

AN OVERVIEW OF CSR AT DELANCEY

At Delancey we have a passion for property. It is an enthusiasm that goes beyond the recognition that real estate is an effective investment vehicle; we are also conscious that property development has a huge impact on society.

We all live, work, shop and relax in the buildings that the real estate professions plan, design and construct. We have a responsibility to ensure that the developments make a positive contribution so that all of our stakeholders benefit – be it tenants, consumers, partners, investors or the wider community.

The Delancey team has a track record in creating and managing places that people want to be in and an absolute, overarching commitment to:

- Working with residents to form and sustain a strong and vibrant Community
- Being innovative in tailoring what we do to the changing needs within the community as the neighbourhood develops over time

Place making is one of the most important things we do on a day to day basis. Delancey and the members of its team have detailed experience in creating high quality spaces that people enjoy.

As the development and strategic asset management lead, Delancey has particular skills in place making and tailoring its approach to the particular characteristics of the neighbourhood they serve, as the case studies towards the end of this document will help to demonstrate.

Finally, and most importantly, we take great care to ensure that we make a positive impact upon the environment - both during the planning and construction of our developments and in our daily business activities.



CASE STUDY I

arc Shopping Centre, Bury St.Edmunds, Suffolk

Delancey's approach to partnership working, high quality design and estate management.

In Bury St. Edmunds, Delancey, in partnership with Centros, has developed a mixed use, 'open' shopping centre on the former site of the town's Cattlemarket comprising 300,000 sq ft of retail, 62 residential units and a multi-use public building. The project, designed by Hopkins Architects, opened in March 2009 and recently won a British Council of Shopping Centre Gold Award.



CASE STUDY I

From the outset, the needs of the community in respecting the character, scale and form of the historic town were paramount. As a result, Delancey oversaw the careful and sensitive management of relationships with town interest groups and established itself as a trusted and valuable member of the town's social and commercial fabric. It has done this by:

- Being at the forefront of promoting the town and reversing the leakage of spend to neighbouring towns and by doing so allaying concerns of local retailers that they would suffer as a result of the new development
- Chairing the town's Business Improvement District (BID) company and integrating this work with the Local Authority's Town Centre Management team
- Ensuring that the innovative design, featuring a range of novel features were properly commissioned
- Creating, establishing and overseeing the managed interface between 62 residential owner occupiers and tenants and retail users. This included the brokering of an understanding in relation to the times of deliveries and placing outdoor furniture onto the street which had initially caused upset amongst residents, many of whom were of retirement age and more used to living in a rural location



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The statement below by St. Edmundsbury Borough Council summarises our approach:

From the outset it was clear that Delancey as investor, together with its developer subsidiary Centros, shared our vision for expansion of the retail heart of Bury St Edmunds through a mixed-use development of high-quality architectural design focused on successful place-making. The developer's team understood our agenda, and we could always trust them to work with us to achieve the desired outcome. The award-winning finished development is already bearing fruit for the town, helping it thrive during the recent economic downturn. Car park usage across the town is significantly up, as is footfall. Independent retailers also tell us that trade is up; there's a burgeoning community now living above the new shops; and the new public venue – which was born out of the developer's consultation – is proving to be a great success.

Cllr Sara Mildmay-White, Deputy Leader of St Edmundsbury Borough Council and Portfolio Holder for Economy and Asset Management

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ESTATE MANAGEMENT ETHOS

Where possible, our estate management ethos includes:

- The management team being co-located within the community and a recognisable face within it
- Controlling the occupation of premises through the retention of freeholds and leasehold lettings policies on commercial and residential accommodation in order to maintain a diverse tenant mix
- Overseeing the provision of high quality block and plot services
- Working in partnership with the local Council and other public bodies to ensure a 'joined up' approach to delivering wider public services and a safe environment to residents
- Avoiding commercial 'short termism' with respect to the creation and maintenance of a safe, diverse and vibrant environment
- Making mixed use, mixed tenure development 'work' in terms of minimising conflicts that arise within buildings and neighbourhoods
- Managing public spaces that are safe and managed in a way that provides planned and unplanned opportunities for residents to interact with one another and in doing so foster community spirit

In addition, we do not use customer service financial benchmarks or independent organisations. Instead we rely on forging close relationships with our occupiers and key stakeholders in order to foster open communication and a culture of rapid resolution of problems.



