



LANDSEC ANNUAL REPORT 2026

The past year has seen Landsec continue its strong momentum across our places and in our business.

Alongside our strong operational performance, over the last few years we have actively positioned our business for a higher inflation and higher interest rate environment.

With geopolitical tensions remaining elevated, these were the right actions at the right time.

Our decisiveness in the last few years means that we can now make prudent, proactive decisions rather than wait to be shaped by events.

To always find a way is a critical part of Landsec's DNA.

With motivated teams, underpinned with the clarity of our strategy, and with the right real estate in the right places, we are confident in our ability to deliver results in the most challenging circumstances.

We've honed this ability for over 80 years – continually adapting to shape the places that meet the needs of a changing world.

**WE EXIST BECAUSE OF
OUR PLACES. OUR PLACES
ARE WHAT THEY ARE
BECAUSE OF LANDSEC.**

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Landsec



AT A GLANCE

OUR PORTFOLIO

Rental growth is at its fastest pace in nearly two decades.

NEAR TERM

BEST-IN-CLASS OFFICE PORTFOLIO

50% of income
LFL NRI growth 6.0%
Lettings +14% vs previous rent

LEADING UK RETAIL PLATFORM

41% of income
LFL NRI growth 5.5%
Lettings +15% vs previous rent

LONGER TERM

£3BN+ RESIDENTIAL-LED PIPELINE

Attractive structural growth prospects
Long-term LFL NRI growth > inflation
Policy becoming more supportive

A PORTFOLIO AND STRATEGY WELL-PLACED TO DELIVER SUSTAINABLE EPS GROWTH



READ HOW WE CREATE VALUE FOR PEOPLE
THROUGH PLACES ON PAGES 7-9

WHO WE ARE

We are one of the leading real estate companies in the UK. 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 PURPOSE

Landsec is built on places that stand the test of time. We identify and shape places that create opportunity, enhance quality of life and bring joy to the people connected to them: places where life happens; where businesses grow; and where cities are defined.

OUR PERFORMANCE

● FY26 ● FY25

LIKE-FOR-LIKE NET RENTAL INCOME (£M)



EPRA EARNINGS (£M)



DIVIDEND PER SHARE (PENCE)





CHIEF EXECUTIVE'S STATEMENT



MARK ALLAN
CHIEF EXECUTIVE

WELL PLACED TO DELIVER ACCELERATION IN EPS GROWTH IN NEAR AND MEDIUM TERM

Over the last few years, we have actively repositioned Landsec for a higher inflation, higher interest rate environment. Our best-in-class portfolio, market-leading operating platforms, and strategic discipline means our performance has been strong, despite the persistently elevated levels of uncertainty and volatility in the external environment. Although the current global macro outlook is once again uncertain, we are not seeing any signs of this impacting customer demand, so the unique combination of these three factors means the outlook for Landsec remains positive.

The high quality of our portfolio and operating platforms has again been evident over the past year:

- Our EPRA occupancy is up to 98.0%, which is the highest level in two decades;
- Our like-for-like net rental income is up 4.6%, comfortably ahead of our c.3-4% initial guidance, which means we have now delivered 4.0% CAGR in like-for-like net income over the last four years;

- Our uplifts on relettings/renewals have almost doubled to 15%, up from 8% a year ago, underlining the growing reversion and hence future income growth potential within our portfolio.

At the same time, our strategic discipline is evident in how Landsec is positioned today:

- Our speculative London office development pipeline is completing over the next few months, allowing us to capitalise on very strong leasing demand, which will drive significant income growth. This means our development exposure will be less than 2% of our portfolio in a few months' time, with no plans to add much to this in the next c.18 months, as risks around returns on future projects are elevated;
- Our overhead costs are down to £62m, marking a reduction of 26% over the last three years. This represents the lowest level in more than 20 years and ensures our income growth flows through to earnings and dividends for shareholders effectively;

- Our 8.6-year average debt maturity is twice as long as the average for the UK REIT sector and 89% of our debt cost is fixed or hedged. Coupled with our low committed development capex of £185m, new financing requirements are modest, which protects our earnings from fluctuations in interest rates.

As a result of our actions, Landsec is now positioned with a lower risk profile and a clearer, stronger growth outlook, as continued top line income growth will increasingly flow through to an acceleration in EPS growth, both in the near and medium term:

- For FY26, our EPRA earnings were up £8m to £382m despite the -£7m impact from the sale of QAM, which turned future finance lease income into a capital receipt on sale. This earlier than expected sale was not part of our initial forecast, so adjusted for the 1.8% EPS impact of this, our 2.2% reported EPS growth for the year was at the very top end of our initial c.2-4% guidance;
- For FY27, we expect EPRA EPS to be stable vs FY26, in line with our previous guidance, as c.4% underlying growth is offset by the full-year impact of the sale of QAM;
- For FY28, based on current momentum, we expect EPRA EPS to grow by a high single digit percentage, driven principally by leasing up our current London office pipeline and continuing to capture the growing reversion in our existing portfolio;
- For FY30, as we set out in November, we see the potential for EPRA EPS to grow to c.62 pence, implying c.5% CAGR from here. Around 80% of this growth is derived from our existing portfolio and platform, as the impact of the recent rise in swap rates is largely mitigated by our long debt maturity. Naturally, we continue to explore opportunities to further improve on this growth outlook.



FINANCIAL RESULTS

We delivered a positive set of financial results for the year to March 2026. Our 4.6% growth in like-for-like income and 15% reduction in overhead costs meant our EPRA EPS was up 2.2% to 51.4 pence, despite the 1.8% impact of the sale of QAM. This supported 2.0% growth in dividend. Our strong leasing activity drove an acceleration in ERV growth to 6.4%, yet this was partly offset by some minor yield softening and a few asset specific movements, so overall values were up 1.2% for the year. IFRS profit before tax of £346m was impacted by a £74m net loss on the sale of £705m of assets which generated little or no return, yet NTA per share was up 0.9% for the year and 2.2% in the second half. As a result, our balance sheet remains robust and with only £185m of committed development capex remaining, no plans to add any meaningful new development commitments in the next c. 18 months, and income set to grow materially, we expect our net debt/EBITDA to reduce to below 7x within the next two years.

OCCUPATIONAL MARKETS

Occupational markets for both office and retail continue to be characterised by two well established trends: a significant concentration of demand on the very best space coupled with heavy constraints on new supply. Unsurprisingly, therefore, upward momentum in rents persists for our best-in-class portfolios.

In retail, c.85% of our assets sit in the top 1% of retail destinations in the UK which provide brands with access to c.31% of national in-store retail spend. Sales growth in our locations has outperformed the UK national average by 19ppt over the past four years, so these are the destinations brands continue to focus on in terms of investing in new stores. Margin pressure for brands elsewhere is only accelerating this trend. Meanwhile, new supply is zero, as replacement costs are roughly double existing values.

In office, our portfolio is similarly concentrated on the very best space. We own c.0.5% of the c.900m sq ft of total office space in the UK – virtually all of which is located in the two most highly valued locations in the country, the West End and the City, including Bankside. These locations tend to be highly prized by international businesses because of the depth of access they provide to the very best global talent. And even within these best locations we are outperforming, with occupancy of 98.6% versus 93.3% for the central London market as a whole. Again, new supply is constrained with build cost inflation and higher interest rates limiting development viability, so project starts are being deferred and rents are rising.

HIGHLIGHTS		TABLE 1	
	Mar 2026	Mar 2025	Change %
Net rental income (£m) ¹	562	552	1.8
EPRA earnings (£m) ¹	382	374	2.1
IFRS profit before tax (£m)	346	393	(12.0)
Total accounting return (%)	5.6	6.4	(0.8)
EPRA earnings per share (pence) ¹	51.4	50.3	2.2
Dividend per share (pence)	41.2	40.4	2.0
Combined portfolio (£m) ^{1,2}	10,836	10,880	(0.4)
EPRA Net Tangible Assets per share (pence) ¹	882	874	0.9
Adjusted net debt (£m) ¹	4,215	4,304	(2.1)
ND/EBITDA (period end) (x) ¹	8.4	8.9	(5.6)
Group LTV ratio (%) ¹	38.7	39.3	(0.6)

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information in the Financial Review.

2. Includes owner-occupied property and non-current assets held for sale.



CARDINAL PLACE, LONDON



CHIEF EXECUTIVE'S STATEMENT **CONTINUED**



TIMBER SQUARE, LONDON



WESTGATE, OXFORD

The ongoing adoption of emerging technologies such as AI seems increasingly likely to act as a further accelerant of occupiers' focus on the very best space. Whilst back office and processing roles are likely to reduce, any impact of this in high value locations in London is more than offset by the creation of new roles (or indeed new businesses) enabled by technology, and new demand from international businesses. At our recently opened MYO King's Cross, for example, nearly 80% of all lettings have been to AI or AI adjacent businesses and the building is on track to be virtually full only c. 9 months after opening. In retail, brands expect the rise of AI and agentic commerce to put even more focus on the value of the physical experience and consumer connection as part of a unified commerce ecosystem, which adds further weight to the 'fewer, bigger, better stores' trend that has been so evident over the past few years.

