



“
We are
delivering on
our commitment
to become a net
zero carbon
business by
2030 and drive
employment-led
regeneration
across London.
”

Graham Clemett
CEO

DOING THE RIGHT THING

Overview

Approach

Driving forward our Environmental, Social and Governance ('ESG') agenda is a top priority for Workspace. ESG has become increasingly important to our stakeholders, particularly customers, investors and employees. In order to attract London's brightest businesses, we aim to exceed their ESG expectations and ensure our service can provide them with the tools to manage their own environmental and social impact.

To achieve this, ESG considerations are embedded in all stages of our properties' lifecycle and business-wide strategic decisions. Our ESG strategy covers development practices, operational emissions and our social impact. It enables us to operate responsibly in our dealings with all stakeholders and reinforces our commitment to the sustainable long-term growth of our business and to the employment-led regeneration of London. We have mapped our strategy against the UN Sustainable Development Goals ('SDGs') to ensure our objectives and targets are aligned with global ambitions.

Leadership oversight

The highest level of responsibility for our ESG strategy, accountability and performance lies with the Board of Directors and our Chief Executive Officer. The Board is aware of the risks and opportunities associated with ESG and is supportive of the ambitious objectives and targets that have been set.

“We acknowledge there is a climate emergency and recognise that the building and construction industry significantly contributes to the global carbon footprint. This is why we want to play our part in Building Back Better and transition to a green economy, by becoming a net zero carbon business by 2030. First and foremost, we are focusing our efforts on driving down our operational and embodied carbon emissions in line with our approved science-based targets, aligned to limit global warming to 1.5°C.”

Graham Clemett
CEO

DOING THE RIGHT THING

CONTINUED

OVERVIEW CONTINUED**Materiality**

Our ESG strategy is based around the key material issues that are most relevant to our business and value chain. These issues are addressed within the three key themes of our Doing the Right Thing framework (see overleaf) to ensure that we are creating value for all stakeholders.

This year we appointed a social impact consultancy to review our social issues in more detail and advise us on how we can measurably improve our impact. The study involved a stakeholder analysis and engagement, including interviews with a variety of stakeholders and a detailed review of the social challenges in the boroughs where we operate. The outcomes of the study were insightful, and are detailed on page 54.

Our five key material issues are:

- Climate change
- Resource efficiency
- Human rights
- Stakeholder engagement
- Community engagement

ESG ratings and memberships:

ESG ratings:



A
and supplier
engagement leader



Gold
EPRA Sustainability
Best Practice
Recommendations Award



78
Real Estate
Assessment Score



3.6
absolute rating out of 5

81
Development
Assessment Score

89%
relative percentile score

A
Public Disclosure Score



Foundation
Foundation Level
Accreditation

Memberships:



DOING THE RIGHT THING CONTINUED

OVERVIEW CONTINUED

Doing the Right Thing framework

Key themes:

1. Climate change mitigation and resilience



See page 37

2. Looking after our people



See page 45

3. Inspiring the next generation and supporting our communities



See page 51

Areas of focus:

- Net zero carbon by 2030
- Reduce GHG emissions in line with our SBTs
- Continue to improve climate-related financial risks and opportunities reporting using the TCFD framework
- Set up a Green Finance Committee
- Maximise on-site renewable energy generation
- Reduce waste generation and reach recycling target of 76%
- Provide sustainable transport facilities
- Engage with supply chain and customers

- London Living Wage compliant by April 2022 for all employees and contractors
- Environmental and social objectives for all employees
- Ethical/environmental fund option offered in addition to default pension fund
- Gain a better understanding of the ESG goals and performance of our supplier base
- Improve Equality, Diversity and Inclusion data collection and analysis
- Annual employee survey and town hall Q&A sessions
- Incorporate wellbeing into our Charity & Social Committee to organise events throughout the year
- Introduce Health Shield employee benefit programme
- Refresh recruitment policy
- Deliver enhanced induction programme for new joiners

- Scale up our InspiresMe youth programme
- Utilise our customer and supplier network to expand our InspiresMe youth programme to reach more young people
- Continue career and interview workshops for young people in the parts of London where we operate
- Host inspirational talks at our centres, creating a vibrant hub for the community
- Conduct a social value measurement exercise for our social and community activity and regularly report against it
- Roll out Social Impact Policy and Management Framework

SDGs:



DOING THE RIGHT THING CONTINUED

Climate change mitigation and resilience

Climate change mitigation is a cornerstone of our ESG strategy. In recent years, we have made significant progress, notably with a 28% decrease in greenhouse gas emissions in 2019/20, compared to our original 2012/13 baseline. We are now taking our climate ambitions one step further, with our net zero carbon strategy.

| | |
|-------------------------|-------------------------|
| Our carbon footprint | page 38 |
| Net zero carbon pathway | page 40 |
| Green Finance Framework | page 42 |



Targeting net zero carbon by 2030

To reach our goal to become a net zero carbon business by 2030, we are reducing our emissions across our operations and value chain in line with our approved science-based targets, which are in turn aligned with limiting global temperature rise to 1.5°C above pre-industrial levels.



See page 40

DOING THE RIGHT THING CONTINUED
CLIMATE CHANGE MITIGATION AND RESILIENCE CONTINUED

Our carbon footprint

Before getting into the details, it is important to first understand our carbon footprint. To illustrate this, we have used our 2020/21 carbon emissions, which totalled 44,246 tonnes of carbon (equivalent to the annual energy usage of 10,923 average UK households), and have split the emissions up into our business and value chain activities.

The GHG Protocol Corporate Standard classifies a company's GHG emissions into three 'scopes':

Net zero carbon pathway, see page 40

SCOPE 1

Scope 1 emissions are direct emissions from owned or controlled sources. Our Scope 1 emissions are essentially our gas and fugitive emissions (refrigerants for air conditioning).

SCOPE 2

Scope 2 emissions are indirect emissions from the generation of purchased energy, i.e. our electricity consumption. Scope 2 can be reported as location-based or market-based. A location-based method reflects the average emissions intensity of the grid whereas a market-based method reflects emissions from electricity purchased from a supplier, allowing zero emissions to be reported for contracts on a renewable energy tariff. Our Scope 2 market-based emissions are zero because we procure 100% renewable electricity, and our Scope 2 location-based emissions are 4,719tCO₂e. To be fully transparent, we have used our location-based emissions in the chart (right).