CASE STUDY 2

NI, Islington

Delancey's approach to estate management & community engagement

Our involvement in Angel, Islington goes back to 1995, with the centre opening in 2002 when we began working closely with the Council and other local stakeholders to form and run the Angel Town Centre Management operation.

From the outset, Delancey provided financial and personal support to the running of ATCM/BID and we believed that it was imperative we assisted the management of the area outside the NI Centre in order to make the area as a whole an attractive retail and leisure destination.



CASE STUDY 2

We take a long term view in the way we select the right mix of quality tenants to ensure the area is one that can compete more effectively as a retail centre against surrounding competition. Many developers will let centres to tenants who will pay the highest rents. This produces the best short term profits for the developers. We do not do this as we believe we can achieve this over a longer period by ensuring we get the right tenant mix that will attract more shoppers to visit but at the same time provides the local population with the shops they want. To do this we need to understand the social make up of the neighbourhood or area so we can refine the type of tenants to the people that live in the area. NI in Islington is an excellent example of this approach where we created a critical mass of fashion brands that has increased visitors to the area by an estimated 30% and has taken spending away from the West End. This means that more of the spend stays within the local area and helps contribute more money to the local tax base. This means that more money can be spent on services in the area benefiting everyone.

As part of our long term commitment to areas and neighbourhoods, we have to be passionate about getting the day to day property management, maintenance, security and cleaning right. We work with a select number of managing agents who are directly controlled by our Asset Management team. They ensure that a top quality management presence is set up on site to run the buildings and public realm. They monitor CCTV system (if provided) which can be linked into a wider town centre system, operate refuse collection, security and cleaning staff as well as property and garden maintenance. They will also be able to ensure that the flat resident's needs are catered for and that this element works well with the retailers. An important part of this will be to manage and control deliveries to the retailers at certain times of the day to remove any noise nuisance at night to the residents. The on site management can also co ordinate the recycling and removal of residents and retailers refuse.

Again through our involvement in BIDs and Town Centre management groups such as the Angel BID in Islington, we have extensive experience in operating these services for the benefit of all residents in the area. For example, the Angel BID operated an 8 person retail crime squad with the Metropolitan Police targeting anti social behaviour and shop lifting in the main retail area. This has led to a huge reduction in these crimes which not only benefited the shops but made the residents in the area feel safer and more secure. Other BID initiatives included a recycling project for all businesses and residents in the bid area where the increased scale of our buying power reduced costs substantially for refuse removal and a street washing program that made the public realm a much more pleasant place to be in.

Creating and maintaining successful and attractive places to live requires the same skills and long term commitment needed to create and maintain successful and attractive town centres, whether used for retail, restaurant, or leisure uses. It is about making people across all social backgrounds feel good about being in a place, building or environment. We have to understand that shoppers and residents have a choice over where they live, shop and play. Our approach is to make the areas we invest in better places than the competition.



DELANCEY & COMMUNITY DEVELOPMENT TRUSTS

Delancey has considerable experience of leading and contributing to effective, strong, community based organisations that work in partnership with public sector bodies and private occupiers in order to provide cleaner, safer neighbourhoods.

For example, Delancey owns Alpha Plus, a schools' business that provides facilities for local community groups outside normal school hours. The key requirement is sensible forward planning and organisation to ensure that users are not in conflict with that of a school.

Delancey also has experience in the successful integration of community facilities within developments. For instance, Delancey and Centros developed the arc Shopping Centre in Bury St Edmunds which includes a multi-purpose community building at its heart. The community building has been designed in a way that provides a high quality music venue that can be reconfigured for less formal events.

To take a final example, Delancey has a long term relationship with the Portman Estate with whom we have developed a number of projects that include the integration of community facilities with mixed use commercial and residential development.

As well as delivering the highest quality commercial and residential space, we have also worked hard to provide both significant investment and highly effective delivery for some vital community projects, particularly schooling, the success of which is demonstrated in the following testimonial from Simon Loomes; Strategic Projects Director for The Portman Estate.



