

SUSTAINABILITY REPORT

2015

Shaftesbury

Contents

1.0	CHIEF EXECUTIVE'S INTRODUCTION	03
2.0	SUSTAINABILITY INDICES	04
3.0	ENVIRONMENT	05
4.0	STAKEHOLDERS AND OUR LOCAL COMMUNITY	12
5.0	COMMUNITY	13
6.0	EMPLOYEES	16
7.0	DEDECORMANCE AGAINST TARGETS	17

Chief Executive's introduction



OUR APPROACH TO
SUSTAINABILITY AND
CORPORATE RESPONSIBILITY
IS EMBEDDED WITHIN THE
DAY-TO-DAY MANAGEMENT
OF OUR PORTFOLIO AND
OUR BUSINESS.

All our buildings are in conservation areas and around 25% are listed. Within the often strict constraints imposed by legislation which govern these designations, we improve and maintain

our buildings, with the aim of maximising their environmental performance. Our management strategy also extends the economic useful lives of our buildings through changes of use and reconfiguration, so they continue to meet the expectations of modern occupiers. In our view, this emphasis on restoration and repair has less environmental impact than demolition and development.

We also recognise that while the West End is a busy and lively place, there are social issues in the community we work in and the problems common in city centres, such as noise and rough sleeping. We concentrate our social investment activities on supporting organisations that tackle these problems in the West End. Our commitment is to be a good long-term, socially responsible neighbour and investor in our area, integrated into the community. We measure our involvement in accordance with the London Benchmarking Group methodology.

We have made a commitment to support the United Nations Global Compact and its ten principles in the areas of human rights, labour, environment and anti-corruption. We have reviewed our policies to reflect this commitment and are implementing programmes internally and throughout our supply chain and engaging with our principal suppliers.

To assist in our ongoing commitment to improving our performance and understanding of the sustainability issues that affect our buildings, we have become members of the Better Building Partnership. This enables us to engage with peer group companies and begin to benchmark our performance against others in our sector. We have also joined Wild West End, a biodiversity initiative in conjunction with other landowners in the West End. The aim is to create a network of green infrastructure in London's West End for both environmental and community benefit.

A highlight of this year was our performance in the Global Real Estate Sustainability Benchmark where, for the first time, we achieved Green Star status. Going forward, we aim to build on our progress throughout our operations in particular with a number of major refurbishments planned within the portfolio.

This report forms part of our UNGC Communication on Progress against the ten principles. More detail on our strategy and data performance can be found:

Policy and strategy
Annual report
Data report

Brian Bickell, Chief Executive 24 November 2015

Sustainability indices

IN ORDER TO MEASURE AND
BENCHMARK OUR PERFORMANCE
AGAINST OUR PEERS WE HAVE
CONTINUED TO PARTICIPATE IN THE
KEY SECTOR INDICES OPPOSITE. WE
HAVE MAINTAINED OR IMPROVED OUR
RELATIVE PERFORMANCE THIS YEAR.







ENERGY PERFORMANCE

Overall, energy consumption for the whollyowned portfolio, Longmartin and the head office increased by 6% with small increases throughout the portfolio that can primarily be attributed to increased tenant activity and, changes resulting from new acquisitions and building refurbishment.

A comparison of like-for-like performance between 2014 and 2015 shows that the portfolio as a whole has a year-on-year increase of just over 4% which reflects increased activity in the portfolio.

We continue to purchase green tariff electricity throughout the portfolio with the majority of the villages making purchases with at least 40% renewable proportion, which is above the electricity supply industry average.

Absolute energy consumption within operational control – EPRA fuels abs and elec abs* Usage (KWh)

	TOTAL NUMBER OF PROPERTIES	2011	2012	2013	2014	2015	2014-2015 % CHANGE
Total	217	3,270,051	3,043,584	3,159,818	3,270,522	3,460,978	6.0%

Like-for-like energy consumption within operational control – EPRA fuels fL and elec – LfL* Usage (KWh)

	NUMBER OF PROPERTIES REPORTED ON 2014 (TOTAL PROPERTIES)	NUMBER OF PROPERTIES REPORTED ON 2015 (TOTAL PROPERTIES)	2014	2015	DIFFERENCE	2014-2015 CHANGE
Total	201(214)	201(219)	3,253,724	3,391,546	137,823	4.2%

^{*}References used above are EPRA sustainability performance measures as defined by EPRA Best Practice Recommendations on Sustainability Reporting (September 2014).