SCOPE 3

Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the value chain, including both upstream and downstream emissions. The majority of our Scope 3 emissions are from the embodied carbon associated with our refurbishment and redevelopment activities. 3.5% of our total emissions are from 'purchased goods and services' which includes maintenance, service charge recoverable items and minor capex items. Some of our customers' energy falls under our Scope 3 emissions where they procure their energy directly from the supplier.

2,887

| | |
|--------------------|-------|
| Natural gas | 2,028 |
| Fugitive emissions | 857 |
| Vehicle emissions | 2 |

4,719

| | |
|---------------------------------|-------|
| Electricity (location based) | 4,568 |
| Purchased heat (location based) | 151 |
| Electricity (market based) | 0 |

36,640

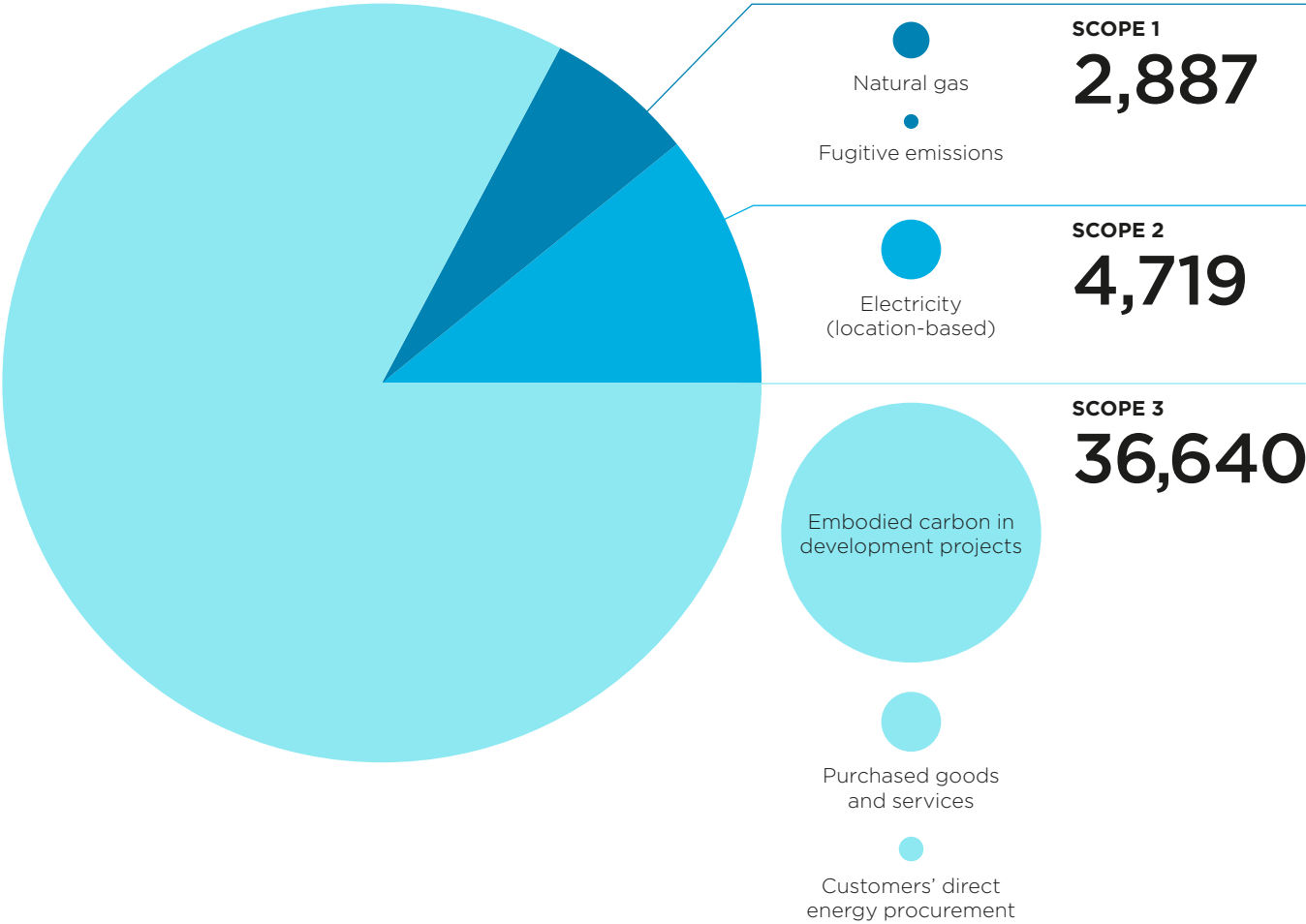
| | |
|---------------------------------------------------|--------|
| Embodied carbon in development projects | 32,307 |
| Customers' direct energy procurement | 2,053 |
| Purchased goods and services | 1,529 |
| Purchased electricity transmission & distribution | 393 |
| Water treatment | 126 |
| Employee commuting | 121 |
| Water supply | 61 |
| Waste management | 41 |
| Heat transmission & distribution | 8 |
| Business travel | 0 |

DOING THE RIGHT THING CONTINUED
CLIMATE CHANGE MITIGATION AND RESILIENCE CONTINUED

OUR CARBON FOOTPRINT CONTINUED

Our Scope 1 and 2 emissions make up only 17% of the total emissions, and although these look insignificant compared to our Scope 3 emissions, they are essentially our operational emissions that we have control over and therefore take full responsibility for. The majority of Scope 3 emissions are associated with our refurbishment and redevelopment activities.

LOCATION-BASED SCOPE 1, 2 AND 3 GHG EMISSIONS



DOING THE RIGHT THING CONTINUED

CLIMATE CHANGE MITIGATION AND RESILIENCE CONTINUED

Net zero carbon pathway by 2030

In September 2019, Workspace signed up to the Better Buildings Partnership ('BBP') Climate Change Commitment to deliver net zero carbon real estate portfolios by 2050. Since then we have carried out a review of our business and value chain emissions and have brought this forward to 2030.

This will be a significant challenge, particularly given that many of our buildings are older, with some listed, and therefore need to be carefully retrofitted without altering their appearance or character. Wherever possible, we aim to retain the existing structures and repurpose our buildings, transforming them into modern spaces, whilst saving on embodied carbon.

