



# ENVIRONMENTAL SUSTAINABILITY

OUR VISION

SEGRO



## INTRODUCTION

SEGRO's purpose is to 'create the space to enable extraordinary things to happen' and we are committed to achieving this in the most sustainable way possible. As a Real Estate Investment Trust (REIT), we fully understand our wider responsibilities and prioritise a commitment to sustainable practices.

The concept of Corporate Social Responsibility (CSR) can be explained quite simply; it is doing the right thing. The right thing for the environment, the right thing for the communities in which we operate and the right thing for our customers, our employees and our stakeholders.



IMAGE: DAVID SLEATH, CHIEF EXECUTIVE



## FIGURE 1: RESPONSIBLE SEGRO

Our CSR programme is called Responsible SEGRO (see figure 1) and is fully embedded in the business to ensure that our existing and new buildings comply with the highest possible standards.

Our goal is to be the best owner-manager and developer of warehouse properties in Europe. To do this, we have to ensure that our projects deliver a positive impact for the communities that we're part of, the customers that we serve, the stakeholders we invest in, and the environment around us.

Our application of Responsible SEGRO ensures that both our portfolio and our business is well positioned for the future.







## ENVIRONMENTAL SUSTAINABILITY

As part of Responsible SEGRO, Environmental Sustainability focuses on reducing our carbon footprint and resource use, while ensuring our customers' needs are met. Our strategy for achieving this is centered around energy, resources and materials, with specific measures for reducing impact in each area (see figure 2).