GREENHOUSE GAS EMISSIONS

For the year ended 30 September 2015 we have again followed the 2013 UK Government environmental reporting guidance and used 2015 UK Government's Conversion Factors for Company Reporting. Greenhouse gas emissions are reported using the following parameters to determine what is included within the reporting boundaries in terms of landlord and tenant consumption:

Scope 1 – direct emissions includes whole building gas data in Opera Quarter and Longmartin. Fugitive emissions from air conditioning are included where it is the landlord's responsibility within the common parts. There are no company vehicles to report within Scope 1.

Scope 2 – indirect energy emissions include purchased electricity for the head office and landlord controlled common areas and a small number of buildings where the occupied areas and common parts are on the same meter. Electricity used in refurbishment projects has also been recorded.

Scope 3 – other indirect emissions, which includes emissions associated with electricity losses and generation. It also includes business air travel and rail, but no other business travel as, given the central London location of the group's operations, this is considered negligible.

Greenhouse gas emissions for the portfolio, head office and refurbishment sites (tCO_2e) show a 6.7% decrease for Scope 2 emissions and no change for Scope 1 emissions.

Data for the previous year is restated for electricity and gas consumed in Longmartin. This equates to a net increase of 59 tonnes for 2014. Data is also restated for buildings in Carnaby due to a change in metering and equates to an increase of 42 tonnes.

Absolute Scope 1 GHG emissions - EPRA GHG dir abs

SCOPE1	2012	2013	2014	2015	2014-2015 CHANGE
Total	68	99	76	76	0.0%
Absolute Sco	ppe 2 GHG Emiss	sions – EPRA G	HG indir abs		
					2014-2015
SCOPE 2	2012	2013	2014	2015	CHANGE
Total	1,250	1,196	1,559	1,455	-6.7%
	ope 3 emissions	2047	2014	2045	0/ DIEFERENCE
SCOPE 3	2012	2013	2014	2015	% DIFFERENCE
Total	112	175	187	147	-21.8%
Like for Like	Scope 1 GHG en	nissions - EPR	A GHG Dir LfL		
SCOPE 1		2014	2015	DIFFERENCE	% DIFFERENCE
Total		42	52	9	22.0
Like for Like	Scope 2 GHG er	missions – EPR	A GHG indir LfL		
SCOPE 2		2014	2015	DIFFERENCE	% DIFFERENCE

All emissions above are in Tonnes CO₂e.

Total

The chosen emissions intensity is common parts floor areas, which has been measured in 62 of the 135 reported properties with common parts only and the emissions intensity figure has been obtained of 50 kgCO $_2$ e/m 2 (0.050 tonnes CO $_2$ e/m 2), a small increase over last year's 46 kgCO $_2$ e/m 2 (0.046 tonnes CO $_2$ e/m 2).

1.438

1495

GHG Intensity by floor area - EPRA GHG-Int

		COMMON				
	NUMBER OF PROPERTIES	PARTS FLOOR AREA FT ²	FLOOR AREA M ²	KWH (ELECTRICITY)	CONSUMPTION INTENSITY	KG CO ₂ E/M ²
Total	62	38,460	3,573	385,524	108	50

ASSURANCE STATEMENT

Our greenhouse gas emissions data has been subject to an independent assurance process. A full copy of the verification opinion statement, including the scope and basis of the work, can be found on our website.

"We have conducted a verification of the greenhouse gas data reported by the above entity in its Annual Report for the year ended 30 September 2015. We have not rechecked prior year data that is reported. On the basis of the verification work undertaken (which is reported in Annex 2 of the full statement) nothing has come to our attention to suggest that this data is not fairly stated, with the exception of a small number of non-material issues."

-56.5

-3.8%

Planet & Prosperity Limited.