We directly manage our buildings and foster close relationships with our customers, giving us a unique opportunity to collaboratively drive down emissions, whilst our in-house facilities management team gives us greater control over our operational energy consumption. We will increasingly be supporting and engaging with all of our stakeholders to deliver this commitment and look forward to sharing our progress.

To help us achieve our net zero carbon goal, we have developed science-based targets ('SBTs') which are aligned with the Intergovernmental Panel on Climate Change ('IPCC') 1.5°C report. These targets have been approved by the science-based targets initiative ('SBTi') and cover both our operational and embodied carbon emissions.

The full net zero carbon pathway can be found on www.workspace.co.uk/investors/doing-the-right-thing

OPERATIONAL CARBON (ENERGY, WATER AND WASTE)

SCIENCE-BASED TARGETS

-42% Reduce absolute Scope 1 GHG emissions 42% by 2030 from a 2020 base year

- All new developments and major refurbishments to have electric heating and cooling systems
- Retrofit existing assets with electric heating and cooling systems
- Reduce heating demand by improving wall and ceiling insulation
- Reduce performance gap between design and in-use by following Soft Landings or NABERS Design for Performance Framework
- Look to obtain asset level energy efficiency ratings such as BREEAM in-use or NABERS UK
- Accelerate energy efficiency upgrades including LED/PIR lighting, BMS optimisation
- Improve energy monitoring and controls
- Customer engagement to help them understand and drive down their emissions



EMBODIED CARBON

SCIENCE-BASED TARGETS

-20% Reduce Scope 3 GHG from capital goods 20% per sq. ft. of net lettable area by 2030 from a 2020 base year

- All new developments and major refurbishments to have an embodied carbon assessment
- Take embodied carbon into account when making development decisions
- Set specific embodied carbon reduction targets for new developments and major refurbishments
- Reduce the embodied carbon of development projects (using low carbon materials)



RENEWABLES PROCUREMENT

SCIENCE-BASED TARGETS

100% Continue annually sourcing 100% renewable electricity through to 2030

- Procure green gas upon next contract renewal¹
- Investigate opportunities to engage in power-purchase agreements (PPAs) to further drive the renewables market
- Survey customers who procure their own energy to gather data on existing renewable procurement, and use this to build on our existing strategy to encourage renewable procurement among customers

1. Backed by a REGO (Renewable Energy Guarantees of Origin) certificate.



DOING THE RIGHT THING CONTINUED**CLIMATE CHANGE MITIGATION AND RESILIENCE** CONTINUED**NET ZERO CARBON PATHWAY** CONTINUED**ON-SITE GENERATION**

- Install solar PV systems for all new developments and major refurbishments where possible
- In addition, aim to install solar PV systems for the six sites identified in the feasibility study carried out in 2020
- Continue to review the portfolio to identify further opportunities for on-site renewable energy generation

OFFSETTING

- Develop our company principles and approach to offsetting
- Explore internal carbon pricing options and setting up a decarbonisation fund
- Explore opportunities and the costs and benefits associated with investing in sustainable practices within our own supply chain (insetting)

THIRD-PARTY VERIFICATION

- Extend scope of GHG emissions verification level
- Review science-based targets annually to ensure alignment with science and re-baseline if necessary
- Review carbon offsetting verification schemes to ensure they are aligned with our principles
- Support an industry net zero carbon certification for real estate

**CASE STUDY****Solar PV performance**

We currently have 13 solar photovoltaic ('PV') installations across the portfolio. Our total solar power generation over the past four years has increased by 221% to 157,953 kWh. We install solar PV systems at all new developments where possible and have carried out feasibility studies to retrofit systems at six of our existing sites, with plans to install in 2021/22. Although we procure 100% renewable electricity across the portfolio, on-site generation will deliver a return on investment over time and play a part in our net zero carbon target.

SOLAR PV GENERATION
157,953 kWh

+22%

| | |
|------|---------|
| 2021 | 157,953 |
| 2020 | 129,553 |

Solar panels at Barley Mow



DOING THE RIGHT THING

CONTINUED

**CLIMATE CHANGE MITIGATION
AND RESILIENCE** CONTINUED


Green finance

Our focus on sustainability is embedded across all our decision-making process, including our financing strategy. This year, Workspace developed a Green Finance Framework, under which it can raise debt to support the financing and refinancing of activities of an environmental nature. These are collectively known as Green Debt Instruments ('GDIs').

In March 2021, Workspace issued its first green bond, in accordance with the Green Finance Framework. The framework is aligned with ICMA's Green Bond Principles (2018 edition) and LMA's Green Loan Principles (2021 edition) and addresses UN SDGs 7, 11, 12 and 13.

The £300m of proceeds will be used to finance or refinance eligible green refurbishment and redevelopment projects, reinforcing the role Workspace plays in the employment-led regeneration of areas across London as a long-term owner of historic and character buildings in the Capital.

Glossary

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"This green bond, which further strengthens our balance sheet, is the first issued under our Green Finance Framework, which will continue to be a core pillar of our financial strategy and underscores our commitment to sustainable investment and development practices."

Dave Benson

Chief Financial Officer

The five pillars of our Green Finance Framework

3. Management of proceeds

- Workspace intends to allocate an amount equivalent to the proceeds from the GDI to an EGP portfolio
- Funds will be drawn from the GDI to finance only the qualifying expenditure on EGPs or to refinance expenditure on green projects which have previously been funded from other sources
- The Group aims, over time, to achieve a level of allocation for the EGPs which matches or exceeds the balance of net proceeds from its outstanding GDIs

1. Use of proceeds

Eligible green projects ('EGPs'):

- Green buildings
- Eco-efficient and/or circular economy adapted products, production technologies and processes
- Renewable energy
- Clean transportation
- Energy efficiency
- Climate change adaptation
- Pollution prevention and control (waste management)
- Clean transportation
- Sustainable water and wastewater management

4. Reporting

- As per market standards, Workspace will disclose publicly both allocation and impact information in relation to GDIs issued.

