

APPENDICES



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Our sustainability framework

MATERIAL ISSUES	KEY TARGETS	2023/24 PROGRESS			
<p>Decarbonising our portfolio</p> <p>Enhancing nature and green spaces</p> <p>Using resources efficiently</p>	<p>Achieve net zero emissions by 2040:</p> <p>Near-Term: reduce absolute scope 1, 2 and 3 emissions by 47% by 2030 from a 2019/20 baseline</p> <p>Long-Term: reduce absolute scope 1, 2 and 3 emissions 90% by 2040 from a 2019/20 baseline</p> <p>Reduce average embodied carbon by 50% compared with a typical building by 2030¹</p>	<p>Progressing our Net Zero Transition Investment Plan, with installation of air source heat pumps at first two office sites underway</p> <p>24% reduction in absolute carbon emissions (tCO₂e) compared with 2019/20 baseline</p> <p>18% reduction in energy intensity (kWh/m²) compared with 2019/20 baseline</p> <p>Tracking an average 40% reduction in upfront embodied carbon¹ across development pipeline</p> <p>49% of portfolio rated EPC B or above</p> <p>Launched our new nature strategy, Let nature in, to enhance nature across our spaces</p> <p>Zero waste sent to landfill with 66% of operational waste recycled</p>			
MATERIAL ISSUES	KEY TARGETS	2023/24 PROGRESS			
<p>Embedding ESG</p> <p>Doing the basics brilliantly</p>	<p>All Landsec colleagues to have individual objectives to support the delivery of our vision</p> <p>Build relationships with our strategic suppliers to enhance sustainable practices throughout our supply chain</p>	<p>Landsec colleagues commit to setting sustainability objectives as part of our sustainability training and ESG metrics are included in the Long-Term Incentive Plan (LTIP) and Annual Bonus Plan for Executive Directors and employees</p> <p>Over 300 suppliers have signed up to Our Supply Chain Commitment, committing to work with us and address key sustainability issues</p>	<p>Creating opportunities and tackling local issues</p> <p>Inclusive places</p> <p>Improving wellbeing</p>	<p>Empower 30,000 people facing barriers into employment with the skills and opportunities to enter the world of work by 2030 from 2019/20 baseline</p> <p>Create £200m of social value in our local communities by 2030 from 2019/20 baseline</p>	<p>Progressing our Landsec Futures fund, supporting 3,182 people and creating £28m social value in year</p> <p>10,249 people supported since 2019/20 baseline</p> <p>£54m social value created since 2019/20 baseline</p> <p>51% female representation across whole organisation</p> <p>20% of colleagues from ethnic minority background across whole organisation vs. 18% UK average</p>

¹ Reduction compared with typical buildings from GLA Whole Life Carbon Guidance (office: 1,000 kgCO₂e/m²GIA and residential: kgCO₂e/m²GIA)

Sustainability leadership

Demonstrated by our performance across all key ESG benchmarks

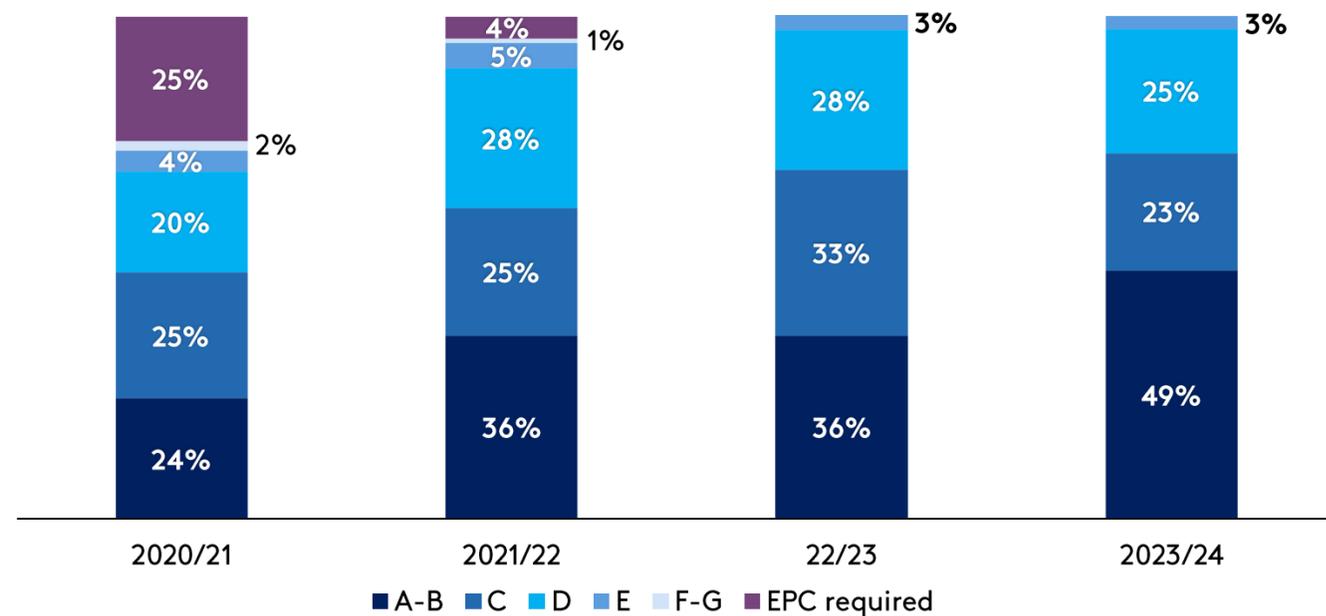
Benchmark	Latest performance	Benchmark	Latest performance
 GRESB REAL ESTATE sector leader 2023  GRESB ★★★★★ 2023	<p>GRESB 2023 Real Estate Sector leader: 5-star rating for the eighth consecutive year</p> <p>Standing Investments: Regional Listed Sector Leader for Europe within Diversified – Office/Retail (score 89%)</p> <p>Developments: Global Sector Leader Offices (score 99%)</p>	 EPRA SBPR GOLD	<p>EPRA 2023 Received our 10th Gold Award for best practice sustainability reporting</p>
 Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA  Top 1% S&P Global Corporate Sustainability Assessment (CSA) Score 2023	<p>DJSI 2023 Score 83/top 100th percentile Ranked 1st globally within REITs Sustainability Yearbook Member 2024 (top 1% of REITs industry)</p>	 FTSE4Good	<p>FTSE4Good 2023 97th percentile We continue to retain our established position in the FTSE4Good Index</p>
		 Corporate ESG Performance RATED BY ISS ESG Prime	<p>ISS ESG 2023 Prime status. Rating B- Decile rank 1/transparency level: very high</p>
		 Moody's Analytics	<p>Moody's Analytics 2023 Overall ESG score: 62/100 (Financial Services – Real Estate Europe sector average score: 41/100)</p>
		 MSCI ESG RATINGS AAA CCC B BB BBB A AA AAA	<p>MSCI ESG Rating 2023 AAA rating</p>
 CDP DISCLOSURE INSIGHT ACTION	<p>CDP 2023 A- Leadership level – top 22% of companies in the peer group</p>	 SUSTAINALYTICS a Morningstar company	<p>Sustainalytics ESG Risk Rating 2023 9.2 (negligible risk) Included in 2024 Top-Rated ESG Companies List</p>