In an environment which is changing rapidly, our unique and irreplaceable edge remains clear: we have two market-leading platforms, and our portfolio is focused firmly at the top end of the market where the demand from customers is strongest. Our portfolio is effectively full, rents are rising and our reversionary potential is growing, so the outlook for continued healthy like-for-like income growth is clear.

INVESTMENT MARKETS

Supported by the strong occupational outlook for best-in-class assets and a stabilisation in interest rate outlook, investment activity recovered from a low base during 2025 and accelerated towards the end of the year and into the first few months of 2026. In office, this was principally focused on core-plus or value-add assets which offer the opportunity to capture rental growth, with increasingly larger lot sizes. In major retail, investment activity started to pick up as well, but there are still over £3bn of assets in the hands of parties who are not natural long-term owners, which will likely come to market in the next year or two.

It is too early to assess what the longer-term impact of the Middle East conflict will be on this growing momentum in investment markets, yet we are mindful that the renewed uncertainty around the outlook for global interest rates could impact investor decision-making in the near term. That said, interest rates are just one factor influencing capital allocation decisions, as other factors, such as the relative return outlook vs alternative sectors such as private credit, the outlook for supply/demand, and hence the conviction in future rental growth, arguably all look more favourable than they did c. 6-12 months ago.



While portfolio rotation is an important part of our strategy, we remain disciplined on price and are not reliant on investment activity to drive growth, as we have significant embedded growth within our existing business. Equally, with committed capex now down to £185m, we are not reliant on disposals to fund any future commitments. Indeed, even without meaningful disposals or acquisitions, we could still deliver c.80% of the potential c.5% CAGR in EPS by FY30 and see net debt/EBITDA fall below 7x.

CLEAR PRIORITIES IN TERMS OF CAPITAL ALLOCATION

As we execute our strategy, we maintain our clear framework for capital allocation decisions. Alongside our view on risk, this is based on two factors. Firstly, how our investments contribute to income and EPS growth in the near term, and secondly, how they impact our portfolio mix such that this growth can be sustained in the medium to longer term. We prioritise investments that deliver on both factors but beyond that, our decisions will always seek to enhance at least one of these, without distracting from the other.

Based on these considerations, we sold £705m of assets over the year. This included £261m of retail parks where the 6.4% income return was reasonable but income growth was limited; a £245m 1970s office block (QAM) which will be vacated in 2028 and requires wholesale redevelopment; £101m of London offices where the 4.9% income return was modest; and £72m of pre-development assets which had a negative in-place income return and would have required over £400m of capex to develop.

The clarity and focus this framework provides continues to guide our priorities for the near future. Growing our investment in major retail destinations remains our highest conviction call, given its high income yield and the attractive income growth on offer for the right assets. We looked at a few acquisition opportunities over the past 12 months and have decent visibility about future opportunities, but we remain disciplined about quality, future capex risks and price. As such, we chose not to progress any acquisitions during the year but remain active in assessing future opportunities.

With £346m of disposals to date, we are ahead of plan in terms of releasing capital from offices. We will continue to look at further opportunities to recycle capital out of offices as our assets generally score well relative to current investor criteria and the upside to EPS from reinvesting this capital into retail at a c.200bps pick-up in net effective income return and higher like-for-like income growth is meaningful.

Based on our framework, we believe that investment in major retail remains more attractive than office or residential development at this stage. Our London office development programme will complete in the next few months, with our recently completed schemes now 54% let and strong interest in the remaining space. We have no plans to commit further capital to speculative office development as things stand, so our committed development exposure will be down to £0.2bn by the end of the summer, and we continue to make progress in releasing further capital from low/non-yielding pre-development assets.

On residential, engagement with our public sector partners to secure policy support for our build-to-rent projects has been encouraging with steps such as the Government's and GLA's package of acceleration measures for London now offering potential routes to improve development viability. As such, we will continue to invest time in seeking to unlock these opportunities, although capex investments will remain very limited for now and holding costs are low. If we are able to secure viable returns on these projects, lead times are such that start dates will be no earlier than late 2027 in any event. We have not assumed any upside from residential in our FY30 EPS potential, as this largely benefits growth beyond that.

Having less capital tied up in low or non-yielding assets not only benefits sustainable EPS growth, but also reduces our risk profile. As a result of this step, and based on current leasing momentum, we now expect our net debt/EBITDA to reduce to below 7x over the next two years. Maintaining our strong capital base will always remain our first priority, but as part of our capital allocation framework, we also continue to monitor the option of deploying capital in our own shares. At present, we view investment in major retail as more attractive from both a near-term and longer-term perspective, but this will remain a consideration in our capital allocation decisions going forward.

OUTLOOK

It has never been more important to own the right real estate. Driven by the focus and dedication of our highly capable teams across our best-in-class platforms, the operational performance across our office and retail portfolios, which combined make up 91% of our overall income, remains market-leading.

This has resulted in CAGR in like-for-like net income of 4.0% over the last four years and as reversion is growing, this should continue to deliver attractive income growth in the future. With overhead cost now at a 20-year low, a material reduction in capital employed in low/non-yielding development, and an average debt maturity which is the longest in the sector, this top line growth will increasingly flow through to an acceleration in EPS growth over the coming years, principally driven by our existing portfolio and platform, which will support continued growth in dividends.

We are mindful that global macro risks have increased and that it is still difficult to assess the longer-term effects of the Middle East conflict. However, the trends which have supported our strong operational performance remain very much intact. Moreover, as we are about to complete our c.£1bn London development programme and are making strong progress on leasing, our business now has a lower risk profile and a clearer, stronger growth outlook. All in all, we see the potential to deliver c.5% CAGR in EPRA EPS over the next four years, including high single digit growth in FY28. Coming on top of our existing 5.8% income return at NTA, this will result in an attractive total return for shareholders.

MARK ALLAN
CHIEF EXECUTIVE



MARKET CONTEXT

The Landsec property portfolio is invested in areas where we have a sustainable or attainable competitive advantage. Our high-quality, urban real estate portfolio has the potential for material income growth and is focused on the office, retail and residential segments of the UK commercial property market.

OFFICE-LED REAL ESTATE

The Central London office market is characterised by tightening prime supply, a flight to quality, and sustained demand for Grade A space. Take-up in 2025 reached 11.5 million sq ft, 11% ahead of the five-year average, with Grade A space accounting for 74% of activity – a figure rising to 82% in Q4, reflecting occupiers' strong preference for high-quality, sustainable buildings. Demand is being driven not only by traditional financial and professional services but also by rapidly expanding AI and tech operators, with active AI requirements growing 136% year-on-year by early 2026.

The high demand for Grade A space is reflected in rental levels, which grew by 10% in 2025, driven by structural shortages in high-quality stock and limited development starts due to high financing and construction costs – the latter point being the reason why Landsec will not be committing to new office developments in London offices as things stand. High-quality assets, such as Landsec's portfolio, have seen increased occupancy over the last few years compared with the overall market where occupancy has been broadly stable.

Investment markets rebounded strongly in the second half of 2025. Q4 saw £2.8bn of transactions – the best quarterly performance in over three years – indicating renewed investor conviction in London's resilience and safe-haven qualities.

Overall, for 2026, despite the current disruption from the Iran war, the outlook is one of continued polarisation: prime, well-located, sustainable assets are expected to outperform. Landsec's £7.0bn of prime assets is well-placed to benefit from this trend.

RETAIL-LED REAL ESTATE

Demand for high-quality retail space is being driven by experience-led retail investment, with brands upgrading stores and formats to enhance customer engagement with a focus on 'fewer, bigger, better' stores. At the same time, non-prime, secondary centres continue to face structural challenges from weaker footfall and underutilised space. The polarisation of centres is clear: the top 1% of all UK shopping destinations provide access to c.30% of the country's in-store, non-food retail spend, offering brands higher sales densities and productivity than other formats.

Around 85% of our retail assets sit in this top 1, which underpins their continued outperformance.

Occupancy levels demonstrate the wide gap between the best shopping centres and the rest. Overall, UK shopping centre occupancy remains relatively low at 87%. In contrast, occupancy in our portfolio of dominant high-quality centres is now 98% – a 20-year high. Retailer performance shows a similar trend: since 2022, retail sales growth in our centres has outperformed the UK national average by 19ppt.

