



Who we are

We're one of the **leading real estate companies in Europe**. We create places that make a lasting positive contribution to our communities and our planet. We bring people together, forming connections with each other and the spaces we create.




Our Strategy

> Our purpose

**Sustainable places.
Connecting communities.
Realising potential.**

We live by these principles to create great experiences for people, now and in the future.

Our strategic priorities

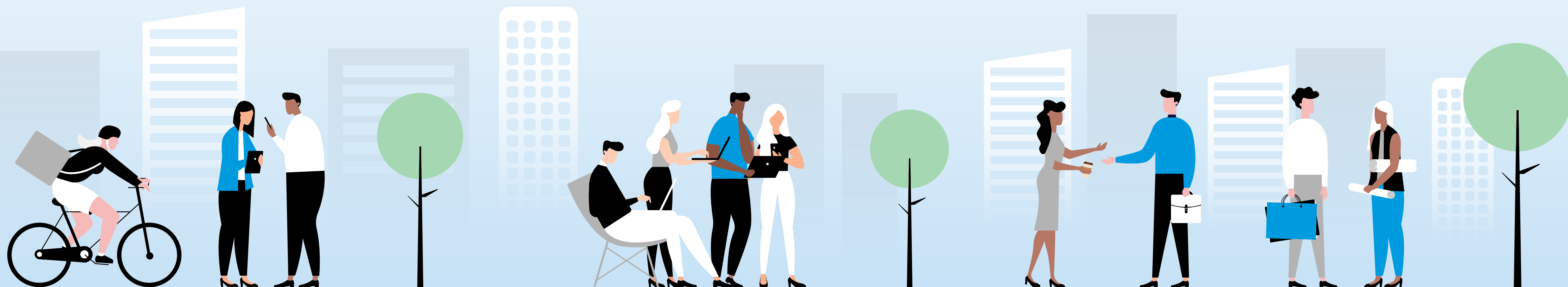
- >  **Optimise**
Our central London business
- >  **Reimagine**
Our retail business (shopping centres and outlets)
- >  **Realise**
Capital from subscale sectors
- >  **Grow**
Through urban opportunities

Key performance drivers

- > **Development expertise**
Build sector-leading knowledge and capabilities
- > **Capital discipline**
Position our portfolio for growth
- > **Customer centricity**
Deeply understand and deliver value for customers
- > **Data driven decisions**
Make data a strategic asset for our business
- > **ESG leadership**
Leading the industry in pursuit of our science-based environmental targets

> We always want to be

- Determined**
We have the courage to do the right thing for the long term
- Inclusive**
We're caring, open and progressive
- Driven**
We strive to be the best
- United**
We achieve more together





Our strategic priorities

Next strategic priority [▶](#)



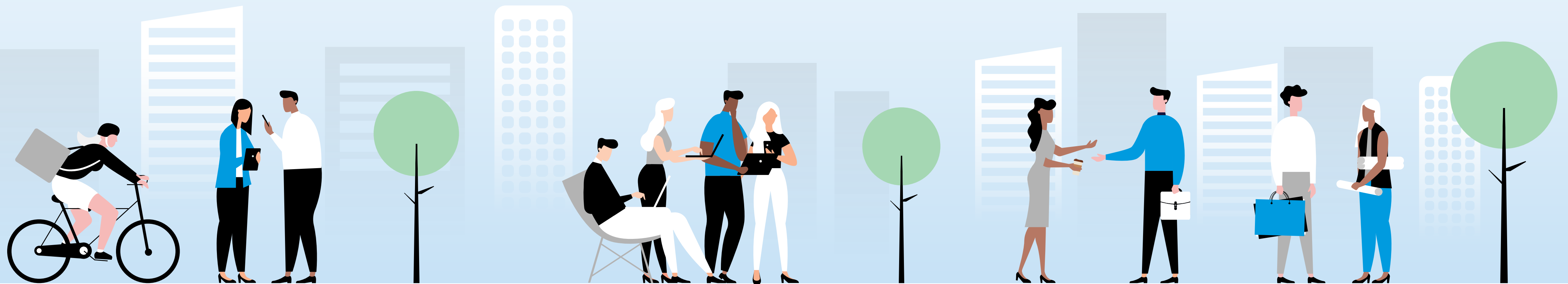
Optimise Our central London business

Our first strategic priority is to Optimise our central London business. This includes all of our assets in central London and comprises offices, retail and Piccadilly Lights.

