# MEETING THE NEEDS OF A CHANGING WORLD

**SUSTAINABILITY REPORT 2013** 



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ECONOMIC DEVELOPMENT AND THE COMMUNITY p10





# WELCOME

Over a quarter of a century ago, the site of Canary Wharf was largely derelict. What had once been part of Britain's greatest docklands had lost out as shipping technology changed and many associated trades and industries moved elsewhere.

But there were new opportunities ahead – for local communities and London's business sector.

At the time Canary Wharf Group (the Group) investigated regenerating the Docklands, there was unprecedented demand for large electronic trading floors and the offices and staff to support them. To help meet this new need, we designed and built Canary Wharf – a project that we hoped would also improve the local environment and create opportunities for neighbouring communities.

Twenty-five years on, we continue to:

- Plan, design and build sustainable new structures and improve existing buildings to create optimal spaces for an increasingly diverse range of tenants, occupiers, shoppers and workers
- Manage the existing Estate to continually meet users' needs efficiently and sustainably
- Work with our neighbours to maximise job and business opportunities.

We are expanding. Beyond Canary Wharf itself, we are building the iconic 20 Fenchurch Street in the City of London. We have also submitted plans to develop the Shell Centre in Lambeth, as well as a site immediately to the east of Canary Wharf in our home borough of Tower Hamlets. In our first move into building homes, the Group is in the early development stage for a residential tower on Canary Wharf itself.

Changing needs were behind the initial development of Canary Wharf. Having played a significant role in transforming this area of London, we continue to look to the future and providing for the changes it brings.



our people



working collaboratively p30

In line with corporate best practice, the Group's performance and the content of this report are verified by Bureau Veritas, an independent expert in environmental and social responsibility. This report has achieved a B+ level of disclosure, according to The Global Reporting Initiative's (GRI) guidelines on reporting, and is aligned with the European Public Real Estate Association's (EPRA) Best Practices Recommendations on Sustainability Reporting. Further information, including all Group documents and policies referred to in this report, can be found at <u>www.canarywharf.com</u>

# CHAIRMAN AND CHIEF EXECUTIVE OFFICER'S STATEMENT

Much has changed since we began construction of around 16m sq ft of property on the Estate over 25 years ago. However, a consistent thread has been the way the Group oversees all projects. We are directly involved at every stage starting with planning, moving through initial design and development through construction and finally to management.



Working together we can achieve a comprehensive yet adaptable approach to sustainable development and the environment.

> **Sir George Iacobescu CBE** Chairman and Chief Executive Officer June 2014

This involvement along the entire value chain uniquely enables us to assess sustainability issues and to address those issues directly with the tenants or occupiers of our buildings. Working together we can achieve a comprehensive yet adaptable approach to sustainable development and the environment.

The development at 25 Churchill Place is a good example of this. This building is the last one in the original masterplan and is due to be completed in 2014. It is being targeted to achieve BREEAM Excellent rating and will be the most sustainable building yet built on the Estate. This has been possible because we have worked closely with the tenants: European Medicines Agency and now also EY.

Attitudes towards sustainability have, in particular, changed in the last 10 years. As a responsible developer we have to reflect these changes, anticipate what impacts our developments are likely to have and then take what action we can to minimise those impacts. Sustainability is not just about building design. it is also about maintenance and improvements that reflect current standards. One of our tasks is to ensure that buildings that were, in some cases, completed over 20 years ago, are updated so that they remain fit for both today's market and for the future. The way we have retro-fitted energy efficient lighting in the iconic One Canada Square lobby is a template for this. We have further improved lighting, made major annual savings and secured a significant drop in related carbon emissions. The task for us is now to replicate this in other buildings on the Estate.

Similar issues on continually raising standards arise on the use of resources within our portfolio of buildings. 2013 was a particularly successful year for us in recycling. In retail, the proportion of waste recycled during 2013 increased by 22% to 67%. We are now looking to push further on this figure. Construction and excavation recycling has already reached a 99% level so future efforts must now focus on reduction at the moment of design and procurement. Our efforts in waste recycling were recognised when we became one of the first six companies in the world to attain the prestigious Carbon Trust Standard for waste.

The communities that we engage with are also constantly evolving. Our long standing involvement with the local community through sports, education and cultural programmes was extended in 2013 as we now look to engage with communities on the South Bank. We have established the South London Procurement Network which aims to mirror the success of the East London Business Place in assisting local suppliers and participating in the regeneration of this area which we believe would be triggered by the redevelopment of the Shell Centre site.

We have recognised that in today's changing world we need to move towards more rigorous and transparent processes in sustainability reporting. Reporting against best practice in this area means assuring best practice standards and setting clear targets for the future.

This was reflected in 2013 by the Group securing a B+ ranking from GRI for our sustainability reporting as detailed in our 2012 sustainability report. Our sustainability reports are now also aligned with the EPRA recommendations on sustainability reporting.

We now stand at a crossroads for the Group as we look to diversify by location and by product and to progress further with our pipeline of over 10m sq ft of further development. In order to be successful, we will need to ensure that future developments meet the needs of current and future occupants – a challenge which, in association with our tenants and occupiers, we believe we are well equipped to meet.

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Sir George Iacobescu CBE Chairman and Chief Executive Officer Canary Wharf Group plc, June 2014



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# ABOUT CANARY WHARF GROUP PLC

# Canary Wharf Group is an integrated property development, investment and management group.

As such, our remit extends along the entire length of the value chain. The Group's expertise includes planning and design, construction, finance, leasing and facilities management.

Three dedicated companies manage the Group's activities.

Canary Wharf Management Limited (CWML) is responsible for the day-to-day business of running the facilities on the Estate, including our portfolio of office buildings, retail and external areas.

Canary Wharf Contractors Limited (CWCL) oversees the development and construction of new buildings both on and off the Estate.

Canary Wharf Limited (CWL) manages the Group's administrative functions.

## WHAT WE DO

## We work with occupiers and tenants to build and manage the sustainable structures they want and need.

Our focus to date has been on commercial buildings and the amenities – such as parks, public spaces, shops, restaurants and transport hubs – that make workplaces pleasant and easily accessible. By doing that, we have created a vibrant and cohesive commercial quarter at Canary Wharf. This, in turn, has brought greater economic and social opportunities to neighbouring communities. We are now expanding our operations. This involves not only going beyond the existing estate to land immediately to the east, the City and Lambeth, but also creating residential units. Going forwards our developments will also include social housing. Our first residential building will be a 58-storey tower on the Canary Wharf site called 'Newfoundland'. Working population in Canary Wharf Estates

105k

## HOW WE DO IT

In contrast to traditional developers, we stay involved in our sites long after construction is complete. As a result, the Group's fortunes are closely linked to the enduring success of the structures and communities we create. The dedication of our people, their drive for continual improvement, eye for detail and shared sense of purpose is part of that commitment. The Group's employees include planners, designers, engineers, builders, technologists, financiers, lawyers, leasing and marketing staff, security and business continuity

experts, facilities managers, environmentalists and community relations specialists. Each role is crucial to our unique way of working. So is our determination to choose partners and suppliers who share our values.

A range of policies including our Corporate Responsibility Policy underpin this approach. These can be seen online at <u>www.canarywharf.com</u>. Collectively, these documents drive our approach to every aspect of the Group's activities. The Group also works to an overarching Code of Business Practices & Ethics. Number of Group employees

## MEETING THE NEEDS OF A CHANGING WORLD

Building for the future means that we must anticipate – and embrace – change. In some cases, that means changes in market requirements. For example, the global technology, media and telecommunications (TMT) sector is rapidly expanding. In order for London to remain one of the cities at its heart, it must meet the demand for smaller, more flexible and more stimulating work environments. As the capital continues to grow, so will its working population and demand for work spaces and city-centre housing.

Continually adapting the way we work to meet these changes is also key. Increasingly, joint

ventures are offering opportunities for greater development scope and synergies.

Collaboration with partners such as Land Securities at 20 Fenchurch Street and Qatari Diar in Lambeth is an important way forward for us.

Stakeholder expectations are shifting as well. To meet their own sustainability requirements, tenants, occupiers, retailers, local community members, investors and local government, amongst others, want more efficient, holistic spaces. Sustainable design and construction, universal accessibility, community engagement, sustainable procurement and mixed use development are integral to our operations.



SOUTH LONDON PROCUREMENT NETWORK

When the Group first began planning the redevelopment of the Lambeth riverside Shell site in 2011, one of our top priorities was to ensure that local businesses would benefit – just as they had downstream at Canary Wharf. We have laid the foundations for achieving this by helping to establish the South London Procurement Network (SLPN). It provides a free face-to-face sourcing and matching service for suppliers in South London boroughs. The business benefits it generates will provide a lasting legacy.

## Read more about the SLPN on pages 10-13



To further enhance the existing employee support and well-being programme, in 2013 the Group launched a pilot programme to raise employee awareness of health issues. The scheme began with workshops that covered lifestyle topics including sleep, nutrition and exercise. The pilot was a success, receiving positive employee feedback and leading to a significant reduction in absence among participants. Going forwards, the pilot will expand across the Group.

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Read more about the well-being scheme on pages 24-26



Thanks to a close collaboration with lead tenant EMA (European Medicine Agency) this final building in Canary Wharf's original plan encompasses many of the Group's sustainable building aspirations. In design, execution and fit out, from the sustainably sourced materials – for both structure and interiors – to the utility efficiency, the site reflects EMA's preoccupation – and ours – with every aspect of sustainable buildings.

> Read more about 25/30 Churchill Place on pages 16-18



Working together is at the heart of how the Group does business and is essential for continued improvements in the materials, technologies and techniques that we use to create sustainable spaces. In 2013 we began the construction of the roof of the Crossrail station at Canary Wharf. The iconic lattice structure included several materials and techniques used by the Group for the first time, and have led to a resource and energy efficient structure. This innovation was the culmination of working with four external organisations, including architects Foster + Partners.

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Read more on the Crossrail build on pages 30-33 Future development pipeline

10m sqft

Percentage of open landscaped space at Canary Wharf

20%

# **VISION AND STRATEGY**

A SUSTAINABLE VISION Canary Wharf Group aims to design, build and manage central London's highest quality, best value and most sustainable districts and office, retail and residential buildings.

In doing this, we will work with all our stakeholders to create and nurture vibrant, inclusive communities that meet today's economic, environmental and social needs while anticipating those of tomorrow.

In 2013 we set long term targets for the reduction of energy and water. These complement previously set targets for managing waste. The targets and our plans to achieve them will be detailed in the next phase of our Environmental Strategy which will be published in 2014.

