Creating better places for people & the environment

Sustainability Report



Peel L&P

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- Our Sustainability Five Year Plan
- About Peel L&P
- **Awards and affiliations**
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Our goals

The United Nations Sustainable

Development Goals

- Responsible Consumption and Production
- Sustainable Cities and Communities
- **Decent Work and Economic Growth**
- **Life on Land**
- **Supporting other goals**

Our Progress

- Progress against our targets
- 5 Target Review



Welcome to Peel L&P's 2019-20 Sustainability Report



For nearly half a century we've been delivering visionary regeneration projects. In all this time, we've stayed true to our values and our aim to have a positive impact on the communities and people we engage with. We're now responsible for some of the most transformational development projects in the UK - projects that are revitalising communities and generating opportunities.

As the owners and managers of over 12 million sq ft of property and 20,000 acres of land and water, we see tremendous possibilities in addressing environmental, social and governance (ESG) considerations effectively. Possibilities to regenerate local economies, to build flourishing communities, and to create a more prosperous, sustainable future for all. Possibilities to create green space that improves biodiversity and supports good health and well-being.

Over recent years, it has become very clear that mankind's activities are having a significant impact on our planet.
Climate change, biodiversity loss, and the impact of plastics on the natural world threaten our way of life. At the same time, an increase in poverty and regional inequalities have stifled opportunities for talented individuals. It seems that short-term thinking has risked the lives of future generations.

We are long-term thinkers. Thinking about the future is not only in our nature, it's at the heart of our business model. We create sustainable cities and

communities, and our business divisions consider the future of energy, land, water and the environment.

In this respect, our business is strongly aligned with many of the United Nations Sustainable Development Goals (SDGs). These 17 goals, agreed by 193 world leaders, aim to tackle poverty, inequality and climate change by 2030, and to generate decent work and economic growth. Peel L&P is well positioned to support these goals, and we're proud to be playing a part in ensuring they are achieved.

Ambition is nothing without a plan. Last financial year, we launched our sustainability five-year plan which outlines how we will support the UN SDGs. We will share our progress every year.

I hope you enjoy our first report.

Steven Underwood
Chief Executive

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Our Sustainability Five Year Plan

The UN Sustainable Development Goals (SDGs) are 17 global goals that aim to put an end to extreme poverty, inequality, and climate change by 2030. These are big goals and, if they're to be achieved, businesses need to get behind them.

There are striking similarities between the SDGs and the aims, beliefs, and structure of Peel L&P. Our potential to make a significant contribution to these goals is clear, and we have carried out an assessment to understand where we can have the greatest positive impact.

We have decided to take the 4 goals that are most relevant to our company and place these at the heart of our sustainability five-year plan. Although we aim to contribute to all 17 goals, these 4 goals are absolutely aligned to our business model and focusing on these maximises our ability to make a difference.

We've made great progress with our energy management which has really helped us to reduce the carbon

emissions from our buildings. Our energy team and our energy champions have been a huge part of this, and the way they've embraced our ISO 50001 energy management system has been fantastic. This means that we're looking at each of our properties in a lot of detail, and measuring, monitoring and targeting opportunities for further energy efficiency.



We're particularly excited that 17 of our properties have now been verified as net zero carbon in operation under the UK Green Building Council's 2019 definition. This is based on the actions we've taken to reduce carbon emissions, use renewable energy and offset any remaining emissions through a Verified Carbon Standard scheme which is twinned with tree-planting projects in the north west of England. These properties in Manchester, Glasgow and Liverpool range from 25,000 sq ft to over 120,000 sq ft and include Princes Dock at our Liverpool Waters development.

Liverpool Waters is a wonderful example of how we're using natural capital to improve the local environment for everyone. Carrying out a natural capital assessment on Liverpool's historic dock area helps us to understand the level of ecosystem services we have there at the moment, such as air quality, carbon sequestration and access to nature, and how we can really enhance this. The central docks area will have a large park running along the canal, making this a focal point for communities

and a place where different generations can enjoy regular contact with the natural environment.

We're really pleased to share our progress in this sustainability report and we're excited about how we can make a greater contribution to the Sustainable Development Goals in 2020 and beyond.

C. Holden

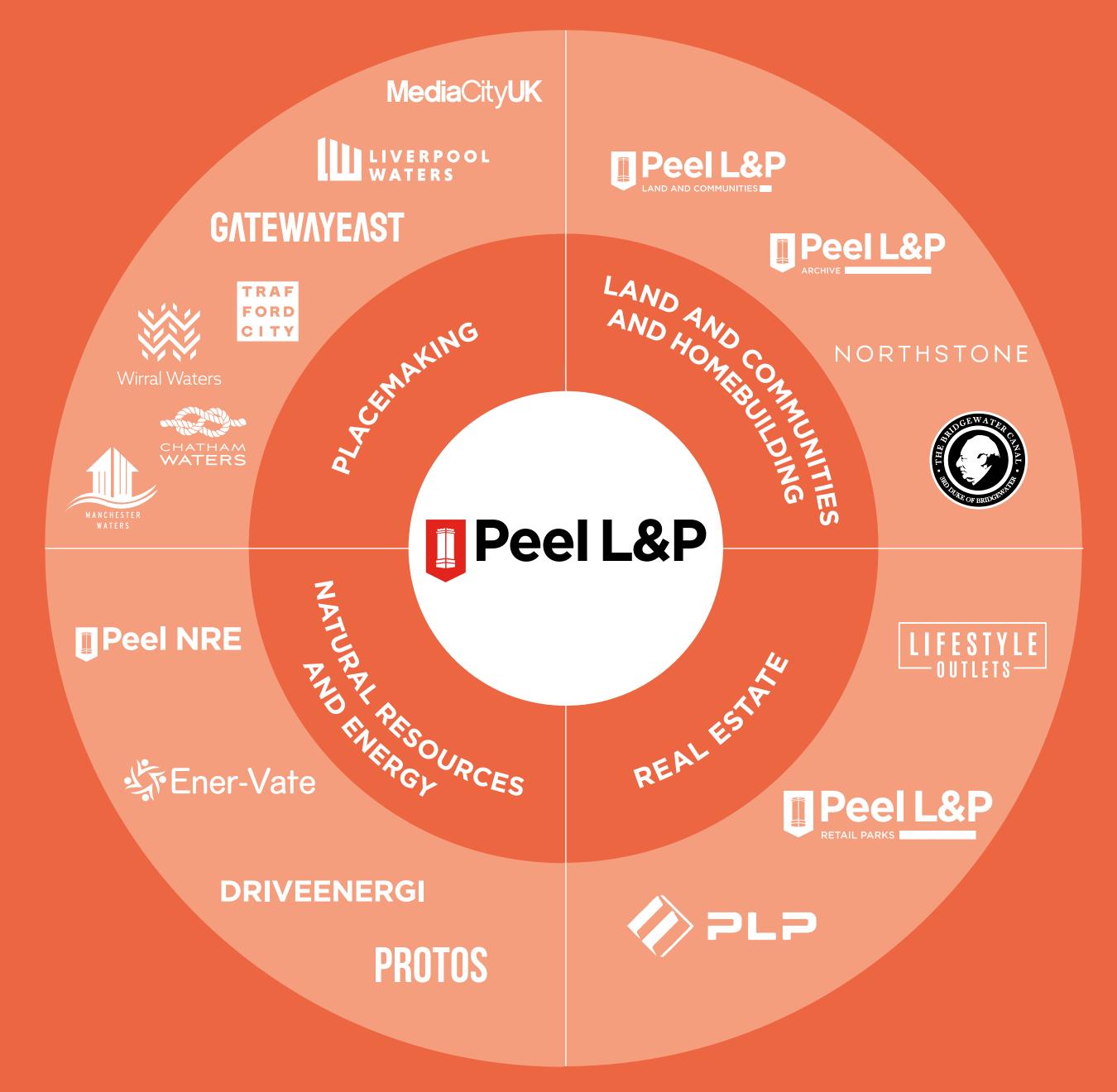
Jo Holden
Sustainability Director

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About Peel L&P

Peel L&P is part of The Peel Group portfolio and combines specialist planning, development, and investment management teams with a proven track record in delivering high quality projects.

We operate across a diverse range of markets - from workspace, residential, development land, industrial and distribution, retail, leisure, energy and environmental to create mixed-use destinations.



Peel L&P Business model

We acquire, own We consider or manage land, Business, A positive impact property, water and the best possible which for community and that on peoples lives use and impact airspace that offers which provides delivers environmental for a long-term, a development or for that specific sustainable business opportunity environment investment opportunity

We see possibility. We deliver transformation.