Minimum Energy Efficiency Standards

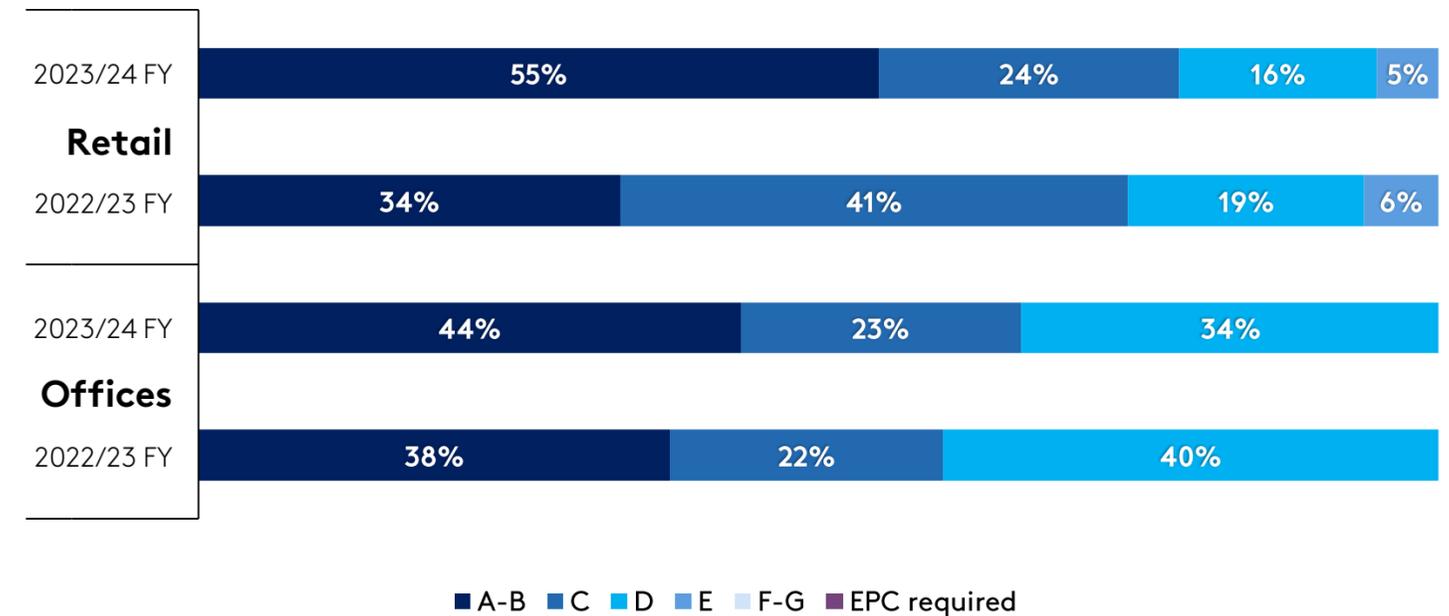
49% of portfolio already rated EPC 'B' or higher

- › 100% compliant with 2023 MEES regulations requiring all non-domestic rented properties to achieve an EPC 'E' or above
- › Net Zero Transition Investment Plan will see 50% of our office portfolio reach EPC B by 2025 through the installation of air source heat pumps and grow further beyond this towards 2030 target

Portfolio EPC rating (ERV) ⁽¹⁾



EPC rating by property type (ERV) ⁽¹⁾



(1) EPC data excludes spaces that are not required to have EPC, spaces designated for development, spaces with a registered EPC exemptions or spaces not covered by MEES regulations such as assets located in Scotland