**OUR FOUR PRIORITY AREAS** 









## **OUR APPROACH**

The economic benefits of our developments must also boost neighbouring communities. To make this happen, over the last 20 years we have established and continue to develop supply chain initiatives that help local SMEs to do business with us, our tenants and the wider business community. Just as important is the support we

We are aware of our responsibilities on sustainability. Therefore we ensure that our sites have as little negative impact on the environment as possible. This involves working with our tenants and contractors to prioritise sustainability throughout the lifecycle of our projects. For properties and infrastructure, we do this through site clearance and excavation, design, construction and management. The Group is particularly focused on energy-efficient transport, encouraging and supporting the use of public and shared transport for our visitors and for our commuting staff. In addition, we strive to reduce the emissions of our on-site vehicles.

Our people are at the heart of our business. Our continuing success depends on having the right people in the right jobs. To enable this, we attract, retain and train the people who can best achieve our business objectives. The Group's culture calls for the highest standards of legal and ethical compliance, covering issues that

As a buyer of materials and services and, increasingly, a joint venture operator, we see the enhanced economic, social and environmental benefits of collaborating with partners and suppliers. This means encouraging the organisations we work with to act in an environmentally sustainable way and to help accelerate the economic

### SECTOR TRENDS

The Technology, Media and Telecoms (TMT) sector is continuing to grow in London. This is creating rising demand for appropriate office spaces that offer flexibility, proximity networking and access to the latest technology.

Tenants and occupiers across all sectors want assurance about the sustainable construction, fitting out and management of their workspaces. The desire for resource-efficient premises has implications for the retro-fitting of existing buildings as well as the planning and development of new spaces.

The financial implications for environmental non-compliance are increasing. Breaching legislation can result in costly penalties and loss of external reputation.

The residential and working populations of London continue to show dramatic growth, as does the London residential property market. Demand is expected to remain keen.

## RELEVANT LEGISLATION AND REGULATIONS

Canary Wharf Group operates within an extensive legal framework that includes:

- The Carbon Reduction Commitment Energy Efficiency Scheme Order 2010
- The Climate Change Act 2008
- The Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007
- The Environmental Protection Act 1990
- The Waste Strategy (2007)
- The Waste (England and Wales) Regulations 2011
- European Union Emissions Trading System
- Bribery Act 2010
- Building Act 1984
- Building Regulations
- Localism Act
- Social Values Act.

provide to help local residents to acquire new skills and qualifications that will better equip them to compete for jobs with us and our suppliers. These efforts complement our support for local education, sport and cultural activities – all of which enhance aspiration and opportunity, improve social cohesion and help to alleviate poverty.

We also collaborate with stakeholders to reduce waste and segregate

and divert as much as possible from landfill for reuse/recycling or

energy recovery. Going beyond our own efforts to reduce the use of

natural resources and obtain recycled material where available, we

them to do so, auditing their performance. As an on-going process,

performance to ensure coverage and verification of major impacts.

encompass environmental performance, anti-bribery and

sites

we are improving and expanding the reporting of our environmental

corruption, and health and safety. We continuously work closely with

tenants, occupiers and contractors to reach and maintain a rate of

zero work-related accidents on our properties and construction

encourage the same from our suppliers and contractors and support

## **YEAR-ON-YEAR TARGETS**

In 2013 we expanded to 4,500 our database of local suppliers and broadened access to it for CWG employees. Additionally, we registered 660 South London suppliers in anticipation of the Shell Centre project. A new initiative was the Fit for Legacy Programme, partly financed by the European Regional Development Fund and led by the Group's ELBP partnership.

For more details on economic development and community, see pages

For a summary of progress against 2013 targets and for future 2014 targets, see pages 34-37

Over the last year, the Group spent significant time and effort engaging with tenants, occupiers, staff and contractors to improve waste recycling figures. In 2013 we exceeded our retail target by 7%, recycling 67% of retail waste; and met our target of recycling 40% of infrastructure waste.

> For further detail on environment, see pages 16-23

10-15

For a summary of progress against 2013 targets and for future 2014 targets, see pages 34-37

In 2013 the Group took on 115 work placements, exceeding our target of 90. At the end of the reporting year 50 of these students had come from Tower Hamlets. Our target was for 50 Tower Hamlets placements.

For further detail on our people, see pages	24-29
For a summary of progress against 2013 targets and for future 2014 targets, see pages	34-37

In 2013 our project, 25/30 Churchill Place, achieved a 2011 BREEAM Design Phase 76% excellent ranking. This has been made possible by working in close partnership with the building tenants to ensure sustainability through design, construction and management was a priority.

For further detail on working collaboratively, see pages 30+33

For a summary of progress against 2013 targets and for future 2014 targets, see pages 34

and social development of our local area. Along the supply chain, this involves assessing the environmental, ethical and social credentials of current and potential suppliers and contractors. We also encourage our industry partners and peers to achieve greater degrees of sustainability.

# **OUR STAKEHOLDERS AND KEY ISSUES**

## MATERIALITY

What we do has a bearing on our stakeholders and the wider world. With that in mind, we seek to understand and manage those impacts – prioritising for our attention those issues that most impact our stakeholders and our operations.

Doing this helps to minimise any negative aspects and maximise the benefits to our stakeholders and our business.

## **Our approach**

We review our materiality process regularly against the Risk register as part of our risk determination process. This involves comparing key concerns and issues identified by stakeholders against those we highlight through our own risk assessment exercises. In 2013, this comparison showed three major strategic and commercial priorities for consideration:

- Against the background of recovery from global and national economic uncertainty, maximise demand for our development and increase the number of visitors to our tenants' retail and hospitality outlets
- Continue to integrate the business communities that we develop into existing local communities. Looking ahead as part of our community building mission, aim to develop new districts that incorporate residential with workplaces, retail facilities and other amenities.
- Retain our financial security, which is the foundation for all of our efforts to build and develop attractive, stable and secure places to work, live and enjoy in London.

Of course, some of the factors on which delivery depends are beyond our control. These include economic issues and government policies. Therefore, in this report, we focus on the factors over which we have a direct influence and which hold the most relevance to long term organisational operations. Our prioritised material issues are listed below. These issues drive our sustainability activities and form the basis of the Group's sustainability reporting.

## **OUR MATERIAL ISSUES**

## Economic development and community

• Expanding the Estate building communities

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- Creating residential properties in mixed use developments
- Creating jobs for local people and sourcing work for local businesses.

### Environment

- Decreasing energy and greenhouse gas emissions
- Reducing the environmental impact of construction
- Reducing resource use and waste
- Reducing water use.

## Our people

- Maintaining high standards across the Group
- Creating safe and secure workplaces
- Securing and managing the best talent.

## Our business

- Meeting the demands of tenants/consumers
- Complying with legal requirements.

## STAKEHOLDERS: BUILDING A SHARED FUTURE

Many individuals and institutions have an interest in Canary Wharf Group. Among them are tenants and occupiers, shoppers, local residents, investors, our employees and local and central governments.

This report provides information for all of our stakeholders, but it is only one aspect of our dialogue with those who have a stake in what we do.

## **On-going engagement**

On an informal level, routine meetings and other encounters provide useful opportunities to share concerns and ideas for improvement. More structured sessions include consultation meetings linked to proposed new developments, tenant forums and professionally conducted surveys.

What we learn from all of this feeds directly into the way we design, build and manage our properties.

In 2013, we continued a programme of hosting regular stakeholder sessions within a structure of stakeholder forums that included:

- Community Forums to exchange views with individuals and local groups
- Sustainability Forums for tenant and occupier discussions on environmental management issues
- Health and Safety Forums for suppliers, partners and employees
- Corporate Social Responsibility Forums to help local charities and community support groups connect with Canary Wharf tenants and occupiers and with each other
- Canary Wharf Group Staff Consultative Committee meetings
- Retail Tenant Forums
- Canary Wharf PR and Communications Forums for tenants and occupiers
- Security and Business Community Forums
- Transport Forums
- Regular meetings with office occupiers and tenants on a building-by-building basis
- Employee environmental awareness training.

## KEY STAKEHOLDER GROUPS

## COMMUNITY

Today's Canary Wharf largely reflects the views and aspirations of our neighbours – the people who live and work in the area. Through extensive consultation and interaction we understand their concerns regarding impacts from construction and the need for local employment and business opportunities. Their ideas are also helping to shape current projects, tomorrow's developments and the way we operate. At the same time, we are continuing to open opportunities to employ and train local individuals and businesses. We also support recreational, social and cultural activities throughout the boroughs we regard as home. As our interests expand to other parts of London, we plan to replicate this model.

## **Community engagement in action**

Our Community Receptions are not only enjoyable events, they also provide a springboard for further engagement with community groups, sports clubs and schools. Other attendees include local MPs, councillors and officials.



## **EMPLOYEES AND CONTRACTORS**

In 2013 Canary Wharf Group employed 981 permanent staff. On average, they have been with us for nearly seven years and are the bedrock of our success. We also rely on the services of our contractors. Regular engagement and best-practice sharing with both groups is one of the ways that we help to ensure the safety, diversity and sustainability of our operations.

## INVESTORS

Financial security is of concern to our investors. It is important that we provide our investors with the social, environmental and ethical information necessary to make informed decisions about our performance and prospects. This report is part of that process.

## LOCAL GOVERNMENT

Three local authorities provide the planning frameworks that define our operations: Tower Hamlets, where we are the biggest private sector property owner and developer; the City of London and Lambeth. We work closely with each to understand their concerns and ensure that our operations are consistent with their objectives. The Group, as a significant London property developer, has an important role to play in the sustainable development of the capital.

## NATIONAL GOVERNMENT

The environment, employment, the economy and taxation are issues of national importance – and all of them have a bearing on the Group's activities. Consequently, the UK government is an important stakeholder.

### EXISTING AND POTENTIAL TENANTS, OCCUPIERS AND RETAILERS

We provide facilities to our business tenants. In order to deliver the highest quality service, we regularly talk to our commercial and retail tenants and occupiers to gain a better understanding of current and future requirements. This is particularly useful in our design and refurbishment efforts as well as in attracting prospective tenants.

## Tenant and occupier engagement in action

Our Tenant Sustainability Forums along with our twice yearly Retail Tenant Forum have led to the creation of an informal tenant network with strong links to Group management. In 2013 this network stimulated growing interest in the benefits of recycling, particularly among Canary Wharf's retail tenants.



## **SUPPLIERS**

Whenever possible, the Group looks to buy goods and services locally – and we encourage the supply chain that serves us to do the same. This has a positive knock-on effect throughout our neighbouring communities in terms of employment and overall prosperity.

## Supplier engagement in action

Through a variety of programmes including the East London Business Place (ELBP) and South London Procurement Network (SLPN), the Group provides local SMEs with coaching in business and financial planning, marketing, e-procurement and pitching.



# **ECONOMIC DEVELOPMENT** AND THE COMMUNITY

When the Group first began planning the redevelopment of the Lambeth riverside Shell site in 2011, one of our top priorities was to ensure that local businesses would benefit.

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Number of local companies attending the East Wintergarden Crossrail procurement event in 2013



Number of local companies registered with SLPN in 2013

660

## THE SOUTH LONDON PROCUREMENT NETWORK





We have laid the foundations to achieve this by establishing the South London Procurement Network (SLPN).