SOLAR SHADING AT ENERGY PARK / MILAN / ITALY



FIGURE 2: ENVIRONMENTAL SUSTAINABILITY PRIORITIES



## ENVIRONMENTAL SUSTAINABILITY







# OUR APPROACH

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IMAGE: GEODIS / SEGRO AIRLINK PARK BERLIN / GERMANY





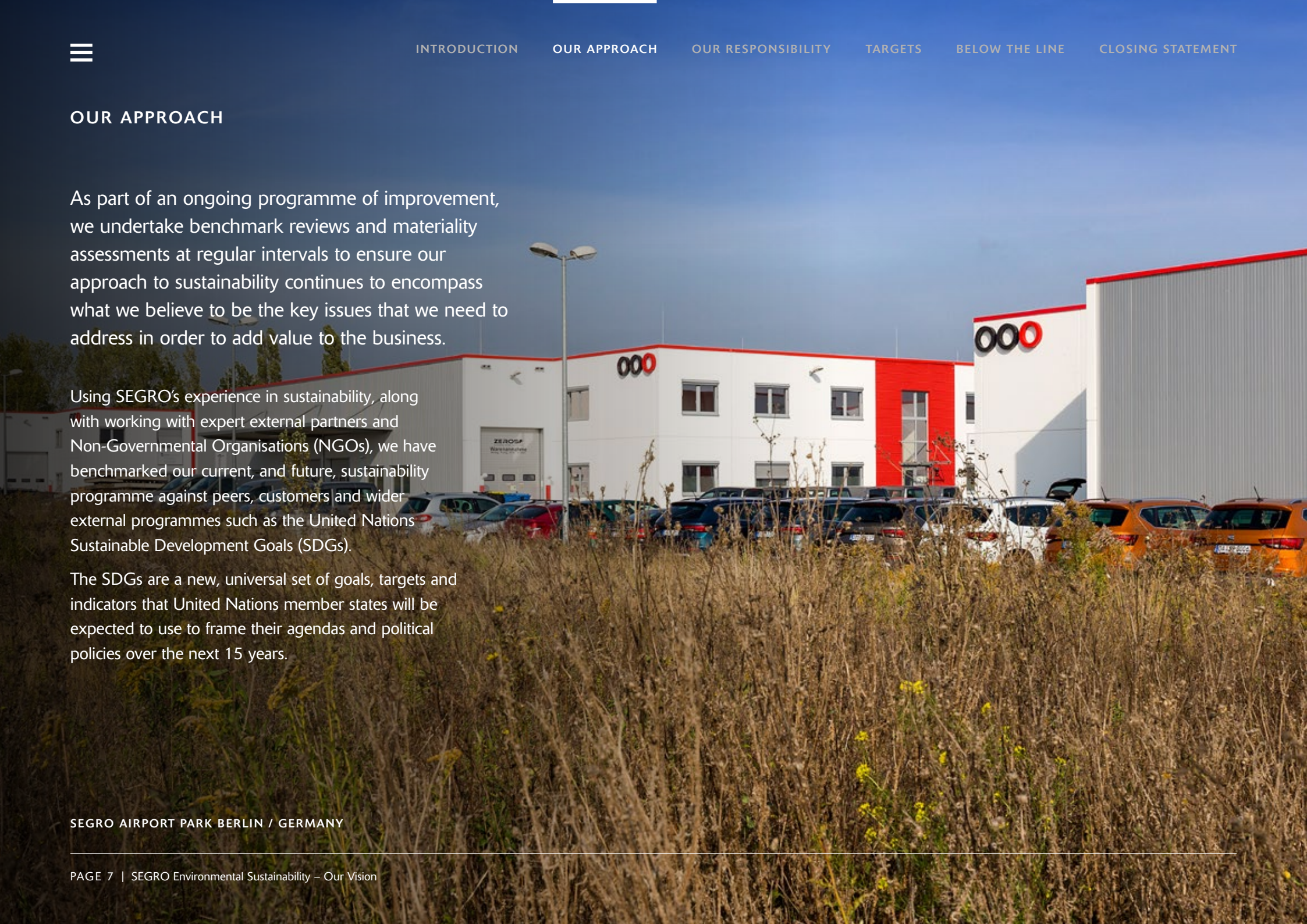
## OUR APPROACH

As part of an ongoing programme of improvement, we undertake benchmark reviews and materiality assessments at regular intervals to ensure our approach to sustainability continues to encompass what we believe to be the key issues that we need to address in order to add value to the business.

Using SEGRO's experience in sustainability, along with working with expert external partners and Non-Governmental Organisations (NGOs), we have benchmarked our current, and future, sustainability programme against peers, customers and wider external programmes such as the United Nations Sustainable Development Goals (SDGs).

The SDGs are a new, universal set of goals, targets and indicators that United Nations member states will be expected to use to frame their agendas and political policies over the next 15 years.

SEGRO AIRPORT PARK BERLIN / GERMANY







## PRIORITY AREAS OF FOCUS

We regularly hold internal and external discussions with several key decision makers across the business, as well as our customers and other key stakeholders, to understand which issues are considered to be most material to our business. Further to this, we have considered our long-term growth plans as well as potential future external 'meta-trends' to ensure that our strategy remains fit for business for the long term.

When the trends and materiality importance scores are combined with our 'ability to influence', key areas of focus for the future strategy start to stand out (see figure 3).