Valuation movements

As at 31 March 2024

	Market value 31 March 2024	Valuation change	LFL ERV change	EPRA net initial yield	EPRA topped-up net initial yield ⁽¹⁾	Equivalent yield	LFL movement in equivalent yield	EPRA occupancy
	£m	%	%	%	%	%	bps	%
West end offices	3,109	-3.6	6.9	4.2	5.5	5.3	37	99.6
City offices	1,192	-13.9	1.3	3.9	5.4	6.0	78	93.7
Retail and other	991	-4.7	5.0	4.6	4.8	4.9	30	97.2
Developments	926	-9.9	n/a	0.0	0.1	5.4	n/a	n/a
Total Central London	6,218	-6.9	5.0	4.2⁽²⁾	5.3⁽²⁾	5.4	46	97.3
Shopping centres	1,226	0.1	1.5	8.1	8.7	8.1	23	95.1
Outlets	605	-3.3	1.3	6.3	6.5	7.0	17	96.0
Total Major retail destinations	1,831	-1.1	1.4	7.5	8.0	7.8	22	95.4
London	191	-10.3	2.0	4.2	4.2	6.6	22	n/a
Major regional cities	510	-15.3	(1.2)	6.7	6.7	7.7	106	92.3
Total Mixed-use urban	701	-14.0	(0.3)	6.1⁽²⁾	6.1⁽²⁾	7.3	86	92.3
Leisure	423	-8.2	1.5	8.7	8.9	8.8	26	96.9
Hotels	400	0.6	5.7	7.3	7.3	7.2	54	n/a
Retail parks	390	-1.8	1.4	6.0	6.8	6.8	38	97.5
Total Subscale sectors	1,213	-3.2	2.7	7.4	7.7	7.6	38	98.0
Total Combined Portfolio	9,963	-6.0	3.2	5.4⁽²⁾	6.2⁽²⁾	6.2	45	96.5

(1) Topped-up net initial yield adjusted to reflect the annualised cash rent that will apply at the expiry of current lease incentives

(2) Excluding developments

Operational performance analysis

As at 31 March 2024

	Annualised rental income	Net estimated rental value	EPRA occupancy ⁽¹⁾	LFL occupancy change ⁽¹⁾	WAULT ⁽¹⁾
	£m	£m	%	ppt	Years
West end offices	160	186	99.6	0.1	6.5
City offices	70	93	93.7	3.2	7.8
Retail and other	43	55	97.2	1.9	5.7
Developments	8	93	n/a	n/a	n/a
Total Central London	281	427	97.3	1.4	6.8
Shopping centres	121	122	95.1	1.0	4.3
Outlets	48	49	96.0	2.0	3.0
Total Major retail destinations	169	171	95.4	1.3	3.9
London	11	16	90.2	(3.5)	9.0
Major regional cities	37	38	93.5	(4.1)	6.8
Total Mixed-use urban ⁽²⁾	48	54	92.6	(4.0)	7.2
Leisure	46	42	96.9	1.6	10.2
Hotels	35	29	n/a	n/a	7.1
Retail parks	27	29	97.5	(1.1)	5.9
Total Subscale sectors	108	100	98.0	0.3	8.0
Total Combined Portfolio	606	752	96.5	0.8	6.2

(1) Excluding developments

(2) Previous Mixed-use urban sub-segments have been changed to a classification based on geographical location, which is better aligned to how these assets are managed internally.

Rent reviews and lease expiries and breaks⁽¹⁾

Excluding developments

	Outstanding	2024/25	2025/26	2026/27	2027/28	2028/29	Total to 2029
	£m	£m	£m	£m	£m	£m	£m
Rents passing from leases subject to review	115	40	41	25	21	38	280
Gross reversion under lease provisions	9	2	0	1	2	6	20

	2024/25	2025/26	2026/27	2027/28	2028/29	Total to 2029
	£m	£m	£m	£m	£m	£m
Rents passing from leases subject to expiries or breaks ⁽³⁾	62	52	98	50	40	302
ERV	64	48	78	48	42	280
Potential rent change	2	(4)	(20) ⁽²⁾	(2)	2	(22)
Total reversion from rent reviews and expiries or breaks						(2)
Vacancies and tenants in administration ⁽⁴⁾						29
Total						27

(1) This is not a forecast and takes no account of increases or decreases in ERV before the relevant review dates

(2) Includes £20m incremental lease income at Queen Anne's Mansions which will expire by Dec 2026. Excluding this, the 2026/27 potential rent change is £3m

(3) Rents passing from leases subject to expiries or breaks does not include any lease where a reversion is expected from a rent review before the expiry or break date

(4) Excludes tenants in administration where the administrator continues to pay rent