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Over the past 15 years Delancey has been one of The Portman Estate's most active and supportive development partners. They have played an instrumental role in some of our key strategies relating to our larger landholdings. As with any good partnership it is important that both parties understand each others objectives and that these are complementary. Delancey has always had a clear grasp of the objectives of the Estate which arise from our long term stewardship of large areas of public realm and mixed use real estate. They share our vision and are flexible and commercial in delivering highly effective solutions to mutual advantage.

Simon Loomes; Strategic Projects Director for The Portman Estate.

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CASE STUDY 3

The Southside Shopping Centre, Wandsworth

Delancey's approach to placing an existing asset at the heart of the community

Delancey has owned the Southside Shopping Centre, a 1960's covered shopping centre in Wandsworth, since 2005. From the outset, Delancey has sought to establish the centre as a major contributor to the life of the local community.



The Southside Shopping Centre, Wandsworth

CASE STUDY 3



To do this, Delancey created a plan to promote the centre in the immediate area by placing it at the heart of the community through its involvement in chairing the local Town Centre Partnership, and providing direct support to local charities and community arts events through the sponsorship of the Wandsworth Arts Festival and the provision of space for art installations.

Delancey also supports the Arndale Residents Association and helps the annual Summer Camp for local children by providing administrative support and assistance in securing cheap cinema tickets and restaurant vouchers from its tenants.

This has enabled Delancey to generate positive public relations for the centre and in doing so assist it in maintaining footfall in a highly competitive market.

Delancey's also oversees its managing agents work with residential occupiers (including Council tenants), to ensure their interests are considered, particularly in relation to addressing issues of noise, access and health and safety issues.

Through instigating a system of regular and open communication with both the London Borough of Wandsworth's Housing and Environmental Health Departments problems of both access and noise have been addressed.

These two strands illustrates how Delancey attach considerable importance to strong, positive links with the communities their buildings serve.



DELANCEY & SUSTAINABLE, COMMUNITY AWARE DESIGN

To contribute to the sense of place for burgeoning communities Delancey looks to:

- Ensure the relevance of the corner sites to the masterplan as 'landmark buildings', giving legibility to the plan and consistency with those buildings already established
- Provide variety in design, while integrating with established buildings and urban realm to provide an overall coherence and richness of character
- Create a truly sustainable legacy through designing homes appropriate for all ages within a development of complementary uses. Sustainable homes are created by acknowledging and allowing for future adaptation, the careful consideration of sustainable energy and the selection of durable and sustainable materials
- Ensure integration into the wider communities by creating a series of buildings and public spaces that define routes, integrate with the masterplan and knit into the surrounding context
- Use temporary facilities and landscaping to provide a welcoming environment during all stages of the legacy construction
- Design interior spaces which are functional, flexible and fit for purpose
- Provide a strong landscaping strategy that relates to the architectural quality and provides both public and private spaces

Delancey understands that commitment to delivering places that are environmentally and socially sustainable are powerful drivers in ensuring both the commercial success of its projects and developing their respective reputations. With all new work we undertake, we look to ensure and encourage recycling, biodiversity, energy management and resource consumption initiatives, as is demonstrated through our efforts to deliver a sustainable building when developing The Rolls Building, on Fetter Lane in London.



The Rolls Building, Fetter Lane, London



CASE STUDY 4

The Rolls Building, Fetter Lane, London & Her Majesty's Court Scheme

Delancey's approach to delivering a sustainable building

Delancey recognise that sustainability and good place making are an essential ingredient in creating value. In the UK, Delancey has recently completed The Rolls Building (off Fetter Lane in the City of London) which has recently achieved a BREEAM Excellent designation. The development began as a speculative office development but attracted HM Government due in part to its targeted environmental performance. As a result, Delancey agreed to adapt the building to house the UK's new commercial and business courts incorporating 42 court and hearing rooms as well as some office space let to a third party.



CASE STUDY 4

A core part of Delancey's brief was to provide the most sustainable and energy efficient environment.