In time, the aim is that SLPN could have as great an impact in South London as the Group's focus on local businesses and suppliers has had on Tower Hamlets and neighbouring boroughs through the East London Business Place (ELBP).

In 2013, the Group's business support activities through the ELBP and its predecessors reached an overall local spending milestone of £1 billion since 1997.

# ECONOMIC DEVELOPMENT AND THE COMMUNITY

## **OUR APPROACH**

When the Group embarks on a development, it invariably looks to the long term. This explains our approach to economic development and communities. Our success should benefit our local communities – those in the boroughs and neighbouring boroughs of which we operate; and their economic, social and cultural well-being. As neighbours – this is naturally important to us.

We aim to 'create quality, inclusive and sustainable districts that emerge through close working partnerships with our neighbours and stakeholders'.

The Group's partnerships encompass a wide range of activities. They include support for local businesses, employment and training programmes, community engagement and sponsorship for local sport and art initiatives. To ensure the effectiveness of what we do, in 2013 the Group published a Community Policy Statement. It is available online at www.canarywharf.com

By putting responsible business principles at the core of our management philosophy and operational processes, we aim to help our local communities become even better places to live and work.

## An expanding network

In 2008 the Group helped to establish the East London Business Place (ELBP). This was modelled on our own local business support initiative, the Local Business Liaison Office (LBLO), which helped local companies secure over £615 million of business between 1997 and 2008. Its aim was to support advise and match local micro to medium sized suppliers and buyers and to increase local procurements in the boroughs surrounding Canary Wharf. Another major supporter of this partnership of private and public sector organisations is the East London Business Alliance.

In 2013, at Canary Wharf itself, as part of its post-Olympic Fit for Legacy Programme, ELBP responded to a request by Crossrail Limited to meet local SMEs as potential suppliers for 12 station projects. Over 50 companies participated in the East Wintergarden event in May 2013. As a local business, I am always keen to look at potential business opportunities and at taking on local residents to fulfil those opportunities.

> **Gabriel Mendoza** Managing Director GSL Cleaning Service

Crossrail Chief Executive Andrew Wolstenholme noted how well the suppliers were targeted for Crossrail's requirements. 'We will continue to monitor the tender lists coming through from Tier One contractors...and I very much hope that we will see many of the event's attendees' names appearing,' he wrote.

We are now aiming to replicate this success in South London. There, in partnership with Qatari Diar, we are planning a major redevelopment of the Shell Centre, adjacent to the Thames and the South Bank's cultural landmarks. In anticipation of our future needs – and to create future opportunities for local businesses – we established the South London Procurement Network (SLPN) in 2012. Number of companies on the ELBP and SLPN databases by the end of 2013

# 4,500

Value of locally sourced business from SMEs achieved in 2013

# £112m+

Working with SMEs throughout the area, the SLPN gives access to local supply chains – including ours – and enables participants to tender competitively against bigger, more broadly based competitors. By the end of 2013, SLPN's first full operating year, it had 660 local companies registered. These businesses benefit from advice, promotional assistance, direct access to contracting companies and a full diary of events and workshops.

SLPN's target in 2013 was to help local businesses secure £200,000 worth of business. In fact, the total value of the 117 contracts secured during the year came to £615,747.

Together, the combined ELBP and SLPN databases included 4,500 companies by the end of 2013. In 2013 we exceeded our 2012 target of reaching £10 million of business sourced from local small to medium sized business (SMEs), achieving £112,257,141 in 2013, £89,099,264 of which went to East London companies.

### Spending on locally based suppliers (%)

 Canary Wharf		
Limited	2013	31
	2012	30
	2011	28
	2010	32
Canary Wharf Management	2013	50
Limited	2012	43
	2011	41
	2010	41
CWCL	2013	35
Total	2013	38
	2012	42
	2011	41
	2010	40

## Empowering change through upskilling

We also focus on young people within our communities. We aim to support them to gain the skills and insights essential for successful and fulfilling careers in the longer term.

One promising way forward is called Code Club. This nationwide, volunteer-led network brings IT professionals together with children aged 9-11 to provide them with a valuable new skill. Canary Wharf Group began backing Code Club locally in 2013 with a £50,000 donation to provide afterschool computer coding classes in Tower Hamlets primary schools.



The IT sector continues to be dominated by men. Diversity initiatives are needed to tackle this at grass roots level.

Code First: Girls, a complementary initiative to the original Code Club, is offering free, specialised tuition to female students who demonstrate an interest in and potential for IT.

When asked what the best part of the course was, Alex responded:

It's great because it means that we are in a space devoted to learning to code (as opposed to being in distracting places), and also it's perfect to make us feel like a part of the startup community. On top of this everything seems to be very well organised and the people at Level 39 are incredibly friendly and helpful.

> **Alex** Participant

## BATE STREET IN BLOOM



Sometimes, it's the small things that seem to matter most.

For the people of Bate Street, off the Commercial Road and almost adjacent to Canary Wharf, a derelict garden was proving an eyesore as well as encouraging anti-social behaviour. It wouldn't take much to remedy the situation, just enough care and effort to improve the site and inspire a sense of local ownership.

Working with the local community, we did just that. Volunteers from the Group, the LBTH Green Team and Spitalfields Farm tidied up the area and planted a rose garden with bushes provided by the Group. Children from Cyril Jackson Primary School had a lesson in biodiversity on site, by helping to build a 'bug hotel'.



**Councillor Shahed Ali** Cabinet member for the environment

## Level 39

Level 39 offers an unrivalled glimpse into the future of the TMT sector. Attracted by flexible letting arrangements, open, creative spaces and opportunities for mentoring and networking: Level 39 is now home to a diverse and dynamic assortment of small, recently formed companies with a visionary approach to their businesses and ambition to grow.

During the course of its first full year in 2013, Level 39 also served as a centre of TMT learning. It was the site of over 130 specialist events featuring the likes of PayPal, Facebook and Wikipedia as well as participants from the financial sector. It also participated in the Group's commitment to students, providing work experience for local students and taking its first apprentice through the Mayor of London's Tech City Stars programme.

## From education to employment

In partnership with the University of East London's Royal Docks Business School (UEL RDBS), the Group has provided a platform for East London University graduates to prepare and position themselves for jobs with Canary Wharf's major financial and professional services firms. In the Spring of 2013, we donated 2,620 sq ft of prime office space on the 10th floor of One Canada Square for UEL RDBS' Canary Wharf Programme.

The Canary Wharf Programme stressed the importance of strategic risk management and the historic and current role of London as a global business centre. In 2013 over 250 students benefited from guest tutorials from leading London executives, policy makers and regulators; job training sessions and networking opportunities.

The RDBS Dean, Professor Nora Ann Colton, praised 'the companies of Canary Wharf and the City for 'becoming part of the classroom, with students taking an intimate look at London's financial markets, exploring the area's history and rubbing shoulders with the practitioners that make Canary Wharf the vibrant business centre it is.'

Canary Wharf Group's Chairman and Chief Executive Officer, Sir George Iacobescu, said that the programme was part of the Group's on-going mission to help local people into jobs at Canary Wharf. 'When we began building, jobs were

Number of work placements were taken in 2013 (50 placements were filled by local **Tower Hamlets** students) .....

Total Group spend on community engagement projects and programmes in 2013 .....

million

scarce and opportunities outside construction were few. Now there are thousands of jobs to be found in the area and we must continue to do everything we can to ensure local residents get access to these opportunities.

Beyond our partnership with UEL RDBS, the Group is committed to providing work experience for students. In 2013 we took on 115 work placements, 50 of which were local Tower Hamlets students.

One local resident who has benefited from work experience with the Group is Victoria Ahonsi. Her first work experience was in 2011, when she joined the Group's Social & Economic Development team on the East London Business Place project (ELBP). She was so taken by the experience that she asked for repeat assignments in 2012 and 2013.

### Community investment

(£)		
Cash donations <sup>(1)</sup>	2013	625,639
	2012	677,053
	2011	781,626
	2010	691,857
In-kind, including	2013	281,142
use of space	2012	164,621
	2011	149,020
	2010	228,433
Staff focused on community	2013	1,197,943
engagement <sup>(2)</sup>	2012	596,909
	2011	510,948
	2010	484,264
Total	2013	2,104,724
	2012	1,483,583
	2011	1,441,595
	2010	1,404,553

(1) Numbers do not include Section 106 payments or payments made from funds from Canary Wharf Contractors, various trusts, or payments made towards Canary Wharf Crossrail station.

(2) This year we took a more intensive look at the number of employees across the Group who are actively engaged in community activities. This, coupled with some additional resource allocated to community projects as we expand our developments to other locations, will account for a significant increase in 2013's community investment over previous vears' reports.

Her dedication had an impressive result. Building on what she learned at Canary Wharf, she managed to win a highly coveted place one of only 50 in London - on EY's Smart Futures Programme. Recalling her time on the team, she says 'My work experience with the Group

and ELBP...strongly motivated me to go after my dreams and goals.'

## Working together for a better community

We collaborate with our community neighbours on projects that will make the communities better places to live and work. In addition to those employees whose job it is to make this happen, we draw on volunteers from our own staff and those from tenant and occupier firms. In 2013 we worked with them on six projects, one ahead of our targeted five.

The Group's spending on community engagement projects and programmes in 2013 was £2.1 million.

In the City, in 2013 Canary Wharf Contractors Limited helped with the creation of a new Garden of Tranquillity at Demelza Hospice Care for Children. This charity supports almost 800 life-limited and life-threatened children across South-East London and beyond.

Our involvement included donation of the design, project management, construction equipment, materials, trees and shrubs. Volunteers from the Group's 25/30 Churchill Place development at Canary Wharf provided weekend labour to make the garden a reality. In addition, we helped to raise over £500,000 in cash and in-kind donations from suppliers and their sub-contractors. Now fully landscaped, it welcomes children staying at the hospice in Sittingbourne, Kent and also serves as a place for reflection and remembrance.

Commenting on the efforts of everyone involved, Cormac MacCrann, Executive Director of Canary Wharf Contractors said 'It is terrific that we have been able to bring our collaborative approach to project delivery to build this garden... We are hugely grateful to our friends in our supply chain who have helped us in the project ... '

We have also been active in community programmes that focus on the other segments of the local community. This includes support for the Globe Town Pensioners, the Stifford Centre run by the Bangladeshi community and the Cubitt Town Bangladeshi Cultural Association.

In 2013 we made a joint donation with British Land and Land Aid of £30.000. totalling £90.000 to fund studio, media suite and two classrooms for Spotlight. This was part of our ongoing support for this charity, 'a creative youth space, designed to inspire' in Tower Hamlets. Located in Poplar but easily accessible from everywhere in Tower Hamlets, Spotlight is 'shaped by young people for young people.' When the space opened in January 2014, it provided free tuition and coaching in drama, dance, broadcasting, fashion, styling and boxing. Other partner organisations include the National Theatre, London College of Fashion, Whitechapel Gallery, CM Sounds and the BFI.