Awards & affiliations



Supporting a community for professionals across UK real estate with fewer than 10 years' experience



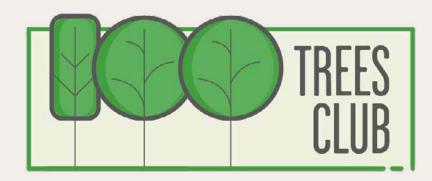
Providing business support on the UN SDGs in Liverpool



Demonstrating our commitment to sustainability through the UK Green Building Council



The first developer to achieve the BREEAM communities standard at MediaCityUK in 2011



Helping City of Trees to plant a tree for every person in Greater Manchester



The first major property company to achieve the energy management standard ISO 50001 in 2015



Demonstrating support for the UN SDGs



Successfully gained membership of the charter championed by Metro Mayor Andy Burnham



MediaCityUK has proudly received the Green Flag Award



Shortlisted for our overall approach to sustainability



Voted one of the country's best employers



We are proud to retain our status as one of the Top 100 best companies

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Sustainability Principles

From the 3 pillars of sustainability -

- 1 Balancing the economy
- 2 Environmental responsibility
- **3 Community needs**
- we have developed
- 7 Sustainability Principles.

To encourage the creation of highly sustainable, future-proofed destinations, we have developed the Principles for all our partners to seek to deliver in our development schemes. By setting a consistent approach across our developments and measuring progress, we can ensure our activities deliver liveability for whole communities, more sustainable individual sites and long-term custodianship.

Create opportunities for people to lead better, more prosperous lives

Strive to put more back into the natural environment than is taken out

Engage with local people to understand the needs of existing and future communities

Support the health and wellbeing of communities by creating beautiful, functional and well-used green public realm

Develop highly sustainable and smart built environments

Promote sustainable transport options for all

Embrace a low carbon energy strategy

Peel L&P on governance

At Peel L&P we recognise the responsibility we hold as a leader in regeneration projects, and we understand that this responsibility starts with a governance structure that involves our Executive and Senior Leadership Teams.

Our sustainability activities are reported quarterly by business unit to the Peel L&P Sustainability Board, which in turn reports quarterly to the Executive Leadership Team Board.

The Risk and Compliance Group keeps an overview on ESG-related issues across the whole business.

The Peel L&P Sustainability Group and the Green Team both engage our practitioners in the delivery aspects of sustainability matters. A network of Sustainability Champions and Energy Champions ensure sustainability is embedded in everyday thinking.

Peel Group
Board

Peel Group
Supervisory
Board

Steven Underwood
Chief Executive
The Peel Group
The Peel Group

Steven Underwood Chief Executive

Executive
Leadership
Stephen Wild
Executive Director
Strategic Investment
& Growth

Mark Whittaker
Executive Director
Property Investment
& Management

Phil Wilson
Executive Director
Land & Communities
& Northstone

James Whittaker Executive Director Development

John Schofield Finance Director

John Peter Whittaker
Non Executive
Director

Myles Kitcher
Executive Director
Natural Resources
& Energy

Peel L&P

Group

Risk & Compliance

Robert Hough Non Executive Director

Peel L&P business units

Peel L&P

Sustainability Reporting

Peel L&P
Sustainability
& ESG Board

Joanne Holden Sustainability Director Peel L&P

Peel L&P
Sustainability
Group

Peel L&P Green Team

Combonto







The United Nations Sustainable Development Goals (SDGs)

In 2015, 193 world leaders agreed to 17 Sustainable Development Goals. Also known as the Global Goals or the SDGs, these goals aim to tackle extreme poverty, inequality, and climate change by 2030.

Every business needs to contribute to these Global Goals if they are to be achieved.

The UN's 17 SDGs underpin our ambition to embed sustainability into our placemaking activities. We support the principles of the SDGs and have assessed how we can play our part in contributing to them.

We have prioritised the four that are most relevant to our business activities and recognise that none could be achieved without working in partnership with our stakeholders.

Although these 4 goals are our priorities, we also aim to contribute to the remaining 13 goals.

































We have achieved a three-star rating from Support the Goals, an initiative to research, rate and recognise businesses that support the UN Global Goals.

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RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns

What does this mean?

Sustainable use of natural resources, reduction of waste and sustainable business practices.



Our Commitment:

We will continually improve the sustainability of our existing assets.

Through owning and managing 12 million sq ft of property and 20,000 acres of land and water with a total portfolio value of £2.6 billion, we have extensive opportunities to integrate sustainable practices into our day-to-day business activities.

This can be through the way we operate our buildings, such as using the ISO 50001 energy management system to help us identify and implement energy saving measures, the services we provide to customers in terms of recycling and waste management, sustainable procurement and our own office sustainability, and how we manage the public realm under our stewardship, maintaining safe, healthy, green environments for people to live and work in.

Energy Efficiency

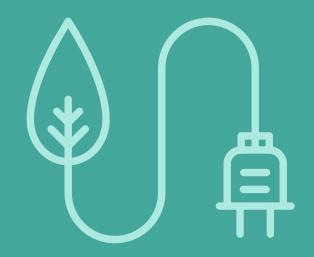
Overall:



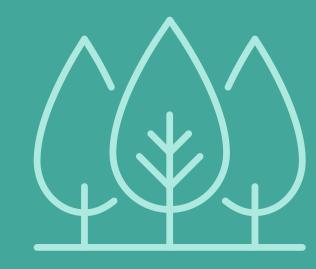
We have acheived our 3% energy reduction target 6 years in a row



Overall reduction 18.6% (activity adjusted against various baselines)

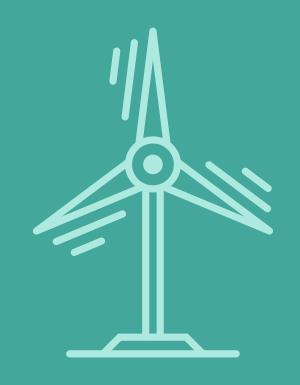


37 Million kWh energy saved



We reduced our carbon emissions by 13,764 tonnes equivalent to the amount of CO₂ that 4,746 oak trees will absorb in their 100-year lifetime

In 2019/2020:



Over 50,000 MWh of energy generated by our wind farms



39% (3,141 tCO₂e) carbon emissions reduction



33% (9,985 MWh) energy reduction

Energy efficiency and carbon reduction at The Vic

One of L&P's most iconic office buildings, The Vic, underwent a £9 million transformation to focus the 115,000 sq ft building and external space on health and wellbeing, reduce carbon emissions and to meet the needs of the modern occupier.

Over £1 million was dedicated to installing state-of-the-art energy saving equipment.

Energy saving initiatives include:

- Integrating a Combined Heat and Power (CHP) system capable of generating 16,000 kWh of electricity use per year.
- Installing 4 heat recovery devices with the potential to annually recover over 50% of the building's heat from the extracted air.
- Fitting 17 high efficiency motors and Variable Speed Drives on the hot and chilled water distribution systems.



372 tCO₂e carbon emissions saved

£115,000 cost saving to the business

"It is a matter of pride for us that we would be operating from a Net Zero Carbon Building and it goes very well with Tech Mahindra philosophy."

Latif Abdul, Tech Mahindra



The combined energy saving projects implemented at The Vic since 2018 are predicted to reduce gas and electricity use by over 1,000,000 kWh, which is nearly 600 tonnes of carbon dioxide a year.

The Vic is under the wing of Peel L&P's well-established ISO 50001 energy management system, which sets a minimum energy reduction target of 3%. Due to a massive capital investment in energy saving equipment as part of the refurbishment, The Vic has made an energy and carbon saving of 73% in 2019/20 compared to the previous year.



Paul Chappels, Facilities Management Director for Peel L&P, said:

"With The Vic refurbishment we had an ideal opportunity to introduce cutting-edge technology into the building to make it as energy efficient as possible. This makes great sense for our tenants, for Peel L&P as managers of Grade A office space, as well as for the environment in terms of lowering the carbon footprint of our building."

"The savings we are making are already evident week on week and we are confident our energy efficiency investment will help us to surpass our 3% energy reduction target. With a payback of 9 years, it made perfect sense to invest in energy saving technology and future-proof The Vic."

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Reducing waste

Reducing waste and improving recycling rates is important to us.

In 2019 we introduced a target of increasing recycled waste by 5% per annum (cumulatively from a 2018 baseline) and we are committed to identifying unnecessary single-use plastics across our portfolio and replacing them with more sustainable alternatives.