IMAGE: CONSTRUCTION AT ORIGIN / PARK ROYAL / UK

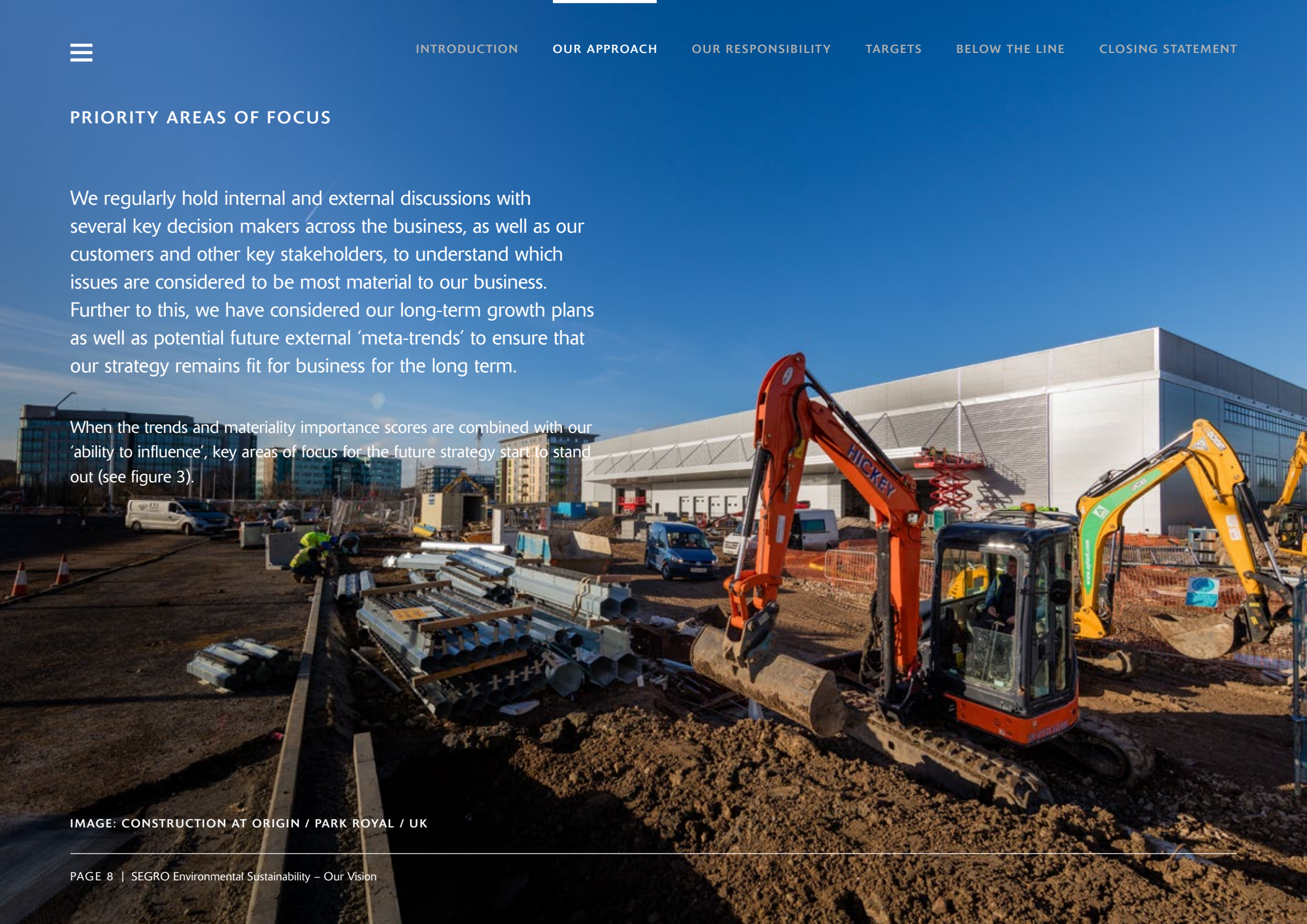
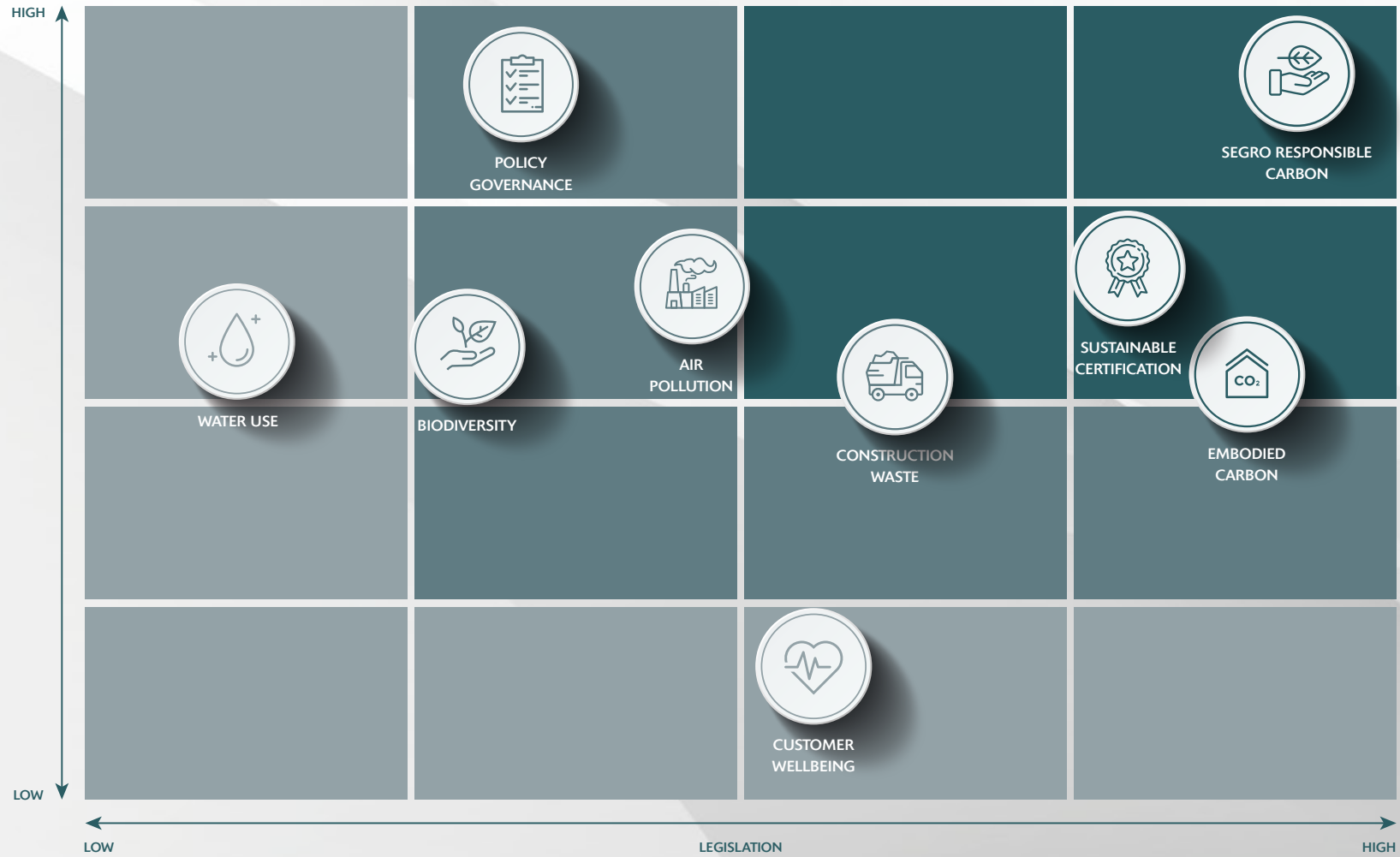






FIGURE 3: PRIORITY AREAS OF FOCUS







## UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In 2016, the United Nations launched 17 goals to end poverty, fight inequality and injustice, and tackle climate change by 2030. SEGRO firmly supports the Sustainable Development Goals (SDGs). Our aim is to support all 17 where we can, but inevitably our operations will impact certain SDGs more than others. In 2017 we reviewed the goals and organised them according to our Responsible SEGRO framework so that we can be more aligned with longer-term aims and objectives (see figures 4 and 5).