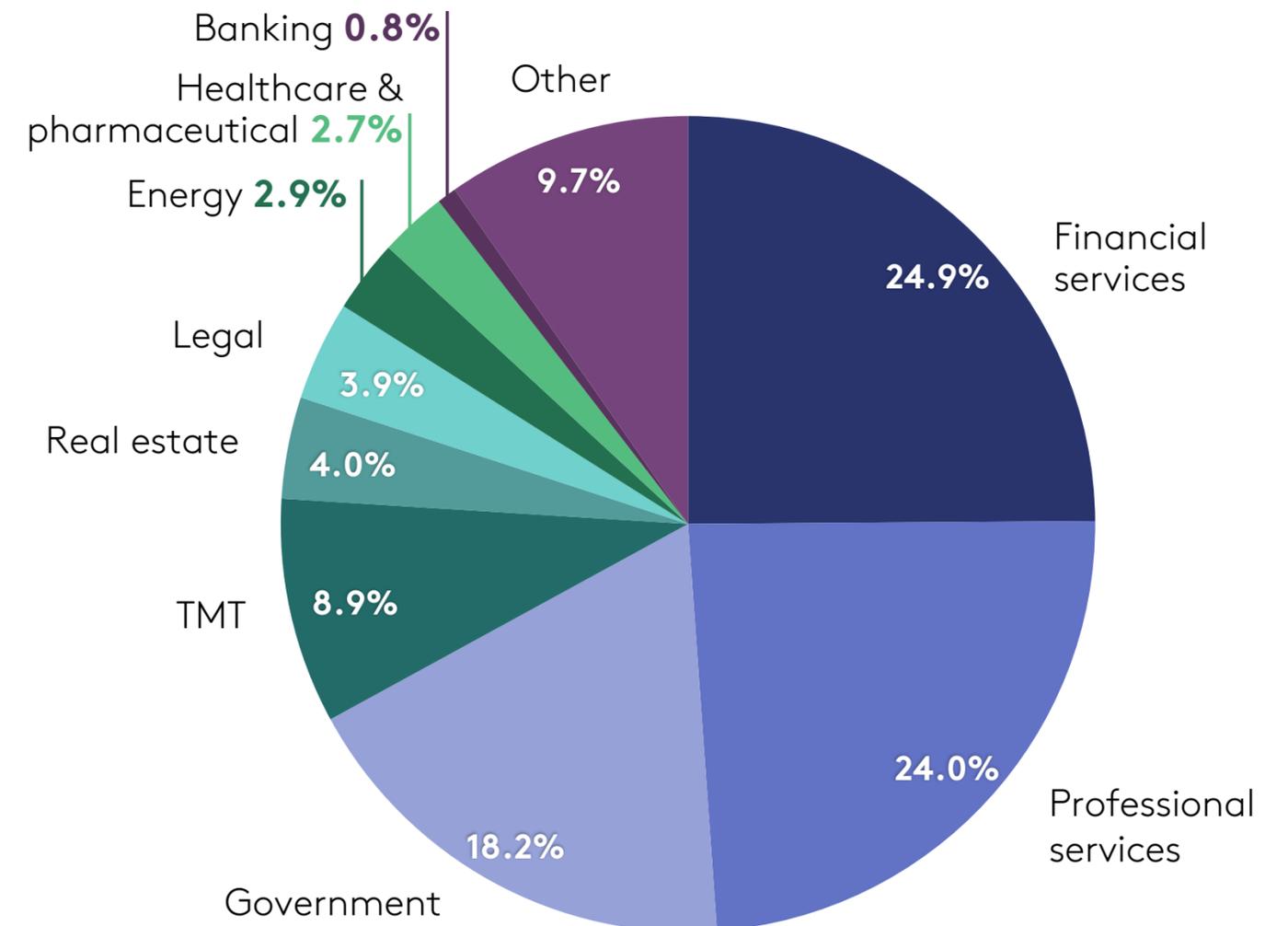
Central London office customers by sector

Diversified customer mix with limited exposure to tech and banks

Top 10 customers — Percentage of annualised rental income

Secretary of State for Levelling Up, Housing and Communities	11.8%
Deloitte	4.9%
Taylor Wessing	3.4%
Qube Research & Technologies	2.8%
Eisler Capital	1.9%
Wellington Management Company	1.9%
DWS	1.9%
Schlumberger Oilfield UK	1.6%
K&L Gates	1.5%
AlixPartners	1.4%

Customers by sector — Percentage of annualised rental income



Office-led development / major refurbishment returns

		Thirty High, SW1	Timber Square, SE1
Status		On site	On site
Estimated completion date		Aug 2025	Dec 2025
Description of use		Office – 89% Retail – 11%	Office – 93% Retail – 7%
Landsec ownership	%	100	100
Size	sq ft (000)	299	381
Letting status	%	-	-
Market value	£m	238	137
Net income / ERV	£m	30	29
Total development cost (TDC) to date	£m	229	160
Forecast TDC	£m	412	411
Gross yield on cost	%	7.3	7.1
Valuation surplus / (deficit) to date	£m	10	(23)
Market value + outstanding TDC	£m	421	388
Gross yield on market value + outstanding TDC	%	7.1	7.5

Pipeline of office-led development opportunities

		Red Lion Court, SE1	Liberty of Southwark, SE1	Nova Place, SW1	Old Broad Street, EC2	Southwark Bridge Road, SE1	Hill House, EC4	Timber Square Phase 2, SE1
Status		Planning consent granted	Planning consent granted	Design	Planning consent granted	Design	Planning consent granted	Design
Earliest start date		H2 2024	H1 2025	2025	2025	2025	2026	2026
Description of use		Office – 95% Retail – 5%	Office – 82% Retail – 6% Residential – 12%	Office – 95% Retail – 5%	Office – 95% Retail – 5%	Office – 92% Retail – 8%	Office – 96% Retail – 4%	Office – 94% Retail – 6%
Landsec ownership	%	100	100	100	100	100	100	100
Current annualised rental income	£m	-	-	-	4.3	1.7	-	-
Current size	sq ft (000)	-	-	-	100	90	172	-
Proposed size	sq ft (000)	250	225	60	285	150	380	290