Across Peel L&P in 2019/20:

Zero

Waste to landfill

325

tonnes of additional waste recycled

3.9%
reduction in waste going into refuse derived fuel (RDF)

2.71%

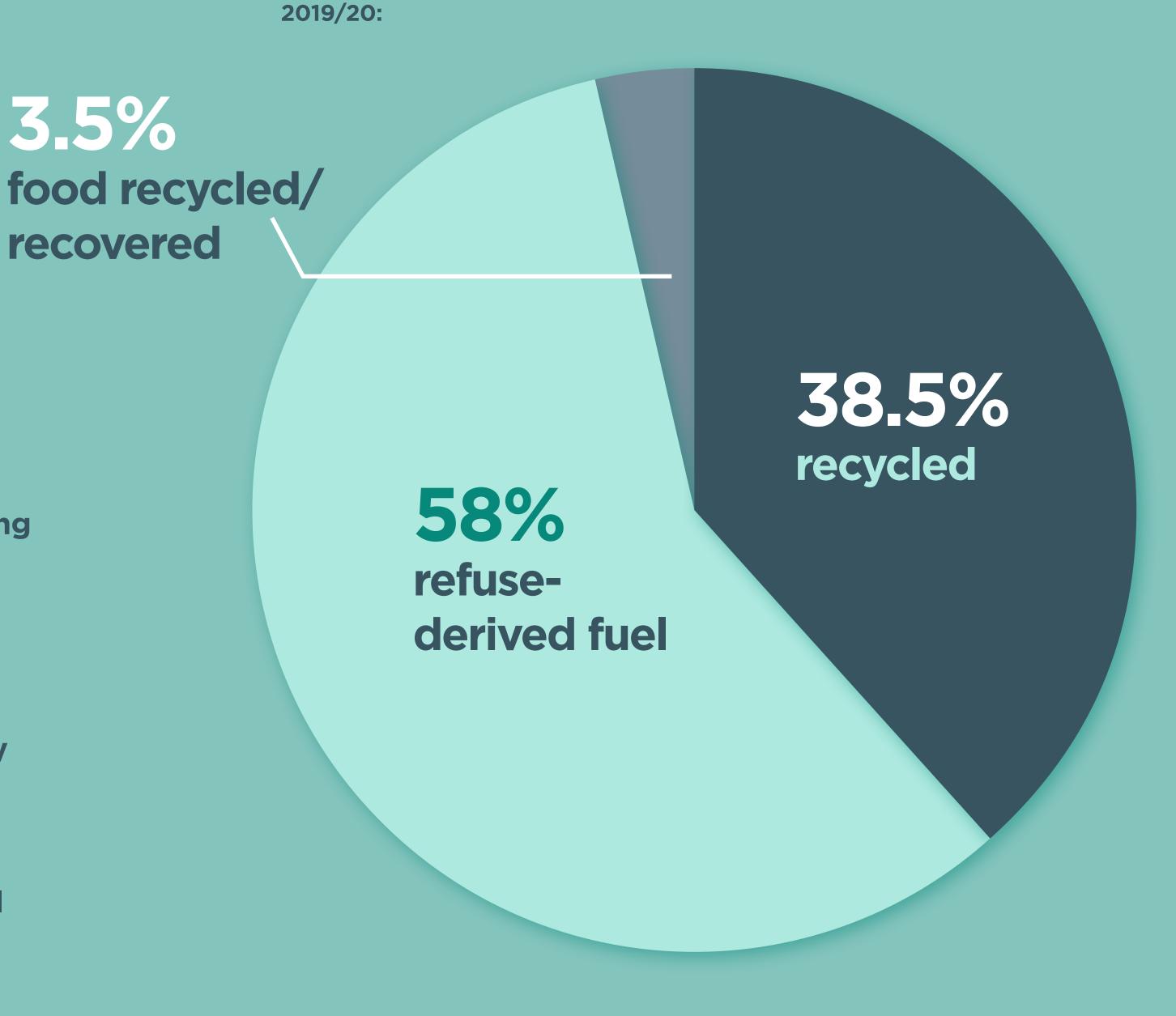
increase in the recycling rate across Peel L&P

1.25%

increase in food recycling and recovery

275,991

kWh energy produced from RDF



Tackling Plastic

As part of our partnership with the University of Salford, a second year Geography intern carried out a review of potential water refill stations across the Peel L&P estate for us.

Rosie Leonard spent two weeks getting to know the business and reviewing the benefits of the Refill Campaign, amongst other projects.

Refill is a global campaign to help reduce the use of single-use plastic in the form of plastic water bottles. The Refill Campaign aims to educate, encourage and inform people of the impacts of single-use plastic and the benefits of reusable water bottles.

As a result of the review, we are encouraging more sites to sign up to the Refill Campaign.

Rosie has since graduated from the University of Salford with a First Class Honours degree.



Plastic Fishing Tours at MediaCityUK

In April 2019, MediaCityUK was successful in attracting the Plastic Fishing Boat to Salford Quays and the Bridgewater Canal for a week, to help educate local groups about the effects of plastic pollution on waterways, wildlife and the environment.

Peel L&P helped the Mersey Rivers
Trust apply to host the Plastic Fishing
Boat, which is owned by Hubbub, an
environmental charity that creates
positive campaigns around themes that
local people are passionate about and
are relevant day-to-day. The 12-seater
punt, named the "Poly Roger", was built
using funds collected from Starbucks'
5p charge on drinks purchased in a paper
cup and travelled to Bristol, Birmingham



and Glasgow, as well as Salford, to spread the word. Mayor of Salford Paul Dennett and Richard Smith, Sustainability Manager for the BBC, were two of the first launch attendees to don life jackets and embark on litter picking around the Quays. Later in the week, Peel L&P teams were out in force grappling with plastic bottles, old footballs and other flotsam.

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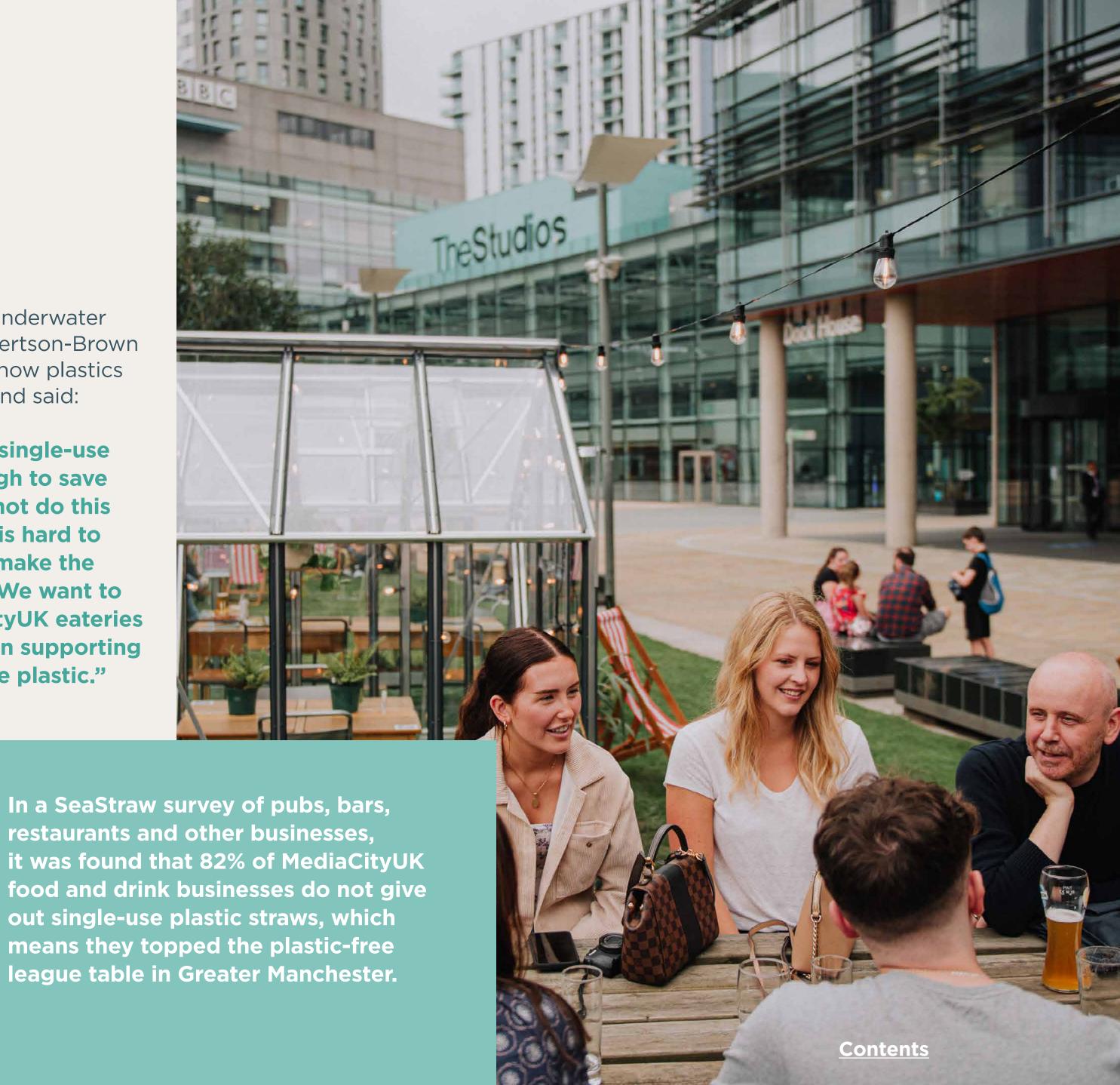
Focus on single-use plastics

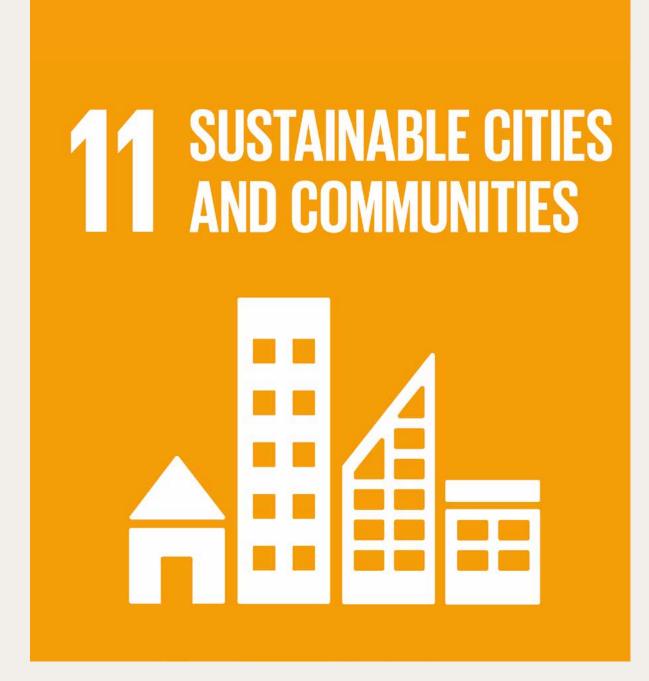
In June 2019, we had a focus on reducing single-use plastics and asked employees to think about their personal plastic use by making pledges to change habits at home and work.