# **ENVIRONMENT**

# A PARTNERSHIP FORSUSTAINAB EXCELLENCE

1144

We have laid the foundations for achieving this by establishing the South London Procurement Network (SLPN).

BREEAM environmental performance rating achieved by 25/30 Churchill Place





## 25/30 CHURCHILL PLACE



When the growing European Medicines Agency (EMA) decided to move from Westferry Circus at Canary Wharf to bigger quarters, the site of 30 Churchill Place was an appealing option.

It would give EMA – a public body dedicated to scientific excellence – the opportunity to collaborate with us to create a site of environmental excellence. EMA was inspired to push their office's environmental credentials further, selecting sustainable furniture and fittings in addition to sustainable materials and technologies used within the structure of the building. With our help, they plan to equip their headquarters with furniture using wood certified by the Forest Stewardship Council.

One of the key drivers to relocate our headguarters was to occupy a more sustainable and cost efficient building, and this will be realised when we transfer to 30 Churchill Place. Working with Canary Wharf Group has helped enable more sustainable outcomes, such as achieving a higher BKEEAM rating and targeting FSC Project Certification. We've done this together, by being actively involved in the design, procurement, construction and operation process.

> Andreas Pott Deputy Executive Director and Head of Administration, EMA

# **ENVIRONMENT**

OUR APPROACH As the need for resource efficiency and emission and waste reduction increase, in line with global and in particular urban population growth, so does the Group's commitment to designing, building and managing sustainable spaces.

Keeping resource shortage and climate change implications – both physical and financial – in mind throughout the lifespan of our projects, reduces our future exposure to risk and also benefits our tenants, occupiers, visitors, employees, the community and other stakeholders.

Our approach is informed by the Group's Corporate Responsibility Policy, available online at <u>www.canarywharf.com</u>. This document and the other documents of our Environmental Management System which is certified to ISO14001:2004 act as a guide for our activities and establishes a sustainability framework for sustainable sourcing, efficient technologies and practices, and monitoring to improve reductions in emissions and waste.

Environmental awareness similarly has an impact on the way we train our own people and contractors and provide guidance to tenants and occupiers. For details see Our people, on page 27-28.

In 2013 we made considerable progress on a number of environmental fronts; reducing our water and energy use, increasing the amount of waste we recycle, compost or treat by anaerobic digestion and by raising standards in construction and building management efficiency. See the Environmental Data table on page 22-23 for more details.

## Designing, building and managing sustainable spaces

We work closely with tenants to create bespoke buildings that express their occupants' corporate identities and meet their needs while remaining true to our values. This results in buildings that wherever possible meet the high standards of BREEAM. Our work with EMA on 25/30 Churchill Place is a prime example. We designed and built the block to a demanding environmental specification consistent with our overall aim to reduce greenhouse gas (GHG) emissions. Features include recycled energy from lift operations and air-conditioning, the latest solar technology and a green roof that not only increases the entire structure's energy efficiency but also encourages bio-diversity.

Our intensive collaboration with EMA on 25/30 Churchill Place's sustainability credentials has been recognised. The building has earned an 'excellent' BREEAM 2011 environmental performance rating and an Energy Performance Certificate (EPC) rating of B.

## Efficiency

As a business and commercial community of around 105,000 people, Canary Wharf is inevitably a significant consumer of natural resources. It is the Group's responsibility as part of our aim to be more socially and environmentally aware – and in the best interests of all of our stakeholders – to minimise this consumption and ensure the sustainable disposal of anything that cannot be re-used on site. This applies to every aspect of our operations, including construction and property management.

The Group's construction business, for example, uses only concrete certified to meet BES 6001 standards, which sets out sustainability controls throughout the concrete manufacture process, taking into account the impact that cement manufacture, aggregate extraction process and transport have on the environment, We use the material only where necessary, minimising waste through the use of special pump line techniques. Improved water management, particularly Percentage of electricity that comes from renewable sources

# 100%

The first property company in the world to win a Carbon Trust Waste Standard award

First

during construction, was a key focus in 2013. Details and our progress in this area can be seen in the Environmental Data table on page 22-23.

The Group also reduced total as well as normalised direct and indirect GHG emissions in 2013.

## Direct and indirect greenhouse gas emissions

 $(CO_2 e \text{ tonnes})$ 

Office buildings (tonnes per	2013	1.15
occupant)	2012	1.54
Infrastructure and car parks (tonnes per m <sup>2</sup> )	2013	0.02
	2012	0.03
<b>Retail</b> (tonnes per 1,000 visitors)	2013	0.10
	2012	0.14
Construction, demolition and excavation <sup>1</sup> (tonnes CO,e)	2013	1,178
	2012	2,169

<sup>1</sup>We are currently working on mechanisms to produce normalised data for the construction part of our operations.

Going forwards, 2012 data will be treated as the baseline for all environmental performance data and for setting future targets. To view performance data that precedes 2012, visit our 2012 report online.

This was achieved through a programme of installing more energy efficient systems, such as lighting and cooling and by working with our staff and tenants to be more energy aware. A breakdown of this data can be seen in the Environmental Data table on page 22-23. Given the scale of the Group's operations, getting the most out of the energy we use – and using less of it – are priorities, as is sourcing the most efficient energy in the first place. All of our electricity comes from renewable sources.

As well as reducing our emissions and natural resource use, we also aim to keep noise and disruption to a minimum. By using Giken hydraulic technology, as opposed to traditional piling methods on a recent project, we were able to drive almost 300 steel piles, each measuring 20 metres long, with virtually no noise or vibration to disturb our tenants or visitors.

Efficiency is part of how we manage and plan sites as well as how we construct them. Going forwards we are implementing initiatives that will allow us to work with our tenants and occupiers to reduce their natural resource consumption and emissions. These will include the creation of a bespoke Building Sustainability Management Plan for each building, and an upcoming partnership with Thames Water to monitor water usage and spot potential for further efficiencies.

## BUILDING RELATIONSHIPS TO REDUCE RETAIL WASTE

.....



A large increase in the proportion of retail waste recycling was a key success story in 2013. By the end of the year, 67% of retail waste was recycled, composted or treated by anaerobic digestion – a 22% increase from December 2012 figures.

This improvement came about through continuous engagement with our retail tenants, our cleaning teams and our own staff including face-to-face instruction and advice and motivational initiatives such as waste league-tables. Also of help were the strong relationships we have built up with some of the contractors and partners who serve our retail tenants.

The dedication of our cleaners has proved invaluable. They are our daily contact with our tenants and can identify any issues of waste mismanagement which can be communicated back to the tenants and additional assistance given on the use of our waste systems.

Working as a team with our retailers and management has helped to improve waste management and increase recycling.

> Tayo Bright Asemota Retail Cleaning Supervisor



## ENVIRONMENT **CONTINUED**

## Waste

All our actions on waste are guided by our five-year Group Waste Strategy, which takes us to 2017. It includes a framework for the management of the waste produced by the 105,000 visitors a day to the Estate including office tenants, retailers, and our own operations as well as from our construction activities.

Our main objective is to reduce general waste and increase the amount of waste disposed of through more environmentally friendly techniques. For 2013 in CWML, we set - and met-targets for three significant parts of our business: office buildings, retail and infrastructure. Overall in these three operational areas. in 2013 the amount of waste recycled. composted or treated by anaerobic digestion increased from 48% in 2012 to 67%. A full breakdown of these figures can be found on pages 22-23.

Our efforts were recognised in November 2013 when the Group became the first property company in the world to win a Carbon Trust Waste Standard award. Darran Messem, Managing Director of Certification at the Carbon Trust, said: "Canary Wharf Group should be applauded for achievements made in bringing sustainability inside the Group's projects and portfolio. Independent certification demonstrates an effective approach to waste management in Canary Wharf Group's operations, and the Group is setting an example for other organisations to follow."

For the fourth year running we achieved zero general waste to landfill in CWML managed areas. The next challenge is to improve waste performance in our construction operations. To that end, in 2013 we updated our key performance indicators to be more aligned with BREEAM and focused on site resource management. This had a positive impact. with 99% of demolition and excavation waste recycled or reused.

### CWML office, retail and infrastructure waste by disposal method (Tonnes)

Recycled	2013		3,229.04
	2012		3,182.00
Anaerobic digestion	2012		844.3
3	2013	325.0	
Compost	2013		72.68
	2012		83.0
Combustion energy from	2013		2,995.48
waste	2012		3,883.0
Landfill	2013		0
	2012		0
Total	2013		7,140.88
	2012		7,474.00

Going forwards, 2012 data will be treated as the baseline for all environmental performance data and for setting future targets. To view performance data that precedes 2012, visit our 2012 report online.

## A sustainable approach to public transport

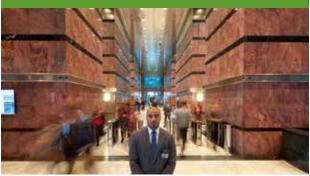
Working with transport providers and local government, the Group is continuously improving transport links via underground. light railway, bus, river and cycle routes, helping commuters and making the site more accessible for visitors. It makes both environmental and economic sense to support the creation of as many different public and sustainable methods of travelling to the Estate as possible. For detail on our improved access to facilities for cyclists. please see the performance summary on pages 34-37.

To continue to enhance access to the Canary Wharf site, in 2008 we agreed to build Crossrail's new station on the Estate for a fixed price. contributing around 30% of the cost. In 2018, when Crossrail begins to operate, the new station will link the Estate to a line that runs to Reading and Heathrow in the west and Shenfield and Abbey Wood to the east.

**CWML total waste** to landfill in 2013 (achieved for four years running)

Number of cygnets born in the estate reed beds in 2013

## LIGHTING THE WAY AT ONE CANADA SQUARE



The lobby of One Canada Square is one of the Estate's most dramatic spaces. But since it first welcomed visitors in 1991, technology and sustainability considerations have moved on considerably.

In 2013 we turned to Future Designs to bring our lobby lighting into the 21st century. Their primary challenge was to work with the constraints of a ceiling void already largely taken up by essential conduits and ducts. Their solution was a series of shallow bespoke lights that would provide necessary levels of illumination while saving energy.

The result: an improvement to the lobby's ambiance, a 48% reduction in energy costs and a drop in related carbon emissions of 83 tonnes per annum.

This was an important step in our programme of updating and improving lighting throughout the Estate. Lighting replacement in some of our emergency stairwells has already shown an energy saving of nearly 90% without sacrificing the effectiveness of the light provided. We have also begun the process of replacing the halogen lights in our retail areas with more attractive and energy-efficient LEDs.

## Transport

Estate fleet vehicles' fuel	2013	60,578
(litres)	2012	70,995
GHG emissions (tCO,e)	2013	171
. 2 ,	2012	204

Going forwards, 2012 data will be treated as the baseline for all environmental performance data and for setting future targets. To view performance data that precedes 2012, visit our 2012 report online.

