

Chief Executive's statement

By strengthening our relationships and achieving the right results we make our company more resilient.

We want customers to prefer our space. We want communities to be pleased it's us operating in their area. We want our partners to share our priorities and principles. And we want our employees to feel this is the best place to invest their energy and ambition. Get all of this right and we can sustain Landsec as a strong and respected company for years to come.

Strong relationships

Everything starts with understanding the changing needs of our customers. That's why this year we invested in Creating Experiences, a company-wide training programme ensuring customers are at the heart of how we work. We're also embedding sustainability in the way we market and lease space. There's a clear commercial rationale for this: customers expect it.

Inside the company, we're constantly looking to enhance the career experiences we offer. Our new headquarters has brought us together on one floor and provides a fantastic stage for collaboration. It's also the first workplace in the world to achieve both WELL Certified™ Silver and BREEAM Outstanding, setting a global benchmark.

Visit us and you'll meet a team drawn from different backgrounds, with a range of experience, perspectives and personalities. For me it's simple: diversity makes us a stronger business. We're growing the pool of talent we draw from by supporting programmes like Girls Can Do It Too, which inspires young women to consider a career in property. We have more to do on diversity – and our industry certainly has some distance to go – but we're heading in the right direction.

Industry partnerships are crucial to our success, so this year we published a Sustainability Charter setting out our expectations around relationships – both environmentally and socially. The Community Employment Programme shows what can be achieved together. Working with supply chain partners, we will have enabled 1,200 people from disadvantaged backgrounds to find a job by 2020. At a practical level, this is helping to address industry skills gaps. At a personal level, we're giving people from the margins of society something precious – an opportunity to earn, learn, contribute and progress.

Meaningful results

Relationships prosper when you deliver on your promises. That's why we put strong emphasis on setting meaningful targets and getting meaningful results. We're interested in action and impact, not box-ticking.

We think in terms of financial, physical and social results, but these three areas also interact. For example, this year we analysed the effect of climate change on our portfolios, guided by the new Taskforce on Climate-related Financial Disclosures (TCFD). We now have a clear picture of how we may be affected to 2030 and beyond – including both risks and opportunities. This is informing our financial decisions and shaping how we buy, develop, manage and sell physical assets. In turn that demonstrates we're taking action on environmental issues. We're already the first real estate company in the world with approved science-based carbon reduction targets.

We are part of the Inclusive Economy Partnership, which brings business, civil society and government together to address societal issues. This year I was closely involved in championing greater understanding of mental health at work, and Landsec has been helping other organisations to increase their positive impact around mental wellbeing. Our top-line advice on addressing this and all social and environmental challenges is straightforward: if you have a good idea get on and do it. Sustainability is ultimately about action, not good intentions.

Long-term resilience

What does sustainability look like in practice? Take Westgate Oxford, the destination centre we've created in partnership with The Crown Estate.

Before we started work the local community was sceptical. By listening to their concerns and applying our experience we've delivered something they value – strengthening our reputation as a thoughtful and responsive developer. We've given customers the modern space they need to thrive and visitors fantastic shops, restaurants, leisure and public space. We've created jobs and supplier opportunities. And it's one of the most environmentally sustainable retail centres ever built. All this makes our employees proud and helps us attract the next generation of talent.

Put simply, we've created a great experience for the people we rely on for success.

This is just one example of how a virtuous circle of relationships and results helps make us resilient in a competitive and fast-moving world. But we're not complacent. We know we must always anticipate and address every new challenge so we can keep providing the right space – helping businesses and people to thrive.

Robert Noel
Chief Executive



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