We invited SeaStraw to give a lunchtime talk on single-use plastics, giving practical advice on how you can do your bit to reduce them and their effects on wildlife when they escape into the environment. SeaStraw is a Greater Manchester campaign which encourages businesses to ditch single-use plastics.

SeaStraw Co-founder and underwater photographer Caroline Robertson-Brown has experienced first-hand how plastics can directly affect wildlife and said:

"We know that giving up single-use plastic straws is not enough to save our oceans, but if we cannot do this very simple thing, then it is hard to see how we are going to make the bigger changes that will. We want to congratulate the MediaCityUK eateries and bars for their efforts in supporting the reduction in single-use plastic."





Make cities and human settlements inclusive, safe, resilient and sustainable

What does this mean?

High quality, safe and accessible housing, green spaces and public realm; inclusive and sustainable urbanisation; protecting and safeguarding cultural and natural heritage.



Our Commitment:

We will support the development of sustainable low-carbon communities, transport, energy and infrastructure.

Our specialist teams have a proven track record in delivering high-quality, legacy projects across land, property, water and air. This includes hotels, waterways, media hubs, event spaces, leisure facilities, retail,

workspaces, residential development, industrial & logistical space, public realm, historic gardens and renewable energy, including electric-vehicle charging.

Our objective is to put sustainability front-of-mind in all of our new development activities and think about how we reduce our overall impact during construction and operation, maximise the benefits for communities and the environment and future-proof our business.



Creating Public Spaces

We are responsible for some of the most dynamic regeneration projects in the UK and our Strategic Waters development team has been relentless in their mission to transform brownfield sites into inspiring places to live, work and play.

For example, our Wirral Waters development will provide a creative industries and community hub for visitors, students, businesses, and residents. It will provide an outlet for independent retailers, artists studios, a gallery, managed workspace, and a large public events space.

This year alone, a staggering 3,400 new homes have been either completed or are under construction across a prized collection of sites, including MediaCityUK, Liverpool Waters, Chatham Waters, Manchester Waters and Glasgow Waters with 30,000 homes in the pipeline over the next 20 years.



Sustainability is at the heart of these developments

The sites include the creation of a number of public realm, green infrastructure and streetscape projects to improve cycling provision, street-greening and environmental improvements. To date, our Strategic Waters projects have delivered

approximately 18 of the expected 150 acres of public realm that will be created in the next thirty years. Many of the areas are currently inaccessible to the public but are set to become essential spaces within future thriving communities.

Canalside cycling

For the first time, cyclists can now travel along a 20-mile stretch of the Bridgewater Way from Wigan to Manchester after more than £200,000 has been invested into the towpath, in Astley, locally known as the 'Muddy Mile'.

The transformation of the Muddy Mile has bridged the missing link and is the first scheme to complete as part of Greater Manchester's 'Bee Network', a plan to create the UK's largest cycling and walking network.

The official opening attended by Greater Manchester Mayor Andy Burnham, cycling and walking commissioner Chris Boardman, and Peel L&P has been a highlight of the year.

Peter Parkinson, General Manager of the Bridgewater Canal, said: "Through partnering with Wigan Council, it's fantastic that the community can now fully utilise the Bridgewater Way, whether it's walking or cycling from Wigan through Leigh and across the Salford boundary to Worsley, Monton and Patricroft."



Smart and Sustainable

MediaCityUK is a great example of how technology and a commitment to the environment can combine to create a truly Smart City.

Home to some of the UK's most creative minds, it was the first development of its kind to be accredited with the world-renowned BREEAM status for its sustainable practices. It has also been awarded the platinum wired score rating for its super-fast connectivity.

MediaCityUK houses a 5G innovation centre, as well as leading technology innovators and disruptors. It is not only firmly established as a leading broadcast hub but is also set to harness new opportunities in the growth of Smart Cities and fintech.





MediacityUK acheived the BREEAM communities standard in 2011, making Peel L&P the first developer to do so



Every year, MediaCityUK builds on its green credentials. In 2019, the team achieved its target of planting 500 trees in Salford for the City of Trees campaign. It was also recognised by Seastraw as a top performer for scrapping plastic straws in bars and restaurants.

Low Carbon Future

Net Zero Carbon commercial buildings

In January 2020, eleven of our buildings became the first in the UK to be verified as Net Zero Carbon using the UK Green Building Council's 2019 framework definition.

The most important action in achieving this has been to reduce energy demand. Last year alone, Peel L&P invested £859,000 in 66 energy efficiency projects in these offices to benefit tenants by reducing their carbon emissions from energy use by 13%.

Any remaining emissions from our portfolio of Net Zero Carbon buildings are offset through a Verified Carbon Standard project, twinned with treeplanting projects in the North West, to absorb the same amount of carbon dioxide emissions from the atmosphere.

The announcement was welcomed by the Mayor of Greater Manchester Andy Burnham who agreed that the verification plays an important role in the city region's 2038 target response to the climate emergency.

Peel L&P supports carbon literacy training for all employees





"Our homes and workplaces are responsible for a huge proportion of Greater Manchester's carbon emissions, 33% and 32% respectively. If we are to deliver on our carbon neutral commitment for 2038, published in our five-year environment plan, we need to urgently make deep cuts in emissions from our building stock."

"In this announcement, Peel L&P have shown that those deep cuts are not only possible, they're also good for business. The message to others now is pretty clear: no excuses, if Peel L&P can pull this off, then so can you."

Andy Burnham, Mayor of Greater Manchester

Transport

Transport is currently the largest source of carbon emissions in the UK. Tackling this issue requires a joined-up approach involving not only vehicle manufacturers, but also property owners, energy companies, and public transport operators.

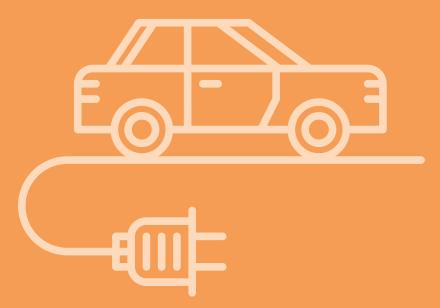
In the last year, Peel NRE has installed an additional 14 electric vehicle charging points across Peel L&P developments, bringing our total to 56 and helping our customers save over 18,000 kgs of carbon emissions from road transport. Going forward, we have ambitious plans to significantly increase this number.

We've also been working closely with local authorities to connect with low-carbon public transport options. Greater Manchester's new Metrolink Trafford Park line was opened in March 2020 and greatly improves connectivity whilst providing more sustainable travel options across the region.

Hydrogen is rapidly emerging as a credible low carbon transport fuel. Peel NRE has announced plans to open the UK's first facility to turn plastic waste into hydrogen in Ellesmere Port, Cheshire, in collaboration with Waste2Tricity and Powerhouse Energy.

Peel NRE's Myles Kitcher said:
"Hydrogen is increasingly being seen as a vital part of our journey to zero carbon."

"If plans go ahead, the facility will use a thermal treatment technology developed by Powerhouse Energy, called 'distributed modular gasification', to produce hydrogen from unrecyclable plastics which can be used to power buses and heavy goods vehicles before being rolled out to cars."



14 ev charging points installed in 2020 bringing our total to 56





Liverpool Waters District Heat Network

Liverpool Waters offers opportunities for new business growth, retail and commercial opportunities and the development of up to 9,000 new homes.

To support this, Peel NRE has developed a heat network that will provide low carbon, cost effective heat and power to the Liverpool Waters development and surrounding areas, aided by a dedicated energy supply company called Mersey Heat, to build, own and operate the heat network.

Mersey Heat is a 40-year project and Phase 1 is now underway centred on the commercial development around Princes Dock, initially utilising a gas-fired boiler plant in a temporary location.