WASTE

We manage tenant generated waste in Carnaby, Seven Dials and Longmartin. We have exceeded our target recycling rate with 47% recycled at Carnaby and Seven Dials and 39% at Longmartin. The improved performance at Longmartin can be attributed to a proactive tenant engagement programme

addressing waste management and recycling. In both Carnaby and Longmartin we encourage composting food waste by our restaurant tenants, although the take-up is variable, and is an area for future focus. Residual waste is sent to an energy from waste scheme rather than landfill.

Absolute waste within operational control - EPRA waste abs

		TOTAL RECYCLED				ENERGY FR	OM WASTE	STE COMPOSTED				
	2012	2013	2014	2015	2012	2013	2014	2015	2012	2013	2014	2015
Totals (tonnes)	574	515	776	1,060	1,240	964	1,081	1,286	-	-	63	13
	31.6%	34.8%	40.4%	44.9%	68.3%	65.1%	56.3%	54.5%	-	-	3.2%	0.5%

Our refurbishment projects on average diverted over 97% from landfill.

WATER

Overall consumption across the portfolio has decreased although there have been changes in individual properties reported for Carnaby due to a significant review of the data collection process.

At Longmartin the quality of data collection is improving with actual meter readings available for the second half of the year. The relatively high consumption results from tenant uses such as showers, toilets and kitchens. Installation of more efficient appliances is being researched for 2016.

In Chinatown the small volume of water usage for steam cleaning in South Service Yard remained consistent.

Absolute water consumption with operational control - EPRA water-abs

TOTAL USAGE (M³)	2012	2013	2014	2015	2014 - 2015 CHANGE
Totals	3,618	3,775	43,134	42,993	-0.3%

Like-for-like water consumption within operational control - EPRA water LfL

	PROPERTIES REPORTED ON 2014	PROPERTIES REPORTED ON 2015	TOTAL USAGE (M³) 2014	TOTAL USAGE (M³) 2015	DIFFERENCE	2014 - 2015 DIFFERENCE
Total	9(15)	9 (10)	10,478	6,985	-3,493	-33.3%

BUILDING CERTIFICATIONS EPRA CERT -TOT

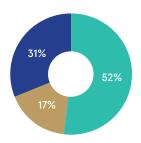
70% of the commercial portfolio, based on lettable floor area buildings, now has an Energy Performance Certificate (EPC) with the breakdown opposite.

The Energy Act 2011 requires that by 2016 buildings at the time of letting should be an EPC of grade E or above. There are still a proportion of our properties under the threshold or not yet assessed. The majority of those that have not been assessed are under long term leases which have not undergone a lease transaction since 2008 and therefore not triggered the requirement for an EPC.

Properties with grades F and G are being progressively addressed as part of the ongoing refurbishment programme when vacant possession is obtained. Our objective is to improve the EPC rating of the refurbished property. Out of 14 EPCs obtained, a significant majority (92%) achieved a grade C or above.

EPC totals (total count of EPC assessments)

EPC grade A-E	585
EPC grade F-G	279
EPC grade - not vet assessed	347



EPC grade (number of refurbishment schemes achieving grade)

- EPC grade B
- EPC grade C
- EPC grade D
- EPC grade no EPC



TIMBER

Our approach is to reuse timber where possible. Timber features such as windows, joists, floorboards, staircases and paneling are retained where possible. For the small volume of timber purchased, over 74% was sustainably sourced with full chain of custody and 40% was Forest Stewardship Council certified which is in line with our targets.

	2012	2013	2014	2015
Volume Timber Purchased (m³)	200	248	190	285
% Sustainably Sourced (with Chain of Custody)	63	64	83	74
% Forest Stewardship Council Certification	36	46	50	41

BIODIVERSITY

We recognise the importance of promoting biodiversity and believe that being in an urban area makes the need for green spaces and the connections between these spaces important for wildlife to survive.

A number of the West End's property owners are working together in a collaboration to install a combination of green roofs, green walls, planters, street trees and flower boxes across buildings and public realm to create a network of 'stepping stones' through the West End.

The aim is to increase habitat diversity and encourage a variety of birds and insects to the area.