Allocation report:

- The aggregated amount of allocation of the net proceeds to the EGP at category level;
- The proportion of net proceeds used for financing versus refinancing
- The balance of any unallocated proceeds invested in cash and/or cash equivalents

Impact report:

- Workspace will periodically provide qualitative and quantitative environmental performance reporting of the EGPs

2. Projects evaluation and selection

- As part of the management of its Green Finance Framework, Workspace intends to set up a Green Finance Committee
- The Workspace Green Finance Committee will be responsible for final approval of:
 - a. Updates to the framework, to ensure alignment with relevant market standards and Workspace's sustainability strategy
 - b. Selection of GDIs aligned with the framework
 - c. Selection of EGPs
 - d. Management of proceeds
 - e. Reporting on the use of proceeds and their impact
 - f. Overseeing external review process of the framework

5. External review

- Workspace commissioned DNV to conduct an external review of this Green Finance Framework
- We were pleased to receive a positive outcome

"On the basis of the information provided by Workspace and the work undertaken, it is DNV's opinion that the Framework meets the criteria established in the Protocol, and that it is aligned with the stated definition of Green Bonds within the Green Bond Principles 2018 and Green Loans within the Green Loan Principles 2021."

(DNV)

DOING THE RIGHT THING

CONTINUED

**CLIMATE CHANGE MITIGATION
AND RESILIENCE** CONTINUED**CASE STUDY****Ink Rooms in
Clerkenwell**

Environmental and social issues are considered throughout Workspace's properties' lifecycle, of which refurbishments are a critical stage. From the use of responsibly sourced materials, to enabling green transport and giving back to the local community, it is crucial to achieve sustainability objectives on our refurbishment projects if we want to reach our overall ESG goals.

Workspace transformed Ink Rooms' ageing office space to create a vibrant business centre with four floors of modern office and studio space. The fourth floor offers a self-contained unit with its own private terrace with great views of London. The ground floor was transformed into self-contained offices with large shopfront windows and new glass skylights to maximise daylight intake.

Ink Rooms achieved a "Very Good" BREEM Refurbishment and Fit-out rating, performing particularly well in the management, energy, transport and water sections of the assessment. The building also holds a B-rated Energy Performance Certificate. The project achieved a 41% reduction in carbon emissions compared to pre-refurbishment levels, going from 37.25 kgCO₂/m² to 22.13 kgCO₂/m².

41%

reduction in carbon emissions



Ink Rooms

DOING THE RIGHT THING
CONTINUED**CLIMATE CHANGE MITIGATION
AND RESILIENCE** CONTINUED**INK ROOMS** CONTINUED**98%**

waste diverted from landfill

100%

of timber sourced from sustainable forests

“

The project teams worked together to ensure that sustainability was at the heart of the building's design.

”

Kahroon Tanvir
Senior Project Manager

**Features of Ink Rooms’
sustainable design****TRANSPORT**

The site offers 41 indoor secure cycling bays and five showers and changing facilities. A very high rating was achieved on London's Public Transport Accessibility Level (6a), with an Accessibility index of 35.89.

BIODIVERSITY

A green roof was included in the design, incorporating at least 16 different species, with an aim to create and maintain a functional green roof which maximises biodiversity on site and creates habitat for local wildlife.

HEALTH AND WELLBEING

The lighting was specified to guarantee visual performance and comfort, including daylight dimming controls. The heating and cooling systems were designed to provide excellent thermal comfort in occupied spaces, with temperature controls in each unit to allow customers to adjust levels to match their needs.

Noise levels were reduced through tailored insulation and glazing to meet stringent local authority requirements, with external noise intrusion levels not exceeding 55 decibels in open plan offices. The heating and cooling equipment was also specified to meet specific noise requirements.

ENERGY

Renewable energy is provided by the 12.81kWp solar PV system installed on the roof and low carbon energy is provided from air source heat pumps.

Energy efficiency features include LED lighting with daylight sensors and motion detection, as well as energy-efficient lifts. The building has been designed to be predominantly naturally ventilated, which helps to reduce the site's emissions.

The site presents extensive energy sub-metering. The consumption data is automatically stored on the Optergy energy management software. This allows facility management teams to closely monitor the property's energy consumption profile and make energy efficiency adjustments on an ongoing basis. Customers also have access to the system to view their energy profiles.

WATER

The building is achieving an impressive 51% water use reduction over the BREEAM Baseline – equivalent to 21.63 litres per person per day.

Low-flush toilets of 3.4 litres have been fitted, as well as showers not exceeding 8 litres per minute.

Water metering and a leak detection system were installed in order to continuously monitor and manage consumption.

MATERIALS

100% of the timber used in construction was sourced from legal and sustainable forests (FSC and PEFC). The existing structure and external walls were retained, reducing the amount of new materials required. All new materials were sourced using ISO 14001 and BES 6001 sustainable certification.

WASTE

Construction waste has been reduced through careful procurement, and 1,392 tonnes of waste were diverted from landfill, which is equivalent to approximately 98% of the total non-hazardous waste.

MANAGEMENT

The project scored 37/50 in the Considerate Constructors Scheme, reflecting care taken over appearance, community, environment, safety and workforce.

DOING THE RIGHT THING CONTINUED

Looking after our people

Employees, customers and suppliers

Supporting our employees, customers and suppliers has been a key priority during these uncertain times. From ensuring our centres remained Covid-safe, to offering a 50% rent reduction to all customers for three months at the start of the pandemic, and hosting wellbeing webinars for employees and customers, we have worked hard to look after our people over the last year.

| | |
|-------------------------------|-------------------------|
| Equity, Diversion & Inclusion | page 47 |
| Health & wellbeing | page 47 |
| Professional development | page 49 |
| Customer support | page 50 |

Embedding ESG across Workspace

Our Doing the Right Thing ESG strategy is implemented by our ESG Committee made up of employees from across the business. We have committed to facilitate workshops and seminars to equip employees with the relevant skills and knowledge to deliver our ESG targets.

Our induction training programme has been revised so that each new starter receives a two-week induction, including a business overview from the CEO and an ESG introduction from the sustainability team. This year, we also introduced environmental and social objectives for all employees across the business.

Listening to our employees

In May 2020, in the midst of the first national lockdown, an employee survey was sent out to help us understand how employees were feeling and the challenges they were facing. The results informed management on how to best support employees during the lockdown and beyond that, when restrictions were eased. The survey was carried out by a third-party partner, InMoment, and all responses were confidential.