IMAGE: OLIVE TREES AT VAILOG ROME NORTH DC1 / PROVINCE OF RIETI / ITALY





FIGURE 4: SUSTAINABLE DEVELOPMENT GOALS > OUR WIDER AIMS

OUR COMMUNITY



OUR ENVIRONMENT



OUR STAKEHOLDERS



OUR PEOPLE



Source: [www.un.org/sustainabledevelopment](http://www.un.org/sustainabledevelopment)





FIGURE 5: SUSTAINABLE DEVELOPMENT GOALS > OUR FOCUS

OUR COMMUNITY



OUR ENVIRONMENT



OUR STAKEHOLDERS



OUR PEOPLE



Source: [www.un.org/sustainabledevelopment](http://www.un.org/sustainabledevelopment)





# OUR RESPONSIBILITY

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IMAGE: ELECTRIC VEHICLE CHARGING STATIONS AT SEGRO LOGISTICS CENTRE TILBURG I / NETHERLANDS





OUR RESPONSIBILITY

WE CREATE THE SPACE  
THAT ENABLES  
EXTRAORDINARY  
THINGS TO HAPPEN.

IMAGE: ROYAL MAIL'S WORLDWIDE DISTRIBUTION CENTRE // AXIS PARK / HEATHROW / UK





## OUR RESPONSIBILITY

SEGRO's core business involves being a landlord to our customers, but we are much more than this. We also have a responsibility to protect the environment in which we operate, by owning and developing buildings that use natural resources efficiently during both construction and occupation.



IMAGE: CONSTRUCTION AT SEGRO LOGISTICS PARK GDANSK / POLAND





## OUR FOCUS

As a developer, we understand that we are responsible for creating sustainable buildings which conserve the interests of the environment.

We use the following methods (see figure 6):

- Focusing on reducing the energy used by, and in, the construction of our buildings.
- Constantly reviewing and improving the materials that we use in the construction and refurbishment of our buildings.
- Ensuring that we reduce and minimise the use of resources wherever we can in the life cycle of our buildings.

This technical approach to environmental sustainability is what sets us apart from our peers and is what we call 'Technical Sustainability'. For more information, refer to our Sustainable Development Objectives document.

IMAGE: SEGRO OFFICES, SLOUGH (COPYRIGHT © HUFTON & CROW)