As part of the initial stages of the project, we have undertaken an inventory of all the existing habitats within our portfolio which are quantified below.

Further initiatives for next year include the installation of planters on service roofs in Carnaby and Seven Dials and introducing window boxes and hanging baskets to Charlotte Street to increase the habitat provision.

	BIRD BOX	GREEN WALL		HANGING BASKETS		PLANTERS	TREES	WINDOW BOXES	BEE HIVES
Total	21	6	8	46	2	96	13	823	3





A further endorsement of our biodiversity activities was the award of an eFIG (trade association of the interior landscape design industry) Silver Leaf Award for the design and implementation of the green roof at our head office in Ganton Street

CASE STUDY

SUSTAINABLE RETROFIT AT 22 GANTON STREET

WE COMPLETED THE REFURBISHMENT OF 22 GANTON STREET IN LONDON'S WEST END IN 2014, DELIVERING 11,670 SQ FT OF GRADE A OFFICE SPACE.

The project typifies the group's approach to asset management and commitment to the long-term sustainability of its buildings. By retaining 99% of the building's structure and 80% of its façade, Shaftesbury significantly reduced the amount of new materials required and cut construction waste, minimising environmental impacts and generating cost savings. In addition, upgrades to insulation, heating and lighting improved the building's energy efficiency and operational costs. A species diverse green roof and wall are also providing an attractive area for occupiers and enhancing biodiversity in central London.

BREEAM Very Good in a 1920s building Energy Performance Certificate (EPC) B Healthy and contemporary environment Enhanced occupier appeal Increased rental value Extending the building's useful life

"Here at Shaftesbury, the focus of our sustainability strategy is on extending the useful life of our buildings and, in doing so, preserving and enhancing the heritage of London's West End. This brings economic and environmental benefits. 22 Ganton Street is a great example of our approach in action and we were delighted to relocate our own office to the building in 2014"

Rob Kirk, Portfolio Executive at Shaftesbury



Situation

22 Ganton Street is six-storey building, just off London's iconic Carnaby Street. Originally built in around 1920, it has been owned by Shaftesbury since 1997 and was previously refurbished in 1999. It is a multi-occupied building, which now includes Shaftesbury's new Head Office.

The project team comprised architect MR Partnership, project management firm Single Point Project Management, main contractor Blenheim House Construction, and mechanical and electrical consultants Watkins Payne Partnership. Together, they transformed the existing building, remodelling the reception area, refurbishing lobbies, stairs and toilets throughout, upgrading windows and cladding, creating a duplex office space on the two top floors and introducing new terraces, including a green roof, green wall, seating and decked areas.

Actions

Energy

- Mechanical ventilation heat recovery, requiring around 50% less energy than heating outside air
- Low energy lighting including LED lamp sources, 50% more efficient than required by Building Regulations
- Lighting control system with automatic daylight dimming and occupancy detection (motion sensors), 25% more efficient than previous manual switching
- A+ rated insulation materials cutting heat loss, including green roof, cavity insulation, plasterboard, duct wrap and pipe lagging
- Energy sub-metering for lighting, small power, lifts, fresh air units, air conditioning units and all occupied areas.

Water

- Water saving fittings, including low flow taps at 5 litres per minute and dual flush toilets at 6 / 4 litres
- Valves linked to motion sensors in toilet entry areas, shutting off the water supply when areas are unoccupied
- Water sub-metering with pulsed output installed where the water demand exceeds 10% of total consumption.

Materials

- 99% of the existing building structure and 80% of the façade retained
- · 99% of new insulation certified responsibly sourced
- Most existing timber retained, including all the roof structure, 95% of bannisters and 90% of skirting boards
- · 86% of new timber purchased from certified sustainable sources
- · Recycled aluminium and steel specified as part of the design.

Ecology

- Extensive green roof, comprising a vegetation blanket featuring sedums selected to flourish in the UK climate
- Green wall with bird boxes, bird feeders and a range of plant species, such as Catlin's Giant, winner of the Royal Horticultural Society's Award of Garden Merit, the lesser periwinkle and great wood-rush
- Wildflower areas on the green roof, increasing floral species and providing foraging resource for widespread invertebrate and bird species
- Patches of bare ground and stone on the green roof, benefiting species such as butterflies, bees and wasps
- · Insect hotels, benefiting ladybirds and other bugs.