BREEAM Rating

- Excellent (Offices and Courts)

Combined Cooling, Heating and Power

- Carbon emissions reduced by up to 17%

Heat Recovery

- Recover heat from warm office extract air to minimise energy consumption

Energy Efficient Plant

- High efficiency chillers and boilers reducing carbon emissions a further 2%

Air supply

- Multi-service chilled beam air-conditioning systems with lower energy consumption

High Efficiency Lighting

- Complying with CIBSE Lighting Guide 7 'Lighting for Offices'

Façade Thermal Performance

- Low-E glass for lower solar gain & heat loss

Insulation Materials

- Zero ozone depleting potential and low global warming potential materials used

Material Selection

- Materials selected with a low environmental impact to gain Green Guide 'A' rating

Environment and Travel

Landscape

- Terrace garden and re-landscaping to create plaza fronting Fetter Lane

Nature Conservation and Biodiversity

- Bat and bird boxes to support new wildlife, as recommended by the Ecological Survey

Local Transport

- Close to numerous public transport interchanges to reduce congestion and transport related emissions

Travel Plan

- The travel plan identifies the available non-car modes of transport

Cycling Provision

- High cycling provision including 115 cycle spaces, drying room and 6 showers

Reduce, Reuse, Recycle

Water Efficiency

- Appliances and management systems designed to minimize water use

Recycling

- Central recycling point

Sustainable Specification

- Components from recycled sources including timber from sustainable plantations

Construction waste

- Reuse of demolition arisings
- Careful management of waste with over 98% of site generated waste recycled

In Construction

Neighbours

- Regular liaison with neighbours including Monthly Newsletter, weekly updates, open day and regular meetings offered

Considerate Contractors

- Members of both the national and City of London schemes
- Scored 36 out of 40 (the BREEAM "Excellent" rating requires 32)

Business Action on Homelessness

- Three BAOH candidates helped back into the workforce in each of 2008, '09 and '10
- Apprenticeship placements with concrete, blockwork, joinery and painting contractors

Health and Safety

- Zero RIDDOR-reportable incidents in 2010 with over 1m man-hours worked since last RIDDOR
- 2 RIDDOR incidents over 3.5 years of construction



DELANCEY & CHARITY IN THE COMMUNITY

We are constantly on the look out for ways in which we can make much needed contributions to the community. And together with other colleagues in the property sector we support a number of charities, as well as deserving causes in the world of art and culture.

Organisations that we have supported in the past include:

- Open House
- The Duke of Edinburgh's Award
- 50 Years of London Architecture Exhibition
- Dulwich Picture Gallery
- Regent's Park Open Air Theatre
- Royal Festival Hall Organ Appeal
- The Wallace Collection
- Rays of Sunshine Children's Charity
- Pallant House Gallery
- Muscular Dystrophy Campaign
- Army Benevolent Fund
- UK Schools' Chess Challenge

Delancey is also a major supporter of Maggie's, a charity that provides places located close to NHS hospitals where people can go for help with any problem associated with cancer. Further background to our work with Maggie's is detailed on the following page.



CASE STUDY 5

Maggie's

Delancey's work with not for profit, community-based organisations

Maggie's is a charity founded in 1995 to provide places where people can go for help with any problems associated with cancer. There are seven existing centres, three in construction, two about to start on site and four in the planning pipeline. The aim is to have a Maggie's Centre located at all 53 NHS oncology units in the country.

Crucially though, whilst Maggie's fills a gap in care and support that the NHS does not provide, the charity relies almost entirely on fund raising by members of the public, business and the communities that they serve.

Delancey's Chief Executive and Chairman, Jamie Ritblat has been involved with Maggie's for over 10 years and is currently a Board Member of the charity and a member of the Property Committee. In 2009, Delancey seconded Glenn Burton on a full-time basis to assist the charity in the expansion of the centres and assist with the development of the organisation.


Both Jamie and Glenn are currently intimately involved in supporting the development of the charity at both a property and organisational level.

With Delancey's assistance, the charity is committed to ensuring that Maggie's Centres are located in high quality buildings. Since the creation of the charity in 1995, Maggie's centres have won a number of architectural awards including the Stirling Prize for Architecture in 2009.



Maggie's Centre, Swasea, South West Wales





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