Optimise will mean greater alignment with sectors and geographies in the capital, evolving a broader range of propositions for our customers, continued deployment of our development expertise and targeted recycling to fund long-term growth.

London will remain a gateway city and we have a high-quality, best in class portfolio which should provide resilience in a down-cycle. But it is so much more than resilience.

We aim to create value through development and through developing a greater range of propositions to meet the changing needs of our customers. We will also be disciplined about how we deploy our capital, using targeted recycling of capital to crystallise value and fund long-term growth.





Our strategic priorities

Next strategic priority [▶](#)



Reimagine Our retail business (shopping centres and outlets)

Our second strategic priority, Reimagine our retail business, focuses on our regional retail business - outlets and shopping centres.

Reimagine means:

- Taking a fundamentally different approach to how we think about the business model
- Basing our investment and operating decisions on a realistic view of sustainable rents.
- Rethinking the experience that our centres provide for visitors, building on the successes of the past and not just trying to repeat them.

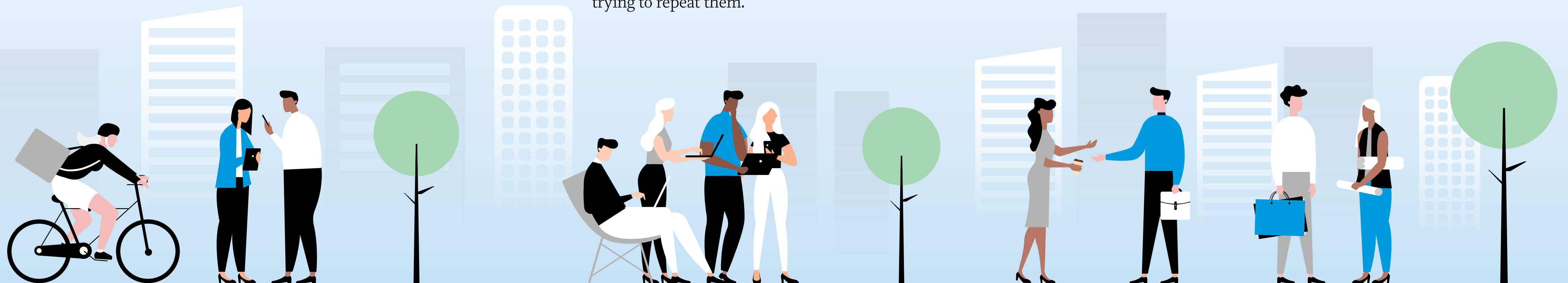
- Forging stronger, more collaborative and strategic relationships with our partners. This is essential given the structural challenges facing some parts of the sector and the on-going impact of Covid-19.

- Reshaping the size and mix of our retail footprint

Structural shifts are putting retail rents under pressure, but not all parts of the sector are affected in the same way. Our outlets have good growth potential, however there is the opportunity for a significant reimagining of the model within our six regional shopping centres.

Understanding where sustainable rent levels currently sit is fundamental to our approach. And we will develop new leasing models based on a customer-centric approach of alignment and affordability.

Finally, we will re-evaluate the type and volume of space at our centres.