In addition to the survey, employees were offered the opportunity to ask the CEO and other members of the Executive Team any questions they had at virtual town hall meetings held each quarter. These meetings covered a number of different themes, including updating employees on our financial results, how we were supporting customers through the pandemic and our new brand proposition.

Employees were also encouraged to attend the regular employee engagement breakfast sessions with Stephen Hubbard, our Chairman. These sessions, held several times during the year, involve a different group of eight employees who put themselves forward to attend. Participants are encouraged to bring forward ideas, issues and questions. Anything shared remains anonymous and the sessions don't include senior managers, to allow employees to be open and honest. The ideas discussed then help inform improvements to the business and employee wellbeing.

As employees returned to centre offices and our head office, we put in place Covid-secure measures, including sanitising stations, perspex screens between desks and one-way systems to promote social distancing, as well as providing FAQs and video content to ensure staff understood the safety measures in place.

DOING THE RIGHT THING CONTINUED
LOOKING AFTER OUR PEOPLE CONTINUED

Q&A with the Executive Team

CLAIRE DRACUP

HEAD OF PEOPLE



Claire is responsible for HR, training and people development across the Company with a focus on enhancing customer service and experience.

Q How important has the Workspace culture been in managing the business through the last year?

A Our culture, with its focus on customer service and looking after one another, has had a huge impact on our success and ability to continue to deliver services this year. During the first lockdown, we had Relief Managers picking up Centre Managers without cars, collecting sacks of post from postal sorting offices and sorting through it to make sure customers received their post.

Everyone rallied round to cover shifts and support colleagues with childcare issues and our Facilities Managers worked around the clock to make our buildings safe for customers.

I am so proud of the way our employees have gone out of their way this year to support customers and each other. They've demonstrated commitment, team spirit, a desire to help and succeed, with bags of creativity to come up with innovative solutions.

Our focus going forward is now to build on the existing culture to drive ongoing improvements to customer service and ensure this permeates through the different roles across the Company.

“

I am so proud of our employees who have gone out of their way to support customers and each other.

”

Q The pandemic has highlighted the importance of employee wellbeing. What is Workspace doing to look after its people?

A This has become a really important area for Workspace and we've launched some great new initiatives this year. Our Charity & Social Committee has been expanded to include Wellbeing and we have put in place a programme of activity for the coming year, including continuing our walking webinars which proved so popular during lockdown.

Both our new Head of HR and Office Manager are responsible for driving further enhancements to employee wellbeing and we are launching Health Shield as a new benefit offering a range of physical and mental health support.

DOING THE RIGHT THING CONTINUED

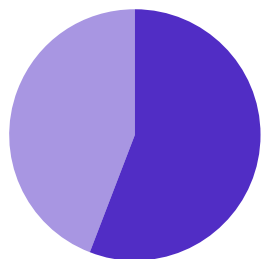
LOOKING AFTER OUR PEOPLE CONTINUED

Equity, diversity and inclusion ('EDI')

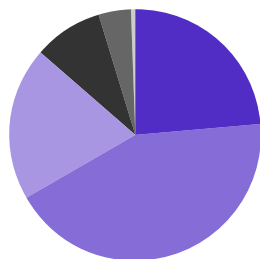
DIVERSITY

As at 31 March 2021

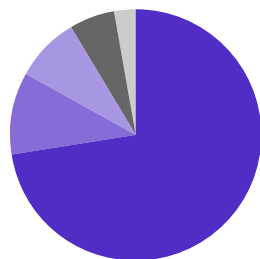
GENDER DIVERSITY OF ALL EMPLOYEES



AGE DIVERSITY OF ALL EMPLOYEES



ETHNIC DIVERSITY OF ALL EMPLOYEES



| | |
|--------|-----|
| Female | 125 |
| Male | 98 |

| | |
|-------|----|
| 20-29 | 53 |
| 30-39 | 96 |
| 40-49 | 44 |
| 50-59 | 20 |
| 60-69 | 9 |
| 70-79 | 1 |

| | |
|-----------------------------------|-----|
| White | 159 |
| White British | 127 |
| White Irish | 5 |
| White other | 27 |
| Black | 24 |
| Black Caribbean | 12 |
| Black African | 8 |
| Black other | 4 |
| Asian | 21 |
| Asian/Asian British - Indian | 7 |
| Asian/Asian British - Bangladeshi | 2 |
| Asian Pakistani | 1 |
| Asian other | 11 |
| Mixed Race | 13 |
| Other mixed background | 13 |
| Did not disclose | 6 |

Workspace recognises the value of a diverse workforce. We have reviewed our recruitment processes and training to drive improvements.

We are an inclusive organisation where everyone is treated with respect and dignity. Diversity is embraced and celebrated and there are equal opportunities for all employees. We value our diverse workforce, bringing a welcome mix of skills, experience and knowledge. This enriches our business and contributes to our long-term success.

This year, we partnered with Tectre to provide advice on how we can continue to ensure that Workspace is an inclusive business. The Executive Committee and 78 managers completed a compulsory full-day training session by Tectre on Unconscious Bias with Equality, Diversity and Inclusion. This training is now being rolled out to all employees.

Further plans for 2021/22, include interview guides and training covering inclusivity, fair matrix scoring techniques and constructive feedback. We will be implementing a new recruitment policy and are looking to streamline our recruitment agencies. We plan to work collaboratively to improve our recruitment process right from the start. In order to monitor our progress, we will improve our current data collection and analysis processes.

Health and wellbeing

To support our employees and customers during the pandemic, we hosted a series of virtual wellbeing events and festivals.

We partnered with two experts in this field, Shine and Bodyshot, both Workspace customers. Over the year, Shine hosted 26 sessions with over 1,000 attendees, and Bodyshot delivered five lunchtime workshops for our employees, providing practical tools, tips and resources around mental and physical health.

In March, for National Nutrition Month, we partnered with Outliers Wellbeing to put on a series of 'Walking Webinars' for employees to take exercise while learning about nutrition and energy.

Going forward, we will be formalising our Mental Health & Wellbeing Policy and will incorporate wellbeing into our charity and social committee. The aim is to have a clear action plan for each year with a calendar of events and actions. Our new Head of HR and our new Office Manager both have responsibilities around culture and wellbeing within their job descriptions.