Investment momentum in shopping centres started to pick up over the last year, but it is too early to assess the Middle East conflict's impact on this. However, there is still a significant number of major retail assets in the hands of parties who are not natural long-term owners which will likely come to market in the next year or two.

RESIDENTIAL-LED REAL ESTATE

The UK has a structural need for new homes, as the UK population is expected to grow to 71 million people by 2034 and there is a clear demand-supply imbalance in the housing market.

One of the attractions of the residential market is that, over time, average residential rents are closely correlated with inflation via wage growth – much more so than average commercial rents. With mortgage rates remaining at elevated levels compared with earlier in the decade, it remains, on average, cheaper to rent than buy a house in terms of overall cost.

At present, the returns from residential development are not sufficient to meet our requirements but, encouragingly, public sector policy is shifting in a positive direction which should enhance returns. For example, in October 2025, a reduction in affordable housing requirements from 35% to 20% in London and a 50% reduction in the Community Infrastructure Levy were announced. These measures could add c.50-75bps to current net yields on cost of c.5.0%.

We will continue to invest time in seeking to unlock our residential-led development opportunities, although capex investments will remain very limited for now and holding costs are low.

OFFICE OCCUPANCY

Landsec occupancy vs rest of London

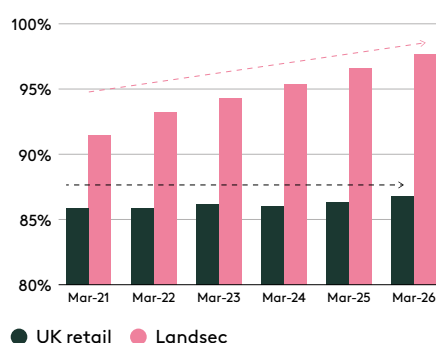
CHART 2



RETAIL OCCUPANCY

Landsec occupancy vs rest of UK retail

CHART 3



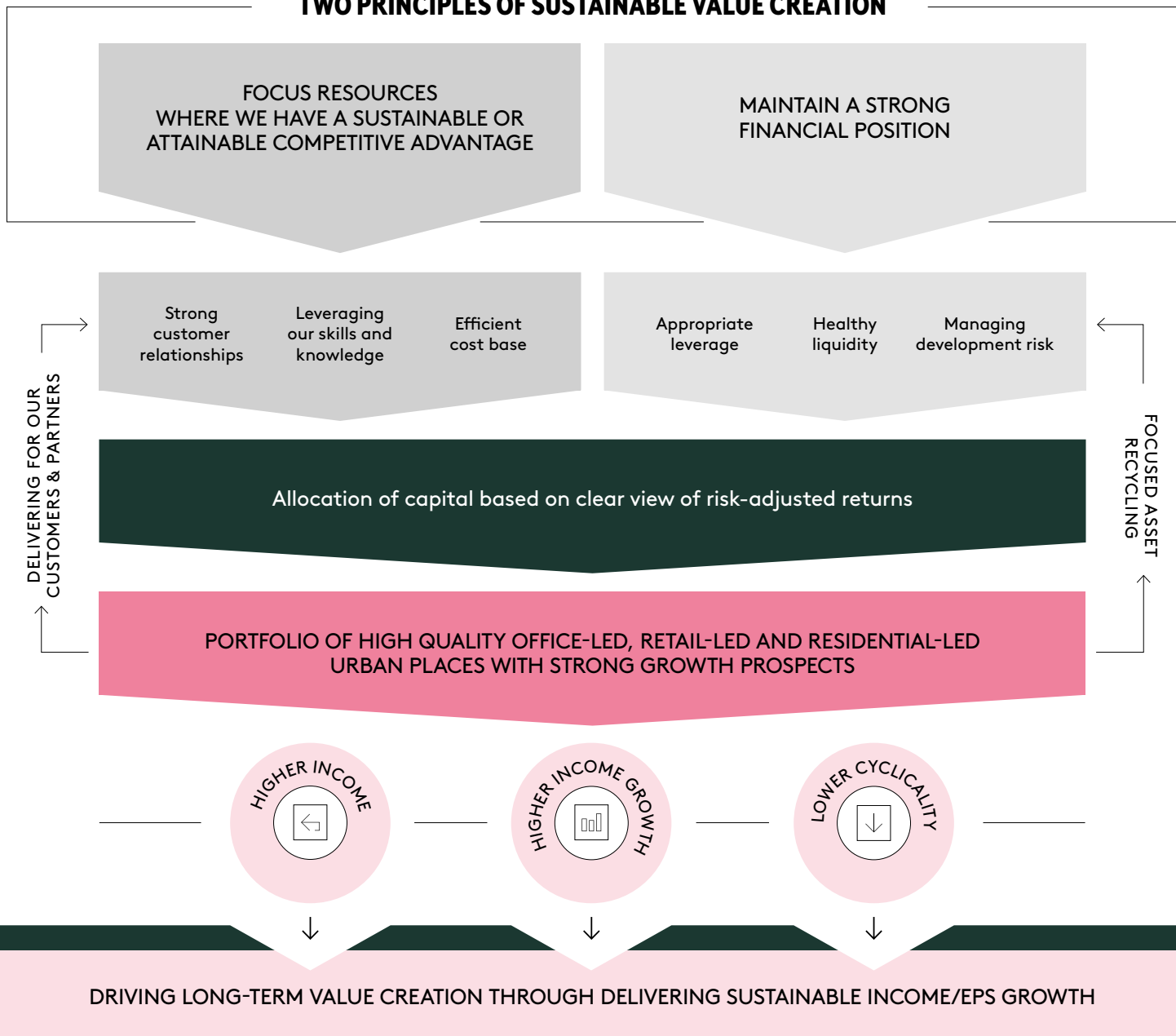


OUR BUSINESS MODEL

OUR PURPOSE | SHAPING PLACES THAT STAND THE TEST OF TIME

Our role is to shape places that stand the test of time in order to create value for all our stakeholders. Our primary financial objective is to deliver sustainable income and EPS growth, with return on equity being the output of this, rather than a standalone target.

TWO PRINCIPLES OF SUSTAINABLE VALUE CREATION





OUR STRATEGY

The strategy we set out in February 2025 aims to deliver sustainable income and earnings per share (EPS) growth over both the near term and the medium to long term. It rests on the recognition that income growth is the principal long run driver of value creation across both real estate and equity markets.

FOCUS ON SUSTAINABLE INCOME/EPS GROWTH TO DRIVE LONG-TERM VALUE

GROWING LIKE-FOR-LIKE INCOME

- LFL net rental income up 4.6%
- 15% uplifts on relettings/renewals
- EPRA occupancy up to a two-decade high at 98.0%



SHIFTING PORTFOLIO MIX

- Active year of capital recycling
- Sold £705m of low-returning assets
- No meaningful new development commitments planned in next 18 months



MAINTAINING SOLID CAPITAL BASE

- ERVs up 6.4%, the highest level in nearly 20 years
- LTV 38.7% and 8.4x ND/EBITDA
- Target <7x ND/EBITDA within the next two years



To achieve this, we have defined nine strategic objectives, divided between five near-term priorities (1–3 years) and four medium to long-term priorities (2–5 years). Dividing our activity across two time periods reflects the need to balance immediate EPS delivery with longer-term decisions around portfolio composition and capital deployment, which are essential to shaping future income growth.

Our near-term priorities are focused on driving EPS growth from today's portfolio. Taken together, these near-term objectives strengthen EPS resilience, improve cost efficiency, and free up capital to support the company's medium- to long-term repositioning. The priorities set out in 2025 were to:

- Capture the growing reversion in our retail and office portfolios
- Reduce overhead costs to <£65m by FY27
- Release £0.3bn from pre-development assets
- Exit the residual £0.8bn of retail/leisure parks
- Invest £1bn in retail acquisitions and accretive capex

Our existing portfolio and platform are well placed to drive EPS growth in the near term. We want to be as confident about the income growth prospects of our portfolio in 3–5 years' time – that's what our development and capital recycling decisions are built on and we have identified four longer-term objectives to achieve this:

- Release £2bn of capital from offices
- Deliver low/mid-single digit LFL net rental income growth (NRI) per annum
- Establish a £2bn+ residential platform
- Scale back office-led development by at least half

A year into execution, the business has achieved strong momentum across all nine objectives and is confident of further progress.



KEY BUILDING BLOCKS IN PLACE TO DELIVER SUSTAINABLE EPS GROWTH

For a company to deliver sustainable EPS growth it needs to be able to generate rental growth, and have a business and financing model that allows that rental growth to flow through effectively to sustainable EPS growth – we are well-placed on both.