Our strategic priorities

Next strategic priority [▶](#)



Realise Capital from subscale sectors

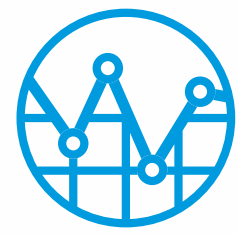
Our third strategic priority is to Realise capital from subscale sectors. These are sectors where we don't have scale and where we have little or no competitive advantage. Our leisure, hotels and retail parks are in this category.

The three subscale sectors have potential, but for Landsec, our capital is better deployed elsewhere. We will therefore dispose of these assets in a managed way over time.





Our strategic priorities



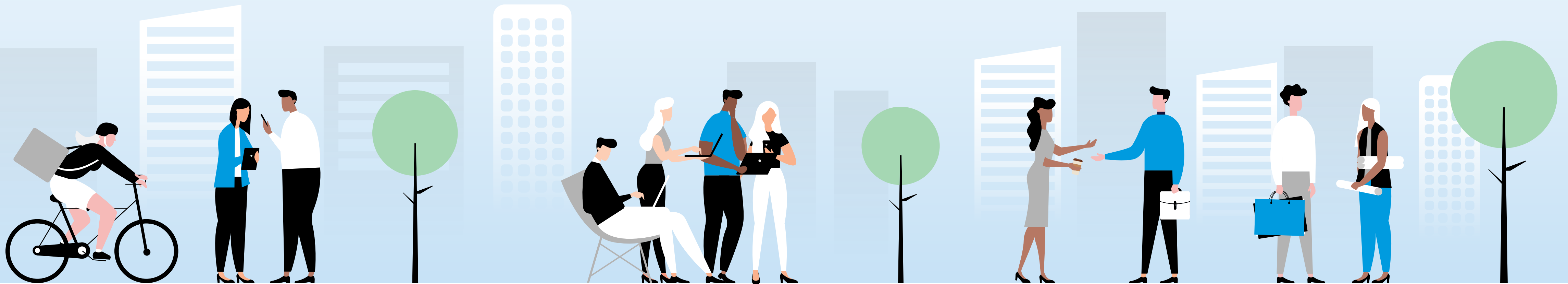
Grow Through urban opportunities

Our fourth strategic priority is to Grow through urban opportunities. We will seek enhanced returns through significant investment in mixed-use urban opportunities, from within our portfolio and through new investments in London and potentially other major UK cities.

This strategic priority is supported by the work we have undertaken within our strategy review to identify the six global forces of change. Urban environments are changing and the way we live our

lives is evolving, be that as a result of technology, changing demographics or adapting to a post-Covid world. To grow through urban opportunities is not about specific assets or sectors, but about bringing people together – communities, business, government, providers of capital – to envision and ultimately deliver the urban environments of the future. And we need to do this in a way that is consistent with the UK's sustainability agenda, not least its 2050 net zero carbon commitment.

We have a proven skillset. We have delivered large mixed-use schemes in London. And our recent retail developments have included non-retail elements such as residential. We also have a number of assets within our portfolio that can provide a blank canvas for new mixed-use communities and we will look to augment this further.