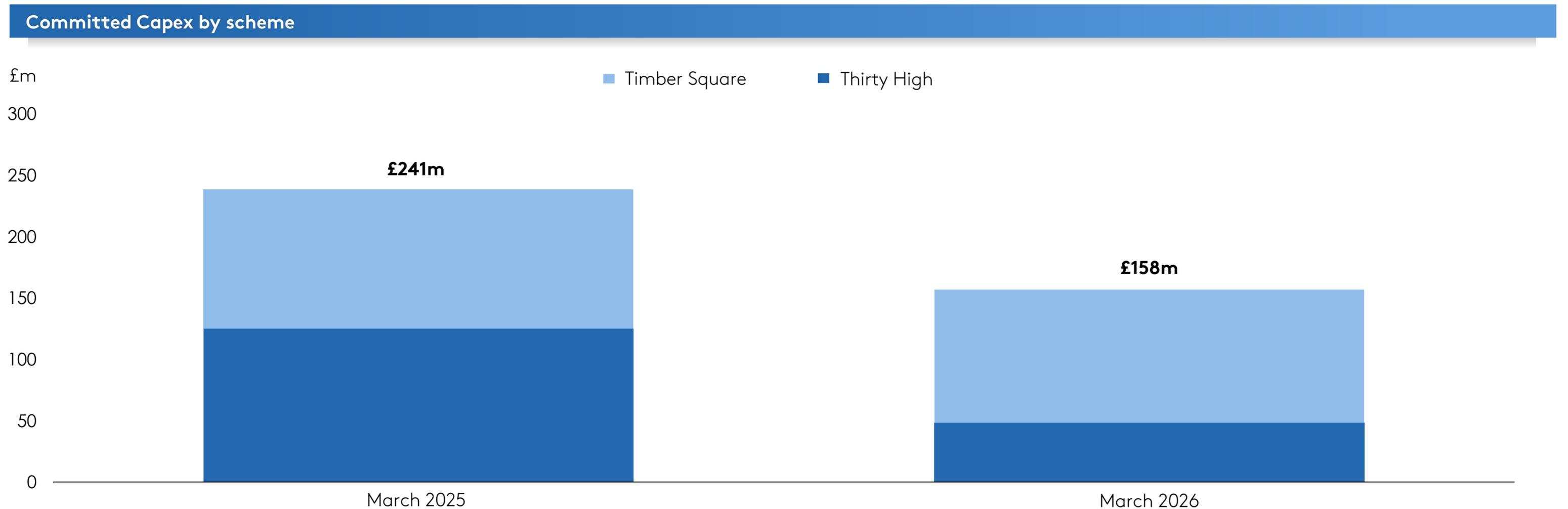
Mixed-use urban neighbourhoods' development pipeline

	Ownership	sq ft (NIA)	Planning status	Earliest start on site	Number of blocks	Estimated completion of phase 1	Total scheme		
							Estimated scheme completion	Indicative TDC	Target yield on cost ⁽¹⁾
Near-term pipeline	%	(000)					£m	%	
Mayfield, Manchester	50-100	2,500	Consented	2024	18	2027	2034	800 – 950	7 – 8
Finchley Road, NW3	100	1,400	Consented	2025	10	2028	2035	950 – 1,050	6 – 7
Medium-term pipeline	%	(000)					£m	%	
MediaCity, Greater Manchester	75	-	Consented	2026	-	-	-	-	-
Buchanan Galleries, Glasgow	100	-	Design	2026	-	-	-	-	-
Lewisham, SE13	100	-	Design	2026	-	-	-	-	-

Note: All financial data is Landsec share
 (1) Yield on cost excludes affordable housing

Committed capital expenditure on committed pipeline

› £399m committed capex on our two committed development / major refurbishment schemes, delivering £59m ERV