Our high-quality portfolio and market-leading platforms mean we are well-positioned to deliver rental growth. We expect to deliver NRI growth from our retail portfolio of 4.5-7.0% p.a. over the medium term. Over the same period, our office portfolio is expected to deliver 3.0-4.0% LFL NRI growth. Our efficient business model allows that rental growth to flow through to EPS: we have reduced overhead costs by 15% to £62m compared with FY23, achieving our target one year early; and our balance sheet is well-placed with long-duration debt, no refinancing needs until 2028 and the highest credit rating in the sector.

CLEAR CAPITAL ALLOCATION PRIORITIES

The company's capital allocation framework is designed to align investments with two overarching goals: near-term EPS accretion; and long-term portfolio transformation toward higher income growth and lower cyclical risk.

Major retail remains our highest priority investment area as it offers attractive returns and both short- and long-term EPS benefits. We aim to invest up to £1bn, funded through recycling further capital out of offices accompanied by disciplined flexibility on book values. Investment activity has been recovering in the London office market and we remain confident we can achieve a c.200bps pick-up in income return and higher like-for-like income growth from this recycling activity.

For office development, we believe returns do not offer sufficient upside relative to the returns we expect from our high-quality existing office assets. Taking into account the different levels of risk, this means we see little upside in selling our high-quality existing offices to fund the development of new ones using our own balance sheet, although we do see the potential to leverage our platform and expertise in this space by working with third-party capital.

Living sectors, we believe, have strong structural support for long-term growth. Whilst investing in residential offers limited near-term EPS upside, income growth closely tracks inflation over time and is captured annually, so real returns are attractive. We have a sizeable, deliverable development pipeline of 9,000 homes across four projects in areas with a clear need for more housing.

Returns are currently insufficient, but policy announcements last year could add 50-75bps to current net yields on cost of c.5.0%. We will continue to work on securing these policy benefits but capex will be limited in the meantime.

FOCUS ON INCOME AND EARNINGS GROWTH

Our plans to rebalance the portfolio should not only enhance our longer-term growth prospects, but also reduce the cyclical risk in our returns. At the same time, through a combination of capturing like-for-like income growth, costs savings and a clear focus on capital allocation, we have the potential to deliver compound growth in EPS of c.5% p.a. over FY27 to FY30, supporting continued growth in dividends.

In addition, the reduction in development activity means our balance sheet will have a greater proportion of income-generating investments in the future. This supports our objective to grow EPS in a sustainable way but also means that our net debt/EBITDA measure of leverage will improve, as we have less capital tied up in low or non-yielding assets. As a result, we target net debt/EBITDA of below 7x within the next two years and expect our LTV to reduce to below 35% over time.

GOOD PROGRESS ON EXECUTING OUR STRATEGY

Near-term EPS growth mostly driven by assets/platform we have today

FIVE NEAR-TERM OBJECTIVES (1-3 YEARS)

- Capture growing reversion in retail/office portfolio
- Reduce overhead costs to <£65m by FY27
- Release £0.3bn from pre-development assets
- Exit residual £0.8bn retail/leisure parks
- Invest £1bn in retail acquisitions + accretive capex

WHAT WE HAVE DONE SO FAR

- LFL NRI +4.6%. Uplifts on relettings and renewals up to 15%
- 15% reduction in overhead to £62m in FY26
- Released £72m and expect to make further progress in FY27
- Sold £261m of out-of-town parks with limited NRI growth
- Invested £50m in high-yielding projects. Good visibility on new acquisition opportunities

Strategy to ensure income growth prospects in 3-5 years are as good as they are today

FOUR LONGER-TERM OBJECTIVES (2-5 YEARS)

- Release £2bn of capital from offices
- Deliver low/mid single digit LFL NRI growth p.a.
- Establish £2bn+ residential platform
- Scale back office-led development by at least half

WHAT WE HAVE DONE SO FAR

- Ahead of schedule having sold £346m of offices during FY26
- Set target retail income growth of 4.5-7.0% CAGR
- Progressing schemes. Positive engagement from public sector
- Completed Timber Square. Committed development exposure will be down to £0.2bn by the end of the summer



KEY PERFORMANCE INDICATORS

Our KPIs are aligned to our strategy and our aim to deliver long-term value creation. They provide direction for our people, and offer clear links to remuneration.

PROGRESS KEY

● Achieved ● Not Achieved

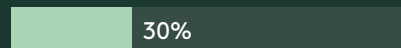
1. See Directors' Remuneration Report page 70 for further details on EPRA performance.
2. For FY27, Group LTV will be replaced by net debt to EBITDA.

EPRA EARNINGS**HOW WE MEASURED IT**

The target is set in line with our five-year plan and annual budget

LINK TO REMUNERATION
(% of annual bonus)**PERFORMANCE IN FY26**
(EPRA earnings)**LFL NET RENTAL INCOME****HOW WE MEASURED IT**

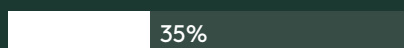
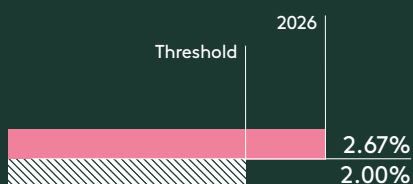
The target is set in line with our five-year plan and annual budget

LINK TO REMUNERATION
(% of annual bonus)**PERFORMANCE IN FY26**
(LFL net rental income growth)**GROUP LTV²****HOW WE MEASURED IT**

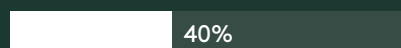
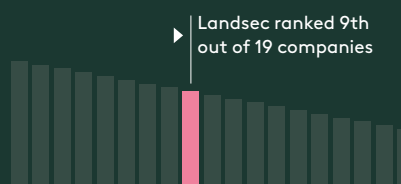
Adjusted net debt divided by the value of our total property portfolio

LINK TO REMUNERATION
(% of annual bonus)**PERFORMANCE IN FY26**
(Group LTV)**TOTAL RETURN ON EQUITY****HOW WE MEASURED IT**

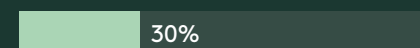
Three-year growth in EPRA NTA per share adjusted for dividend payments

LINK TO REMUNERATION
(% of LTIP award FY26)**PERFORMANCE 1 APRIL 2023 – 31 MARCH 2026****TOTAL SHAREHOLDER RETURN****HOW WE MEASURED IT**

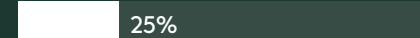
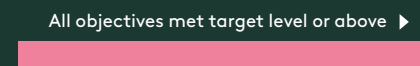
Three-year TSR performance relative to selected constituents of the EPRA 350 Real Estate Index

LINK TO REMUNERATION
(% of LTIP award FY26)**PERFORMANCE 1 APRIL 2023 – 31 MARCH 2026****STRATEGIC OBJECTIVES****HOW WE MEASURED IT**

Includes personal strategic and ESG measures

LINK TO REMUNERATION
(% of annual bonus)

(% of LTIP award FY26)

**PERFORMANCE IN FY26**



OPERATING AND PORTFOLIO REVIEW

We have created a unique, high-quality real estate portfolio which produces £624m of annualised rental income and offers potential for material income growth. This combined portfolio was valued at £10.8bn as of March and comprises the following segments:

OFFICE-LED PLACES	50%	RETAIL-LED DESTINATIONS	41%	RESIDENTIAL-LED PLACES	2%	OTHER ASSETS	7%
Our well-connected, high-quality office-led portfolio, which includes ancillary retail and other commercial space, principally focused on multi-let assets in a small number of key areas in the West End (61% of value), City & Southwark (33%) and Greater Manchester (6%).		Our investments in a select number of shopping centres and retail outlets, around 85% of which sit in the top 1% highest selling retail destinations in the UK.		Our investments in four future development projects in London and Greater Manchester, two of which still have a meanwhile use as retail, with planning consent or allocation for c. 9,000 new homes.		Assets in sectors where we have limited scale or competitive advantage and which we therefore plan to divest over time, principally comprising retail and leisure parks.	

KEY OBJECTIVES UNDERPINNING OUR STRATEGY

Over time, income growth is the main driver of value growth in both real estate and equity markets, so the overarching objective of the strategy we announced just over a year ago is to deliver sustainable growth in income and EPS, both in the near and long term.

Supporting this are nine key objectives we set out a year ago – five for the short to medium term (i.e. 1-3 years) and four for the medium to long term (i.e. 2-5 years). The distinction between these timeframes is deliberate, as this distinguishes between what will drive EPS growth in the near term vs our objectives in terms of capital allocation which are expected to underpin growth in income and EPS in the long term. One year into this five-year plan, the momentum on delivering on our objectives is positive.

