

## BUSINESS REVIEW

continued

### CORPORATE SOCIAL RESPONSIBILITY

#### CORPORATE SOCIAL RESPONSIBILITY IS CREATING VALUE FOR WORKSPACE GROUP

Corporate Social Responsibility is fully integrated into our business activities. We believe our Corporate Social Responsibility strategy drives occupancy by delivering cost savings for our properties and rents by helping to create a more attractive business environment for our customers.

Each year, we set targets, focused on increasing occupation and strengthening key stakeholder relationships. In 2011/12, we fully achieved eight targets and partially achieved two, highlights are shown below. Looking ahead, we will continue to focus on improving performance in our four priority areas (carbon management, waste management, customer satisfaction and community investment). We will seek to effectively communicate our strategy and actions in order to:

- Engage our customers in delivering energy and waste efficiencies.
- Strengthen relationships with customers, investors and employees.
- Enhance our brand as a responsible landlord for small and medium enterprises.

Jones Lang LaSalle has assessed our targets and key performance indicators and has carried out a review of our performance over the year.

#### KEY PRIORITY

#### PERFORMANCE IN 2011/12

##### COMMUNITY INVESTMENT

**We engage with customers and local communities enabling employment, education and entrepreneurship.**

Our E3 community strategy is bringing together entrepreneurship, education and employment, working with a range of charities and businesses. The strategy is in full flow, having achieved good successes alongside our community partners, The Greater London Authority, London South Bank University and the Cricket Foundation.

##### CARBON MANAGEMENT

**We understand our energy use and identify improvements, so that we reduce costs and carbon dioxide emissions, and perform well in the CRC Energy Efficiency Scheme.**

We installed real-time energy monitoring at 12 high consumption sites, audited energy efficiency opportunities at six sites and have a full-time energy management executive. We completed a whole life carbon analysis of the Workspace Group 'recycling buildings' model.

##### WASTE MANAGEMENT

**We work to improve our recycling rates and send zero waste to landfill, so that we cut landfill tax costs.**

We have negotiated a new waste management contract including customer education and recycling targets. Recycling bins and waste management strategy is now provided to customers at all centres.

##### CUSTOMER SATISFACTION

**We aim to meet our customers' needs and help them improve their Corporate Social Responsibility, so that we retain our customers and maximise rental income.**

Customer satisfaction and loyalty are key to the sustainability of our income stream; we target a customer experience score of 80% on our annual survey.

## RECYCLING BUILDINGS SAVES CARBON EMISSIONS

Workspace commissioned the whole lifecycle carbon analysis by Jones Lang LaSalle to determine whether our business model of recycling older buildings is inherently more carbon efficient than continually demolishing and rebuilding office space in London:

**Over a 60-year lifespan**, Workspace Group's recent refurbishment of Chester House delivers:

- 25% lower emissions than a new build central London benchmark building.
- Saving over 9,500 tonnes of CO<sub>2</sub>.
- 12% lower emissions than a new build regional benchmark building.
- Saving more than 4,000 tonnes of CO<sub>2</sub>.

## INDUSTRY INITIATIVES



**CARBON DISCLOSURE PROJECT**

### KPIs

Total value of community investment, £138,650.

Fifty young people provided with Work Inspirations during Global Entrepreneurial Week.

Fully achieved 12 of 17 community performance targets with three in progress for delivery in 2012/13.

Real time energy consumption live at 12 sites, representing CO<sub>2</sub> emissions of 9,000, approximately half of Workspace Group's total CO<sub>2</sub> emissions.

7% of properties have had an energy audit.

Landfill cost avoided - £300,000.

Waste diverted from landfill through recycling/waste to energy - 5,600 tonnes.

41% recycling rate, plus 43% waste to energy, 84% diverted from landfill.

Average customer experience score in annual customer survey 84%.

Zero Health & Safety RIDDORs for customers.

### 2012/13 INITIATIVES

**Continue delivery of Workspace's E3 community strategy.**

**Continue Club Workspace start up and entrepreneurial events.**

**Knowledge transfer partnership with London South Bank University.**

**20 Work Inspiration placements.**

**Workspace Urban 20 cricket sponsorship, a vocational skills outreach for 200 school children.**

**Reduce carbon emissions (CO<sub>2</sub>) by 10% compared to 2011, across the 12 assets with digital energy monitoring (adjusted for occupancy).**

**Reduce carbon emissions (CO<sub>2</sub>) by 5% compared to 2011, across the whole portfolio (adjusted for occupancy).**

**Achieve a recycling rate average across all centres of 55%, and achieve zero waste to landfill by October 2013.**

**Actively integrate Corporate Social Responsibility into Workspace's communication strategy.**