



Hammerson



Responsible Procurement Policy

As one of Europe's leading property companies Hammerson is a major procurer of goods and services. We recognise the importance of addressing the social, environmental and ethical risks in our supply chain.

Hammerson's objectives are therefore to:

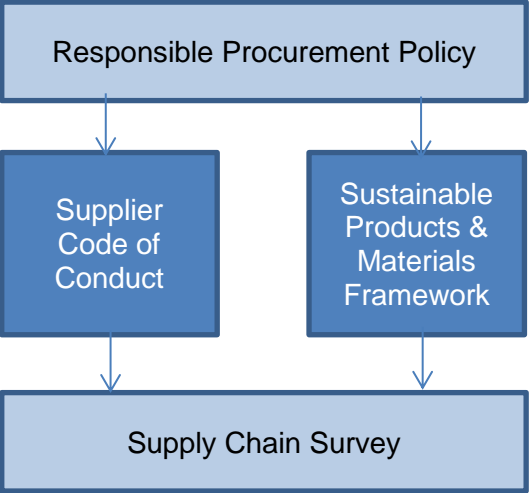
- favour the procurement of environmentally and socially sustainable goods and materials.
- engage with our key suppliers to encourage better performance and effective management of the environmental and social risks in our supply chain.

We have put in place the following measures in order to ensure effective implementation of this policy :

- Implementation of a set of robust guidelines and procedures to monitor and manage as far as possible the social, environmental and ethical risks associated with our supply chain
- Working in partnership with our key suppliers to raise awareness and support them in minimising the impacts of their activities
- Seeing compliance as the minimum and, and where possible going beyond relevant standards and legislation, and encouraging our suppliers to do the same
- A supply chain monitoring, management and reporting system that enables dialogue, feedback and continuous improvement of supplier performance
- Promoting awareness of our Responsible Procurement Framework and Principles among employees and other stakeholders

Responsibility for overseeing this policy and ensuring it is upheld lies with the Head of Sustainability. Responsibility for overall governance and implementation of this policy lies with Hammerson's CR Board, which is also tasked with periodically reviewing the policy to ensure applicability and adherence to best practice.

The **Responsible Procurement Policy** is implemented through the **Supplier Code of Conduct** and **Sustainable Products & Materials Framework**, which set out the standards we want our supply chain to adhere to. Performance of the supply chain against these requirements is assessed through the Supply Chain Survey. This process is shown below.



The **Supplier Code of Conduct** sets the minimum labour standards we expect all our suppliers to meet. These include legal minimums and international standards on the employment of compulsory, child and illegal labour, discrimination, pay, working conditions and bribery and corruption. It also sets out the objectives we would like to work towards with our supply chain between 2015 and 2020. All suppliers must accept this baseline code of conduct to be able to work with Hammerson.

The **Sustainable Products and Materials Framework (SPMF)** sets out Hammerson’s approach to procuring environmentally and ethically responsible equipment and materials for the operation of our assets and for use in our construction and refurbishment activities. The framework aims to facilitate collaboration with our supply chain partners to secure the best outcome whilst demonstrating value for money, both capital and operational, and risk management. Various activities are covered including, but not limited to, construction, fit out, refurbishment, IT, Facilities Management and office activities, in order to reduce our environment footprint and target more materials from sustainable sources. The SPMF is designed to be adapted for selected parts of the supply chain rather than a one size fit all approach.

The **Hammerson Supplier Survey** measures performance of each consultant, contractor and supplier against the Supplier Code of Conduct and Sustainable Products & Materials Framework and also assesses how the supply chain is implementing sustainability best practice. The survey requires all potential suppliers to accept the code of conduct whilst the SPMF will be accepted by relevant suppliers only.