Health and wellbeing

- · All workstations within seven metres of a window with a view out
- All office lighting carefully zoned, so workers can control light levels for zones of up to four workplaces, and workstations next to windows separately zoned and controlled
- Heating and cooling system allowing occupiers to control zoned areas in all occupied spaces
- Lighting levels in line with the CIBSE Code for Lighting, with consideration for areas where computer screens are regularly used, e.g. avoiding screen reflections
- Thermal comfort levels in line with CIBSE Guide A Environmental Design recommendations
- All fluorescent lamps fitted with high frequency ballasts to reduce the risk of issues related to flickering lights.

Management

- All mechanical and electrical commissioning in line with good practice guidelines, including BSRIA and CIBSE
- Considerate Constructors Scheme score of 35/50, ahead of the 32/50 target, with all areas rated Very Good, covering care about appearance, community, environment, safety and workforce

 Building User Guide for areas including environmental strategy, energy, water, transport, materials, waste and refits.

Financials

- · £4 million total project cost
- Increased rental income, with space leased quickly at good market rents and improved capital value
- · Energy cost savings for occupiers.

Shaftesbury did not specifically analyse project expenditure in terms of potential additional costs for efficiency measures. These are part of business as usual for the firm on refurbishments, with new technologies and products delivering efficiency improvements, and Shaftesbury aware that the occupiers it wants to attract expect modern office space to be both comfortable and efficient.

Benefits

Enhanced occupier appeal, increasing rental value and lettability, as well as attracting Shaftesbury to relocate to the building:

- Healthier, more contemporary indoor environment for workers, with new lighting system that is both attractive and efficient
- Outdoor terraces with seating, planting, green wall and views across London, as well as ecological value
- Exposed services enhanced lettability by giving a sought-after look, whilst also reducing materials use.

Supporting occupiers' sustainability goals, including Shaftesbury:

- Enhanced ecological value, with the creation of 140 sq ft of species diverse green space, described in the BREEAM report as a 'new, locally-relevant, ecologically valuable habitat'
- · Improved operational energy efficiency, cutting CO₂ emissions
- 8% less water consumption per person than the BREEAM requirement, at 5 m³ per person per year
- Stronger sustainability credentials, achieving BREEAM Very Good and an EPC B rating, previously unrated.

Additional benefits for Shaftesbury:

- Reduced construction costs and environmental impacts, through the retention of 99% of the building's structure and 80% of its façade, as well as the re-use of a significant proportion of timber in the building
- Reduced exposure to the Government's Minimum Energy Efficiency Standards, which come into force in 2018.

Stakeholders and our local community

WE CONTINUE OUR APPROACH TO ENGAGEMENT WITH OUR KEY STAKEHOLDER GROUPS: EMPLOYEES, TENANTS, LENDERS AND INSURERS, INVESTORS AND ANALYSTS, LOCAL GOVERNMENT, REGULATORS, LOCAL COMMUNITIES AND SUPPLIERS.

We have over 800 commercial tenants. We aim for each tenant to have direct contact with at least one director and/or member of the property team and in addition full time estate managers are available to deal with day-to-day concerns. In 2014, a formal customer satisfaction survey was carried out of our tenants in Carnaby and Seven Dials with a 34% response rate. The feedback was largely positive and where any matter was identified the agent responsible for that village followed up with the tenants. The exercise will be repeated in the coming year in Carnaby and Seven Dials and will be extended to other villages.

TENANT SATISFACTION SURVEY RESULTS

PROPERTY NAME	AVERAGE RATING	% SATISFIED
Carnaby - Residential	3.8	75%
Carnaby - Office	3.9	74%
Carnaby - Retail	3.5	58%
Carnaby - Restaurant	3.9	78%

Overall average: 71%

PROPERTY NAME	AVERAGE RATING	% SATISFIED
Seven Dials - Residential	3.4	56%
Seven Dials - Office	4.2	100%
Seven Dials - Retail	3.6	68%
Seven Dials - Restaurant	3.7	83%

Overall average: 77%

We provide subsidised membership of the Sustainable Restaurant Association for new restaurant tenants. Fourteen tenants have signed up for this year.