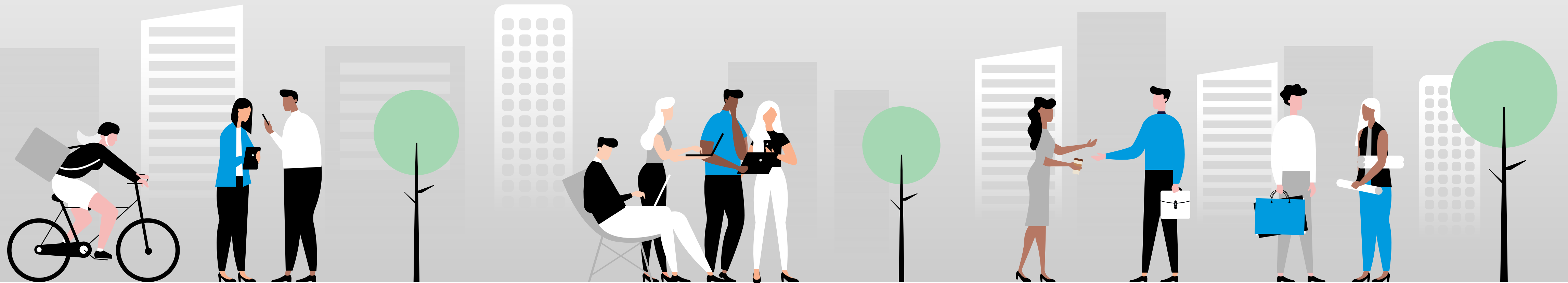
Key performance drivers

Development expertise
Build sector-leading knowledge
and capabilities

We have a track record of delivering developments in London and across the UK. Our expertise lends itself to large, complex, long-term projects that can focus on the needs of multiple customer segments.

Next performance driver [▶](#)

We also take an innovative approach - leading our sector in applying Design for Manufacture and Assembly and Modern Methods of Construction. Our sustainable development practises can help lower our carbon impact and differentiate our end-product with customers, eventually leading to increased returns.





Key performance drivers

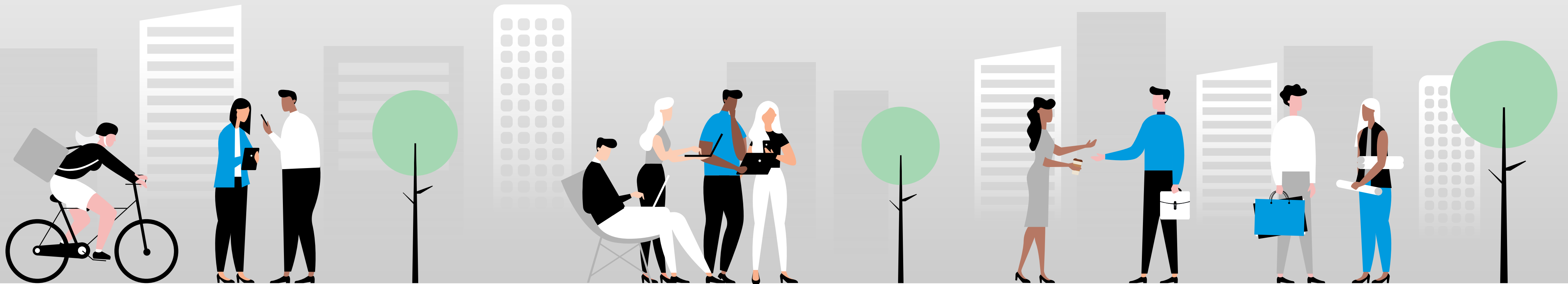
Capital discipline

Position our portfolio for growth

Next performance driver [▶](#)

Our strategy is driven by disciplined capital allocation. We are positioning the portfolio for growth and investing in sectors and assets that can deliver through the cycle to drive a net asset value premium valuation.

Using a combination of attractively priced partner capital and fee income could enhance returns on longer-term projects.





Key performance drivers

Customer centricity

Deeply understand and deliver value for customers

Next performance driver [▶](#)