In the near term, most of our EPS growth will be driven by our existing platform and the assets we own today. This is what our first five objectives are built on and where we are well on track:

- We continue to capture the growing reversion in our office/retail portfolio, with uplifts on relettings and renewals up to 15% vs 8% in the prior year and growth in like-for-like net rental income of 4.6%;

- We reduced overhead costs by 15% to £62m, one year ahead of our initial target to reduce costs to less than £65m by FY27, marking a 26% reduction since FY23;
- We have released £72m of capital from pre-development assets and expect to make further progress towards our three-year target to release £0.3bn of capital from this in the current year;
- We have exited 33% of our retail and leisure parks, which released £261m of capital from assets which generated no real like-for-like income growth, whilst the income yield we sold at was c. 100-150bps lower than income returns for major retail destinations;
- We aim to grow our major retail platform by a further c. £1bn through c. £0.2bn of investments in our existing assets and c. £0.8bn acquisitions and, having invested £50m in high-yielding projects and consolidating ownerships over the past year, we have good visibility on new acquisition opportunities.

This means our existing portfolio and platform are well placed to drive EPS growth in the near term. As such, our decisions on development and capital recycling are about making sure that in a few years' time, our asset mix is such that we are as confident about the income growth prospects of our

portfolio then, as we are about our current portfolio today. This is what our four longer-term objectives are built on:

- Our aim to deliver low to mid-single digit like-for-like income growth p.a. is supported by an acceleration in ERV growth, as supply of high-quality retail and office space remains constrained;
- We plan to release £2bn of capital employed from offices, which we initially envisaged for FY27-FY30, yet ahead of schedule, we have already sold £346m during FY26;
- We have already reduced office-led development by c. 50%, in line with our objective, as development commitments are down from £1.1bn to £0.6bn and will come down further to c. £0.2bn by mid-2026. We do not expect to commit any meaningful further capital to development in the next c. 18 months and intend to maintain structurally lower on-balance sheet development exposure thereafter;
- We continue to make early-stage progress towards our medium-term objective of establishing a £2bn+ residential platform and we are seeing positive engagement from public sector partners on substantive plans to improve viability of the four sizeable, well-located schemes in our pipeline.



OPERATING AND PORTFOLIO REVIEW **CONTINUED**

CAPTURING REVERSION AND DRIVING LIKE-FOR-LIKE INCOME GROWTH

We have delivered another year of strong performance against this key objective. Like-for-like net rental income was up 4.6%, with high growth in both offices and retail. Occupancy increased 80bps on a like-for-like basis to a two-decade high of 98.0% and rental uplifts on relettings/renewals across the two main parts of our portfolio virtually doubled to 15%, up from 8% in the prior year.

On a like-for-like basis, our gross to net margin was up 1.6ppt due to a continued focus on cost efficiencies. As overall ERV growth accelerated to 6.4%, up from 4.2% in the prior year, this means the potential for continued income growth in the future is clear. Given our strong leasing pipeline, we therefore expect the positive momentum across these metrics to be sustained in the year ahead.

Since FY22, sales growth across our portfolio has outperformed the UK national average by a cumulative 19ppt and this gap continues to widen. With annual footfall of 170 million and a consumer reach of one in four people in the UK, we provide brands with access to more footfall and a larger consumer reach than any other retail platform in the UK. Supported by the unique data and insights this offers us, we continue to invest in creating the best experience, creating a virtuous circle of growing footfall driving higher sales, which in turn attract the best brands, which then attract more footfall, and so on.

The success of this translates into strong growth in income. Occupancy is up 100bps to 97.7%, which is the highest level in more than 20 years and resulting in growing rental tension. We signed 250 leases totalling £36m of rent on average 10% above ERV, which resulted in 5.8% ERV growth over the year – the highest growth in two decades. Rental uplifts vs previous passing rent on relettings and renewals more than doubled to 15%, compared to 7% for FY25 and 1% in FY24, underlining the rapidly growing reversionary potential in our portfolio. As a result, like-for-like net rental income increased by 5.5%.

We have a record leasing pipeline, with £13m of lettings in solicitors' hands on average 14% ahead of ERV and, in the case of relettings and renewals, 13% above previous passings rent. Our portfolio is nearly full and with new supply effectively non-existent, during the year we set out a target to deliver 4.5-7% CAGR in income across our existing retail platform over the coming years. This reflects a combination of capturing the growing reversion across our portfolio and growth in turnover income (3-4%), growth in commercialisation income such as digital media, events and EV charging (0.5-1%) and the investment of up to c.£200m in smaller accretive capex projects (1-2%).

RESIDENTIAL-LED PLACES (2% OF INCOME)

The income in this part of our portfolio currently solely reflects the income on our existing retail assets at Finchley Road and Lewisham, which are managed with a view on maintaining development optionality for future residential development. Overall, net income on a like-for-like basis was flat year-on-year.

LIKE-FOR-LIKE INCOME GROWTH

TABLE 4

	Net rental income £m	LFL net rental income growth %	LFL occupancy change ppt	Gross to net margin %	LFL change in GtN margin ppt
Office-led	295	6.0	0.3	91.0	1.7
Retail-led	210	5.5	1.0	82.7	2.8
Residential-led	7	nm	3.0	nm	nm
Other assets	50	(4.4)	(1.5)	90.6	0.7
Total Combined Portfolio	562	4.6	0.8	87.1	1.6

OFFICE-LED PLACES (50% OF INCOME)

Demand for high-quality office space in locations that offer the right amenities and transport connectivity remains robust, which is driving meaningful rental growth across our assets. For example, across our entire 2.3m sq ft Victoria estate we only have one 20k sq ft floor available, with rents on recent lettings now over £100psf and negotiations on the latest space we are delivering here significantly ahead of this. The upward pressure on rents is further exacerbated by meaningful amounts of office space being taken out of the market, for example for residential or hotel conversion.

Driven by the strong performance of our operations and leasing teams, our occupancy remains market-leading, up 30bps to 98.6% – the highest level in over a decade and materially outperforming the overall London office market at 93.3%. We completed 53 lettings and renewals during the year totalling £20m of rent, on average 7% ahead of ERV. As our portfolio is effectively full, we have little space to lease, yet we have a further £1m of lettings in solicitors' hands, 7% above ERV. Uplifts on relettings and renewals during the year were 14%, so alongside operating cost savings and growth in MYO income, this drove 6.0% LFL rental income growth. ERV growth increased to 7.1%, which represents the highest level in ten years, so our reversionary potential now stands at 17%.

This will support continued growth in LFL rental income in the next few years, although we expect this to be at more normalised level than over the past year, as our virtually full occupancy means capturing reversion is now chiefly reliant on lease events.

In October, we opened our seventh MYO flex office, located next to King's Cross station. This is already 75% let, with leasing principally driven by a combination of international AI and technology-led businesses, and we expect this to be substantially full by the summer. Occupancy across our stabilised MYO portfolio is 84% and rents achieved were in line with budget. In total, MYO now makes up 5% of our income in our office-led business.

RETAIL-LED PLACES (41% OF INCOME)

The top 1% of all UK shopping destinations provide access to c.31% of the country's in-store, non-food retail spend, offering brands higher sales densities and productivity than other formats. Around 85% of our retail assets sit in this top 1%, which underpins their continued outperformance. Total sales across our portfolio of £2.8bn were up 6.3% vs the prior year, with footfall up 2.7% – both materially ahead of the BRC benchmarks of 1.1% and 0.1% respectively, as our locations continue to gain market share.



OTHER ASSETS (7% OF INCOME)

Having sold the majority of our retail parks during the year, LFL occupancy across our residual retail and leisure parks was down

150bps to 97.0% and, reflecting this, like-for-like income for the period was down 4.4%. This also reflects the impact of a reduction in rent on five cinema leases during the prior year, but this performance has stabilised since.

OPERATIONAL PERFORMANCE					TABLE 5
	Annualised rental income £m	Net estimated rental value £m	EPRA occupancy ¹ %	LFL occupancy change ¹ ppt	WAULT ¹ Years
West End offices	136	192	98.7	(0.3)	6.1
City/Southwark offices	90	113	98.9	1.9	7.9
Manchester offices	28	30	96.3	2.9	4.0
Retail and other	57	58	99.3	1.1	5.9
Developments	–	91	nm	nm	nm
Total Office-led	311	484	98.6	0.3	6.4
Shopping centres	206	214	97.6	1.1	4.6
Outlets	49	54	98.2	0.7	2.9
Total Retail-led	255	268	97.7	1.0	4.3
Developments	11	27	91.1	3.0	7.9
Total Residential-led	11	27	91.1	3.0	7.9
Retail and leisure parks	47	49	97.0	(1.5)	8.3
Total Other assets	47	49	97.0	(1.5)	8.3
Total Combined Portfolio	624	828	98.0	0.8	5.7

1. Excluding developments.

RELEASING CAPITAL FROM LOWER-RETURNING ASSETS

With £705m of disposals, we have made strong progress on our objective to release c. £3bn of capital over a five-year period from lower-returning offices, retail/leisure parks and pre-development assets.