An online Building Guide for commercial tenants is under development with its launch planned for 2016. The Guide will cover all management issues relevant to the tenants, such as emergency response, fire protection and will also include sustainability advice such as optimising recycling within the portfolio.



OUR LONG TERM PROSPERITY DEPENDS ON THE SUCCESS OF LONDON'S WEST END AS A DESTINATION FOR DOMESTIC AND OVERSEAS VISITORS AND BUSINESSES.

London is one of the world's principal global cities and is the largest city in Western Europe. It has as unrivaled variety of heritage and cultural attractions, which draw huge numbers of domestic and overseas visitors. It is also a world-class business location.

Our engagement is aligned with the areas in which our villages are situated and in the aspects that benefit the West End as a community, (to live and work) and a visitor destination. We work closely with a number of organisations based in the West End based in the community, leisure or arts which allows them to be located close to the areas in which they operate.

We have continued our membership of the London Benchmarking Group. Our LBG contribution measured in accordance with the criteria equated to £515,000. Our s106 contributions' were £272,000 giving an overall total of community investment of £787,000. This equates to 2.2% of EPRA pre-tax profit. We assisted in providing leverage of £112,527.





What we contribute

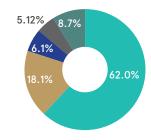


Staff time

In kind contributions

In kind

Management costs

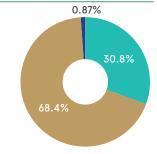


How we contribute

Charitable gifts

Community investment

Commercial initiatives in the community



What we support

Education

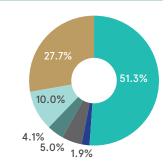
Health

Economic development

Environment

Arts/culture

Social welfare



5 Community continued

CHARITY PARTNERS

Last year we trialed a charity partner initiative in Seven Dials. By selecting one organisation to focus on each year, we provide targeted assistance and make a real difference to the organisations we work with. This year we have a charity partner in each of our main villages. The charity selected has a link to the village or local community within which it is situated and may have a secondary link in that it tackles a social issue or supports the uses of our buildings. We partner with the charity at events in that village, using these as platforms to raise funds and promote awareness of their cause. We also promote them on our village websites.

Our partners this year and the work they do are set out below.

SEVEN DIALS AND ST MARTIN'S COURTYARD



helping homeless people seven days a week

By helping people to cope with the physical impacts of being homeless along with helping them to rebuild their lives. The Connection strives to provide help to over 200 people in central London everyday by engaging each person with activity programmes and specialist support including day and night centre services for all age groups, employment and training programs and resettlement support.

The Connection was selected for its work with the homeless.

CHINATOWN



The London Chinese Community Centre (LCCC) is committed to maintaining and developing services and activities to improve the quality of life and wellbeing of the Chinese community, particularly those who are disadvantaged. The LCCC services include Community Development Services: offering various English, Computer, Arts and Cultural classes; Information & Advice Services; Elderly Health Improvement Service; and a Youth Club;

LCCC was selected to enhance access to these services in our Chinatown village.

CARNABY



Trekstock gives young adults living with cancer an authentic voice to ensure they have age-appropriate information and support. Trekstock was selected, as they are a tenant in Carnaby and we work closely with them on a number of fundrasing activities.

SOHO

The House of St Barnabas

LONDON

The House of St Barnabas's vision is to create a society where lasting employment is a reality for those affected by homelessness and social exclusion.

The House of St Barnabas was selected because the Employment Academy run for those affefect by homelessness gives skills in the catering and hospitality industry. Restaurants are a large part of our rental income.

CASE STUDY

SOHO PARISH PRIMARY SCHOOL

SOHO PARISH PRIMARY IS A SMALL SCHOOL, WITH ONLY 152 CHILDREN, DEDICATED TO SERVING THE LOCAL COMMUNITY. THE SCHOOL WORKS CLOSELY WITH PUPILS AND FAMILIES AND, AS THE ONLY SCHOOL IN SOHO, HAS AN IMPORTANT ROLE ENABLING FAMILIES TO LIVE IN THE AREA.