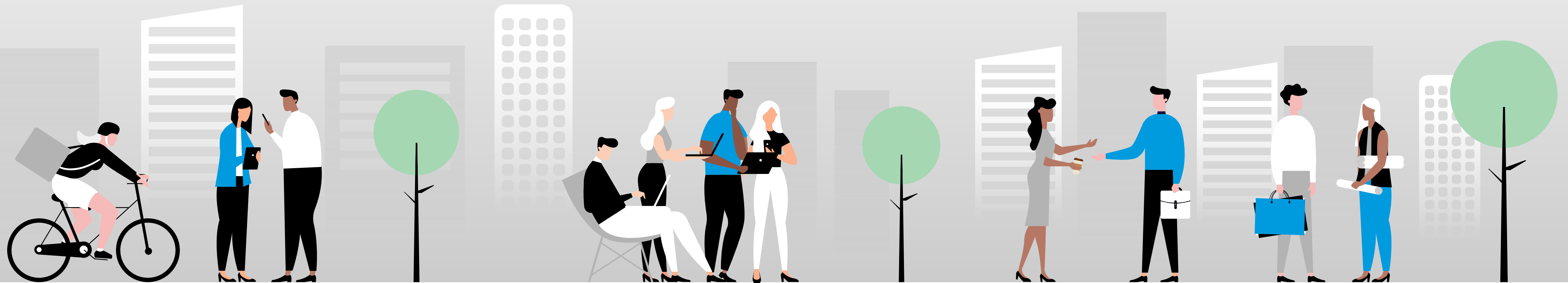
Our customers are at the heart of our strategy. We will apply a customer-centric approach to all aspects of our business.

Some examples include:

- We will build a deep understanding of evolving customer needs to ensure we design market-leading propositions
- We will measure and track all facets of the customer experience across our portfolio to enable proactive interventions and validate the impact of our actions on key customer metrics e.g. churn and retention

- We will enable clear articulation of who our customers are and how we can deliver value to them

Customer centricity has always been important, but as our customers manage and respond to the challenges of Covid-19 and other changes in their needs, a customer focus will be essential to ensure we find mutually beneficial solutions.





Key performance drivers

Data driven decisions

Make data a strategic asset for our business

Next performance driver [▶](#)

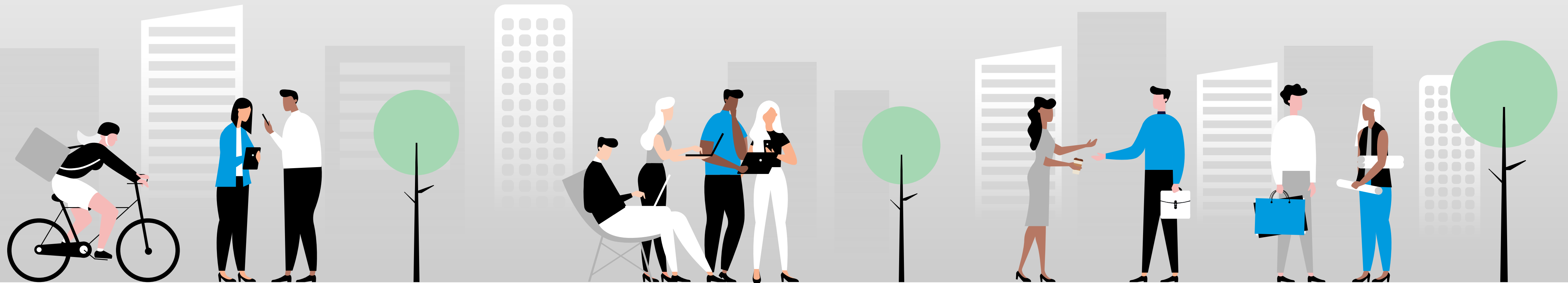
This performance driver is not about how much data we have, but how we use it to enhance all aspects of our business.

A data driven approach will enable us to:

- Build data as a strategic asset for the long-term, blending proprietary and public data to enable focused, strategic decision making

- Set the foundations, then benefit from our transition to being a 'modern digital business'

- Create increased/additional value and income through new propositions and routes to market





Key performance drivers

ESG leadership

Leading the industry in pursuit of our science-based environmental targets

ESG has always been central to how we do business whether it is the way we design and operate our buildings, our activity to reduce our carbon footprint or the importance we place on making sure our assets and activity enhance local communities and support those most in need of help.

We lead the industry in pursuit of our science-based environmental targets. We take a more pro-active approach to our social and environmental impact to turn a cost of doing business into investments which help drive positive employee and stakeholder engagement. All this will help to ensure the business remains relevant and delivers value in the long-term.