As the network expands we will move to a permanent energy centre comprising 8 MWe gas fired Combined Heat and Power (CHP) plant with circa 30 MWh of peaking gas boilers housed on Peel owned land, providing 53 GWh of heat energy each year at full build out via a 16 km underground pipe network. CHP is already a lower carbon intensity source of heat generation than a standalone gas plant but we plan to further decarbonise the network by using innovative technologies such as water source heat pumps and potentially hydrogen in the future.

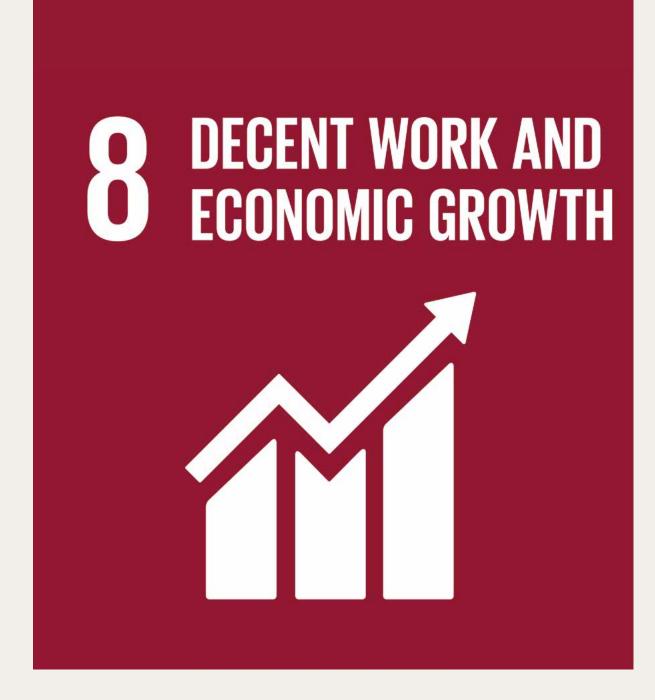
The UK Government supports deployment of CHP technology as part of the UK's drive to reduce carbon emissions by 68% of 1990 levels by 2030, encouraging its use where possible in new and existing buildings. The Government estimates that 14% of the UK's heat demands will be met by district

heat networks by 2030 and Mersey Heat will contribute towards the UK Government's carbon reduction targets.



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We've commenced construction of our first District Heat Network to connect 9,000 homes at Liverpool Waters to a low carbon, low cost and locally generated heat supply



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

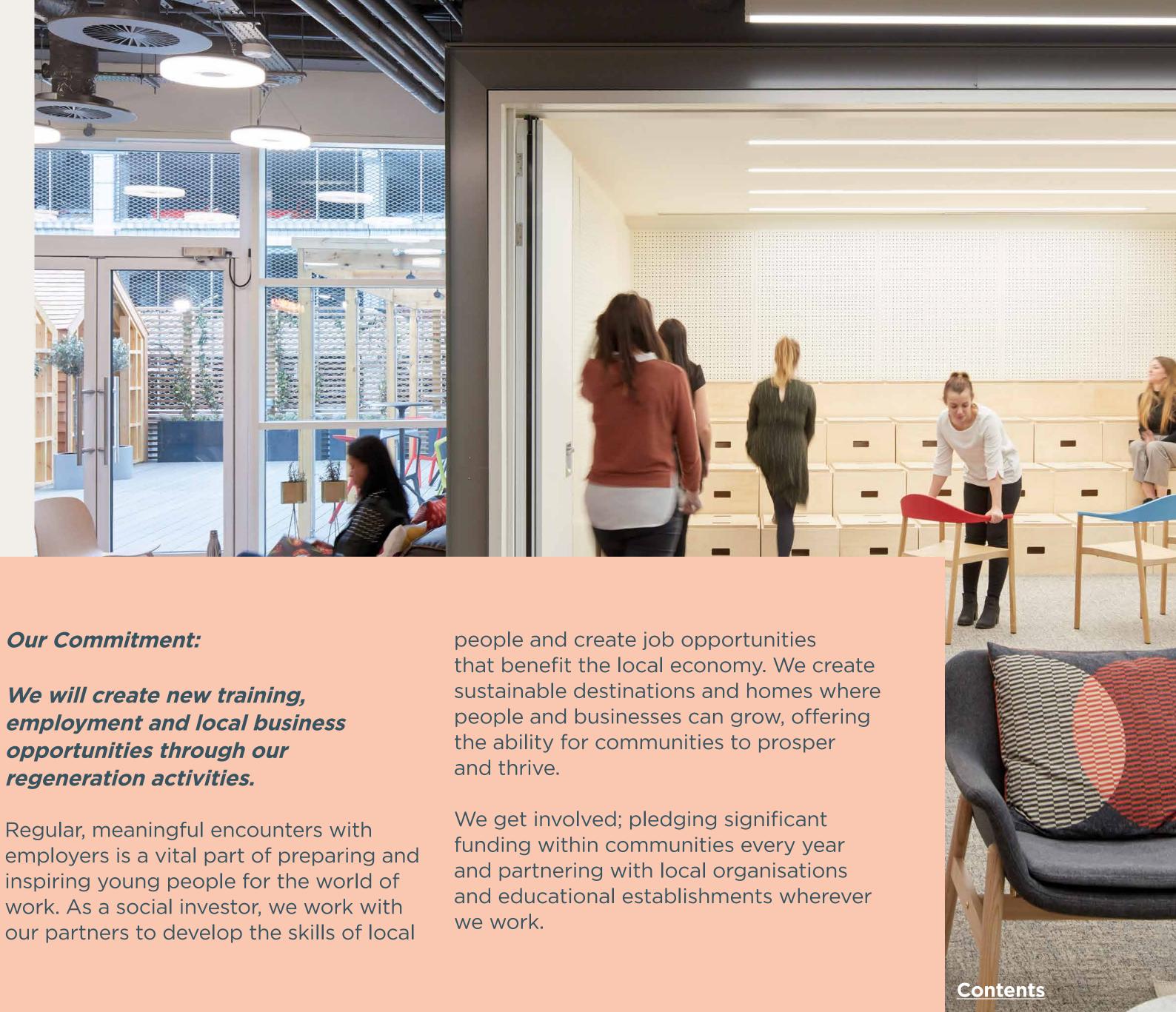
What does this mean?

Economic growth, safe working environments and sustainable tourism.



We will create new training, employment and local business opportunities through our regeneration activities.

Regular, meaningful encounters with employers is a vital part of preparing and inspiring young people for the world of work. As a social investor, we work with



Supporting the next generation in Merseyside

In partnership with Liverpool Waters, the City of Liverpool College has created the city's first on-site construction hub, which aims to bridge the gap between training and employment in the construction industry.

This is one of 26 hubs across the country with access to the Government's £22 million Construction Skills Fund, the purpose of which is to help train 17,000 young people to be job and site-ready.

Based at the Liverpool Waters development, which will regenerate over 60 hectares of Liverpool's dockland over the next 30 years, college students find themselves in the heart of Liverpool's construction industry, in contact with construction businesses every day. With multiple developments already taking shape on-site, the demand for skilled apprentices is increasing at a rapid rate.



Elaine Bowker, principal of The City of Liverpool College, said: "Through this partnership, we are creating opportunities for our students whilst providing these organisations with highly skilled and motivated apprentices. As a result, we're able to give our students both the experience and the education to have an excellent career in the construction industry."

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Sustainable Tourism

In 2019, over 16 million people visited our developments.

We work closely with project partners and local government to minimise the environmental impact of these visits, and to maximise the contribution to the local economy and communities.

Sustainable transport options are a consideration for our visitors. For example, MediaCityUK can be accessed by the MetroLink tram network and a number of bus services. It hosts a number of cycle hubs and provides a large amount of public realm and greenspace to encourage walking.

This greenspace is comprised of a number of green corridors around the basins and residential areas along with greenspace zones close to the Piazza.

As well as providing a pleasant space to spend time, these help to absorb carbon emissions.

Plenty of highly visible recycling bins are provided throughout the site. These encourage responsible visitor behaviour and allow for efficient waste management which reduces the risk of pollution entering the basins and Manchester Ship Canal. Free water bottle refills offered by several businesses as part of the Refill campaign also help to minimise plastic waste.

We are currently carrying out a review of information on our websites, to ensure visitors have easy access to resources on how to travel to our sites in a sustainable manner.

MediaCityUK has proudly received the Green Flag Award, recognising well managed public green space, two years in a row





Generating economic growth

The transformation of the 60-acre Gloucester Quays site has been one of the UK's most ambitious placemaking developments to date, creating jobs, new homes, leisure and entertainment options, and a destination the city is rightly proud of.

Since opening in May 2009, Gloucester Quays has gone from strength-to-strength as an experience-led retail and leisure destination.

It has created 3,500 jobs in the city and brought the historic docks back to life as part of a wider regeneration scheme.