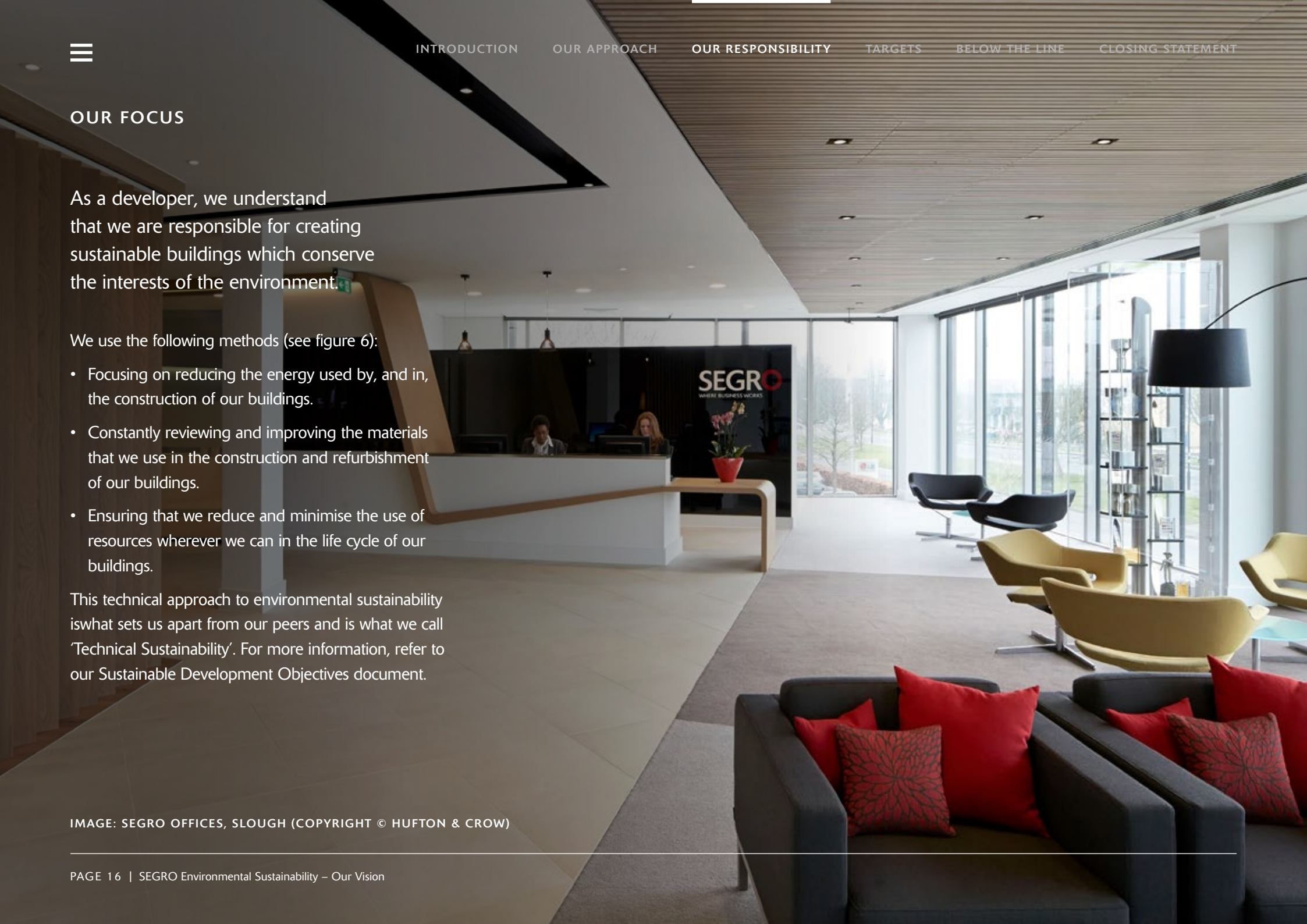
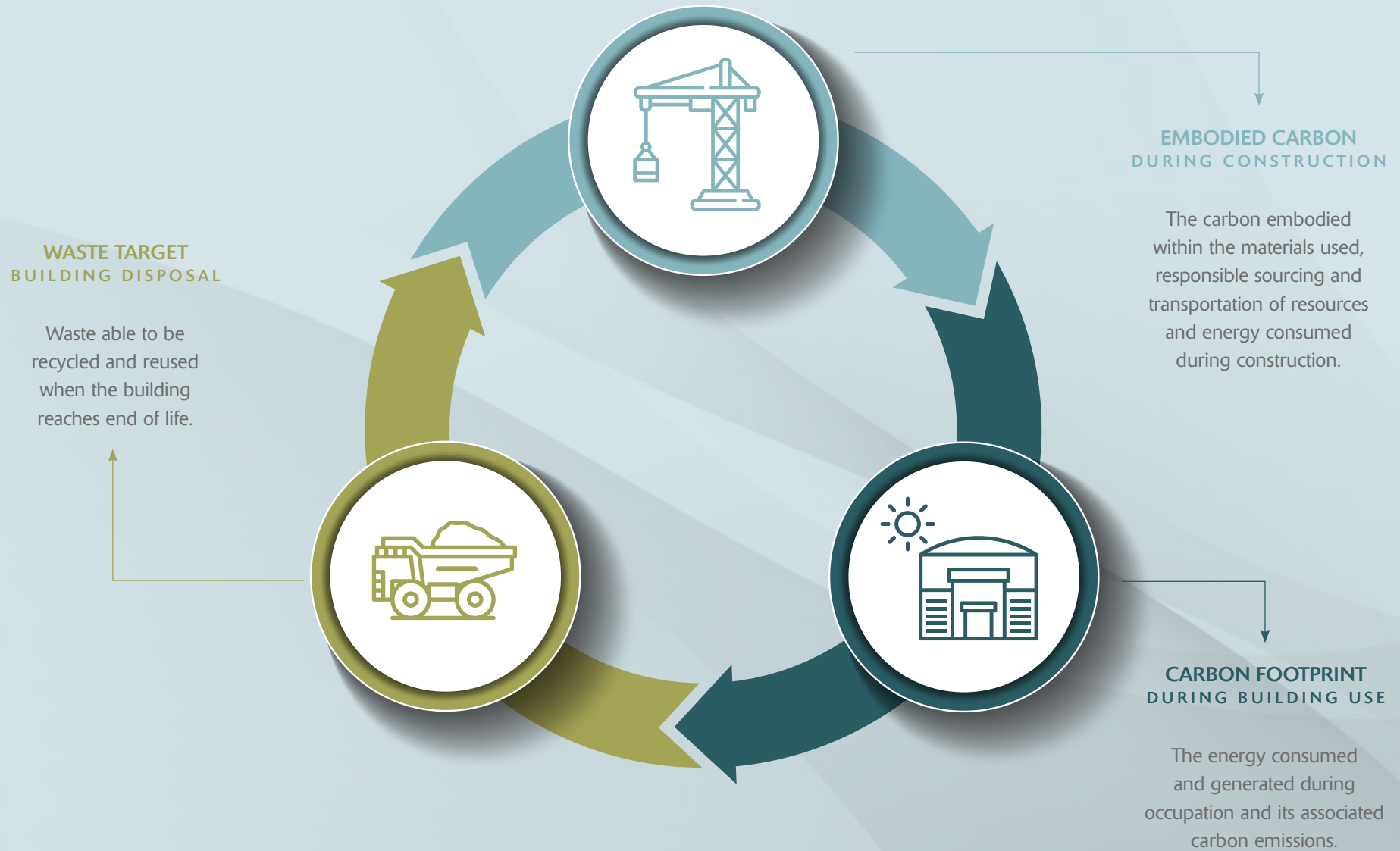