## **Biodiversity**

Canary Wharf is more than a business and retail hub. It is also a place of welcome green spaces, covering six acres of public gardens and further landscaped areas. These areas, most of which are effectively green roofs for lower level car parking, the underground station and shopping malls, are more than amenities. They can also play a role in reducing water runoff and serving as thermal blankets for natural cooling and heating. At the same time, our landscaping provides an environment in which birds, insects and other small wildlife are thriving.

While we keep accurate records of the human population at Canary Wharf – on average 105,000 visitors including workers every day – the numbers of other species of residents and visitors are speculative. But we do know that the ground level landscape, the green roofs and the clean dock waters that make up the Estate are home to a range of plants and animals.

Biodiversity is an essential aspect of sustainability. In recent years, we have changed our approach to landscape design and implementation, moving away from an evergreen selection of shrubs, flowers and trees to more seasonal colourful planting. This is helping to attract butterflies, bees and indigenous insect life.

The reed beds on Heron Quays are home to several species of birds, including Great Crested Grebes, Moor Hens, Mallards and Swans. In 2013, five cygnets were born on the reed beds and can be seen in the waters of the Estate. An informal bird-watching network of cleaners, security staff and office workers help us to keep track of avian developments on the Estate.



Our resident seal, Samantha, who has been a Canary Wharf presence for a decade, continues to thrive, thanks to a healthy local fish population in the docks and a daily breakfast expedition to nearby Billingsgate.

We are actively encouraging greater tenant and community involvement in the future of Canary Wharf's green spaces. In 2013 we welcomed a delegation from local housing associations interested in our approach to landscaping.

Looking ahead, we are planning to establish a biodiversity group offshoot from the Canary Wharf Sustainability Forum and will be updating our Biodiversity Action Plan (BAP) which support the goals of the LBTH and London BAPs.

In 2013, we made progress on one of our more ambitious landscaping projects: a sky garden 35 floors above the City on top of 20 Fenchurch Street. It too will be a haven of biodiversity. Open to the public, with a viewing level as well as a restaurant, it will offer a unique green vantage point over London.

# ENVIRONMENT IN NUMBERS

# Below are our environmental numbers. These comply with the Global Reporting Initiative's G3.1 requirements as well as EPRA.

	ND WATER											
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posal method	15,152.79		6,782.7			844.3	4	229.1	1%	292.72	1	23,30
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IERGY, GHG A	ND WATER											
, i					-				Water	Water	Water	Wate
	Electricity Landlord		tricity dlord	Gas Lar	dlord	Gas Landlor	d		(Mains) Landlord &	(Mains) Landlord	(Discharge by	(Discha to Fo
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# Canary Wharf Contractors Limited – Construction/Demolition and Excavation Projects ENERGY, GHG AND WATER

	Electricity	/	Gas O	il	LPG		Water (Mains Incoming)	Water (Dewatering – Incoming from dock)	Water (Discharge to Foul Sewer)	Water (Discharge to Dock)
	Total kWh tCO	0 <sub>2</sub> e T	Total kWh	tCO <sub>2</sub> e	Total kWh	tCO <sub>2</sub> e	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>
2013	2,418,990 1,0	078	356,136	96.78	16,513	3.54	30,734	250,000	30,734	250,000
2012	4,167,787 2,1	169	0	0	0	0	15,959	259,000	15,959	259,000

	Constructio	on	Demolitio	n	Excavation	
	2013	2012	2013	2012	2013	2012
Total Waste (Tonnes)	13,091.19	8,764	1,805.10	16,870	1,264.5	12,016
Disposal Methods						
Recycled (Tonnes)	8,871.08	5,800	1,788.79	16,493	1,264.5	12,016
% Recycled	68%	66%	99%	98%	100%	100%
Combustion (Tonnes)	3,787.29	2,413	0	0	0	(
% Combustion	29%	28%	0%	0%	0%	0%
Anaerobic Digestion (Tonnes)	0	0	0	0	0	(
% Anaerobic Digestion	0%	0%	0%	0%	0%	0%
Compost (Tonnes)	156.42	170	0	0	0	(
% Compost	1%	2%	0%	0%	0%	0%
Landfill (Tonnes)	276.41	381	16.31	377	0	(
% Landfill	2%	4%	1%	2%	0%	0%

## Normalisation

TRANSPORT

Due to the changing nature of the business and the addition and/or removal of buildings from our management portfolio, a like for like comparison and normalisation of the data on energy and water consumption has been carried out to best reflect annual performance.

Office buildings data covers three managed buildings and Canary Wharf Group Administrative areas – 75% of the managed buildings portfolio.

Retail includes five Retail malls – 100% of our Retail portfolio.

## Infrastructure areas and Car Parks cover 100% of those areas.

Normalisation was worked out on the best fit for the type of operation due to the variation of operation and control between the different areas of the business. Office intensity is shown per occupant. The most relevant method for Retail is by footfall and to make the data more readable an intensity indicator of per 1,000 visitors was found to be the best method. Infrastructure and Car Parks intensity is shown by m<sup>2</sup> based on the Gross Internal Areas (GIA).

## Canary Wharf Management Limited – intensity data ENERGY, CARBON AND WATER

Office Buildings	2013	2012	Infrastructure and Car Parks	2013	2012
Energy (kWh)	36,361,699	41,236,090	Energy (kWh)	15,669,019	17,745,758
Energy (kWh per occupant)	2,636	3,029	Energy (kWh per m²)	56.13	63.57
GHG Emissions (tonnes)	15,921	20,937	GHG Emissions (tonnes)	6,958	9,234
GHG Emissions (tonnes per occupant)	1.15	1.54	GHG Emissions (tonnes per m <sup>2</sup> )	0.02	0.03
Electricity (kWh)	35,227,759	39,559,416	Electricity (kWh)	15,539,454	17,745,758
Electricity (kWh per occ)	2,554	2,906	Electricity (kWh per m²)	55.66	63.57
Gas (kWh)	912,492	1,170,927	Gas (kWh)	0	0
Gas (kWh per occ)	66	86	Gas (kWh per m²)	0	0
Fuel Oil (kWh)	221,448	505,748	Fuel Oil (kWh)	129,565	0
Fuel Oil (kWh per occ)	16.06	37.15	Fuel Oil (kWh per m²)	0.46	0
Water (Mains m <sup>3</sup> )	147,924	220,339	Water (Mains m³)	31,327	65,473
Water (Mains m³ per occ)	11	16	Water (Mains m <sup>3</sup> per m <sup>2</sup> )	0.11	0.50
Water (Discharge to Sewer m³)	118,001	220,339	Water (Discharge to Sewer m <sup>3</sup> )	31,327	65,473
Water (Discharge to Evaporation m <sup>3</sup> )	29,569	0	Water (Discharge to Evaporation m <sup>3</sup> )	0	0
Retail	2013	2012	Retail continued	2013	2012
Energy (kWh)	23,869,528	21,226,914	Gas (kWh 1,000 Visitors)	0	0
Energy (kWh per 1,000 Visitors)	249	307	Fuel Oil (kWh)	118,768	81,572
GHG Emissions (tonnes)	9,341	9,654	Fuel Oil (kWh per occ)	0	0
GHG Emissions (tonnes per 1,000 Visitors)	0.10	0.14	Water (Mains m <sup>3</sup> )	39,948	51,973
Electricity (kWh)	18,888,672	17,066,793	Water (Mains m³ per 1,000 Visitors)	0.42	0.75
Electricity (kWh per 1,000 Visitors)	197.09	247.07	Water (Discharge to Sewer m <sup>3</sup> )	39,322	51,973
Gas (kWh)	4,862,088	4,078,549	Water (Discharge to Evaporation m <sup>3</sup> )	626	0

	2013	2012
Fuel (litres)	60,578	70,995
GHG Emissions (tonnes)	171	204

# OUR PEOPLE

# FITNESS AND HEALT

Every job has an element of pressure. Helping people to cope with those pressures is a good thing to do for both compassionate and commercial reasons.

A 10 24 48



## CANARY WHARF GROUP plc WELL-BEING SCHEME

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Since 2009 we have focused on absenteeism. To further enhance the existing employee support and well-being programme, CWML launched a pilot campaign for a couple of our departments. The programme delivered a number of workshops aimed at improving employee awareness of factors such as sleep, exercise and nutrition. Energising in-chair massages were also offered to staff to enhance well-being. 70% of participants said that they reduced stress and 89% felt that they helped to create a better workplace. As well as raising awareness of these factors, the workshops prompted small, achievable changes to lifestyles – that should improve health and well-being.

This in turn should reduce absence, increase productivity and enhance affinity with the Company.



Well-being scheme participant



Well-being scheme participant

Percentage of well-being initiative attendees, who said the sessions reduced stress



Average days reduction in absence in areas participating in the well-being initiative

2.5

# **OUR PEOPLE**

## **OUR APPROACH**

The Group invests in employing talented people from the outset. Our people then benefit from the experience and training we can provide and the knowledge that we are fully committed to equal opportunities and career development opportunities for all within the business.

Volunteering and exposure to best practice from colleagues and suppliers also support learning.

Our full employment policies are available online at: <u>www.canarywharf.com</u>

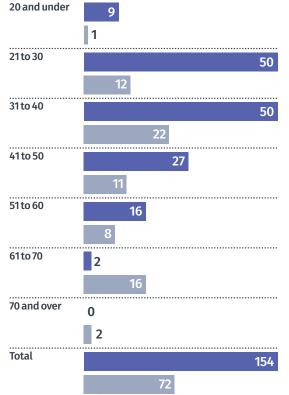
Successful examples of our talent attraction and retention can be seen throughout the business. Barbara Czalka, for instance, secured a threemonth internship with the Group's construction arm during her final year of a Civil Engineering course at UEL. She worked on the Churchill Place project. 'It was an amazing opportunity. It reinforced what I had learned at university and helped me to develop new skills too.' Following her successful assignment, she was offered a job with the Group and joined in 2013 as Assistant Project Manager, working on the Crossrail station.

One of the longest serving members of the Group is Camille Waxer. An architect by training, she joined 23 years ago as a Retail Team Coordinator responsible for liaising with the construction and development teams. In common with others within the Group, her career has since developed here. She is now Group Chief Administrative Officer, heading CWML in managing the Estate.









Number of staff members volunteering to supervise or mentor work placements in 2013

# 40

Percentage of sickness/absence reduction in 2013

# 17.8%

## Health, safety and security

The health, safety and security of our employees – as well as of our tenants and visitors – are paramount concerns.

Our Health and Safety Policy provides a framework to exercise these concerns, through sound procedures and practices. Specifically, it sets out our moral and legal duties regarding health and safety standards, training, management and links with suppliers, contractors and local authorities. Significantly, the policy forms part of the Group's integrated management system. The full document is available online at <u>www.canarywharf.com</u>

## Lost days and fatalities

Working days lost through sickness	2013	5,565
	2012	6,768.5
	2011	6,567.5
Proportion of all working	2013	2%
days lost through	2012	3%
sickness	2011	3%
Fatalities	2013	0
	2012	0
	2011	0

Includes all full time staff. Excludes staff on Group Income Protection Scheme. Lost days covers all sickness absence, including any lost time due to work place accidents. % scores are rounded to the nearest %.