The destination now attracts seven million visitors each year and continues to see a growth in sales with an 8.24% increase in 2018/19. Following a 10-year regeneration and investment programme,

the development of Gloucester Quays has seen the waterfront transformed with the introduction of premium outlet shopping brands, a new cinema, bars, cafes, restaurants plus the introduction of award-winning events and entertainment.

Jason Pullen, Managing Director of Lifestyle Outlets, said:

"Our experience-led outlet shopping model is currently out-performing the wider retail market, and this is testament to our successful strategy for creating destinations where customers want to spend their time.

We combine outstanding customer experience with great brands, exciting leisure, amenities and entertainment – which has created a thriving destination at Gloucester Quays."



Decent work and economic growth progression in 2019/2020



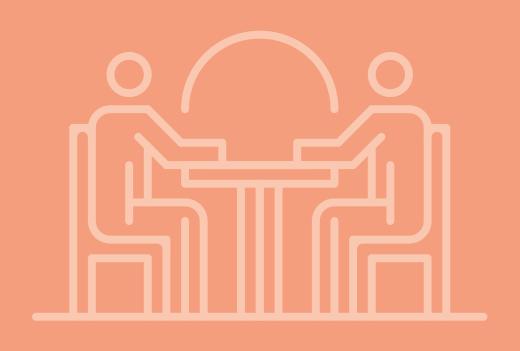
83% of Peel L&P employees live within 20 miles or less from their place of work



29 new jobs were created by Peel L&P



1969 hours of training were given to Peel L&P staff



We employed 141 men and 152 women



£163 million+ was spent within Greater Manchester (40% increase on 2018/2019)



We facilitated the creation of 1,885 homes (566 houses and 1319 apartments)



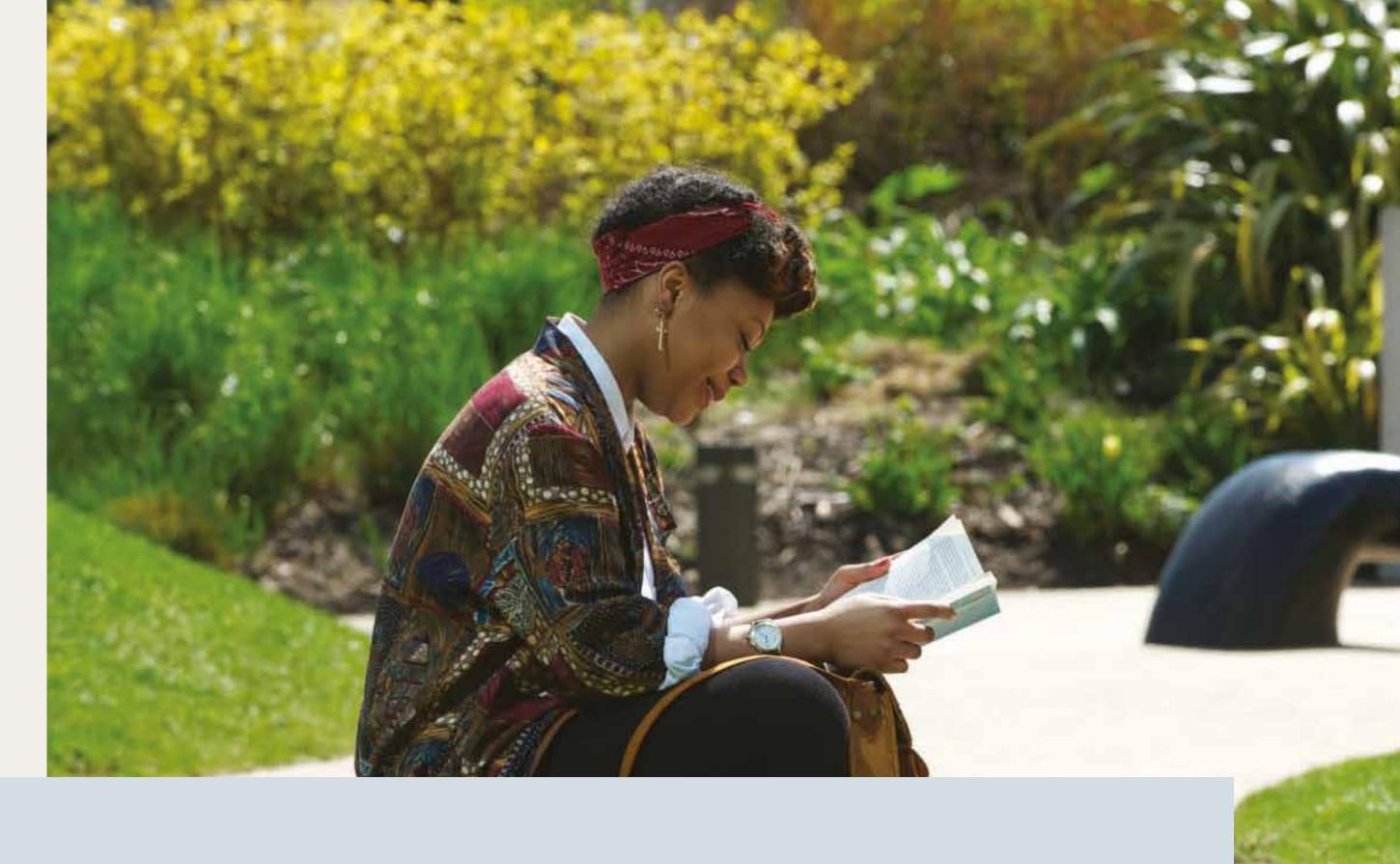
£19 million+ was spent
within Merseyside
(over 75% increase on 2018/2019)



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, halt and reverse land degradation and promote biodiversity net gain

What does this mean?

Conservation, restoration, sustainable use of terrestrial and inland freshwater ecosystems and the enhancement of natural habitats and biodiversity.



Our Commitment:

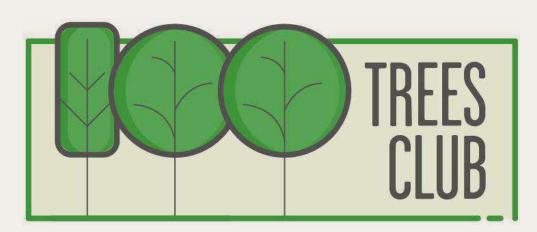
We will help communities to connect with nature

We understand the innate connection between humans and nature and know that access to parks, woodland, water and open space is fundamental in assuring the long-term health, wellbeing and productivity of any community. Through our land portfolio and development activities we have the opportunity to create high quality, functional, new environments.

We strive to put back more into the environment for people and wildlife – a net gain – to help ecosystems and communities prosper.

Growing the Northern Forest

The Northern Forest is an ambitious £500 million project to plant 50 million trees across the North of England, from Merseyside to Hull. We have partnered with City of Trees to contribute to the Northern Forest and joined like-minded members in our commitment to a greener Greater Manchester, helping to connect communities through tree planting and woodland management projects across the city region.



As a 100 Trees Club member we will help City of Trees to achieve the goals of:

- Planting 3 million trees one for every man, woman and child across
 Greater Manchester
- Bringing 2,000 hectares of unmanaged woodland back into use for the community
- Connecting people to the trees and woods around them



Our MediaCityUK team has supported the campaign by planting 500 trees in Salford, and our Volunteering Policy encourages our employees to get hands on with activities such as tree planting in the local communities.

Peel L&P volunteers helping City of Trees

with tree management in Urmston Park



A Victorian Garden

The RHS Garden Bridgewater is one of Peel L&P's most significant legacy projects after it secured the future of the Duke of Bridgewater's 156-acre historic estate in 2015.

The pace of its creation has been impressive and this world class garden is on track to open in summer 2021, creating 140 new jobs and anticipated to bring an additional 700,000 visitors to the north west by 2028.

The economic and social impact on Salford and for the wider north west region cannot be underestimated, providing numerous opportunities for people of all ages, whether it's through volunteering, becoming an apprentice or training at the new school of horticulture.





Anna Bensky, Development Planning Manager, who has been working closely with the RHS team, said: "I've had the privilege of seeing at first-hand the developments taking place at the RHS Garden Bridgewater and what is being painstakingly unearthed, restored, and ploughed back in. The estate is coming back to life and it's mind blowing to see."

There will be between ten and twenty Community Grow Spaces in the outer walled garden – inside the Weston Walled Garden – for up to 100 people to get involved in regular gardening activities each year. Four central plots will be available for community groups to work on, growing green manures and things to eat for a local food bank. Groups will also share some of the spaces in the garden, enabling people to support each other including a shared polytunnel in the Frameyard.

2019 saw the design unveiling of the 3.5 acre mother orchard and bee and butterfly garden. It will be the largest of the 11 gardens and will include 37 varieties of heritage apples and will help save many rare varieties of fruit trees.

Anna added: "It really is incredible how the Duke of Bridgewater's estate, in the heart of Salford, is being transformed into this world class, beautiful oasis which will bring joy to those who visit, as well as huge economic and social benefits. Peel L&P has enabled it to happen and we are committed to build on our support."