Our largest disposal was the sale of Queen Anne's Mansions (QAM) for £245m. This Victoria office block has been fully let to the Government since the 1970s, but the Government intend to vacate the property once their lease expires in December 2028. Given its age, the majority of the valuation was linked to the asset's redevelopment potential, with the balance of value stepping down in line with the receipt of rental income over the remainder of the current lease. As such, this asset generated a c. 0% total return. We also sold two smaller London assets for £101m, reflecting a net effective income yield of 4.9%, and continue to explore opportunities to recycle further capital from assets where upside is modest.

Across retail and leisure parks, we sold four assets for a combined £261m, making up one-third of this portfolio. The 6.4% net rental income yield on these was reasonable, albeit c. 100-150bps below major retail destinations and LFL income growth is far lower. We expect fewer disposals from this segment in the next 12 months, as the income profile of most remaining parks is more attractive.

As part of our objective to reduce the c. £700m of capital employed in pre-development assets we had at the start of the year by around half over a three-year period, we sold two sites in Southwark, releasing £72m of capital which generated a net income yield of -0.4%. We expect to make further progress on releasing capital from this part of our portfolio over the next 12 months.

Overall, our disposals over the past year released £705m of capital from assets which generated limited or no return at a cost to overall NTA of 1.1%. The residual finance lease income on QAM which would have been received as income over FY25 and FY26 has now been received as a cash capital receipt on sale, but aside from this, the overall EPS impact of these disposals was a minimal -0.4%.

ACQUISITIONS

Having made £720m of acquisitions in the prior year, we invested just £80m in acquisitions over the past year. In November, we spent £48m on a newly developed office in Oval we agreed to forward-purchase in the summer of 2021, with a further £10m consideration deferred for up to 24 months. Earlier in the year, we also increased our stake in Liverpool ONE from 93.7% to 96.5% at a cost of £15m.

DEVELOPMENT AND INVESTMENTS IN OUR EXISTING ASSETS

During the year we invested £445m in capex, including £217m for our on-site office developments in Victoria, Southwark and Manchester, £21m for repositioning traditional

office space to MYO flex space and £48m in pre-development assets, but spend across all this will come down materially from here. We also invested £147m across the rest of our portfolio, including £64m for smaller projects, leasing and maintenance across in retail, and £74m in office, including £24m for our net zero investment programme.

CURRENT PROJECTS

We are now close to completing our speculative London office development programme, which is seeing strong customer interest. Our Timber Square development (£33m ERV) completed recently and is 54% let to BP as their new global HQ, with active customer interest covering double the remaining space. Our new MYO in King's Cross (£8m ERV) completed in October and is already 75% let, driven principally by various AI and technology businesses. We expect this to be substantially let by the summer. The small, newly completed office in Oval we acquired in November as part of a forward purchase agreed in 2021 (£4m ERV) is 10% let, with a further 45% in advanced negotiations.

Following the completion of Timber Square, our second major project, Thirty High, is on track for sectional completion during the summer. Given its smaller floor plates and premium tower space offer, we always envisaged that this would predominantly lease up post completion. With that date nearing, we have active customer interest covering almost 100% of the space and expect this to translate into strong leasing activity in the next couple of months. Reflecting the strength of this interest, the ERV on the project increased by 17% to £35m.

Once fully let, these four projects are expected to produce c. £63m of annualised rental income on a net effective basis. However, there is an incremental £43m of interest associated with the investment in these projects which will no longer be capitalised post completion, so we assume this to result in a c. £6-8m drag on earnings in our FY27 guidance. This impact is temporary, as this incremental interest expense will be more than offset by rental income once these projects are let. Given the strong interest and leasing progress to date, we remain confident our projects will lease up within c. 12 months post completion, which should drive strong growth in earnings in FY28.

Following the completion of Timber Square, our committed development exposure is down from £1.1bn to £0.6bn, in line with our strategic objective to reduce office development exposure by c. 50%. This will come down further over the next few months as after the completion of Thirty High, our only committed office project is our £154m development at Mayfield, Manchester.



OPERATING AND PORTFOLIO REVIEW CONTINUED

We are also on site with £43m of smaller, high-yielding retail projects, including the repositioning of the former House of Fraser department store at Bluewater for

a new 133,000 sq ft Next store; the extension of Primark's store at White Rose, Leeds to double its footprint; and the creation of a new social eating destination at

Trinity, Leeds. As a result, our total committed development capex is down to £185m.

COMMITTED PIPELINE

TABLE 6

Project	Sector	Size sq ft '000	Estimated completion date	ERV £m	Market value £m	Costs to complete £m	TDC £m	Gross yield on TDC %
Thirty High, SW1	Office	299	Q2 FY27	35	436	57	446	7.8
Republic, Manchester	Office	246	Q4 FY28	13	38	107	154	8.3
Various projects	Retail	292	Various	4	N/A	21	43	9.8
Total		837		52		185	643	8.1

POTENTIAL FUTURE PIPELINE

Based on our capital allocation framework, investment in major retail destinations remains most attractive in our view, both from a near as well as medium-term impact on income and EPS. As such, we do not plan to commit any meaningful balance sheet capital to new development for the next c.18 months.

For office development, we believe returns do not offer sufficient upside relative to the returns we expect on our high-quality existing office assets. Whilst higher rental growth could improve development returns, we would also benefit from this market growth via our existing £7.0bn office portfolio. Taking into account the higher level of risk in development, this means we see little upside in selling our high-quality existing offices to redeploy the same balance sheet capital into funding the development of new ones.

In residential the argument for development is more nuanced, as this would shift our portfolio mix towards the higher income growth and lower cyclicalities we are aiming for in the long run. Currently, development returns are not sufficient yet given the attractive long-term characteristics and political support towards improving viability, this remains an option we think is worth pursuing, especially as capital employed is low and capex remains limited for the time being.

During the year, we secured a resolution to grant detailed planning consent for the first phase of 879 homes at Mayfield, adjacent to Manchester's main train station, and a resolution to grant a part outline and part detailed planning consent for our 2,800 homes scheme in Lewisham, south-east London. Combined with the existing outline and part detailed consent for 1,800 homes at Finchley Road, north London and our site at MediaCity, Greater Manchester which has an allocation

for 2,700 homes, we therefore now have four projects which could deliver c.9,000 homes over the next decade.

Each of our projects benefits from strong transport connections, scale, and a demonstrable need for more housing. Encouragingly, public sector policy is becoming more supportive in terms of improving viability, e.g. with the announcement in London of a reduction in affordable housing requirements from 35% to 20%, a 50% reduction in the Community Infrastructure Levy, and less onerous design requirements. Our focus is on securing these and other policy benefits, which could lead to an improved outlook returns in the future, as this could add c.50-75bps to current net yields on cost of c.5.0%. Still, for now, capex spend on these projects will be very limited, as taking into account detailed design works, Building Safety Act approvals, and site preparation, the earliest starts on site would not be before late 2027.

PRE-DEVELOPMENT ASSETS

TABLE 7

Project	Current capital employed £m	Proposed sq ft '000	Proposed new homes	Indicative TDC £bn	Potential start date	Planning status
Office-led						
Old Broad Street, EC2					n/m	Consented
Liberty of Southwark, SE1					n/m	Consented
Hill House, EC4					n/m	Consented
Nova Place, SW1					n/m	Consented
Timber Square Phase 2, SE1					n/m	Consented
Total	c.250	1,350		1.9		
Residential-led¹						
Mayfield, Manchester			1,700	0.9	2027	Consented
Finchley Road, NW3			1,800	1.2	2027	Consented
Lewisham, SE13			2,800	1.5	2028	Consented
MediaCity Phase 2, Salford			2,700	n/m	n/m	Design
Total	c.270		9,000	3.6		
Other opportunities	c.90	n/m	n/m			Various
Total	c.610					Various

1. Indicative figures given multi-phased nature of schemes; subject to change depending on final scope, planning and design.



Irrespective of sectors, we are mindful of the negative impact on our risk-profile and EPS growth of having large amounts of capital tied up in development for prolonged periods. Looking forward, we therefore plan to keep our exposure to committed development closer to about half of the c. £1bn it has been over the last five years via a mix of lower activity levels and working with capital partners on certain projects.

EXTERNAL PORTFOLIO VALUATION

Successfully delivering sustainable income growth over time underpins longer-term growth in property values, even though in the short term values will be affected by changes in valuation yields. Yields were virtually stable over the year and our strong leasing activity saw ERV growth accelerate to 6.4%, so

taking into account two specific movements in our office-led portfolio, overall values were up 1.2% for the year, weighted entirely to the second half.

