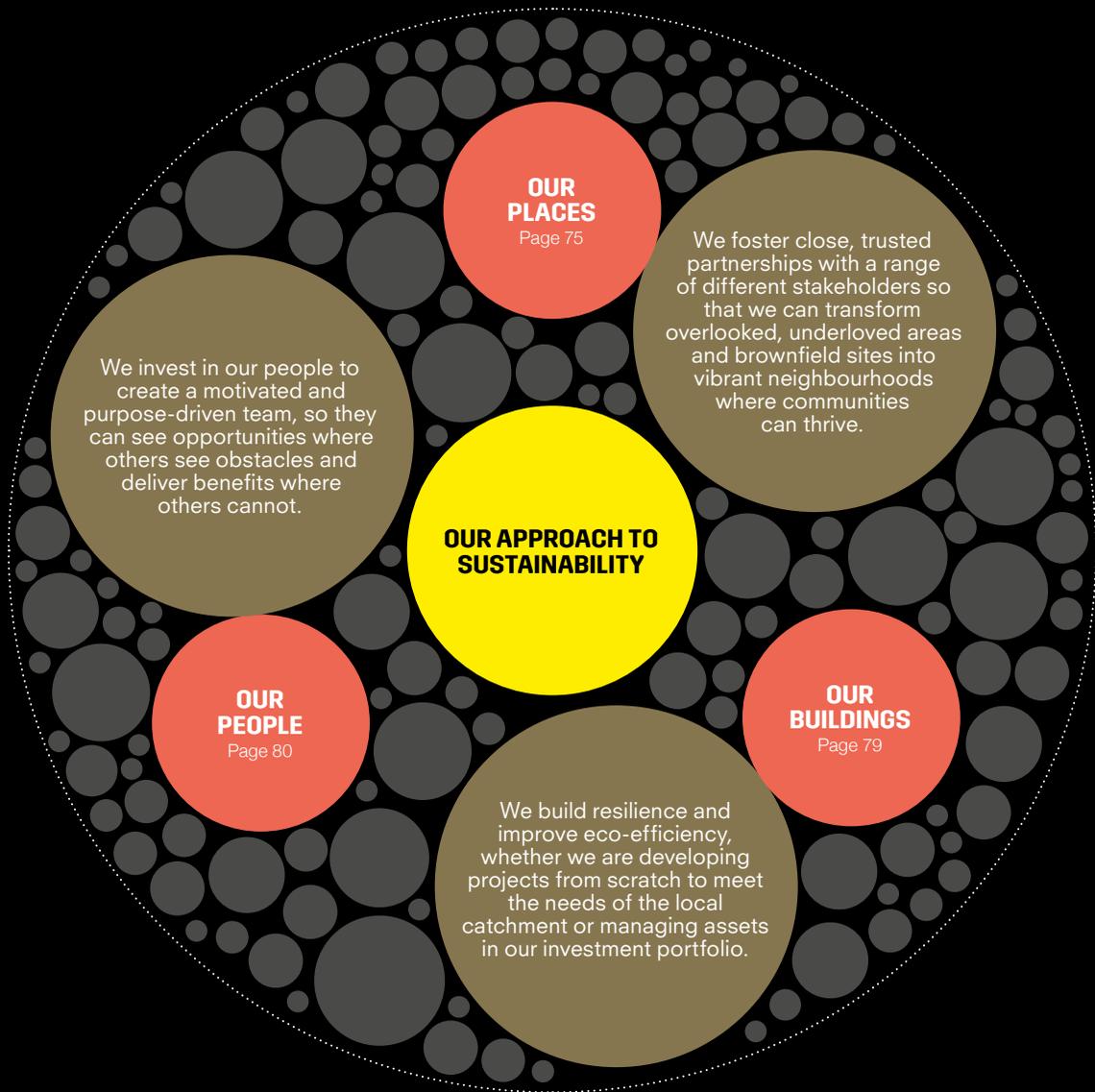


SUSTAINABILITY REVIEW



Our vision for sustainability

With a focus on complex, mixed-use regeneration, our vision is to unlock value across our development, trading and investment projects so we can deliver lasting social and economic benefits for all our stakeholders, including the people who live, work and spend time in our places.

Our business model is designed to deliver genuine, long-term social and environmental benefits and our sustainability strategy supports this goal.

We principally create sustainable value in three ways, as shown in the diagram on page 74.

- Our places
- Our buildings
- Our people

The success of our approach is evident in the projects that we have delivered, the communities that we have helped to flourish and the opportunities we have created for new businesses to prosper. All of this is delivered by our committed and talented employees.