Natural Capital

Natural capital is the stock of natural assets, such as soils, water, forests and peatland, that produces a wide range of ecosystem services and consequently benefits people's lives. Such benefits include food production, carbon sequestration, regulation of flooding and water quality, air pollution regulation, recreation, physical health and well-being.

This year we undertook a natural capital assessment of our 60-hectare Liverpool Waters regeneration scheme to help us quantify these benefits so their true value can be considered. The study showed that Liverpool Waters will create £1.3bn in public benefits over the next 50 years by providing more green space which will improve air quality and store more carbon.

A new two-hectare public park along the Leeds-Liverpool canal link will create green amenities at Central Docks, one of Liverpool Waters' five neighbourhoods, and bring significant physical health and wellbeing value to the city region worth £34.4m annually.



In addition, the overall masterplan for Liverpool Waters will remove or capture 5,000 more tonnes of carbon emissions each year with the addition of new trees, shrubs and gardens. The improvements will also create new wildlife habitats in the formerly despoiled docklands.

Jo Holden, Peel L&P's Sustainability Director said:

"This assessment demonstrates that our plans for Liverpool Waters will provide vast health and wellbeing benefits to local people for many years through new publicly accessible green spaces including a two-hectare park, new street trees and planting to reduce carbon emissions and improve air quality."

"Natural capital and ecosystems are central to the Government's 25-year Environment Plan and it's important that we assess our own developments in this way to understand the full value they bring in helping the city region to address the climate and biodiversity emergencies and achieve its zero-carbon ambition."



Gideon Ben-Tovim, Chair of
Liverpool City Region's new
Climate Partnership and Nature
Connected, LCR's Local Nature
Partnership, said:

"Liverpool City Region has made great progress in connecting local people with nature, especially through LCR's Year of Environment in 2019 and completing a natural capital baseline for the whole region. It is commendable to see Peel L&P taking this a step further by measuring the hidden benefits of natural capital to people and the environment at Liverpool Waters

so that we can see the value of new developments incorporating more green space to benefit local communities."

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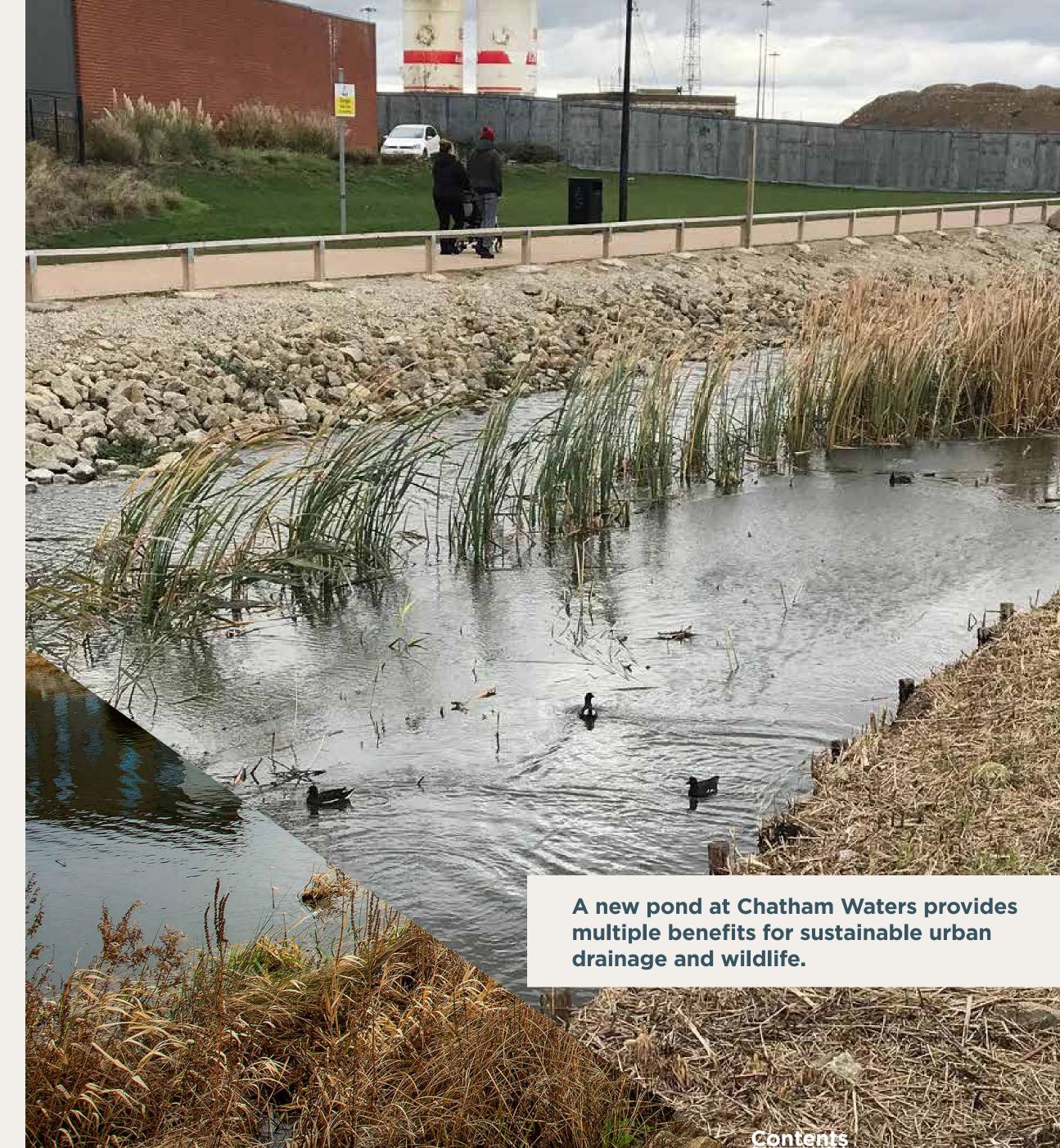
Biodiversity Net Gain

Through proposals being brought forward by the Government's 25 Year Environment Plan and the Environment Bill, all new developments under the Town and Country Planning Act will need to achieve net gain for biodiversity of ten percent.

Some local and combined authorities, such as Greater Manchester, are leading the way on Biodiversity Net Gain and asking developers to undertake the assessment ahead of the regulations.

In 2019-20, we have started to assess Biodiversity Net Gain for all new developments at an early stage, to better understand how we can meet the forthcoming requirements and build-in biodiversity to our masterplanning process.

Enhancing biodiversity, and other ecosystem services, is an important part of our placemaking activities to ensure we maximise the full range of benefits for people and the environment through our development opportunities.



Supporting other goals







As part of our partnership with educational charity Teach First, our third student workplace visit saw Peel L&P volunteers putting fifteen Year 10 students from Cedar Mount Academy in Gorton through their paces. We spent a day with the students to help them hone their CVs, think about future careers and use their creative and communication skills to design a sustainable development called "Peel Waters".



Keeping the Mersey clean



Peel L&P Land and Communities Team volunteers joined in with the national "Great Plastic Pick Up" campaign by clearing up a stretch of shoreline along the River Mersey.

Working with staff from South Liverpool Homes, Liverpool City Council and Liverpool Sailing Club, our volunteers cleared a skip and van full of plastic litter washed up from the Mersey Estuary at the 70-acre Speke and Garston Coastal Reserve. The event, part of a Keep Britain Tidy Campaign to help turn the tide on beach pollution, means local people can continue to enjoy the fantastic reserve litter-free.



Carbon Literacy

"This informative course helps you to effect change. We completed a useful exercise on carbon emissions produced through our activities in daily life."



We provide a carbon literacy course for all Peel L&P employees. This helps them to:

- Understand the significance of climate change and its role within our everyday lives
- Understand the carbon impacts of activities at home and at work
- Identify how we can reduce our carbon footprint by making more informed choices about energy and resource efficient and lowest carbon options that are available to us
- Become carbon literate so decisions

 are more instinctive.



Sharing energy best practice



Experts from across the Peel Group met for the Annual Best Practice for Energy Managers Event in July 2019.

Our internal Energy Managers gathered to hear the latest on energy saving initiatives we've been implementing, learn about our project on net zero carbon emissions and understand the requirements of meeting the new ISO 50001:2018 energy management standard next year.