FIGURE 6: BUILDING LIFECYCLE







# TARGETS

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IMAGE: SOLAR PHOTOVOLTAICS / OLYMPUS / BARKING / UK





## TARGETS

# T A R G E T S

Our objective is to focus on three key external, top level targets, which are designed to be clear, concise and directly meaningful to SEGRO and our customers. By reducing SEGRO's impacts in these areas we directly assist our customers to meet their own corporate targets. These targets will be the focus on all further external reporting.

IMAGE: SEGRO LOGISTICS PARK / CASTEL SAN GIOVANNI / ITALY





TARGETS

# WHAT WE WILL DO – ENERGY



We will reduce SEGROs carbon footprint by 40% by 2025, putting in line with the Paris Agreement on Climate Change to limit global temperature rise to 2 degrees.

# 40%

IMAGE: LONDON'S FIRST 'CARBON NEUTRAL' INDUSTRIAL SCHEME AT NAVIGATION PARK / UK





TARGETS

# HOW WE WILL DO IT – ENERGY



## 01

Procurement and generation of near-zero and zero carbon, renewable energy across our portfolio.

## 02

Installation of proven energy efficient technologies across our existing estates as well as our new build portfolio.

IMAGE: LONDON'S FIRST 'CARBON NEUTRAL' INDUSTRIAL SCHEME AT NAVIGATION PARK / UK





## TARGETS

# WHAT WE WILL DO – RESOURCES



We will reduce the amount of  
waste that our business creates.



IMAGE: DEMOLITION OF 234 BATH ROAD / SLOUGH / UK





## TARGETS

# HOW WE WILL DO IT – RESOURCES



01

Sending zero waste to landfill for all new developments by 2025.

02

Promoting the re-use of materials across our portfolio.

IMAGE: DEMOLITION OF 234 BATH ROAD / SLOUGH / UK





## TARGETS

# WHAT WE WILL DO – MATERIALS



We will deliver low impact / carbon buildings based on the carbon within each development.



IMAGE: SEGRO PARK SKYLINE HEATHROW / UK





## TARGETS

# HOW WE WILL DO IT – MATERIALS



01

Conducting a full, life cycle assessment of all our new builds.

02

Challenging material choice and reducing embodied carbon by 20% by 2025.

IMAGE: SEGRO PARK SKYLINE HEATHROW / UK





## OBJECTIVES

# OBJECTIVES

In order to ensure our day to day operations continue to support the wider Group targets, we have developed three internal operational aims.

IMAGE: LEED PLATINUM RATING AWARDED TO 'GREEN BUILDING ONE' AT ENERGY PARK / MILAN / ITALY





OBJECTIVES

OPERATIONAL  
AIM –  
CARBON



We will materially improve the energy efficiency of our portfolio of assets.



IMAGE: LEED PLATINUM RATING AWARDED TO 'GREEN BUILDING ONE' AT ENERGY PARK / MILAN / ITALY





OBJECTIVES

# HOW WE WILL DELIVER IT – CARBON



Providing country specific requirements on EPC attainment for new builds and refurbishments based on 200kWh/m<sup>2</sup> benchmarks.



IMAGE: LEED PLATINUM RATING AWARDED TO 'GREEN BUILDING ONE' AT ENERGY PARK / MILAN / ITALY





## OBJECTIVES

# OPERATIONAL AIM – RESOURCE USE



We will increase the amount of sustainably-certified buildings in our portfolio.



IMAGE: BREEAM 'EXCELLENT' RATING AT THE QUAD / TUDOR GATE / UK





## OBJECTIVES

# HOW WE WILL DELIVER IT – RESOURCE USE



100% of new buildings over 5,000 m<sup>2</sup> to meet or exceed BREEAM Very Good by 2025.



IMAGE: BREEAM 'EXCELLENT' RATING AT THE QUAD / TUDOR GATE / UK





OBJECTIVES

OPERATIONAL  
AIM –  
MATERIALS

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We will promote the responsible  
sourcing of materials.



IMAGE: TIMBER FRAMING AT SEGRO LOGISTICS PARK MITRY-MORY / FRANCE





OBJECTIVES

# HOW WE WILL DELIVER IT – MATERIALS

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Identifying critical product categories, such as timber, and defining minimum standards.