CASE STUDY

Unconscious bias training

All Workspace managers attended a full day of training on unconscious bias with equality, diversity and inclusion. The training was held virtually in small groups, mixing up colleagues from different teams.

It covered the importance of equity, diversity and inclusion to a healthy workplace culture, as well as defining unconscious bias and understanding socialisation, privilege and allyship.

“This training was fantastic. It was eye-opening and purposefully pushed us out of our comfort zone to explore these important topics. I look forward to putting the training into practice in my day to day work.”

Tara Dooley
Accounts Payable Manager



See page 47



DOING THE RIGHT THING CONTINUED

LOOKING AFTER OUR PEOPLE CONTINUED

Employee benefits

Attracting, retaining and developing a dedicated and talented team of employees who embrace our values and culture is an important part of our business strategy. Workspace offers its employees a wide range of benefits, including pension contributions of up to 10%, life insurance and private medical insurance.

All employees may take part in the company Sharesave scheme, allowing them to purchase shares at the end of a three or five year period at a reduced fixed price. We also have long service awards for employees who have completed more than five years' service, and this year 30 members of staff received a long service award.

Our Employee Assistance Programme ('EAP') is available 24/7 for any confidential help employees or their families need. Calls are handled by experienced therapists or advisors who can help and assist on a variety of issues, including but not limited to legal, family, financial, substance abuse, consumer advice, medical, mental health, bereavement, lifestyle, and retirement.

In 2021/22, we plan to introduce a new benefit, Health Shield. Health Shield helps to keep employees and businesses in the best of health, with a range of innovative health and wellbeing solutions, from sports massage to counselling. Members have access to Health Shield PERKS, a website with a large range of discounted retail products and services, offers on travel, and cash back on purchases. Employees will also have access to the NHS-approved app-based programme to aid the prevention, early detection and treatment of depression and anxiety. Users also have access to a live text chat service allowing them to speak to a wellbeing coach and/or a qualified psychologist.

ESG PENSION

Our pension provider Scottish Widows is supporting the transition to a low-carbon economy by integrating ESG considerations into their pension portfolios, including the Workspace default fund. Scottish Widows aim to halve the carbon footprint of their investments by 2030 and have a net zero carbon emissions target across all investments by 2050. In addition to this, Workspace plans to offer employees the opportunity to switch from the default fund to an ethical or environmental pension fund option.

DOING THE RIGHT THING

CONTINUED

LOOKING AFTER OUR PEOPLE

CONTINUED

Professional development and training

As a people-focused business, investing in the development of our employees is vital to ensure our future success. Providing professional development opportunities enhances employee satisfaction and promotes fresh thinking and innovation. Workspace funds professional membership subscriptions for 30 employees in RICS, CIPD and ACCA. A number of Workspace employees enrolled in professional development courses this year.

We are reviewing our appraisal process in 2021/22, in order to make the best use of individual strengths and address any weaknesses. An annual training programme available to all employees will cover subjects such as:

People management

Planning and organisational skills

Conflict resolution

ESG

Unconscious bias

Sales management & negotiation skills

Facilities management-related subjects, such as asbestos and fire safety



Suki Aweys at Workspace head office, Kennington Park

CASE STUDY

Suki Aweys, Advanced Professional Certificate in Construction Project Management

As an addition to his Royal Institution of Chartered Surveyors ('RICS') qualification, Suki started the Association for Project Management ('APM') accredited 'Advanced Professional Certificate in Construction Project Management' course in September 2020 running until February 2021. This was a structured programme focusing on Project Management processes, with an emphasis on the construction industry. Following the completion of the course, Suki now has to sit the APM Project Professional Qualification ('PPQ') exam to qualify.

"I took the qualification as I felt I needed to develop my skills as a Project Manager ('PM'), by understanding different tools that can help to deliver a successful project. I also wanted to better understand the people aspect of projects.

Following this course, I hope to become a more efficient PM, obtaining a set process that I understand and apply. I have already applied, where possible, learnings from the course in my day-to-day work, including understanding the value of personalities in a project team and how to navigate this in order to deliver a successful project.

The syllabus has also helped me develop my strategic thinking. As PMs, we can get very focused on the project itself but I am starting to consider the bigger picture and understand the value of business plans and stakeholder management."

Suki Aweys

Senior Project Manager (Programmes) BSc (Hons) MRICS

DOING THE RIGHT THING CONTINUED

LOOKING AFTER OUR PEOPLE CONTINUED

Customer support over the pandemic

During the periods of national lockdown, our business centres remained open with a number of key worker customers still in occupation and other customers visiting on an essential needs basis. Given the impact that the first lockdown had on our customers and their cash flow, we took the immediate decision to offer all our business centre customers an absolute rent reduction of 50% for the three months to the end of June 2020. On a case-by-case basis, we agreed rent deferral plans and, in the second half of the year, we offered short-term lease incentives for new customers joining who would not be using their office until Government restrictions were eased.

In line with Government guidelines, we have taken extensive measures to keep our business centres safe for customers returning to work. These include signage to promote social distancing, screens, hand sanitiser dispensers, one-way systems, restrictions on use of communal areas and increased daily cleaning of the common areas in our business centres. We also supply additional information and resources for customers via our website. The majority of our buildings are low-rise so the severe lift restrictions that needed to be put in place have had limited impact. We have also increased the amount of cycle storage at centres, where possible.

“It is fantastic to be part of The Leather Market Environmental Group – it is a great initiative to bring together the different tenants and get their perspectives and involvement to make their offices and the workspace more sustainable.”

Customer at The Leather Market

50%

absolute rent reduction offered to customers for the first quarter of FY21

Customer engagement on ESG

Our Sustainability Team are always happy to respond to the increasing number of customer enquiries around ESG issues. Our customers are asking us questions about our energy contracts, recycling services, energy-saving initiatives and whether the centre they occupy is a certified green building.

To help customers with their ESG ambitions, Workspace's Sustainability Team and Anthesis, a customer based at The Leather Market, co-hosted a webinar on “Activating your business’ sustainability aspirations”. The discussion centred on how customers can use the UN SDGs and the B Corp framework to help them set their ESG objectives and targets. There were 26 attendees and positive feedback on the ‘case study’ style content of the session.