Our approach to health and safety is not solely defined by duties and procedures. We recognise that a healthier, happier workforce is more productive and better able to meet the expectations of all of the Group's stakeholders. Therefore, well-being has become a focus for the Group.

Since 2009 we have focused on absenteeism. To further enhance the existing employee support and well-being programme, CWML launched a pilot campaign for a couple of our departments. The programme delivered a number of workshops aimed at improving employee awareness of factors such as sleep, exercise and nutrition. Energising in-chair massages were also offered to staff to enhance well-being. 70% of participants said that they reduced stress and 89% felt that they helped to create a better workplace. As well as raising awareness of these factors, the workshops prompted small, achievable changes to lifestyles that should improve health and well-being. This in turn should reduce absence, increase productivity and enhance affinity with the Company.

The pilot returned positive findings with a decrease of 2.5 days' absence on average in the departments trialled compared to the previous year. Moreover, the cost of the pilot was considerably less than the cost of lost working hours. This has led us to plan a broader programme planned for 2014.

More widely, in 2013 the Group continued to offer all employees a comprehensive package of staff well-being benefits. This included a comprehensive private health care plan, access to Best Doctors, a service offering free, confidential and expert medical opinion, subsidised gym memberships for staff and an Employee Assistance Programme offering free and confidential advice and information on a wide range of topics from bereavement through to legal matters. Construction teams' personal health issues were also developed and championed by the Occupational Health Nurse and Health and Safety team. In 2013 Group sickness/absence reduced by 17.8% compared with 2012.

Well-being on a spiritual level is also important to the Group. At Canary Wharf, the Estate's multi-faith chaplaincy offers spiritual support. It is open to individuals and companies and supports people of all faiths and none.

## Nurturing talent and building skills

Our commitment to career development and transferable skills – allowing our people to develop and evolve within the Company – helps us to not only attract the best people but to retain them.

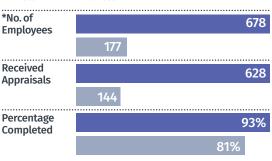
In 2013, 1,003<sup>\*</sup> employees attended 19,070 hours of development training. This included, 7,305 hours of training on Health and Safety, 2,492 hours of management and supervisory training and 828 hours of environmental training.

New training initiatives for 2013 included a supervisory training programme, 'Making it Happen' a management skills course attended by senior and middle management and an expansion of our retirement seminars with a bespoke course for Executive level staff.

\* This figure includes employees who left the Company in 2013.

## 2013 Annual performance appraisal completion

Male Female



\*This excludes executives, probationers, leavers, and staff on maternity leave or on long term sick leave We developed our communication of the Group's Anti-Corruption and Bribery Policies and Procedures by introducing two ways to study: an online course for office workers and those with regular access to computers, and a printed manual for those staff who do not. This enabled us to ensure the course was available to all our staff. In 2013, 90% of our workforce completed the awareness training module which was delivered in two methods, online and in a booklet form.

In 2013 we continued to deliver Environmental Awareness Training to our staff. The sessions inform staff of key environmental issues and suggest ways to implement more sustainable practices at work and at home. In 2013, 220 staff members attended the course and a further 52 managers and supervisors in CWML also attended a course on 'Management Responsibilities for the Environment'.

## **Diversity and equal opportunity**

Another key area for us is diversity. As the Group requires a wide range of skillsets such as IT, Finance, Construction, Maintenance, Landscapers, Event Organisers etc, we employ a wide range of recruitment methods to enhance our talent pool as much as possible. All staff are provided with opportunities for training and development. Our policies and procedures encourage an environment where individual differences and teamwork are valued and each individual is treated with dignity and respect. The Group delivers compulsory diversity training to all employees to reinforce our commitment to building positive relationships in the workplace and highlighting the significant role that this plays in the success of Canary Wharf Group as a business and an employer. We strive to be fair and just and base all employment decisions upon an individual's ability, experience and qualifications.

All staff are provided with copies of the Diversity and Equal Opportunities Policy and Flexible Working Policy and these policies are also available online at <u>www.canarywharf.com</u>

On the subject of gender, for example, many roles within the Group – particularly in areas such as construction, security and maintenance – have traditionally been male-dominated.

## Average hours of development training in 2013

	Hours of training in 2013 for males	Hours of training in 2013 for females	Average hours of training in 2013 for males	Average hours of training in 2013 for females	Average hours of training in 2013 for staff
Executive	187.5	0	10.4	0.0	9.9
Department head	398.5	60	11.1	12.0	11.2
Senior manager	196.5	3	13.1	1.0	11.1
Middle manager	998.5	311	32.2	20.7	28.5
Supervisor	3,561	291.5	40.0	24.3	38.1
Technical CWCL	2,274.5	212.5	14.8	9.2	14.1
Technical property	289.5	72	22.3	18.0	21.3
Admin/ Clerical/ Support	511	1,334	6.8	8.7	8.1
Security	4,030.5	442.5	18.2	19.2	18.3
Operators	3,832	30.5	20.6	15.3	20.5
Apprentice	26.5	7	8.8	7.0	8.4
Total	16,306	2,764	19.4	11.4	17.6

Breakdown of staff who received training in 2013.

## Our people in numbers in 2013

	CWML	CWL and CWG	CWCL	Level 39	Total
Male	496	81	188	1	766
Female	93	81	38	3	215
Total	589	162	226	4	981
Average age	43	41	45	26	

We are working to change that. This can be seen by the growing number of women in both managerial and front-line positions in these disciplines.

Training in this area is also a particular focus. In 2013, 814 hours of training were given to 267 employees on human rights policies and procedures relevant to operations. Training covered issues such as employment law; grievance, disciplinary and appraisal procedures; performance management and the buddy programme. This programme included training on diversity for 140 employees, averaging 12.91 % of our staff.

A 2013 workshop on disability awareness proved especially useful and yielded prompt results. The sessions gave the Group advice for improved access and services for disabled employees, tenants and visitors, through consultation with the Disability Champions – a group of selfselected Canary Wharf Group people from a wide spectrum of able and disabled perspectives.

Finally, in line with our Flexible Working Policy, we continue to endeavour to make returning to work after parental leave a more viable option for our people. In 2013, 100% of men and 61% of women returned to work after taking parental leave.

## **Giving their time**

Canary Wharf has formed strong links with the local community and is always keen to work with and assist community groups to improve their facilities and lives. Our employee volunteer programme helps us to do this. Our volunteer activities stretch beyond local employment and procurement activities to tackle a range of community needs. Volunteering builds the skills, networks, confidence and future leadership skills of participants. In 2013 the Group facilitated six volunteering activities, with many participants making use of the two volunteering days we encourage employees to take in addition to holiday allowances. This is part of our Employee Volunteering Policy.

Among specific volunteer activities was time spent on the East End Community Foundation's Christmas Bag Appeal for Elders, the Cubitt Town Library Community Garden and the Spitalfields City Farm. Additionally, at work, in 2013 40 staff members volunteered to supervise and mentor work placement participants.



## A PLACE OF PEACE

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Canary Wharf has long had an ecumenical team on hand representing the Anglican, Catholic and Jewish faiths. In 2013, an imam joined them to serve the site's Islamic constituency.

Shaykh Ibrahim Mogra has been a cleric for more than 20 years and is assistant general secretary of the Muslim Council of Britain. He is now available one day a week at One Canada Square.

I am very much enjoying my time at Canary Whart. It is a pleasure bringing my experience to the community and gratifying to be a part of the chaplaincy's efforts in reaching out to work with the business and retail communities.

> Shaykh Ibraham Mogra Muslim Chaplain

# WORKING COLLABORATIVELY

# RAISING OUR GAME - AND THEIRS

The successes of the Group owe much to its openness and collaboration with contractors and suppliers. Working together helps to develop the solutions, techniques and materials that deliver sustainable spaces.





## CROSSRAIL STATION

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This can be seen in the design and construction of the Crossrail station, which at our suggestion will include shops and a public garden area. This landmark-in-the-making, features a distinctive lattice design roof that uses environmentally efficient materials, including sustainably sourced glue laminated wood (called glulam) and easy to erect translucent ETFE (Ethylene tetrafluoroethylene) membrane. By the time installation began in August, 2013, this part of the project alone had involved the input of four other companies in addition to Foster + Partners and the Group.

## WORKING COLLABORATIVELY

## **OUR APPROACH**

Delivering sustainability is, by nature, a collaborative process. The way that we operate within the Group inevitably has an impact on all of our stakeholders including tenants, suppliers, contractors, employees and the wider community.

We recognise that we do not hold a monopoly on experience or best practices. For those reasons, we continue to work as broadly as possible with those who share the Group's sustainability goals.

This notion, which has a firm ethical basis, is reinforced in our Corporate Responsibility Policy, Code of Businesses Practices and Ethics Policy and our Anti-bribery and Corruption Policy. These documents can be found online at www.canarywharf.com

## **Training and support**

When the Group embarks on a major construction project, we go beyond due diligence in selecting our suppliers and contractors. We also assess their willingness to work with us in ways that may be new to them (and for more complex undertakings, maybe even new to us as well).

Whether a company is big or small, one criterion that does not change is the requirement for all contractors and suppliers to demonstrate a commitment to sustainability. That is why every supplier contract within CWCL encourages local procurement and employment and training opportunities. To enable us to continue to work with specialist suppliers and SMEs – as well as more established organisations – specific best-practice sustainability contract clauses are set accordingly. Standards are gradually raised as the Group continues to share best-practice and supports and mentors these organisations.

Aside from construction, in the rest of the business we are improving our approach to supplier, partner and contractor selection and procurement with stringent checks being introduced during the selection process for new contracts on health, safety, environment and quality issues as well as ethical considerations.

## Sustainability as standard

The Group is as particular about what we buy as who we buy it from. This, too, helps to raise standards among suppliers and throughout the sector.

For building work, our constant reference point is BES 6001, which covers 'responsible sourcing of construction products'. This sets out a requirement for responsible sourcing of all of a constituent product's materials. The standard goes on to describe a detailed framework for 'governance, supply chain management and environmental and social aspects.' Third party assessments are part of the stringent certification process.

Adhering to rigorous stipulations such as BES 6001 has the additional benefit of giving our suppliers access to a range of other sustainably significant schemes. These include BREEAM and the Code for Sustainable Homes.

## **Partners in safety**

At times Canary Wharf Group can be looking after the safety, security and well-being of more than 100,000 people on the Estate. We take this seriously and work collaboratively with external bodies, where appropriate, to live up to this commitment by ensuring the highest standards.

