

ENSURING OUR LONG-TERM SUCCESS

Our business model draws on the resources we have both within Workspace and those gathered externally, to deliver long-term value to our customers and shareholders.

**Super connected:
Delivering The Workspace
Advantage requires all parts of
our business to work together.**

Our aim is to create value for the long term.

To deliver this, our value-creating activities are guided by:

- Our values, which help drive our behaviours and deliver The Workspace Advantage.
- Governance, which helps us make the right decisions.
- The ongoing mitigation of our principal risks and uncertainties, which helps show us where and when we think we can create value.
- Market insight, which guides how we use the key inputs to our Business Model.
- Our strategy, which is regularly assessed by the Board.



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What we do

We lease flexible office space to a wide variety of customers across London. We regularly refurbish and redevelop our properties, and strategically acquire new assets where we can add value.

The majority of our space is offered on flexible lease terms (two years with a six-month rolling break). Our average customer is a 10-person company and occupies 1,000 sq. ft. of space.

In addition to dedicated office space, our business centres also offer co-working membership and meeting rooms for hire.

The Workspace Advantage

We have a customer-focused model and unique operational platform, whereby we manage all market lettings activity in house.

In addition to space, we provide customers with added value facilities, such as super-fast technology, a thriving community and a programme of business insight events.

How we create value

Portfolio

Adding value to our properties

We own all our properties and currently have 64 sites across London. Ownership gives us control to adapt our product as customer demands change.

We have a strong balance sheet and generate good cash flow. This gives us access to financing and the ability to reinvest in upgrading and expanding our existing properties, whilst also strategically acquiring new sites to grow our portfolio.

Where possible, we look to generate additional value by intensifying use at existing sites, selling residential planning consents and creating brand new business centres in partnership with residential developers.

We have acquired two new properties this year, completing the purchase of the Centro Buildings in Camden and acquiring The Shepherds Building in Shepherd's Bush.

We occasionally dispose of assets where we believe we can no longer add value or if the property falls below our robust return targets. In 2018/19 we sold a portfolio of three properties, Belgravia Studios, Spectrum House and The Ivories for a combined price of £51.9m.

We invest in the facilities we offer customers, such as state-of-the-art technology, onsite cafés, cycle storage and showers, and have a rolling programme of refurbishment which enables us to both protect and enhance property values.

Having the right properties supports our strategic priorities of maintaining a strong brand and therefore attracting and retaining the right customers.

Doing The Right Thing

We strive to always Do The Right Thing. This means a commitment to reducing the environmental impact of our properties, working with customers to

Platform

Adding value for our customers

Our target market is London-based businesses ranging in size from entrepreneurs and early stage start-ups to larger, more established companies of several hundred employees. Through our offer, we enable our customers to perform at their best.

We enjoy strong relationships with the thousands of businesses in our space. Through regular surveys and day-to-day interaction with our centre staff, we engage and respond to their feedback.

We do not place any constraints on our customers. We offer flexible lease terms – a trend that is becoming more prominent in the market – a range of spaces and secure, unlimited data.

Customer service is of paramount importance and the dedicated on-site centre managers are committed to encouraging a sense of community and collaboration amongst businesses at all our locations.

Our proactive approach enables our customers to focus on their businesses.

We believe that our people are our greatest resource and work hard to provide the support they need to live by our values.

encourage recycling and reduction in energy usage and supporting the communities in which we operate.