There are three customer environmental groups set up at Kennington Park, The Leather Market and Parkhall Business Centre. It has been difficult to set up more this year due to the pandemic but we hope to do so in the coming year. The environmental groups encourage collaboration between customers and the centre teams to reduce their environmental impact through joint initiatives and through sharing energy and recycling data. Customer engagement is vital in order for us to meet our goal of becoming a net zero carbon business by 2030.

Workspace and Sport Pursuit, a customer at Kennington Park, are also part of the Better Buildings Partnership (‘BBP’) Owner & Occupier Forum, which addresses the key challenges associated with engagement on sustainability issues and how both parties can work collaboratively to achieve their net zero carbon goals.

Supplier engagement and Living Wage

Workspace already pays its direct employees the London Living Wage and we are committing to bring all third-party contractors onto the Living Wage by April 2022. The London Living Wage is based on the cost of living and is voluntarily paid by nearly 7,000 UK employers who believe a hard day’s work deserves a fair day’s pay.

In order to gain a better understanding of our supplier base, we sent out an ESG questionnaire to all suppliers which included questions around human rights, environmental and social targets and certifications, local and sustainable procurement, diversity, living wage and community engagement. This questionnaire will form part of our supplier onboarding process.

We also provide incentives to our suppliers to drive environmental performance.

For example, our main waste contractor is set ambitious recycling targets each year. We have received external recognition for our engagement with our suppliers and were listed on the CDP Supplier Engagement Leaderboard this year.

This means that Workspace is among the top 7% assessed for supplier engagement on climate change, based on our 2020 CDP disclosure.



DOING THE RIGHT THING CONTINUED

Inspiring the next generation and supporting our communities

Building communities and improving our neighbourhoods through our focus on employment-led regeneration of London over the long term is an important part of our business strategy. In addition to the ESG Committee, we have a Charity & Social Committee, which oversees fundraising, volunteering and social activities for employees and customers. Fundraising activities and volunteering were significantly impacted this year due to Covid-19 restrictions, but thanks to virtual events we were able to action the following initiatives.

Highlights for the year

page 53

Social impact project review

page 54



“

Employment-led regeneration is at the heart of the business. I want our activity to have a real impact on the local community.

”

Graham Clemett
Chief Executive Officer



DOING THE RIGHT THING CONTINUED
INSPIRING THE NEXT GENERATION AND SUPPORTING OUR COMMUNITIES CONTINUED

EMPLOYEE VOLUNTEERING

To help our communities recover from the devastating short and long-term impacts of the pandemic, Workspace encourages employees to volunteer by giving employees up to three paid volunteering days per annum. In addition to this, we plan to increase engagement with our customers and suppliers on volunteering opportunities to have an even greater impact.

£50,000

Over £50,000 was raised by Workspace employees for GOSH over a two-year partnership

1,000

£2,500 donated to Kitchen Social, to fund 1,000 meals for children in London

£35,000

£35,000 donated to Single Homeless Project, which has been designated as our new charity partner for the next year

28

28 laptops and iPhones donated to London-based charity XLP

23

Hosted 23 food banks for the Trussell Trust across our centres

38

38 Workspace volunteers took part in the InspiresMe CV and interview workshops for disadvantaged young Londoners

DOING THE RIGHT THING

CONTINUED

**INSPIRING THE NEXT GENERATION
AND SUPPORTING OUR COMMUNITIES**
CONTINUED

Highlights for the year

Social Mobility Pledge

To demonstrate our commitment to social impact, we signed up to the Social Mobility Pledge which focuses on three key areas:

1. PARTNERSHIP

Partner with schools or colleges to provide coaching to people from disadvantaged backgrounds.

2. ACCESS

Provide structured work experience to those from disadvantaged backgrounds.

3. RECRUITMENT

Adopt open employee recruitment practices and promote a level playing field for those from disadvantaged backgrounds.

Our InspiresMe programme covers the first two items; see our plans on page 56 and more information can be found on page 47 about how we are revising our recruitment practices to promote inclusivity.

Charity cycle for NHS heroes

We support members of our staff who want to do individual fundraising activities throughout the year, particularly important in the last year when so many employees have been impacted by the pandemic. Sam Palmes, our Head of Building, took part in a 209-mile charity cycle ride in aid of NHS Heroes in September. Climbing a total of 18,000 ft. of hills, the three-day endurance test saw Sam bicycle from Penzance, the furthest westerly town in Cornwall, through Falmouth and the Eden Project, to Plymouth.

Sam raised £50,000 for NHS frontline staff – from cleaners to catering staff, porters, back office administrators, nurses, health care assistants, paramedics and doctors. The money raised will go towards supporting the health and wellbeing of these incredible individuals, including counselling support and specialist washing facilities for staff treating Covid-19 patients, so they can keep on providing the very best care for their patients.

“It was tough going and there were points I thought I might not finish! But it was hugely rewarding, and I saw some beautiful scenery along the way – all in the name of a great cause.”

Sam Palmes
Head of Building



£50k

raised for NHS
frontline staff

Food bank collections

Following the success of food bank collections at 23 of our centres, we have put together a step-by-step guide for centre managers with information on how to find their nearest food bank, transport information and promotion tips, so that it's easy for all centres to get involved. To keep up the momentum, we plan to promote the collections leading up to each school holiday which will give families the extra support they need during times when school meals aren't available.



23

collections at
23 of our centres

Virtual work experience

Our InspiresMe programme is a key part of our Doing the Right Thing strategy which aims to support disadvantaged young people in our communities.

This year, due to the pandemic, we organised virtual CV reviews and interview workshops with charities XLP and Inspire. 38 Workspace volunteers took part, engaging with young people. The sessions worked well virtually, and the extra flexibility meant that our centre staff were more able to get involved.

Liliana Cardoso, Assistant Centre Manager at Clerkenwell Workshops, helped run a successful virtual work experience session for Hackney City Academy's year 10 students as part of our InspiresMe programme.

“I was able to share my professional experience as well as provide some (hopefully) good advice. The sessions were exciting and interactive – I answered questions from the young people via video, reviewed their CVs and gave them advice and feedback on career opportunities. I think initiatives like this are very important to help young people on their first steps to initiate their career paths.”