In 2013 we created a new team of five Fire Duty Officers (FDOs). These former operational fire-fighters are enhancing knowledge of fire safety management throughout our building management staff. The team of FDOs work a shift pattern that mirrors London Fire Brigade watches. This shift alignment has generated a rapport between the London Fire Brigade teams and our own. Number of new Fire Duty Officer positions created in 2013

# 5

2013 Gold Award from the Royal Society for the Prevention of Accident's for CWML

Gold

The FDO role covers proactive fire prevention management and improving the ability to put out any fire that occurs on the Estate. One such example of how the FDO team have established their role is to offer training to Group staff and tenants alike. This training began in January 2014 after consultation with the Retail Management team and retailers as to what level of information they felt would be of most benefit to their teams.

Another focus of attention is the condition of the Estate's floors, pavements and pathways. To help avoid slips, trips or falls, in 2013 we invested in a 'pendulum slip tester', a piece of precision equipment that allows an assessment of a floor surface to be taken in order to ascertain its slip potential. We are now using the pendulum to ensure that there is sufficient friction between floor surface and shoe sole.

Such a proactive approach to safety helped CWML to win the 2013 Royal Society for the Prevention of Accident's Gold Award. Part of the awards submission was evidenced on how CWL and CWML further enhanced their data collection process. This was mainly achieved through an education programme for staff to raise understanding of the importance that accident and incident data has in ensuring the correct strategy for managing health and safety for the future.

## **Checking our progress**

We regularly audit our own performance as well as that of the suppliers and contractors who work alongside us. In construction, for example, we do a monthly review for each project, monitoring efficiencies of materials and utilities usage. To maximise synergies and lessons learned, we hold regular cross-project meetings involving our own people as well as contract and supplier staff.

As described on pages 8-9, we also hold regular forums dedicated to specific issues and sectors.





## **Joint ventures**

Two of our most recent projects are the result of joint ventures. In the City, 20 Fenchurch Street, our collaboration with Land Securities, has resulted in a resource-efficient and sought-after business hub, complete with much anticipated public-access sky garden. Working with Qatari Diar, we have also submitted plans for the redevelopment of the Shell Centre on the South bank. Although in its early stages, this project is already helping to meet the needs of the local community; having generated £2,264,050 in spending with local companies by the end of 2013. Working with our industry peers allows us to share best practices and innovative solutions and technologies.

## **Collaborative sector improvements**

As a leading property developer and manager we are well aware of our sector's impact.

In 2007, along with 32 other developers, contractors and suppliers we became founder members of the UK Green Building Council. Its objective was, and remains, ambitious: to radically improve the sustainability of the built environment; transforming the way it is planned, designed, constructed, maintained and operated. We maintained an active involvement in UKGBC activities throughout 2013.

Today, the organisation's membership has grown to 400, including representatives from academia and the third sector.

# PERFORMANCE **SUMMARY**

## Title

Complete In progress **Not** achieved • • • • • • • • •

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What we said	Status	What we did	<b>Going forward</b> (2015 targets)	
ECONOMIC DEVELOPMENT AND TH	ІЕ СОМ	MUNITY		
ocial and Economic evelopment whance our impact on the economy of mmunities local to our estates and areas of instruction through a range of actions cluding:		All actions undertaken.	Consolidate and strengthen our East London Business Place (ELBP) programme of support to businesses local to our estates and development projects by: • Continuing our South London Procurement Network and further	
Equipping key CWG procurement personnel with direct access to our East London Business Place (ELBP) and South London Procurement Network (SLPN) databases of over 3,600 local suppliers		<ul> <li>The database currently stands at around 4,737 local suppliers. Over 40 CWG staff have been given direct access to "BORIS" our database – also includes colleagues at L39 (Technology Accelerator) for their procurement needs.</li> <li>Pending the outcome of the 'call in' of the Shell Centre project, SLPN plans are in hand for the next three-five years. Over 629 suppliers registered and 40 buyers engaged since October 2012. The bulk of suppliers registered are based in Lambeth with the rest distributed across surrounding South London boroughs.</li> </ul>	<ul> <li>building relationships and partnerships with Lambeth and neighbouring South London borough regeneration and procurement teams</li> <li>Seeking further partnerships and funding opportunities to improve sustainability of the initiatives</li> <li>Producing an outline tool kit of tips on local procurement to be posted on the Group where the accession</li> </ul>	
Bedding in the SLPN initiative in Lambeth, Southwark and boroughs surrounding the Shell Centre development at Waterloo		<ul> <li>In terms of securing external (public) funding, we have secured £25,000 from the London Borough of Lambeth. However, recent bids to Southwark and Supply Nine Elms (Wandsworth/Lambeth) were unsuccessful.</li> <li>ELBP's FFL Project now fully operational and performing well against targets.</li> <li>A significant number of new buyers have been engaged and signed up by both ELBP/FFL and SLPN. We have undertaken a major 'Meet the Contractor' event with Crossrail and several meet the buyer events with Neilcott Construction, Rooff, Bouyges, St George and Tower Hamlets Homes contractors.</li> </ul>	<ul> <li>on the Group website to assist businesses in more local purchasing</li> <li>Partnering with a group of London Colleges including Newham and Lambeth CFEs, to encourage at least 50 local SMEs to enhance their business by offering them access to free workforce development training for their staff</li> </ul>	
Bedding in the new CWG/ELBP led private/ public sector funded Fit for Legacy supply chain procurement support project		Also working with London Legacy Development corporation and Olympic Park Transformation Contractors and with various East London Boroughs on improving Public Sector procurement with local SME's.		
• Continuing to encourage potential external buyers to procure from local suppliers particularly from East and South London and assist our local procurement project teams to improve suppliers' competitiveness and fitness to supply.		Gay Harrington sits on the London First Employment and Skills Advisory Group – Procurement Sub-Group board, alongside representatives from the Mayor's Office / Land Securities / Bovis Lendlease and Sir Robert McAlpine. Since March 1997 LBLO/ELBP/SLPN projects have helped local businesses secure over £968 mllion of business.		
Community • Produce a community policy statement		Community Policy Statement now in place on the Canary Wharf website and in CWG's Administrative Rules and Procedures.		
<ul> <li>Publish an updated Community Engagement Booklet</li> </ul>		A Community and Sports Engagement Booklet was published and a more comprehensive Community Booklet is at the print stage.		
• Continue to encourage employee volunteering by increasing the number of Group facilitated volunteering activities from three in 2012 to five in 2013		Six Group facilitated volunteering activities have been undertaken involving 33 employees as well as 8 CWG employees volunteering as speakers in "Insight Visits" from community groups.	Continue to encourage employee volunteering to build better links with local communities Increase the number of Group- facilitated volunteering activities from	

facilitated volunteering activities from five in 2013 to at least six in 2014



What we said	Status	What we did	<b>Going forward</b> (2015 targets)
			Host five lunchtime Corporate Social Responsibility (CSR) Forums aimed at bringing together people who work in community affairs and CSR roles in and around our developments to share experiences and good practice
			Host at least five local arts projects at Canada Place shopping mall to celebrate the sixth anniversary of our Community Window Gallery
			Host – with the ELBA and external partners – at least three 'insight visits' to give a variety of groups from local communities an opportunity to see the inner workings of our organisation
			Review of the Group's employment support activities to improve opportunities for people in local communities to gain sustainable employment
ENVIRONMENT			
<b>Carbon</b> Set five year targets on carbon for CWML managed areas		Complete.	
<b>Energy – lighting</b> Conversion of 30% of traffic crossing lights to LV and LED lamps		Not complete due to compatibility issues. Works to address this in progress.	
Replacement of all pier lighting with energy efficient fittings/controls		Complete.	
Replace One Canada Square ground floor lighting with energy-efficient fittings/controls as feasible		Complete.	
Energy Management Review energy consumption and set five year reduction targets for Estate, Buildings, Retail		Final targets agreed.	Review energy performance of CWML areas to identify areas for reduction/ improvement
Review 40 and 50 Bank Street M&E services and replace with energy-efficient equipment		Complete. Replacement of UPS modules to be scheduled for 1st quarter 2014.	Replace UPS in 40 Bank Street with energy efficient units and monitor performance
Water Review water consumption and set 5 year reduction targets for Estate, Buildings, Retail		Final targets agreed. A survey is to be carried out in all areas by Thames Water in 2014 to further investigate our usage.	Audit areas of water consumption in CWML-managed buildings to identify areas for reduction/improvement
Waste Management Recycle at least 60% of Retail waste	0	December 67% of waste recycled. Overall in 2013, 58% of Retail waste was recycled.	Recycle, re-use or treat by anaerobic digestion at least 75% of waste in retail areas
Recycle at least 40% of Infrastructure Waste	Ο	December 40% of waste recycled. Overall in 2013, 39% of Infrastructure waste was recycled.	Recycle, re-use or treat by anaerobic digestion at least 55% of waste in infrastructure areas
Implement Food Recycling in 50 Bank Street and One Canada Square		<ul> <li>Started in 50 Bank Street – Northern Trust in May.</li> <li>Commenced One Canada Square CWG Offices in December. Discussions with tenants to expand the system taking place.</li> </ul>	Install food waste segregation in tenant canteen/catering areas in One Canada Square
<b>Transport</b> Provide all Group Drivers with ECO efficient driving training	0	Training of 66 staff members took place. Further training to be held.	
Improve facilities for cyclists on the Estate: carry out feasibility on implementing Phase 3 of the Barclays Cycle Hire Scheme		Barclays Cycle Hire Scheme Phase 3: a location has been agreed at Westferry Circus. This installation is now awaiting funding from TFL.	Improve facilities for cyclists on the Estate; carry out feasibility on implementing phase 3 of the Barclays Cycle Hire Scheme
		A Cycle Pump stand has been installed on West India Avenue for cyclists' use.	eyete mile benefite
Increase use of secure cycling facilities by 30%	0	The cost to use the secure cycle storage in Canada Place has been reduced by 50%. All users and tenants have been advised and signs advising of the facility and costs are being installed on cycle racks around the Estate.	Improve the numbers of people using the secure cycling facilities by 30%