Continuing to curate a new destination in London

Transforming Victoria from government district to thriving business hub

What it was

Transformation by Landsec

Today



**Victoria Street
1960s**





Cardinal Place
2006



62 Buckingham Gate
2013



Nova
2017



2012
123 Victoria Street

Zig Zag
2015



2023
n2



Thirty High
2025

2.5m sq ft
Office-led space

£2.6bn
TDC invested so far

£1.1bn
Value created at completion

7%
ERV outperformance vs MSCI Central London in last five years

100%
Office occupancy

RENT ACHIEVED
£75
sq ft

RENT ACHIEVED
£88
sq ft

RENT ACHIEVED
£86
sq ft

RENT ACHIEVED
£100
sq ft

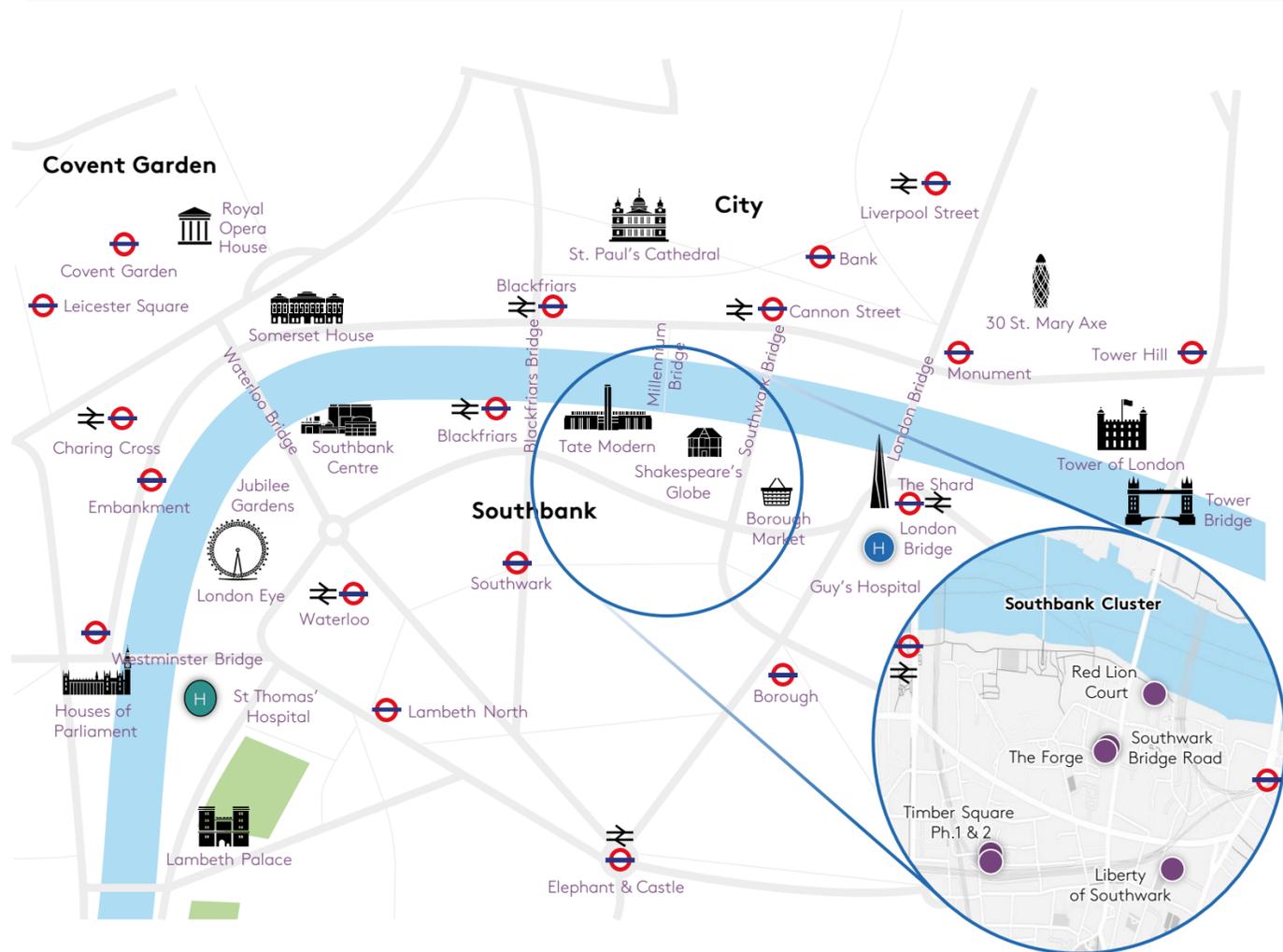
Creating a 1.4m sq ft net zero office cluster

Opportunity to create scale in one of London's most vibrant areas

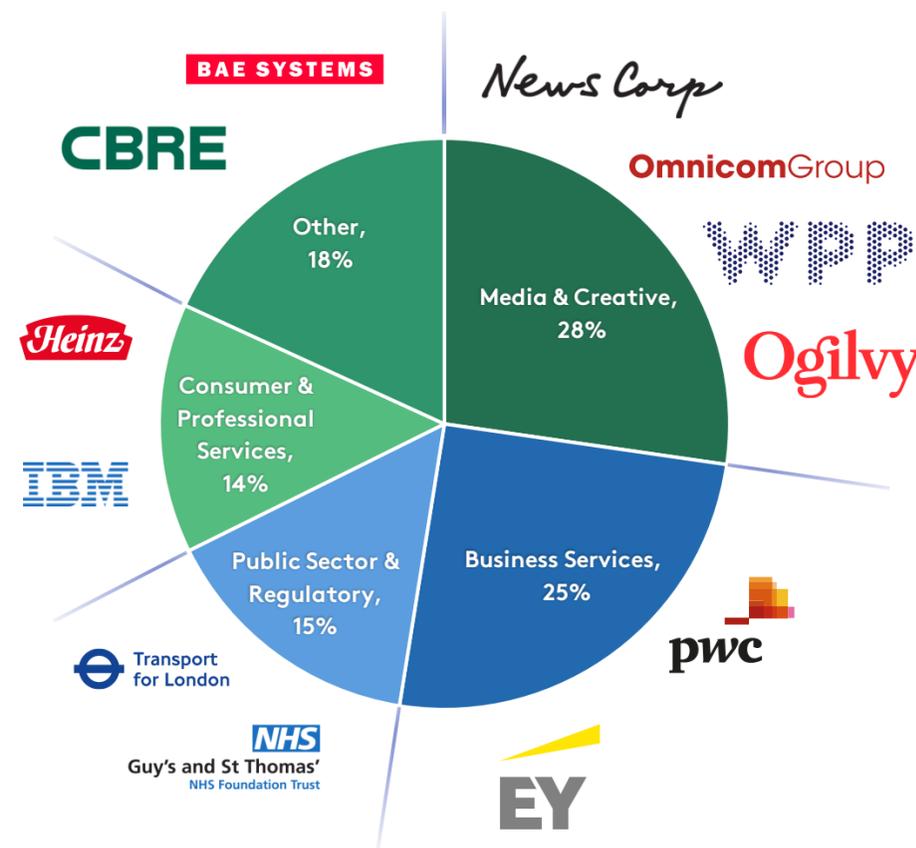
Six sites within few minutes walking distance