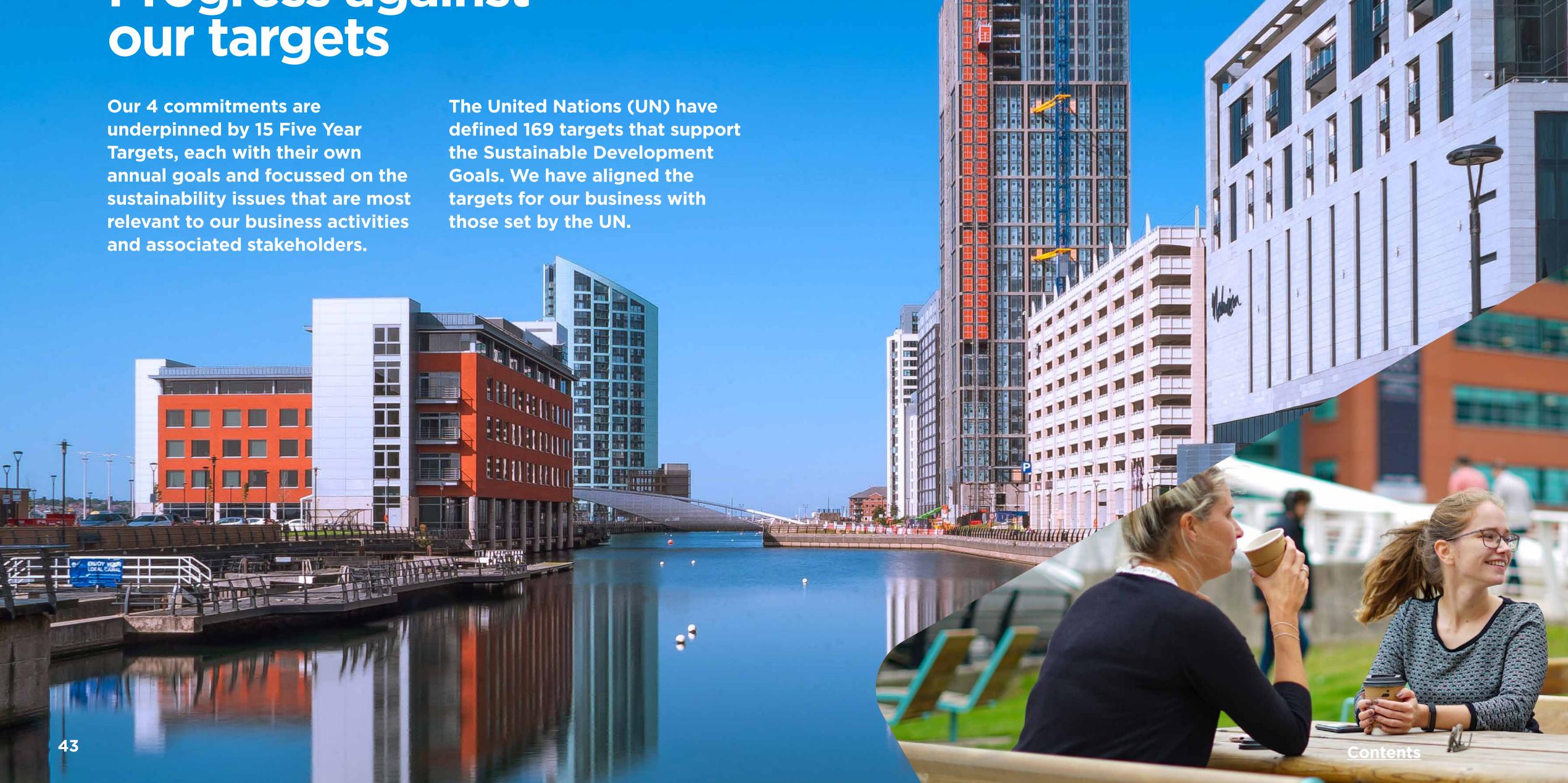


The annual event is held in addition to ISO 50001 training which is offered to all our people with energy management responsibilities.

daily life." are more instinctive

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SDG 12: Continually improve the sustainability of our existing assets

Energy



Our Target

15% reduction in absolute or activity-related energy use or greenhouse gas emissions, cumulatively from a 2018 baseline

Progress

We have:

- Achieved our annual energy reduction milestone of 3% for the past 6 years.
- Maintained ISO 50001 certification.
- Achieved Net Zero carbon certification for 11 of our buildings.
- Begun work on the adoption of a Science-Based carbon reduction target.

Additional achievement:

• We have certified to the new ISO 50001:2018 standard.

Waste



Our Target

Our Target

Zero waste to landfill from Peel L&P sites

20% increase in recycled

waste, cumulatively

from a 2018 baseline

Progress

We have:

• Sent zero waste to landfill for 2 years in a row.

Progress

We have:

• Increased the recycling rate across Peel L&P by 2.71%.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



On track

On track

In progress

44

Water



Our Target

20% reduction in absolute or activity-related water use, cumulatively from a 2018 baseline

Progress

In progress

We are:

• In the process of collecting consistent performance data and will report progress next year.

Our Target

Provide public access to free drinking water at all developments

Progress



In progress

We are:

• Assessing the implications of installing public drinking water stations at all sites.

Procurement



Our Target

All suppliers to meet Peel L&P's minimum sustainability requirements

Progress

We have:



In progress

• Initiated an assessment of our top 20% of suppliers by spend.



Our Target

Identify unnecessary single-use plastics across our portfolio and replace with more sustainable alternatives

Progress

We have:



In progress

• Initiated an assessment of the use of single-use plastic products across our portfolio.



Our Target

Increase the number of electric vehicles in the Peel L&P fleet year on year

Progress



On track

We have:

• Increased the number of fully electric vehicles in the fleet to 14 and the number of hybrid vehicles to 57.

Sustainability reporting



REPORTING

Our Target

Produce a 5 year sustainability report

Progress

On track

We have:

• Developed sustainability metrics and used these to measure our support for local communities.

Our Target

Conduct an annual
Sustainability Survey:
seek employee opinion
on our office sustainability
and ways to continually
improve

Progress



On track

We have:

• Completed an annual sustainability survey in January for the fourth year in a row.

SDG 11: Support the development of sustainable low-carbon communities, transport, energy and infrastructure

Buildings



Our Target

All our new commercial buildings will be BREEAM 'Very Good' or 'Excellent' where relevant

Progress

We have:

Added two new BREEAM 'Very Good' retail units at MCUK.



Our Target

Report progress towards creating 150 acres of public realm at our Strategic Waters sites

Progress

We have:

• Measured the total amount of public realm created by each Strategic Waters development. This year we delivered an extra 2.02 acres, bringing our total to 22.37 acres.



In Progress

On track

SDG 8: Create new training, employment and local business opportunities through our regeneration activities

Jobs & Skills



Our Target

We will help 200 people to get into work by facilitating apprenticeship opportunities across all appropriate development projects

Progress

We:



In Progress

• Hosted 1 apprentice and 5 work placements. Our Chatham Waters

construction project hosted 4 apprentices and 2 work placements.

Sustainable tourism



Our Target

We will encourage 80 million visitors to our sites, to support the local economy

Progress

We:



In Progress

- Worked with a Salford University placement student, who reviewed the available sustainable tourism information for our key destinations.
- Initiated a project to review sustainability information, including sustainable travel resources, on our websites.

8 DECENT WORK AND ECONOMIC GROWTH

SDG 15: Help communities to connect with nature

Biodiversity



Our Target

Adopt natural capital accounting

Progress



We have:

- Produced a detailed landscape design code for Northstone developments.
- Initiated a pilot to investigate habitat banking mechanisms.

Additional achievements:

- We have completed a natural capital assessment for the Liverpool Waters regeneration scheme.
- We have started to voluntarily assess Biodiversity Net Gain for new developments.



Target review

Our 5 Year Sustainability Plan has been a catalyst for action and embedding sustainability in our business.

To ensure the targets within our plan are still relevant considering COVID-19, changing trends such as the speed of the transition to a low carbon economy and government policy changes, we have undertaken a review which has resulted in updates and additions to our 5 Year Targets.

SDG 12: Continually improve the sustainability of our existing assets

Energy



New Target

We will develop and report progress against a Science-Based Target

New Target

We will assess the Scope 3 (indirect)
Greenhouse Gas emissions for our
Net Zero Carbon asset portfolio

Why?

To show how our targets are aligned to local authority net zero carbon ambitions

Why?

We know that Scope 3 emissions can amount to 85% of a commercial real estate company's total carbon footprint. This represents a significant climate change risk and opportunity that affects our business models and therefore needs to be quantified

SDG 11: Support the development of sustainable low-carbon communities, transport, energy and infrastructure

Buildings



New Target

We will undertake carbon appraisals to quantify the embodied carbon in different assets and to understand how this can be reduced

Why?

To be able to reduce the embodied carbon in our assets, we first need to understand where the majority of the footprint lies. We can then start to investigate the possibility of procuring lower carbon materials by working with the relevant supply chains

SDG 8: Create new training, employment and local business opportunities through our regeneration activities

Jobs & Skills



New Target

We will develop a Social Value Framework that is applicable to the majority of Peel L&P projects

Why?

To capture the level of positive social impact we create as part of our regeneration projects and other activities

SDG 15: Help communities to connect with nature

Biodiversity



Revised Target

We will adopt natural capital accounting to quantify and understand the deficit and surplus of ecosystem services across Peel L&P landholdings and assist in our land-use decision-making processes

New Target

Northstone, our homebuilding division, will report annually against its Connecting Communities with Nature commitment

Why?

To better explain the benefits of natural capital accounting to our business and stakeholders

Why?

Connecting Communities with Nature is an overarching statement of intent outlining the commitment of Northstone developments to improve the natural capital assets of the area for local people

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