OUR PLACES

FY2019 highlights

**>100,000
sq.ft.**

new spaces created for start-up businesses and SMEs

42

Considerate Contractor score for Circus Street in Brighton and 40 for 399 Edgware Road

BREEAM

Excellent achieved at Future Works, Slough

20%

target procurement spend with local suppliers at each development

Communities

We see regeneration as a catalyst for sustainable growth. We build on the unique heritage and identity of each site to deliver inspiring places that boost economic growth, foster wellbeing and create thriving communities.

Listening to those around us is integral to the success of our developments. We involve communities from the start, developing direct and transparent channels of communication, opening up our sites and inviting people in. This ensures we leave places better than when we found them.



Landmark Court, London City Region

We have used this collaborative approach at our 1.7-acre, mixed-use development at Landmark Court in Central London. Widely considered too derelict for over two decades. We held regular meetings throughout the planning process with key stakeholders, including interest groups, local residents and Bankside Open Space Trust (BOST), to build trust, engage local communities and create a scheme that benefits everyone. Working closely with Friends of Crossbones, we have also created a shared vision for the Crossbones memorial garden, preserving the burial ground and respecting its rich history, which dates back to the 1800s.

Our broader plans for Landmark Court will transform the current buildings and car park into a dynamic cultural and social hub. The new commercial-led scheme will offer 35 new homes, around 180,000 sq.ft. of offices, retail and self-contained work spaces that will provide shared amenities for SMEs.

By working with local communities and partners, we can create a unique legacy, delivering positive benefits that generate value for all our stakeholders and enhance the lives of residents.

“
LISTENING TO THOSE AROUND US IS INTEGRAL TO THE SUCCESS OF OUR DEVELOPMENTS.
”

SUSTAINABILITY REVIEW

CONTINUED

8 ALBERT EMBANKMENT LONDON CITY REGION

290 people attended
three consultation sessions

Shortlisted for the
'Community Engagement
in the Planning Process'
London Planning Award in
January 2019

Shortlisted for the 'Best Use
of Publicly Owned Land and/
or Property in Placemaking'
in the London Planning
Awards in March 2019

Free rent in The Workshop
for local start-up businesses
and artists

Unlocking value through creativity, collaboration and vision

As the former headquarters
of the London Fire Brigade
and home to Lambeth Fire
Station, 8 Albert
Embankment has served the
local community since the
early 1930s. Through our
partnership with the site's
owner – the London Fire
Commissioner (LFC) – we
are using our creative vision
to transform this building
and the surrounding area
into a thriving mixed-use
community.

Our agreement with the LFC
includes a promise to design
and deliver a new home for
the London Fire Brigade
Museum – a one-of-a kind
educational centre sitting
alongside the working fire
station (that remains the
centrepiece of this project).
The new museum is an
interactive space designed
to ensure that the history of
London fire-fighting, from
the Great Fire to the modern
period, inspires generations
to come.

Throughout the planning
process we have worked
closely with the local
community and Lambeth
Council to develop a shared
vision for the project. We
held three consultations to
strengthen our relationship
with the neighbouring
community and invite
feedback on our proposed
designs. Just under 300
people attended and our
proposals remain on public
display, as well as on a
dedicated website,
underlining our commitment
to transparency.

Our Worthwhile Use events
space – The Workshop –
opened in 2016, providing
free space for the community,
including locally-based
start-up enterprises and
artists. It is currently home to
12 tenants including the
London Fire Brigade pop-up
museum, Migration Museum
and the Institute of
Imagination. We have
welcomed over 48,000
visitors since opening.

In short, our expertise in PPP
regeneration projects has
allowed us to create a shared
vision for 8 Albert
Embankment that places
collaboration and creativity
at its heart.



**>1,200 new jobs
will be created**



More information about the scheme online: www.uandiplc.com/our-places/8-albert-embankment

Read more about Brighton & Hove Wood Recycling Project at www.woodrecycling.org.uk

Environment

We transform overlooked sites into vibrant mixed-use neighbourhoods. Working with forward-thinking partners, we inject energy and creativity into every project to deliver environmental, economic and social benefits.

We adopt a practical approach to our schemes, guided by the National Planning Policy Framework and our specific ambitions for each individual project are shaped by engagement with local partners. We make a point of seeking out green building certifications, incorporating features that enhance the public realm and integrating solutions that reduce the impact of construction works and building use, such as waste avoidance and energy efficiency.

At Circus Street in Brighton, for example, the construction and development team diverted nearly 35 tonnes of wood waste for reuse or recycling. Brighton & Hove Wood Recycling Project, a not-for-profit social enterprise, used the wood in local DIY projects and passed on the savings in resources and carbon emissions. This collaboration also provided training and work experience for local people.

