



Hammerson



	Risk Area	Risk	Management Approach	External or internal audit/review process	Residual Risk assessment	Positive Place CR Board Responsibility
Business Strategy						
	Reputational	Failure to meet published sustainability objectives or comply with published sustainability principles leading to reputational damage	Measures put in place to underpin work towards the 2020 targets including role specific objectives and inclusion of carbon within Personal bonus calculations. Asset teams are clear regarding the key projects that need to be delivered. The Sustainability Team works closely with the Asset Management and Property Management teams to ensure opportunities to improve performance are identified and initiatives implemented.	Independent verification of environmental data Independent assurance of reported performance against sustainability targets	Medium	Group Head of Sustainability
	Financial	Failure to address sustainability within our development programme and deliver successful outcomes leading to potential delay to planning and or development process, reputational damage, financial penalties and/or loss	Our experience and expertise in this area is strong however the implementation of the City Quarters strategy will place additional demands on the business to deliver more complex, longer term sustainability outcomes. The adoption of Passivhaus and DfP alongside BREEAM will support out delivery of high performing schemes. These requirements alongside a clear vision for a sustainable product need to be a fundamental part of the CQ concept.	Developments benchmarked to external standards such as BREEAM Design teams assessed through internal review process Planning control provides external review mechanism	Medium	Development Director
	Regulatory	Non-compliance with UK, Irish, French and EU Environmental regulation and legislation leading to potential financial loss and/or penalties, reputational damage	Carbon Reduction Commitment energy efficiency scheme. <ul style="list-style-type: none"> Reporting assets identified and data evidence gathering procedures and methodology in place Annual reporting complied with and cost of allowances passed through to tenants in accordance with RICS Service Charge Code. Asset business plan target to reduce CRC costs through energy reduction Minimum Energy Efficiency Standards: <ul style="list-style-type: none"> Programme of work to reduce exposure to EPC risk by reviewing E, F and G rated units progressing. At risk units prioritized based in leasing strategy. Establish and embed a robust EPC process in retail delivery to ensure there is no risk from MEES legislation Lease clauses updated to ensure compliant EPC is retained when a tenant vacates Retail delivery process refined to ensure fit out delivers a compliant EPC Energy Savings Opportunity Scheme: <ul style="list-style-type: none"> Audits carried out as required for UK portfolio Implementation of appropriate findings within asset business plans French portfolio not required to report under Article 8 regulations Heat Network Regulations: <ul style="list-style-type: none"> Relevant assets registered and reported 		Medium	Group Head of Sustainability
	Reputational	Non-compliance with good governance standards within the business and within the supply chain leading to potential financial loss and/or penalties, reputational damage	Governance is an increasingly significant area of scrutiny for investors with an ESG framework. We need to a more robust means of assessing a range of issues for our supply chain.	Internal review Publication of Supplier Report	Medium	CEO
	Financial	Rising energy cost including regulatory/fiscal charges leading to potential financial loss	We are committed to reducing carbon emissions, and our exposure to carbon tax		Medium	Operations Director
Property Development						

	Risk Area	Risk	Management Approach	External or internal audit/review process	Residual Risk assessment	Positive Place CR Board Responsibility
	Reputational	Poor performance in investor-focused industry benchmarks leading to potential reputational damage	We have started to use a consultant to do some of this work and to review our performance. Scores increased in 2019. Need to investigate additional platforms, particularly Sustainalytics but also Bloomberg.	External assurance of reported data	Medium	Group Head of Sustainability
	Reputational	Failure to achieve corporate targets of Passivhaus standard for residential, BREEAM Excellent and implementation of DfP on hotel and office schemes.	Experience is enabling us to deliver BREEAM against target. This risk is now low but as we have raised our targets to achieve Passivhaus and to implement DfP the risk description has been updated and this remains a medium risk.	BREEAM, Passivhaus and DfP-trained engineering partners provide external review	Medium	Director, Retail Dev
	Operational					
	Reputational	Lack of engagement of JV partners on sustainability matters leading to potential reputational damage through failure to meet targets and/or financial loss through inefficient operation of assets	Increasing investor concern with Environmental, Social and Governance issues and their development of bespoke internal rating systems makes our continued dialogue with this stakeholder community essential. We continue to gain useful feedback and input from many of the investors with engagement with on ESG and sustainability issues.		Medium	Group Head of Sustainability
	Financial	Impact of climate change on our portfolios leading to potential financial loss through additional operational and insurance costs, financial and reputation loss through inability of assets to function effectively	Climate risk scenario work needs to be carried out to ensure we understand upstream and downstream climate risk for the business. This was initially scheduled for 2020 but has been moved back to 2021.	Developments benchmarked to external standards such as BREEAM Design teams assessed through internal review process	Medium	Director UK and Ire Shopping Centres MD Hammerson Fr
	Reputational	Staff insufficiently equipped with the knowledge and tools to achieve corporate sustainability goals leading to potential Reputational damage through failure to meet targets and/or financial loss through inefficient operation of assets	We work closely with our internal teams and our suppliers to ensure all staff receive sufficient environmental and sustainability training to support them in the delivery of the sustainability requirements of their role.		Medium	Group Head of Sustainability