IMAGE: TIMBER FRAMING AT SEGRO LOGISTICS PARK MITRY-MORY / FRANCE





# BELOW THE LINE

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IMAGE: CASTEL SAN GIOVANNI LOGISTICS PARK / ITALY



## BELOW THE LINE – INTRODUCTION

Across all our developments and operations, we will still ensure that those areas defined as ‘not material’ are managed effectively. We will still ensure that areas such as biodiversity is enhanced wherever possible, water use is minimised in both in construction and operation and air pollution is given priority based on the location of the development (see figure 7).

IMAGE: BAT BOXES AT SEGRO INDUSTRIAL PARK TYCHY / POLAND





## FIGURE 7: NON-MATERIAL AREAS OF ACTIVITY



BUSINESS TRAVEL



'GREEN' INFRASTRUCTURE (EV CHARGING POINTS)



SMART BUILDINGS (INTERNET ENABLED, SUB METERING)



OPERATIONAL WASTE & RECYCLING



BIODIVERSITY (WILD LIFE & PLANTING)



PRODUCT CERTIFICATION (E.G. USE OF SUSTAINABLE STEEL)



RENEWABLE ENERGY (ON OR NEAR SITE)



RENEWABLE ENERGY (OFF-SITE)



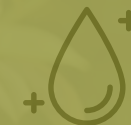
CUSTOMER WELL BEING



AIR POLLUTION



GREEN ENERGY TARIFFS



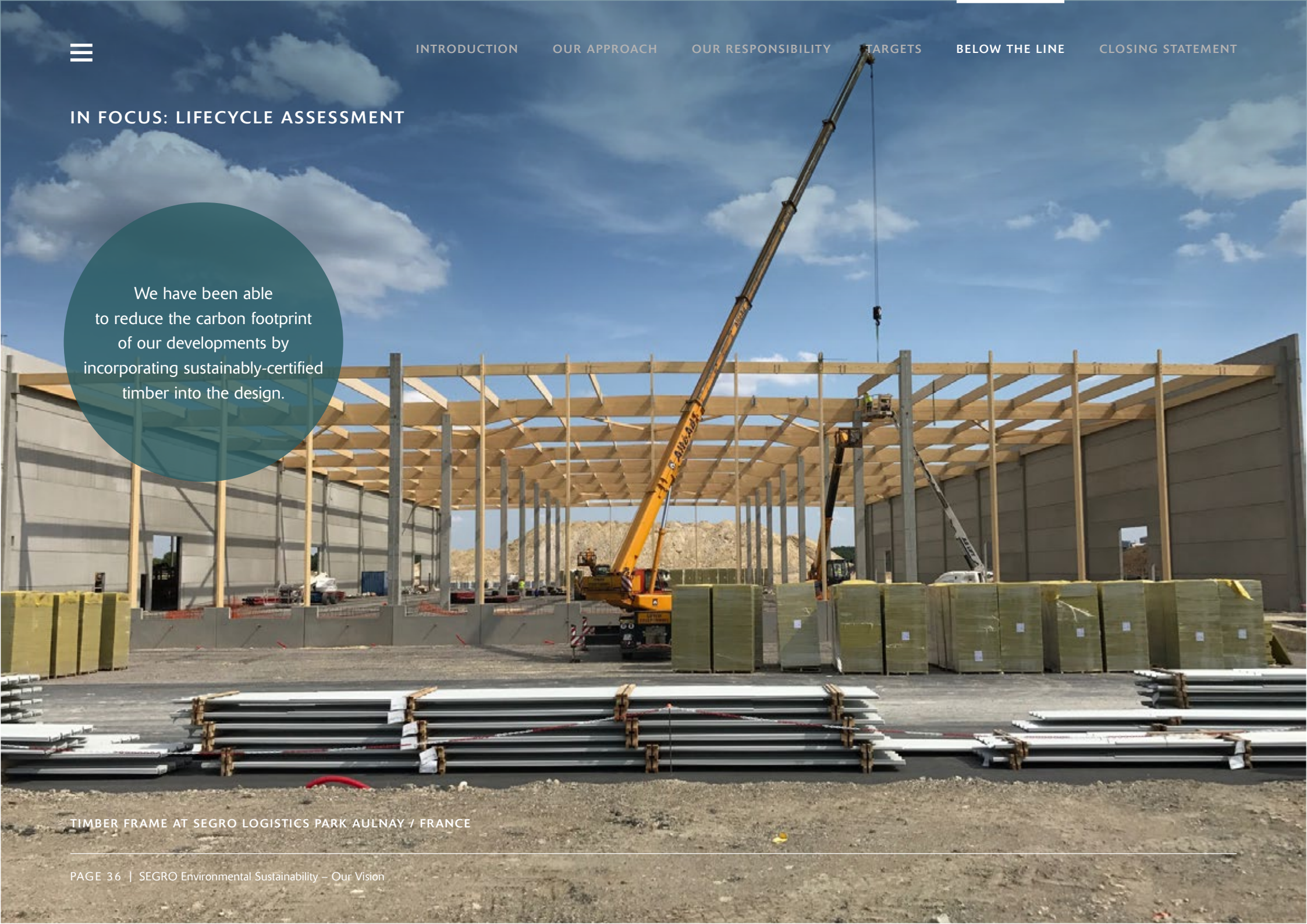
WATER USE





## IN FOCUS: LIFECYCLE ASSESSMENT

We have been able to reduce the carbon footprint of our developments by incorporating sustainably-certified timber into the design.