The valuation of our office portfolio was virtually stable, as the upside from strong 7.1% ERV growth was offset by a 14bps rise in valuation yields plus two specific factors. This includes the impact of the increase in business rates at Piccadilly Lights we highlighted at the half year, plus the impact of a rise in build cost, mostly on development assets. Combined, these two factors resulted in a 1.6% reduction in overall office-led valuations. The valuation of our retail-led portfolio was up 4.6%, with 5.8% ERV growth and valuation yields down marginally. The valuation of our future residential

developments and our residual retail and leisure parks was broadly stable, at 0.1% and 1.0% respectively.

During the year, we saw a steady pick-up in investment activity in London and major retail, with growing investor interest in both. The strength in occupational demand for best-in-class assets and hence positive outlook for capturing rental growth means yields for such assets continue to look attractive relative to real interest rates, yet we are mindful that the renewed volatility in interest rates globally over the last few months could slow down investor decision-making. As customer demand remains robust, we expect that ERV growth for offices and retail will be around the mid-single digits this year.

TABLE 8

VALUATION OVERVIEW								
	Market value £m	Surplus/ (Deficit) £m	Valuation change %	LFL rental value change ¹ %	Net initial yield %	Topped up net initial yield %	Equivalent yield %	LFL equivalent yield change bps
West End offices ²	2,930	29	1.1	7.3	3.9	5.0	5.6	15
City offices and Southwark offices	1,481	27	1.9	7.2	5.0	5.6	6.2	6
Manchester offices	303	6	2.0	3.3	6.9	6.9	8.2	21
Retail and other ^{1,2}	1,032	(12)	(1.2)	7.6	4.7	4.7	4.8	(14)
Developments	1,273	(57)	(4.3)	n/a	0.0	0.0	5.7	n/a
Total Office-led	7,019	(7)	(0.1)	7.1	4.5	5.3	5.9	14
Shopping centres	2,293	103	4.8	6.5	7.1	7.9	7.7	(7)
Outlets	662	23	3.7	3.7	6.1	6.7	6.7	(19)
Total Retail-led	2,955	126	4.6	5.8	6.6	7.2	7.1	(10)
Developments	318	0	0.1	1.7	4.1	4.5	6.5	n/a
Total Residential-led	318	0	0.1	1.7	4.1	4.5	6.5	n/a
Retail and leisure parks	544	5	1.0	6.1	7.1	7.7	8.2	7
Total Other assets	544	5	1.0	6.1	7.1	7.7	8.2	7
Total Combined Portfolio	10,836	124	1.2	6.4	5.4	6.1	6.3	3

1. Rental value change excludes units materially altered during the period.

2. Includes owner-occupied property.

GROWING IN A SUSTAINABLE WAY

As we grow income and EPS, it is important our growth is sustainable in all aspects.

We target to reduce direct and indirect greenhouse gas emissions by 47% by 2030 vs 2019/20, including all of our Scope 1, 2 and 3 emissions, and reach net zero by 2040. So far, we have reduced our emissions by 33% vs our 2019/20 baseline. We also target to reduce energy intensity by 52% by 2030 vs 2019/20 and with a 7% reduction over the past 12 months, we have again made significant progress on this. As such, we remain on track vs our 2030 target, with a 27% reduction vs this baseline so far.

As part of this, we are in the process of introducing AI smart building technology across 20 of our assets to transform how they are managed and experienced. The automation and intelligent diagnostics this provides enables smarter decision-making on energy management, which has led to c. 10%

reduction in energy consumption and energy costs for the eight properties where this technology is already live.

In 2021, we set out a net zero transition investment plan to ensure all our assets would meet a Minimum Energy Efficiency Standard of EPC 'B' by 2030. The cost of this is reflected in our valuations and having finished the first retro-fit of air source heat pumps during the prior year, we completed the retro-fit of further air source heat pumps at Palace Street and One New Change last year. As such, 68% of our overall portfolio is now rated EPC 'B' or higher, up from 56% in March. In office, 73% of our portfolio is rated EPC 'B' or higher.

Our pipeline of future developments is tracking a 39% reduction in embodied carbon vs a typical development, but there is a limit to how much of a further reduction is economically achievable,

as customers and investors are more focused on energy efficiency in buildings than embodied carbon.

Finally, through our Landsec Futures programme, we continue to improve social mobility in real estate and tackle issues local to our assets. To date, this has created career pathways for 22 interns and supported 14 real estate bursaries. From our 2019/20 baseline, we have so far created £147m of social value and empowered 19,049 people towards the world of work.



FINANCIAL REVIEW



VANESSA SIMMS
CHIEF FINANCIAL OFFICER

PRESENTATION OF FINANCIAL INFORMATION

The condensed consolidated preliminary financial information is prepared under UK adopted international accounting standards (IFRSs and IFRICs) where the Group's interests in joint ventures are shown collectively in the income statement and balance sheet, and all subsidiaries are consolidated at 100%. Internally, management reviews the Group's results on a basis that adjusts for these forms of ownership to present a proportionate share. The Combined Portfolio, with assets totalling £10.8bn, is an example of this approach, reflecting our economic interest in our properties regardless of our ownership structure.

Our key measure of underlying earnings performance is EPRA earnings, which represents the underlying financial performance of the Group's property rental business, which is our core operating activity. A full definition of EPRA earnings is given in the Glossary. This measure is based on the Best Practices Recommendations of the European Public Real Estate Association (EPRA), which are metrics widely used across the industry to aid comparability and includes our proportionate share of joint ventures' earnings. Similarly, EPRA Net Tangible Assets per share is our primary measure of net asset value.

Measures presented on a proportionate basis are alternative performance measures as they are not defined under IFRS. This presentation provides additional information to stakeholders on the activities and performance of the Group, as it aggregates the results of all the Group's property interests which under IFRS are required to be presented across a number of line items in the statutory financial statements. For further details see table 73 in the Business analysis section.

HIGHLIGHTS

£382m

EPRA EARNINGS¹
(2025: £374m)

£346m

IFRS PROFIT BEFORE TAX
(2025: £393m)

51.4p

EPRA EARNINGS PER SHARE¹
(2025: 50.3p)

46.2p

BASIC EARNINGS PER SHARE
(2025: 53.3p)

£10,836m

COMBINED PORTFOLIO^{1,2}
(2025: £10,880m)

£6,537m

IFRS NET ASSETS
(2025: £6,532m)

5.6%

TOTAL ACCOUNTING RETURN
(2025: 6.4%)

41.2p

DIVIDEND PER SHARE
(2025: 40.4p)

38.7%

GROUP LTV RATIO¹
(2025: 39.3%)

£4,215m

ADJUSTED NET DEBT¹
(2025: £4,304m)

882p

EPRA NET TANGIBLE ASSETS PER SHARE¹
(2025: 874p)

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information in the Financial Review.

2. Includes owner-occupied property and non-current assets held for sale.



OVERVIEW

Our performance against our primary objective to deliver sustainable income and EPS growth has been positive. EPRA earnings are up £8m to £382m despite the -£7m impact from the sale of QAM, which turned future finance lease income into a capital receipt on sale. This earlier than expected sale was not part of our initial plan, so adjusted for the 1.8% EPS impact of this, our 2.2% reported EPRA EPS growth for the year was at the very top end of our c.2-4% guidance.

This positive result was driven by another year of strong operational performance, with occupancy up 80bps to a two-decade high of 98.0% and rental uplifts on relettings and renewals rising to 15%, up from 8% over the prior year. As such, we delivered 4.6% growth in like-for-like net rental income, well ahead of our initial c.3-4% guidance and resulting in a £21m increase in like-for-like income. Meanwhile, our consistent focus on driving further efficiencies meant overhead costs were down £11m, or 15%, so our overhead costs are now at the lowest level in more than 20 years. As a result, our dividend is up 2.0% to 41.2 pence, comfortably in line with our policy of a 1.2-1.3x dividend cover on an annual basis.

Our successful leasing drove 6.4% ERV growth, so our reversionary potential continues to grow, and the external valuation

of our portfolio was up 1.2%. The shortfall vs book value on the sale of £705m of low-returning assets meant IFRS profit before tax was £346m yet NTA per share was up 0.9% for the year and 2.2% in the second half, which means our total accounting return for the year was 5.6%.

Customer demand for our best-in-class space remains strong, which is set to drive further income growth. Supported by our lower cost base and a reduction in capital employed in development, this consistent top line growth will increasingly flow through to an acceleration in EPS growth in the near and medium term.

