

## OUR APPROACH



**JAMIE HOPKINS**  
CHIEF EXECUTIVE OFFICER

We have long understood the value that a focused Corporate Social Responsibility (CSR) programme can create for Workspace, delivering operational efficiencies in the process and contributing to our reputation as a responsible business. We believe our CSR activities benefit financial performance by driving occupancy rates, delivering cost savings and creating a more attractive business environment for our customers.

The primary role of our business is to meet the space and environment needs of new and growing companies across London. We foster entrepreneurial activity and create vibrant working communities that in turn support local businesses by boosting employment and economic growth. We believe that by adhering to our fundamental principles of helping businesses to grow and being a good community member, we can be a force for good benefiting both our customers and wider society.

Not only do we work within the regulatory environment for real estate providers, adhering to the UK Energy Act, Carbon Reduction Commitment and landfill tax regime, but we go beyond our legal obligations. This approach has generated opportunities to reduce operating costs, by sending zero waste to landfill and installing more efficient boilers in our centres, for example.

A selection of the year's performance highlights against stakeholder goals can be seen in the table opposite. We are particularly pleased that our E3 community investment strategy was recognised by Business in the Community, one of the UK's leading CSR organisations, who awarded us their prestigious CommunityMark. We were amongst four businesses that have achieved this accolade in 2013. Similarly, we are proud to once again be included in the FTSE4Good Index which helps us assess our achievements against a transparent and evolving global corporate responsibility standard.

Our goal is to ensure that we fully consider the impact that we and our stakeholders have and that we address these impacts positively and transparently. We want to ensure that our customers and employees flourish, our communities and environment stay vibrant and that our shareholders are rewarded for their support. The Board, the management team and I remain focused on these important objectives.

More detail on our CSR activities in 2012/13, including our performance against EPRA sustainability indicators, is available at [www.workspace.co.uk](http://www.workspace.co.uk).



FTSE4Good

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### CUSTOMERS

**Customer satisfaction and loyalty are key to the sustainability of our business.**

**We help our customers to connect with local communities by participating in our community programmes and working with them to improve the environmental performance of our centres.**

### SUPPLIERS AND PARTNERS

**We aim to build long-term relationships with our suppliers by being a responsible purchaser of goods and services.**

**We also work closely with our partners to integrate sustainability into the design, construction and redevelopment of Workspace centres.**

### COMMUNITIES

**We aim to make the communities in which we operate better places to live and do business in.**

**Our flagship E3 community investment strategy provides education, employment and entrepreneurial opportunities for young people.**

### EMPLOYEES

**We provide a safe and rewarding work environment to ensure we attract and retain talented and ambitious individuals.**

**Our commitment to diversity encourages innovation and ensures our workforce reflects the diversity of our customers and communities.**

### ENVIRONMENT

**Our buildings are our biggest environmental impact and we are committed to making the most of opportunities to reduce carbon emissions and energy use, benefiting the environment and reducing operating costs.**

**We strive to reduce other environmental impacts and costs such as waste.**

- 1 EPRA Sustainability Performance Measure 3.1
- 2 EPRA Sustainability Performance Measure 3.3
- 3 EPRA Sustainability Performance Measure 3.5
- 4 EPRA Sustainability Performance Measure 3.6
- 5 EPRA Sustainability Performance Measures 3.10 and 3.11

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## PERFORMANCE HIGHLIGHTS IN 2012/13

We achieved an average customer experience score of 82% exceeding our target of 80%.

We received a Bronze certificate in the Mayor's Green Procurement Code – the third year we have achieved this award.

We are now an approved signatory of the Prompt Payment Code.

We invested in community initiatives. E3 received the Business in the Community CommunityMark in recognition of our commitment to delivering tangible benefits for our business and communities.



## TARGETS FOR 2013/14

- Launch programme to reduce energy in partnership with customers at flagship sites.
- Review sustainability questions in annual customer survey.
- Create a customer focused sustainability marketing factsheet for three assets.

- Continue to achieve a Bronze certificate in the Mayor's Green Procurement Code.
- Require suppliers to demonstrate that a minimum of 80% of timber is procured from a certified sustainable source (FSC or equivalent).
- Register all developments over 2,000m<sup>2</sup> with the Considerate Constructors Scheme.

- Continue delivery of E3 strategy.
- Evaluate the socio-economic impact of a completed Workspace development by March 2015.
- Develop a strategy for charitable donations.

- On-going training and development for all employees which helps to develop the right skills to support our growth plans.
- Over the last 12 months we have embedded a new appraisal process to further enhance employee understanding of how their objectives will assist in driving business performance.
- We continued to drive engagement through our communications channels to ensure employees understand our strategy and the part they play.
- We recognise how important it is that our employees feel engaged in what we are doing, so this year we launched a Share Incentive Plan to help them benefit from the future success of the Company.
- Participation in the Sharesave Scheme continues to be popular with employees. In total, 55% of employees participate in the Sharesave Scheme.

- With the Government's pension auto-enrolment changes effective for the Company from April 2014, we will ensure that we can meet the legislative requirements efficiently.
- Continue to focus on training and development.
- Continue with Director led staff briefings designed to keep employees well informed of the performance and objectives of the Group.
- The Group remains committed to an equal opportunities policy from recruitment and selection through to training and development.



Total energy consumption from electricity was 24,360,097 kWh<sup>1</sup>. Total energy consumption from fuels was 21,124,428 kWh<sup>2</sup>. Although energy from electricity decreased by 2% compared to 2011/12 (adjusted for occupancy), our overall energy consumption (electricity and fuels) increased by 9% on an absolute basis.

Total direct GHG emissions were 3,878 tonnes CO<sub>2</sub>e<sup>3</sup>. Total indirect GHG emissions were 13,179 tonnes CO<sub>2</sub>e<sup>4</sup>. This meant our total GHG emissions (direct and indirect) increased by 5% compared to 2011/12 driven by higher gas consumption primarily due to the unusually cold winter.

Our centres generated 10.48 tonnes of waste of which 48% (6,612 kg) was recycled and 52% (3,873 kg) was converted to energy<sup>5</sup>.

- Set portfolio energy (kWh) reduction target.
- Achieve an average recycling rate of 55% for all assets where Workspace manages the waste.
- Send zero waste to landfill for all assets where Workspace manages the waste.
- Divert at least 75% (by weight) of non-hazardous construction waste away from landfill for all developments and refurbishments over 2,000m<sup>2</sup>.
- Divert at least 90% (by weight) of non-hazardous demolition waste away from landfill for all developments and refurbishments over 2,000m<sup>2</sup>.
- We will record water consumption at all properties.
- Achieve BREEAM Very Good for all developments and refurbishments over 2,000m<sup>2</sup>.