We have worked with the School for many years and in a number of ways. We were the headline sponsor of the school's annual fund raising event – The Soho Food Feast – which raised £45,000 this year.

Soho Parish Primary School has also carried out a major redevelopment project for their playground which cost in the region of £250,000. The project added a fun, multi-use educational play area within an exciting modern architectural piece which can be seen from an entirely new street façade. The elevated decking, green spaces, play cubes and ropes provide pupils with a unique play and learning experience, eliminating a physical barrier between the school and the local community. Over 50% was raised by Soho property investors and the school itself has worked over the last 3 years to raise the balance of funding. We worked closely with the school to co-ordinate the fundraising.

Other charitable organisations we work with include:

English National Opera
London College of Fashion
Environmental Justice Foundation
Sustainable Restaurant Association / Make Food Good
Zoological Society of London
Seven Dials Trust
Chinese Community Centre
Chinese Information and Advice Centre
Sponsor the Westminster Tea Dance (part of Silver Sunday)
LandAid
London Law Centre
Westminster Tree Trust
Soho Create
Stage One



Employees

WE EMPLOY 25 STAFF INCLUDING EXECUTIVE DIRECTORS. EVERY EMPLOYEE IS IMPORTANT AND THEIR EXPERIENCE AND CONTRIBUTIONS TO THE BUSINESS PLAY A KEY PART IN THE DELIVERY OF OUR STRATEGY. THERE CONTINUE TO BE FIVE WOMEN IN SENIOR EXECUTIVE POSITIONS (50% OF EXECUTIVE STAFF EXCLUDING DIRECTORS) AND THREE FEMALE NON-EXECUTIVE DIRECTORS.

We believe that training and development of our staff is essential. This year our staff underwent an average of 20 hours training per employee. All staff also underwent a personal development review. We offer flexible working and 12% of employees currently work part-time.

HEALTH AND SAFETY

The Board has overall responsibility for health and safety.

Managing agents oversee day-to-day health and safety matters throughout the portfolio. In our refurbishment sites, responsibility for health and safety is identified within all pre-tender documentation and is monitored by site and project managers.

We continued to maintain our record of no reportable health and safety incidents throughout the portfolio. The Accident Frequency Rate for Shaftesbury employees was zero (2014 – zero) and there were no health and safety prosecutions, enforcement actions or fatalities in 2015.

	2012	2013	2014	2015
Percentage of female staff overall	45%	52%	52%	56%
Percentage of female staff in senior positions	50%	50%	50%	50%
Percentage of female board members	20%	27%	30%	30%
Average training hours per employee	15	15	30	20
Number of staff receiving performance review	100%	100%	100%	100%
Average length of service	13	12	12	12
Staff turnover	0	0	0	0
Absenteeism average per employee	5 days	4 days	1.4 days	2 days
Proportion of staff with flexible working	13%	13%	13%	12%

	2012	2013	2014	2015
Number of reportable injuries	0	0	0	0
Work related fatalities	0	0	0	0
Number of Enforcement Agency prosecutions or fines	0	0	0	0
Number of prohibition notices	1	0	0	0
Employee accidents and incidents	0	0	0	0
Number of employee days off work from injury	0	0	0	0