Diversified, multinational tenant base

Opportunity



Historic 5Y take-up by sector (%)¹



Connectivity

Two of London's busiest train stations

Amenities

2nd highest density of F&B of any area in London

7-day

Destination with mix of culture and world-class attractions

4.7%

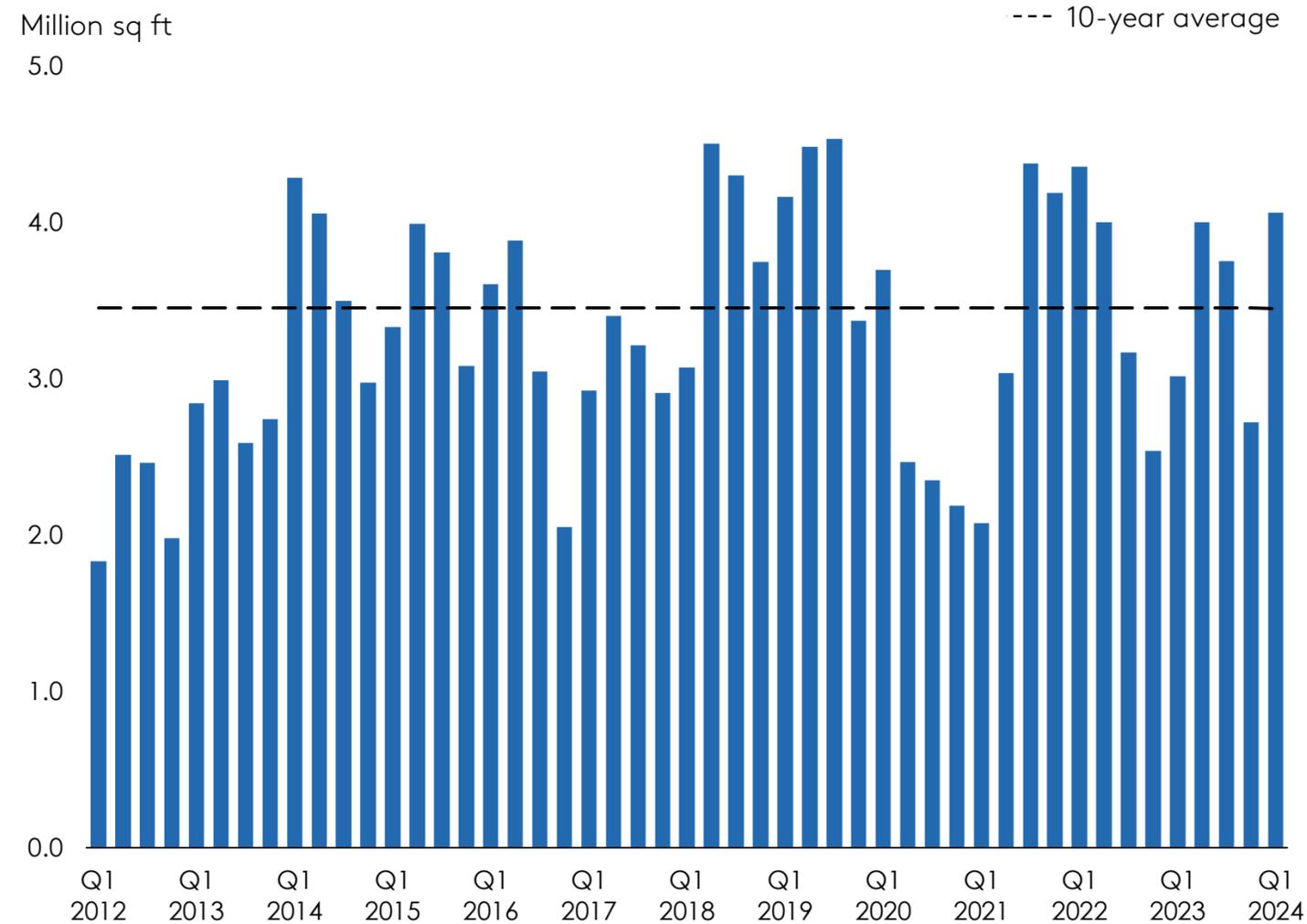
Prime office rental growth expected p.a. for 2023-28²

