

27th March 2020

Dear Tenant,

Ethical Property Update – Durham Road

We hope you, your colleagues and families are keeping safe and well in these ever changing and difficult times. Following the recent Government announcements, we are writing to tell you about the plans we have introduced to protect and support both tenants and staff as well as how we will address the financial impact this has on all of us. With such a diverse range of tenants and different types of space it has been a challenge to ensure everyone is included in these plans.

Our centres remain open, as we know that some organisations need access to implement their own emergency contingency plans and so that we can support those tenants who need access to operate vital services to some of the most vulnerable members of society.

Like you this is a challenging period for us, and we are focused on ensuring we remain sustainable during this period so that when this is over, we can still provide you with workspace in our centres. Unlike some workspace providers our only income is via rent and as our founding principle is to ensure rents are affordable this does mean that we have had to take some difficult and significant steps to reduce our own expenditure, these include:

- Stopping all non-essential activities: including the cancellation of major projects we planned for this year
- We are looking at ways to reduce spend via centralised procurement
- Furloughed Staff – using the Government staff retention scheme to pay 80% of their wages with Ethical Property paying 20%
- Postponement of annual staff pay rise
- Not paying a dividend to our shareholders this year
- Our Non-Executive Directors and Senior Management have volunteered to reduce or decline their pay

We would like to reassure you, that the wellbeing and support of our employees is, as always, paramount to us and especially so at this time. Measures are in place to care for employees who are temporarily furloughed and those who remain working and who may face unfamiliar challenges. We are also encouraging those staff who are furloughed to volunteer to help make a real difference.

These actions have meant that during this time not all services will be available in your centre and that your regular contact may have changed, for Durham Road:

Johanna Quintanilla, Centre Manager: 07726 362724 Johanna@ethicalproperty.co.uk

Ed Carter, Regional Manager: 07734 604738 Edward.Carter@ethicalproperty.co.uk

Our ability to keep the centre open and viable for when activity fully resumes requires the payment of rent, so we ask that we continue to support each other during these times.

Despite our own challenges we want to try to support our tenants during this time and we are offering the following :

- A discount on service charge of 50% from the 1st April, a credit note for April will be issued before the end of the month. This will last until the lock-down is over. This discount maybe withdrawn from tenants who stop paying invoices without notice and agreement with Ethical Property.
- For tenants experiencing severe cash flow problems it is possible to apply for our rent deferral scheme, which would allow payment to be made later. For further details please email customer.accounts@ethicalproperty.co.uk.

If you have any questions, please do contact us at:

- General Enquiries regarding your centre: Please see above
- Finance: customer.accounts@ethicalproperty.co.uk
- Other Enquiries: info@ethicalproperty.co.uk

We ask for your patience if we take longer than normal to respond as we do understandably have a reduced team at head office that are all working remotely.

We also wanted to share some services and information we have found of use and please find an article supplied by a much-valued associate of Ethical Property, Mike Butler, attached to this message.

From all of us at Ethical Property we want to thank you for your patience, understanding and co-operation during this difficult time. By working together, we can support each other and ensure we all can carry on with our work once this is over.

We wish you good health and to stay safe.

The Board and Staff of Ethical Property