart of our management approach for all our environmental impacts and delivers the vast majority of our gains.

Once we have achieved the best outcomes we can using this approach, there will be residual impacts that we need to balance with projects of at least equivalent environmental value, to bring us to a Net Positive outcome. These are known as balancing projects.

We prioritise balancing projects that reduce impacts within our value chain – a process known as insetting. Insetting examples include supporting our retailers to reduce their energy and water demand and sending food waste from our sites to anaerobic digestion for conversion into green gas.

Our final step is reducing impacts through balancing projects outside our value chain - offsets. Example offset projects include water reduction activities in community organisations and diverting textiles from landfill by collecting and donating centre visitors' second hand clothes to charity.

We have worked with external consultants JLL Upstream and Futureground to develop a clear set of rules for balancing projects, ensuring that they are additional and that data is robust. These rules and our application of them in calculating performance against our Net Positive targets have been independently reviewed by Deloitte.

OUR PRINCIPLES	
	Balancing Projects must always...
1	Have a clearly defined boundary in relation to scale, scope, impact and location
2	Be transparent in how their baseline and savings are calculated
3	Have additionality, defined as being larger in scale, impact and/or scope and/or take place more quickly as a result of Hammerson's involvement
4	Not have any significant negative one-off or recurrent secondary impacts upstream or downstream. These include environmental, social and business impacts
5	Be subject to a robust governance process , aligned to core business planning and management
6	Be monitored and quantified on a timely basis through efficient data collection and analysis, guided by a monitoring plan
7	Be reported in a transparent manner and on a regular basis

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OUR PROCESS IN ACTION

EXAMPLE PROJECT	<p>OUR BALANCING PROJECT PRINCIPLES IN ACTION</p> <h3>Electric Vehicle (EV) charge points at assets across our portfolio</h3> <p>We have installed over 50 electric vehicle charging points at our assets, facilitating lower emission transportation for the visitors to our shopping centres. Their carbon emissions reductions achieved through actions we take as a business can be considered a legitimate balancing project and can be counted as a reduction against our carbon footprint if they meet our balancing project tests.</p> 
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Hammerson Positive Places

Our sustainability vision is to create retail destinations that deliver Net Positive impacts economically, socially and environmentally.

Positive Places is our strategy for making that happen.

If you have any questions about our environmental footprint or the information contained within this document please contact the Hammerson Sustainability Team at:

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**Positive
Places**