(1) CBRE
(2) CBRE

Central London office — demand and existing supply

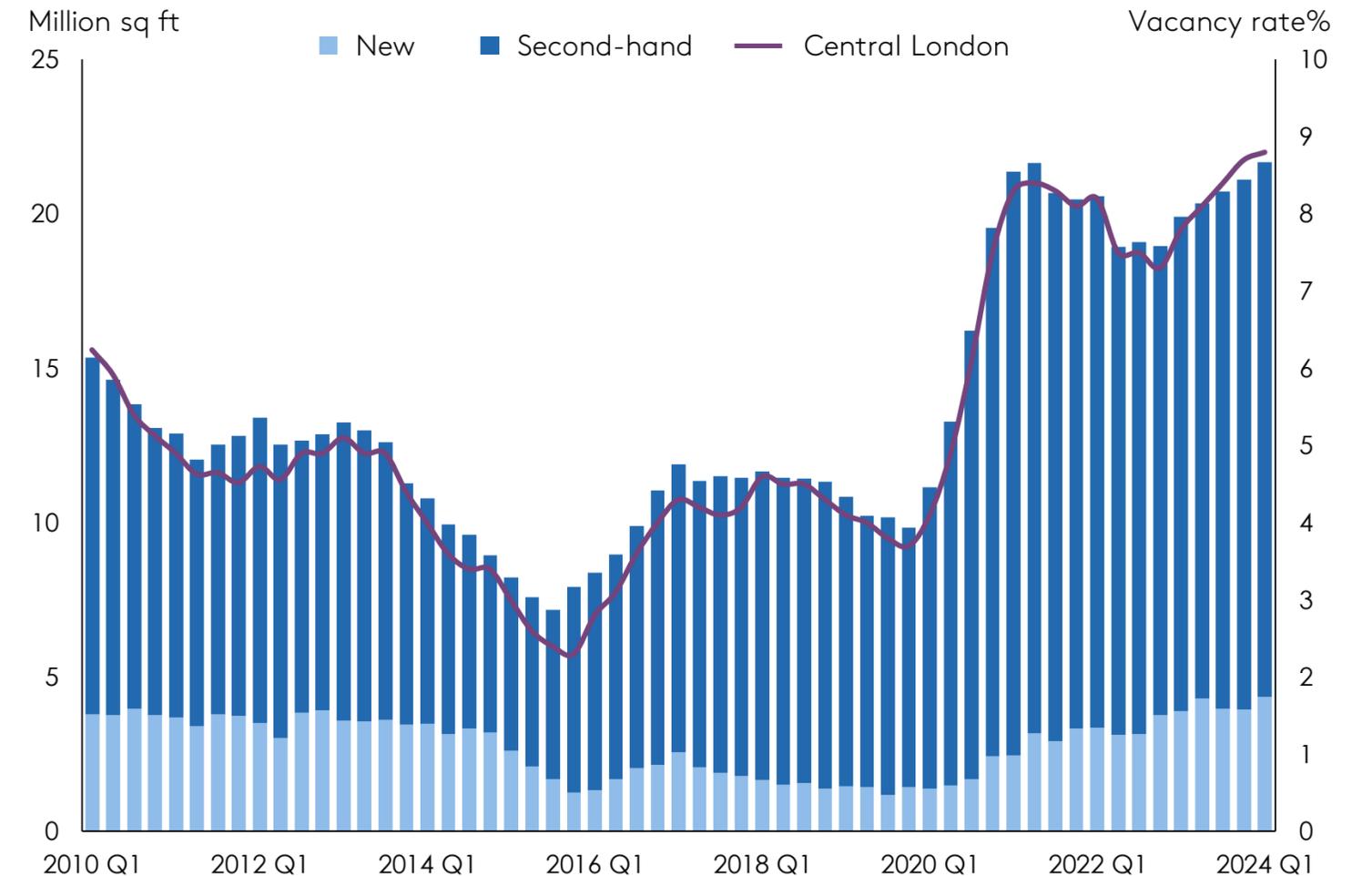
Sustained demand for best-quality stock

Space under offer



Source: CBRE

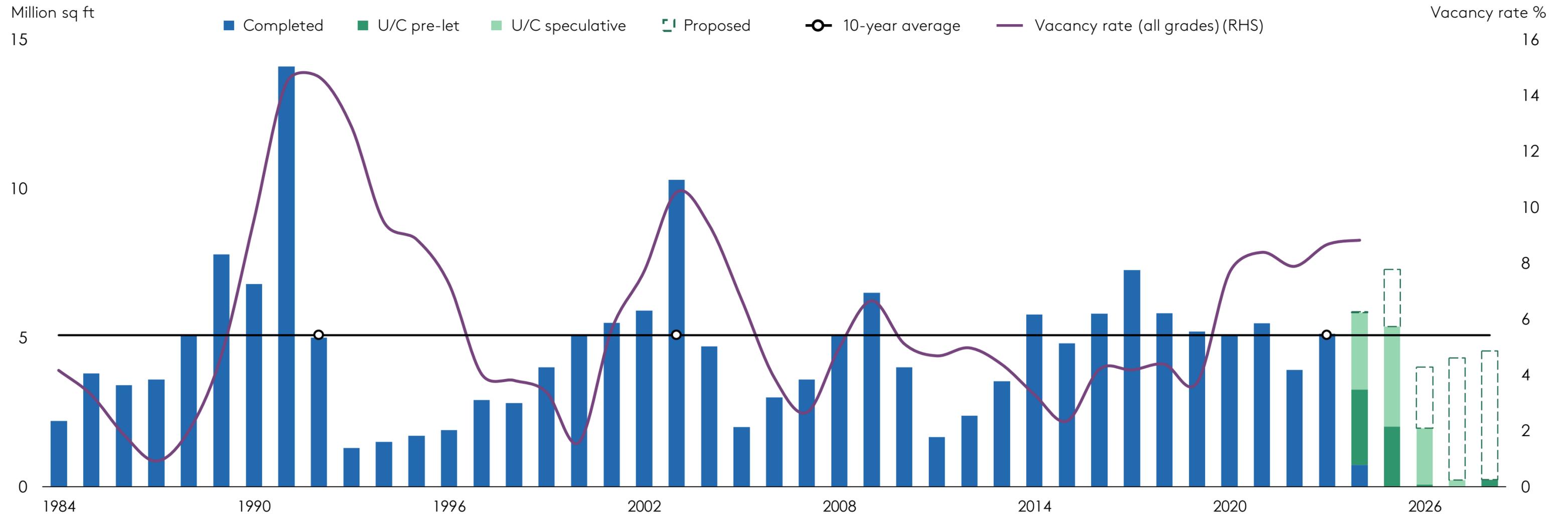
Central London availability, new and second-hand (LHS) vs vacancy



Source: CBRE

Central London — new supply

13.4m sq ft under construction of which 42% is already pre-let / ISH



Source: CBRE, Knight Frank, Landsec; shows calendar years

(1) Completions/under construction and vacancy rate as at September 2023. From 2017, supply pipeline monitors schemes above 20,000 sq ft

(2) Vacancy rate is expressed as vacant space as a percentage of total stock

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This presentation may contain certain 'forward-looking' statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual outcomes and results may differ materially from any outcomes or results expressed or implied by such forward-looking statements.

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