Looking ahead, we intend to formalise sustainable design principles in all our development projects by setting minimum standards for green building certifications, with an emphasis on the efficient use of resources.

Environmental features bring wider benefits too, that align with our core focus of enhancing people's lives through regeneration. To that end, we strive to promote the health and wellbeing of the communities where we work by improving the public realm, creating green spaces and providing integrated transport solutions such as bike schemes. Later this year, for example, we will submit planning for a 6.5 acre park at Mayfield, Manchester – the first purpose-built public park in the city for over a century.

“
WE INTEND TO FORMALISE SUSTAINABLE DESIGN PRINCIPLES IN ALL OUR DEVELOPMENT PROJECTS.
”

Our efforts are not just confined to the work that we do: we also seek to extend the economic and social benefits of our regeneration activities through our supply chain. We prioritise local suppliers within a 25-mile radius of our core regions to reduce procurement risk, support local businesses and boost local employment. At Circus Street, for instance, we are using locally sourced bricks and cement to support supplier jobs in the area and ensure our final scheme has a homegrown look and feel.

This holistic approach helps us to capture the unique characteristics and opportunities of each site, improving the value we deliver and reinforcing our trusted reputation with existing and potential partners.

SUSTAINABILITY REVIEW
CONTINUED



**2,000+ people
attracted to
STEM events**

HARWELL LONDON CITY REGION

BREEAM Very Good achieved at Quad 1 development

On-site gym and wellness events for workers

A broader approach to value creation

Set across 710 acres of Oxfordshire countryside, Harwell is an internationally recognised science and technology campus and a hub of research and activity. More than 6,000 people work at over 225 world-leading organisations focusing on delivering innovation across the worlds of science and technology.

Over the past five years, we have been working in partnership with the Science and Technology Facilities Council and the UK Atomic Energy Authority to develop state-of-the-art facilities that further enhance Harwell's reputation.

But our ambitions for the site stretch far wider. We want to create a thriving community, with strong environmental credentials and an emphasis on health, wellbeing and education.

In that spirit, our landscape and maintenance strategy protects existing green spaces and supports biodiversity. Any trees that are removed, for example, are refashioned into benches and new saplings planted.

We have also worked hard to promote wellbeing, taking the lead in organising events that bring people together, encourage collaboration and promote healthy lifestyles. A recently opened gym is available to on-site employees, supplemented by regular wellness sessions. We have fostered sustainable travel plans that promote cycling, through incentives such as breakfasts and free bike maintenance sessions. A summer party in 2018 brought more than 1,000 people together to network and relax.

Our on-site management team has also worked with tenants to promote some of the exciting and ground-breaking work being undertaken at Harwell. We have sponsored initiatives such as the ATOM Science Festival in nearby Abingdon to promote Science, Technology, Engineering and Mathematics (STEM) amongst the local community, especially young people. The 2018 Harwell Fun Day, held to engage students, children and families in STEM-related activities, attracted over 2,000 visitors.

Our approach at Harwell demonstrates what can be achieved through genuine creativity and vision. By taking a holistic view of the project and looking beyond the physical infrastructure, to the way people work and interact, we have been able to deliver value that far exceeds the original scope.

OUR BUILDINGS

FY2019 highlights

12%

reduction in GHG emissions (Scope 1 and 2) across our investment portfolio

27%

reduction in like-for-like energy consumption across our investment portfolio

Our investment portfolio is made up of assets that we have acquired or developed, where we see long-term potential. These tend to be assets in towns and cities where the offering is well-suited to the local catchment and where we can add value through asset management initiatives or change of use. Unlike our development portfolio, options to improve the environmental performance of our investment portfolio are limited as the buildings generally predate our involvement.

We nonetheless monitor energy use and focus on improvements to energy efficiency as part of our broader objectives to mitigate risk, sustain asset values, reduce operating costs, and attract and retain tenants. Much of this investment is directed towards our goal of only holding assets rated EPC 'C' or above.

We work with property managers and tenants across our portfolio to target practical improvements, given each asset's needs, age and annual investment budgets. These range from energy efficiency initiatives, such as the roll-out of LED lighting to new technology, such as smart meters, to facilitate the collection of more accurate energy consumption data.

We aim to achieve continuous reductions in energy use and greenhouse gas emissions across our portfolio, and we will take further steps towards this goal by using baseline performance data to set long-term targets.