## PERFORMANCE SUMMARY CONTINUED

What we said	Status	What we did	<b>Going forward</b> (2015 targets)
Increase number of public electric charging points for vehicles by 50%			
<b>Communication</b> Produce the CR Report in accordance with EPRA guidelines.		This target has been changed as it was not feasible for us to become members at the time in order to submit the report.	
Improve and expand the environment section on the CWG website		Completed.	
Prepare and submit 2012 data to the Carbon Disclosure Project	0	To be done in 2014 as more work needs to be done from Business Continuity side on Climate Change Risk and Planning . Data was compiled for 2012.	
Produce and deliver training course to CWML Building Managers covering their environmental responsibilities		Delivered. Complete.	
<b>Biodiversity</b> Highlight Biodiversity on the Estate with at least one public event		Heron Quays Park visit and talk took place.	Hold an event to highlight biodiversity on the Estate Set up a Biodiversity Action Group for the Estate to promote improvements and joint biodiversity projects
			Produce a Sustainability Management Plan for 25 Churchill Place and hold regular meetings with tenants to implement actions
			Achieve re-certification to the Carbon Trust Standard
			Publish the Group Environmental Strategy
OUR PEOPLE			
Human Resources • To ensure at least a minimum of 90 students (50 to be from Tower Hamlets) gain work experience with the Company in 2013		<ul><li>Tower Hamlets students: 50</li><li>External students: 65</li></ul>	Host a minimum of three local universit visits to Canary Wharf to give the students an insight into a career in construction and to teach students the employability skills needed to make the transition from university to work
<ul> <li>Health and Safety</li> <li>Further develop the framework for capturing and reporting data of accidents/incidents</li> <li>Scope an improved method of data collection to enhance the standard of information available &amp; to develop reporting efficiency</li> </ul>	0	<ul> <li>In March instigated review of existing A&amp;I reporting and recording database, with Group IT to ascertain achievable upgrades of current system. IT progressing possible options, including enhancement of present database or development of a new system.</li> </ul>	<ul> <li>Achieve a RoSPA Gold Award</li> <li>Update and publish the Health and Safety Policy Booklet and issue to all staff</li> </ul>
<ul> <li>Further develop and maintain close relations with Internal and external stakeholders – i.e. Business Units &amp; Local Authority, LFEPA etc</li> </ul>		<ul> <li>Continued to meet regularly with both LFB Senior Management and Operational Fire-Fighter personnel.</li> <li>Working with LBTH Smoke Free Team to address tenant and visitor concerns re smoking on the Estate.</li> <li>Facilitated LBTH EHO inspection of cooling towers in June.</li> <li>Continued to host Tenant H&amp;S Forum on quarterly basis.</li> </ul>	
			All staff to have completed Bribery and Corruption Training

What we said	Status	What we did	<b>Going forward</b> (2015 targets)
WORKING COLLABORATIVELY			
<b>Construction</b> Achieve highest possible Design Phase BREEAM rating and aim for Post Construction Certification on all BREEAM Registered Projects		<ul> <li>20 Fenchurch Street: Updated to 2011 BREEAM targeting 75% Excellent PC.</li> <li>25 Churchill Place: 2011 BREEAM Design Phase Achieved 76% Excellent.</li> <li>Jubilee Place Extension: Targeting Major Refurb could achieve 70% Excellent.</li> <li>Crossrail Retail: 2006 Retail Achieved 60.21% Very Good.</li> <li>Crossrail: 2006 Bespoke currently achieving a Pass.</li> <li>Riverside: on track for highest possible rating.</li> <li>Southbank Place SIP / BREEAM and CSH assessments in progress.</li> <li>Wood Wharf: SIP / BREEAM and CSH Pre assessments in progress.</li> </ul>	
Embed the proposed 2013 BREEAM update, (including 2013 Part L) and define appropriate target improvements towards 2015 Part L	0	Staff have attended 2013 BREEAM workshops and we are tracking industry news in relation to the 2013 update in BREEAM and Part L – will define appropriate targets when BREEAM update is released.	
Develop Sustainable Procurement KPIs and Targets for Major Project delivery items i.e. materials, goods and services		In progress as part of CWCL Sustainability Strategy and Procedure PP19 development and improvement.	
Develop and maintain the Sustainability Engagement Programme in CWCL. i.e. Formal Training and Updates to an Expanded Environmental Reps Forum and Project Teams as required		CWCL Sustainability Engagement Programme is well underway. All Environmental Reps attended CIRIA Environmental Good Practice on site course. CWCL also participating in UKGBC Green Building Series.	
Enter selected CWCL Projects for appropriate Sustainability or Environmental awards		<ul> <li>All projects participate in new 2013 CCS code and award scheme.</li> <li>20 Fenchurch Street Achieved City Of London Environmental Award, Gold CCS National Award and Runner up in Most Considerate Site Award.</li> <li>25 Churchill Place and Crossrail Achieved Bronze CCS National Award.</li> <li>Targeting suitable award entries for other projects.</li> </ul>	
<ul> <li>Social &amp; Economic Development</li> <li>Increase the Group's local spend in East London and London Thames Gateway boroughs in 2013 as follows:</li> <li>CWL from 30% in 2012 to 32%</li> <li>CWML from 43% in 2012 to 45%</li> <li>CWCL from 43% in 2012 to 45%</li> </ul>	0	This year we've worked with IT/Accounts to garner a more thorough and accurate set of figures going forward. During the year from January to December 2013, CWML exceeded its target by 5%, CWL came in at just 1% under target. However, we missed the CWCL target by 14% when taking all projects into account, or by 8% if we just take pure CWCL spend.TargetActualCWL32%31%CWML45%50%CWCL (All)45%35%The amount of local spend is more difficult to predict for CWCL development companies as there are many factors to consider, such as the level of construction taking place each year, location of specialist suppliers of a size and calibre suitable for requirements, client and architectural specification and preferences etc. However, we will strive for a local spend for CWCL of 40% in 2014.	Continue to monitor and consolidate CWG's internal spend with local businesses achieving percentages of local spend as follows: • CWL – 33% • CWML – 46% • CWCL – 45%
			Carry out at least five environmental audits on suppliers and contractors Set minimum environmental, health and safety and quality management standards for CWML/L suppliers and contractors
Increase the database of local suppliers in Lambeth, Southwark and boroughs surrounding the Shell Centre development at Waterloo to at least 500 SMEs		Over 660 suppliers registered and 40 buyers engaged since October 2012. The bulk of suppliers registered are based in Lambeth, with the rest distributed across surrounding South London boroughs.	
Help South London SMEs to secure at least £200k worth of business with CWCL/QD on Shell Centre development and other developments, focusing on, but not limited to, South London		206 contracts totalling over £626,534 have been secured for SLPN SMEs. This is in addition to the £1,098,782 spent locally by BELP before SLPN was established, bringing the total secured for South London SMEs through CWG/QD activities to £2.2 million.	
Help East London SMEs to secure at least £10 million of business			

# MANAGING SUSTAINABILITY

Our Corporate Responsibility Group (CRG) consists of the Group Company Secretary as chair and senior management from its operating companies. The CRG meets six times a year.

It is responsible for setting relevant strategy and targets throughout the organisation and sharing and responding to lessons learned. Equally important is its role in monitoring performance against these targets which is carried out quarterly.

To draw on a broader base of experience and knowledge, the CRG calls on experts from throughout the Group. They regularly provide additional focus on the community and local economy, energy and water, waste, transport, human resources, health and safety, procurement, communications and our Environmental Management System which is certified to ISO14001:2004.

This way of working has served us well. But in our determination to adapt to the needs of a changing world – including changes to sustainability reporting – we are currently looking at ways to improve our sustainability management and communications framework.

## **Reporting period**

This report covers the period from 1 January 2013 to 31 December 2013. Our previous report, published in 2013, covered the calendar year 2012.

## **Reporting scope**

This report covers the properties and activities that we directly managed and controlled in 2013. These include:

- The Canary Wharf Estate (Infrastructure areas)
- One Canada Square
- 40 Bank Street
- 50 Bank Street
- The Canary Wharf Retail portfolio
- 5 Churchill Place
- 7 Westferry Circus

Construction projects covered are:

- 20 Fenchurch Street (joint venture with Land Securities)
- 25/30 Churchill Place
- Canary Wharf Crossrail station and retail development
- Riverside South (on behalf of J.P. Morgan)
- Jubilee Place Shopping Mall Extension
- 25 Bank Street interior fit out (on behalf of J.P.Morgan)

This report excludes properties covered by fully repairing and insuring leases, but does extend to those areas in which we have significant influence. Among these are outsourced procurement arrangements, energy consumed and purchased direct by tenants in properties covered by operating leases and agreements with joint venture partners and co-owners.

## **Memberships**

Individual members of our management team are active on a wide range of boards, groups and committees. These include:

- British Museum Board of Trustees
- East End Community Foundation
- Defence Reform Unit of the Ministry of Defence
- Tech City Investment Organisation Advisory Board
- Tower Hamlets and Canary Wharf Further Education Trust
- Royal British Society of Sculptors
- Jewish Care
- Community Safety Trust
- TheCityUK
- Transport for London
- Heart of the City
- Tower Hamlets Economic Task Force

We are also involved in other organisations such as:

- London First
- The London Chamber of Commerce and Industry
- Docklands Business Club
- The Confederation of British Industry
- The British American Chamber of Commerce
- British Property Foundation
- Better Building Partnership
- Carbon Trust
- Business in the Community
- East London Business Alliance
- UK Green Building Council

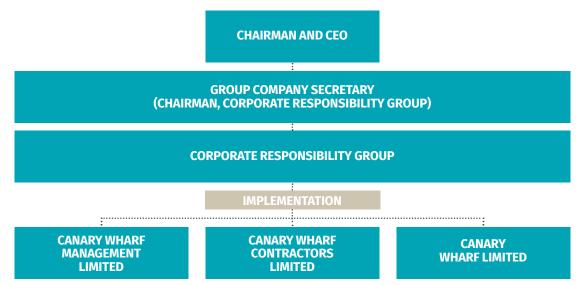
## **Standards and verification**

Bureau Veritas has independently assured all data contained in this report, which relates to those points most relevant for our business and stakeholders. The assurance statement is on page 41.

This report complies with GRI sustainability reporting guidelines and EPRA Best Practices Recommendations for sustainability reporting.

GRI has independently verified this report, which was prepared to achieve a GRI level of B+. Our full GRI list can be found online at www.canarywharf.com

## Sustainability governance structure





# Statement

# **GRI Application Level Check**

GRI hereby states that **Canary Wharf Group plc** has presented its report "Canary Wharf Group plc Sustainability Report 2013" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 1 July 2014

Alle. Hultather



Ásthildur Hjaltadóttir Director Services Global Reporting Initiative

The "+" has been added to this Application Level because **Canary Wharf Group plc** has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 24 July 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

# INDEPENDENT ASSURANCE STATEMENT

Bureau Veritas has been commissioned by Canary Wharf Group plc. (CWG) to provide independent assurance on the content and information contained within CWG's Meeting the Needs of a Changing World Report 2013 ('The Report'). The overall aim of the assurance process is to provide reassurance to CWG's stakeholders that the information presented within the Report is free from material error or omission and covers the issues material to the business.

Based on the scope of work agreed and subject to the limitations defined, Bureau Veritas concludes that there is no evidence to suggest that the information contained in the report does not represent the material sustainability issues of the business, provide information considered to be free from material misstatement or bias, or adequately reflect progress achieved during 2013 on performance against targets.

The full verification statement including methodology, limitations and exclusions can be found on the Canary Wharf website (http://www. canarywharf.com/aboutus/Corporate-Social-Responsibility/Corporate-Responsibility-Reports/)

## **Bureau Veritas Certification UK**

London, May 2014



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We welcome comments on this Canary Wharf Group sustainability report produced to GRI standards.