Performance against targets

OBJECTIVE	ACHIEVED IN 2015	TARGETS FOR 2016
Environment		
Aim for legal environmental compliance	No legal non-compliances have been reported	Aim for legal compliance
Invest in brownfield sites only	100% regeneration of central London sites	Continue to achieve 100% use and regeneration of brownfield sites as our portfolio expands
manner throughout our activities minimum	For 83% of refurbishment schemes, a minimum of 50% of façade and a minimum of 80% of primary structure was retained	Extend the useful life of buildings and improve their sustainability by raising the EPC rating of properties being refurbished according to
	Of the EPCs obtained 92% were a grade C or above post refurbishment	predetermined targets Aim for BREEAM Very Good for all new
	No new commercial schemes were in progress so no BREEAM assessments were required	commercial developments and selected non-domestic refurbishment schemes
	9	Continue to maximise the proportion of timber that is reused
	74% of timber has been confirmed as sustainably sourced with full Chain of Custody and 40% using	Source a minimum of 60% of all timber from certified sources and ensure all timber is purchased from legal sources
Monitor and, where possible, reduce energy consumption in common parts. Investigate opportunities for the use of renewable energy	Absolute energy consumption increased throughout the wholly owned and managed portfolio by 6% as a result of increased activity across the portfolio.	Achieve a year on year 3% energy reduction throughout the portfolio Purchase green electricity where costs are within 5% of brown electricity
	40% of the portfolio sourced 100% renewab energy and 40% sourced energy from supplie with above average renewable sources	within 5% of brown electricity
Manage construction waste to ensure legal compliance and maximise re-use and/or recycling of non-hazardous waste	All the schemes that reported achieved target of a minimum of 80% recycled construction and demolition waste. An average of 97% of waste by weight was diverted from landfill.	Aim to reuse or recycle a minimum of 80% non hazardous demolition and construction waste.
Portfolio waste: Recycle a minimum of 40% at Carnaby and Seven Dials and divert 90% from landfill	In Carnaby and Seven Dials 47% of tenants' waste was recycled and the remainder was diverted from landfill to energy from waste	Recycle 40% of tenants' waste at Carnaby, Seven Dials and Longmartin and divert a minimum of 90% of waste from landfill
Recycle a minimum of 30% at Longmartin and divert 90% from landfill	At Longmartin 39% of tenants' waste was recycled, including food waste composted, and the remaining waste was diverted from landfill to energy from waste	

7 Performance against targets continued

OBJECTIVE	ACHIEVED IN 2015	TARGETS FOR 2016
Improve biodiversity appropriate to the Group's urban location	Joined the Wild West End and continuing to maximise the benefits of using planters and other features through appropriate species selection	Continue membership of Wild West End and increase number of biodiversity features throughout the portfolio
Stakeholders and our local community		
Maintain membership of various benchmarking indices	Membership of DJSI, Carbon Disclosure Project and FTSE4Good. Participated in GRESB and achieved Green Star Status. EPRA Sustainability reporting Silver award against EPRA reporting requirements	Continue participation in UNGC, GRESB, FTSE4Good, Carbon Disclosure Project and others
	Signatory to UN Global Compact	
Continue to support local community groups and be proactive in identifying and working with charitable and other organisations	Membership of the London Benchmarking Group and adoption of their methodology for reporting community involvement has continued. Contribution to community and stakeholders (including Section 106 payments) equates to 2.2% of EPRA pre tax earnings	Continue membership of London Benchmarking Group and further develop benchmarking measurements for reporting
Continue to maintain regular liaison with tenants	Undertook tenant satisfaction surveys in Seven Dials and Carnaby with a 74% overall satisfaction rate	Repeat tenant satisfaction surveys for Seven Dials and Carnaby and extend to other parts of the portfolio
	Ongoing subsidised offer of membership to the Sustainable Restaurant Association which is included within the Heads of Terms of the leases as a requirement for all new tenants	
Ensure all refurbishment schemes above a specified value are registered with the Considerate Constructors' Scheme and continue to achieve 30 out of 50 (above a 'satisfactory' score)	100% of eligible schemes were registered 87% of schemes achieved the target score on the first visit. The overall average for the sites visited was 34 out of 50	Continue to achieve 30 out of 50 (above a 'satisfactory' score).
Employees		
Ensure there are no reportable health and safety accidents/incidents throughout the portfolio	No reportable health and safety accidents recorded in a refurbishment project or in the day-to-day management of the portfolio	Aim for no reportable accidents and incidents throughout the Group's activities
Comply in all respects with key applicable employment legislation	56% of staff are female of which 50% are in senior positions and 30% of the board are female Again the company has had no staff turnover	Continue to measure and improve relevant employment metrics and adhere to the Principles of the RICS Inclusive Employer Quality Mark