“
WE AIM TO ACHIEVE CONTINUOUS REDUCTIONS IN ENERGY USE AND GREENHOUSE GAS EMISSIONS ACROSS OUR PORTFOLIO.
”

We report our portfolio's energy consumption and greenhouse gas emissions in line with EPRA's Sustainability Best Practice Recommendations (sBPR). The sBPR provide an industry-standard framework for reporting on the environmental impact of property, allowing our performance to be measured and monitored against our peers. Tables detailing our performance can be found on our website at: www.uandiplc.com/who-we-are/sustainability

SUSTAINABILITY REVIEW

CONTINUED

OUR PEOPLE

FY2019 highlights

56%

of employees benefit from subsidised gym membership

89%

of employees enrolled in private medical insurance

4

work experience placements offered to students

>£30,000

raised for Shelter, our charity partner and >300 hours volunteered

68%

of staff have had opportunities to learn and grow at work in the first three months of 2019

1

new Non-executive Director to increase employee engagement

Our success relies on our people: their ingenuity, their creativity and their commitment. We cultivate a sense of belonging to nurture an inclusive culture and retain key talent.

We want our people to develop and flourish. We listen to them, we develop strong channels of communication through our employee engagement survey and we invest in their personal learning and development to help them achieve their best.

As part of our commitment to our people, in the financial period we designed and implemented a psychometric questionnaire to inform our future development strategies and revised performance management process. We selected six behaviours that align with our brand values of imagination – intelligence and audacity – creativity, curiosity, emotional intelligence, grit, adaptability and communication – that would help our team to excel in their positions.

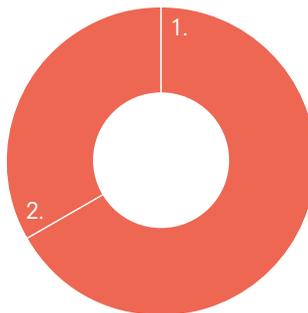
In the year ahead, we will continue to roll out our talent strategy, introducing technical assessments, enabling our staff to build on the skills within our existing teams and support overall career progression. Our talent strategy reaches everyone in the organisation, including our CEO and other Executives, to support our culture of inclusion that will help us to deliver the best regeneration schemes that we can.

As part of our people first approach, in April 2019 we appointed a new independent Non-executive Director, Professor Sadie Morgan, to oversee the establishment of a workforce advisory panel, providing a point of communication and connection between our employees and the Board. We also undertook a Company-wide employee engagement survey to understand areas of improvement for the business to sustain an energetic and fun working environment as the business matures.

Attracting people from a diverse range of backgrounds is a priority for us and our industry. By offering work experience placements we look to inspire a future generation to pursue careers in property. Over the past year we have welcomed four students from a variety of backgrounds through our doors. Two of the students were selected from a local

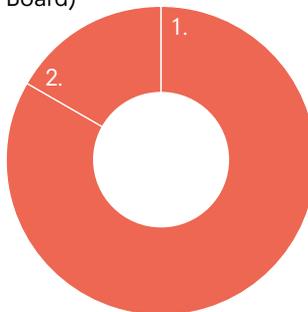
Employee gender diversity

Board



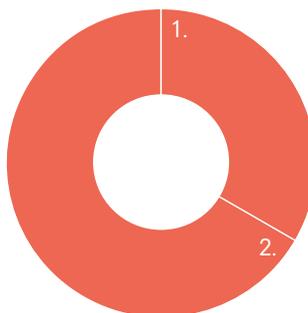
1. Male: 6
2. Female: 3

Senior management (excluding Board)



1. Male: 20
2. Female: 4

Remaining team



1. Male: 23
2. Female: 46

school near our community developments Deptford Market Yard and Hammersmith Grove. We also hosted an intern as part of our partnership with the Reading Real Estate Foundation that promotes opportunities within the property sector for students from diverse backgrounds.

Our continued charity partnership with Shelter raised over £30,000 in the financial period, including a contribution from U+I, supported by the Matching Charity Giving Policy. We offer two days leave a year to volunteer, leading to over 300 hours volunteering in the period. As part of this policy, four members of staff were also supported to work in a refugee camp in Lesvos, Greece, helping Movement on the Ground's permanent on-site teams with operational activities, to assist with the day to day running of the camp.

“ATTRACTING PEOPLE FROM A DIVERSE RANGE OF BACKGROUNDS IS A PRIORITY FOR US AND OUR INDUSTRY.”

By motivating our people, furthering their careers, promoting diversity and encouraging volunteering, we strive to create connections, foster engagement and reinforce our reputation as a rewarding place to work that supports and brings out the best in our people.

We want our people to develop and flourish