TIMBER FRAME AT SEGRO LOGISTICS PARK AULNAY / FRANCE





## IN FOCUS: BIODIVERSITY

### MILAN

We utilise the green space around our developments by partnering with local communities to allow sheep and buffalo to graze on the land.

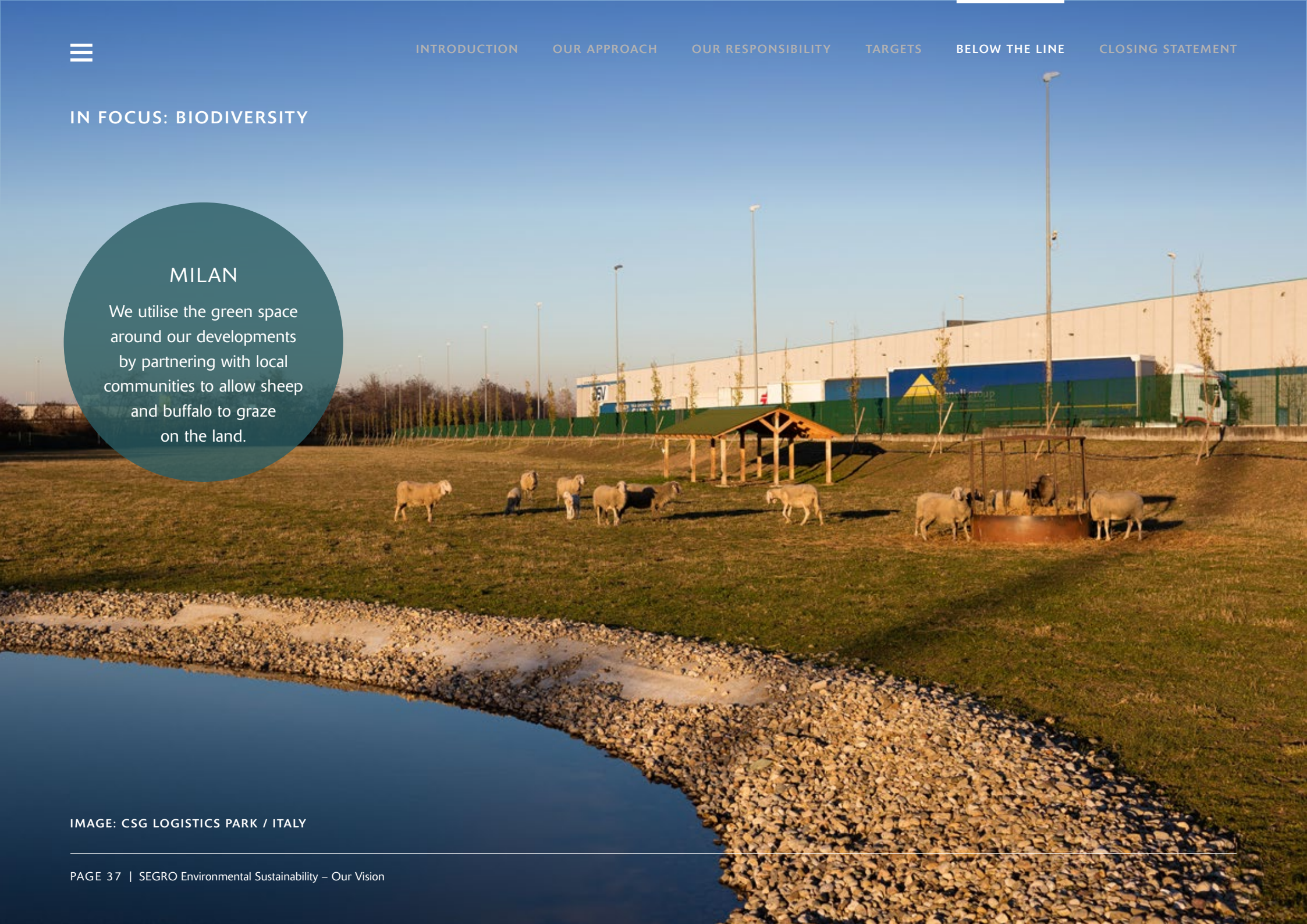


IMAGE: CSG LOGISTICS PARK / ITALY





## CLOSING STATEMENT

Our work won't stop here. We take a long-term view of our business and place great importance on trying to understand and foresee opportunities and challenges which might affect our business and customers.

By anticipating future trends we are able to quickly adjust and make quick and informed decisions which benefit our people, communities, environment and stakeholders.

The application of Responsible SEGRO ensures that both our portfolio and our business is well-positioned for the future.