Liliana Cardoso
Assistant Centre Manager

DOING THE RIGHT THING CONTINUED
INSPIRING THE NEXT GENERATION AND SUPPORTING OUR COMMUNITIES CONTINUED

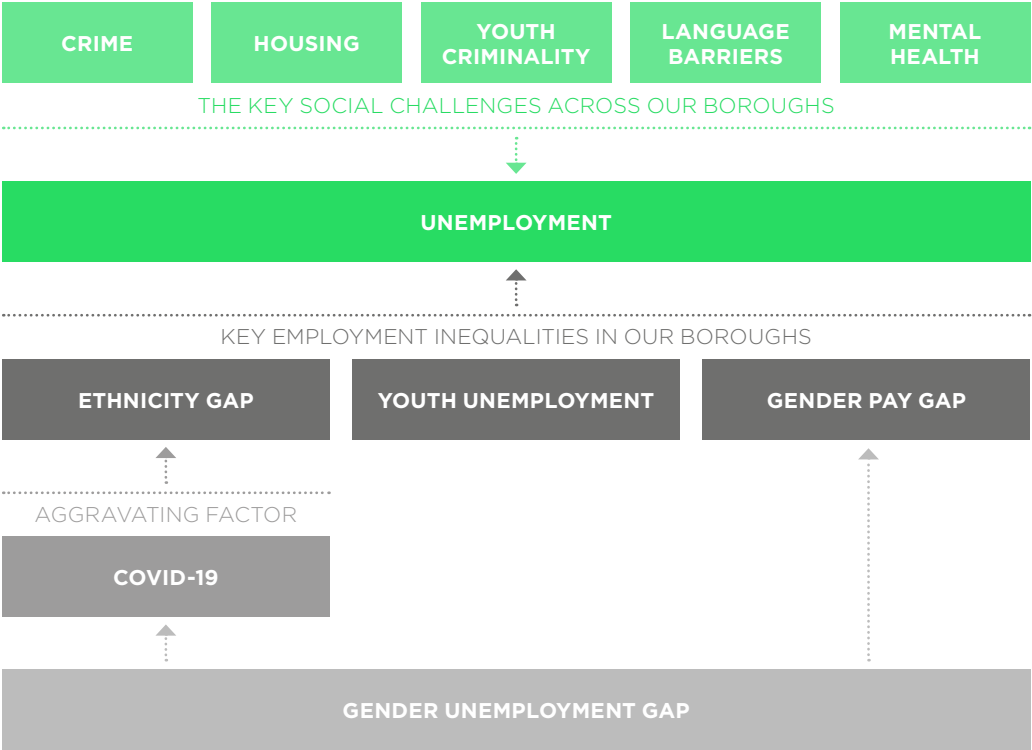
Social impact
project review

This year, we conducted a review of our social impact work to help us build on our existing social impact strategy around employment-led regeneration in London.

Social challenges in
Workspace boroughs

The starting point of the review was to identify the social challenges within the London boroughs in which we operate, in order to target our activities to communities in need, particularly during and after the pandemic. The key social challenges, all underpinned by unemployment, included housing (cost of living), crime, language barriers, youth criminality, and mental health. These have led to employment inequalities including ethnicity gap, youth unemployment and gender pay gap.

We acknowledge that our communities need businesses like ours to help them, particularly as they recover from the pandemic.



DOING THE RIGHT THING CONTINUED**INSPIRING THE NEXT GENERATION AND SUPPORTING OUR COMMUNITIES** CONTINUED**SOCIAL IMPACT PROJECT REVIEW** CONTINUED**Internal feedback**

We feel strongly that our community activities should align with our Company's overarching brand and commercial strategies. As such, as part of the project, Impact Advisors interviewed 17 internal stakeholders at Workspace to help shape and garner support for the Company's social impact work, including the CEO, Asset Management Director, members of the marketing team and Centre Managers.

Ambition to scale impact but without losing depth

"The previous InspiresMe project felt really good – but we have 3,000 customers and would like to do more. It was never quite big enough."

"We should give our teams freedom within a framework. With our centres well known in their local communities, the right model is a programme that's well organised at a corporate level but executed at a local level."

Measuring impact is critical for all stakeholders

"We need to measure the impact of our work – a challenge in the past has been following up with young people we've worked with so that we can assess the impact we have."

Strong support for utilising skills base of employees and customers

"80% of our employees have transferable skills that could be really beneficial to our communities."

"Involving employees, and ideally customers as well, is critical – we want them to have skin in the game. Not many property companies can get their customers involved."

Strong support for employment-led regeneration of London as the main theme

"Employment-led regeneration is at the heart of the business – it's a broader ambition than just social impact – it's our business model."

Social impact is a priority and now is the time to speak out

"Social impact is definitely a priority. It's very important for the direction of the business. There's lots of potential we haven't yet tapped. We need to co-ordinate it overall, tie it together and leverage its potential."

Strong agreement that impact should be linked to core business

"Any social impact activity needs to be tied to our vision and purpose – which is all about giving businesses the freedom to grow."



DOING THE RIGHT THING CONTINUED**INSPIRING THE NEXT GENERATION AND SUPPORTING OUR COMMUNITIES** CONTINUED

Priorities ahead

**Scaling up our InspiresMe programme**

This is a key part of our Doing the Right Thing strategy, focusing on supporting disadvantaged young people in the areas of London in which we operate.

Following the review, we will be scaling up our InspiresMe programme and re-launching it in the coming year. With our unique blend of inspiring properties and diverse customer, employee and supplier mix, we have the opportunity to inspire a significant number of young people in London.

InspiresMe will be a rolling programme of inspiration, knowledge, support and experience aimed at motivating those in our communities with the greatest barriers to employment, or at greatest risk of NEET (Not in Education, Employment or Training), to grow to their full potential. Potential initiatives include inspirational talks hosted at our centres, CV and career workshops, one-to-one mentoring and structured work experience and apprenticeship programmes.

New charity partner

We have entered a new charity partnership with the Single Homeless Project (SHP), a London-wide charity working to prevent homelessness and help vulnerable and socially excluded people to transform their lives. SHP have 83 hostels across London.

Volunteering opportunities for our employees will include career workshops, outdoor activities, including sports and gardening, and cooking lessons. All employees will be given up to three paid volunteering days a year to get involved in these activities.

In 2020/21, we donated £35,000 to SHP and we have a programme of fundraising and volunteering opportunities planned for 2021/22. These include a half or full marathon walk around Workspace centres and a sponsored adventure.

