

# Upstream Sustainability Services

## Verification Statement



To the Stakeholders of Hammerson plc.

Upstream Sustainability Services, (a division of JLL Ltd, hereafter referred to as Upstream), has been engaged by Hammerson to verify selected 2015 Corporate Responsibility (CR) performance measures and selected environmental and sustainability information in its 2016 Corporate Responsibility report.

### Scope of work

Verify Hammerson's reported progress against the following 6 non-environmental CR performance measures, using the calculation methodology defined in previous CR Reports<sup>1</sup> – these are:

- a. Biodiversity action plans at all managed retail assets in the 2010 like for like portfolio (2010-2015 target)
- b. 45% of the number of suppliers with annual spend over £100,000 to be engaged with on sustainability, annually (2010-2015 target)
- c. Ensure that 100% of Hammerson employees who have been employed for 12 months or more have received sustainability training over the target period (2015-2107 target)
- d. Deliver a centre-based retailer engagement activity across all UK and French shopping centres (2015-2017 target)
- e. Community design workshops (2015-2107 target)
- f. Extending place-making impact assessment (2015-2107 target)

### Methodology

Upstream uses an in-house verification methodology which is based on the main requirements of the ISAE3000 and AA1000 assurance standards. These include independence and impartiality, the development of a verification plan and the testing of a sample of data back to its primary source evidence.

In order to complete the above Scope of work, Upstream:

- Conducted limited verification of the six CR measures specified back to primary (invoices, site plans) and secondary (data collation and calculation tools such as spreadsheets and other records) evidence to support the reported performance for the environmental CR measures referred to above;
- Conducted verification-related discussions with Hammerson's Head of Sustainability, its Environmental Data Analyst, its Community Manager, Finance Operations Manager and relevant shopping centre property managers, and consultants;
- Recalculated the performance as needed, based on evidence provided through the verification process.

### Limitations and exclusions

The following limitations and exclusions apply:

- Data outside the defined reporting period of the 2015 calendar year;
- Financial information in Hammerson's Connected Reporting Framework and Annual Report;

### Conclusions

Based on the scope of work and the methodology outlined above, nothing has come to Upstream's attention to indicate that the specified CR measures performance are not fairly stated as follows:

- a. Biodiversity action plans (2010-2015): 88% UK, 67% FR, 83% UK and FR
- b. Total percentage of suppliers with annual spend over 100k in 2015 engaged on sustainability in 2015: 51% by numbers, 87% by value
- c. Employee sustainability training (2015-2017): 62%
- d. Retailer engagement (2015-2017): Positive Growth Awards Scheme has been redesigned based on pilot feedback from both Hammerson centre teams and retailers and is being launched for all UK shopping centres in 2016
- e. Community design workshops (2015-2017): No projects ended RIBA stage 2 in 2015. Community design consultation occurred through the Consultative Access Forum at Brent Cross, continuing a programme begun in 2014
- f. Place-making impact assessment (2015-2017): Received tenders and in the process of commissioning a provider to undertake a place-making (socio-economic) impact assessment for the UK and French owned portfolio.

### About Upstream

Upstream provides leading advice on sustainable property and environmental sustainability strategies. Its team has extensive experience in verifying environmental data, information, systems and processes.

Due to this expertise and experience, we have the competencies required to conduct this limited verification engagement. We are bound by the **JLL Code of Business Ethics** which covers conflicts of interest.

Upstream has been working with Hammerson plc. for years and has helped it to develop its sustainability programme. The verification team has not been involved in the delivery of these other services for Hammerson plc. and we do not consider that there is any conflict of interest between these other services and this verification engagement.

A handwritten signature in black ink that reads 'Lora Brill'.

**Lora Brill**  
Upstream Sustainability Services  
June 2016

<sup>1</sup> For 2010-2015 targets we have used the methodology in "How we measure our progress against CR measures" and for 2015-2017 we have used target wording. For the supplier target (b), performance has been calculated based on both the published methodology (by number) and Hammerson's preferred methodology (by value).



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