For FY27, we expect EPRA EPS to be stable vs the 51.4 pence in FY26, in line with our previous guidance, as underlying growth is offset by the 4% impact of the full-year effect of the sale of QAM. For FY28, based on current momentum, we expect EPS to grow by a high single digit percentage, driven by the lease-up of our current London office pipeline and continuing to capture the growing reversion in our portfolio. Beyond that, we continue to see the potential for EPS to grow to c.62 pence by FY30, implying c.5% CAGR over the next four years, c.80% of which is driven by our current portfolio and platform.

All this remains underpinned by our clear commitment to retain a strong balance

sheet. We reduced our adjusted net debt by £89m to £4.2bn over the year, so our LTV is down 60bps to 38.7% and our current net debt/EBITDA is 8.4x. We also decided to move to a structurally lower level of development activity in the future and are not planning to start any meaningful new developments for the next c.18 months. As such, our committed development exposure is set to reduce to less than 2% of our portfolio value in a few months' time, down from 8% a year ago. Moreover, as our recent projects start to produce income, we expect net debt/EBITDA to reduce to below 7x within the next two years and we expect our LTV to reduce to below 35% over time. With an average debt maturity of 8.6 years, modest £185m committed development capex, and no need to refinance any debt until 2028, this means our capital base remains strong.

INCOME STATEMENT

We delivered good progress on our objective to deliver sustainable income and EPS growth. Net rental income was up £10m, as strong like-for-like growth across our best-in-class portfolio more than offset the fact that the recovery of bad/doubtful debt provisions was £9m lower than in the prior period. Net finance expenses increased in line with the increase in average borrowings, but this was offset by a reduction in administrative expenses so EPRA earnings of £382m were £8m ahead of the prior period, despite the £7m impact from the sale of QAM.

INCOME STATEMENT¹

TABLE 9

	Year ended 31 March 2026					Year ended 31 March 2025					
	Office-led £m	Retail-led £m	Residential-led £m	Other assets £m	Total £m	Office-led £m	Retail-led £m	Residential-led £m	Other assets £m	Total £m	Change £m
Gross rental income ²	324	255	12	53	644	323	215	12	74	624	20
Net service charge expense	–	(4)	(1)	(1)	(6)	(4)	(5)	–	(2)	(11)	5
Net direct property expenditure	(29)	(40)	(4)	(4)	(77)	(26)	(37)	(2)	(8)	(73)	(4)
Net other operating income	(1)	–	–	–	(1)	1	–	–	–	1	(2)
Movement in bad/doubtful debts provisions	1	(1)	–	2	2	1	7	1	2	11	(9)
Segment net rental income	295	210	7	50	562	295	180	11	66	552	10
Net administrative expenses					(62)					(73)	11
EPRA earnings before interest					500					479	21
Net finance expense					(118)					(105)	(13)
EPRA earnings					382					374	8
Capital/other items											
Valuation surplus ³					122					107	15
Loss on disposals					(105)					(18)	(87)
Impairment charges					(3)					(26)	23
Fair value movement on derivatives					(9)					(38)	29
Other					(42)					(6)	(36)
Profit before tax attributable to shareholders of the parent					345					393	(48)
Non-controlling interests					1					–	1
Profit before tax					346					393	(47)

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information above.

2. Includes finance lease interest, after rents payable.

3. Excludes valuation surplus on owner-occupied property which is recognised within Other comprehensive income.



FINANCIAL REVIEW CONTINUED

NET RENTAL INCOME

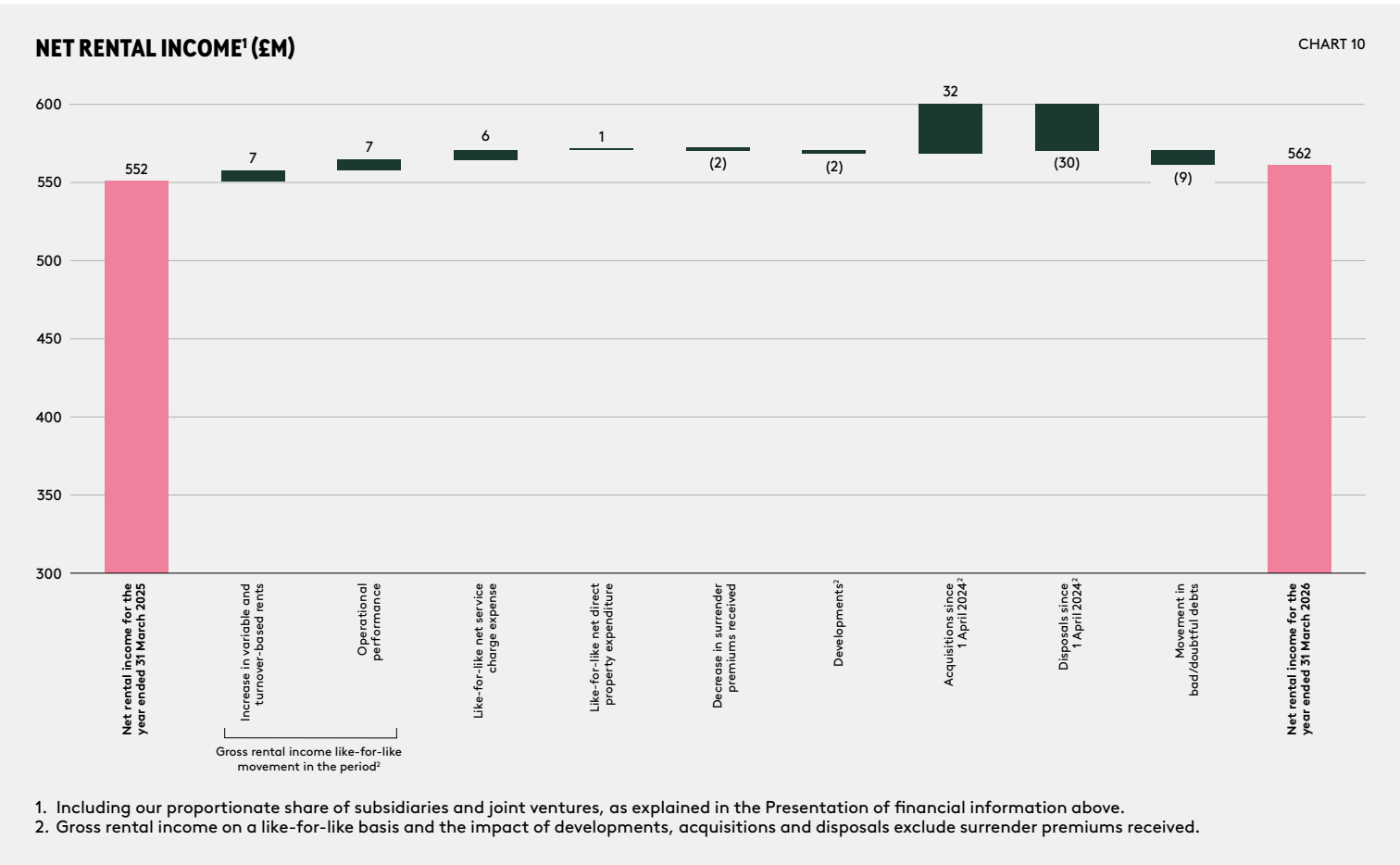
Our gross rental income was up £20m to £644m, principally driven by like-for-like growth. This was partly offset by the sale of QAM in December, which reduced income for the year by £10m and will impact FY27 income by a further £22m. The principal reason for this is that we received the residual finance lease income that runs until December 2026 as a capital receipt on sale, rather than as income across the rest of 2025 and 2026. Still, overall cash proceeds are effectively the same and the sale released £245m of capital which effectively generated zero total return, as the value of the building reduced in line with the receipt of every remaining rental payment until it is vacated in late 2028.

Gross rental income included £4m of surrender receipts, which was slightly below the £6m in the prior year. In line with the expectation we set out at the start of the year, the release of bad and doubtful debt provisions was down to £2m, as the prior year saw a £5m increase in this figure, principally related to the recovery of outstanding debts on assets that had previously been managed externally and we had started to manage in house.

Reflecting the above, our overall net rental income was up £10m to £562m, yet on a like-for-like basis net rent was up £21m, or 4.6%. This was well ahead of our initial c.3-4% guidance for the year and in line with our increased guidance of c.4-5% growth at the half year, reflecting our strong leasing, with increased occupancy, positive uplifts on relettings and renewals, and growth in

turnover income. Our focus on costs meant net service charge expenses and direct property expenditure were down £1m, even though top-line income was up £20m. Adjusted for movements in the recovery of bad and doubtful debt provisions, this meant our gross to net margin improved by 0.6ppt to 87.1%.

As the outlook for customer demand remains positive, reflected in our growing reversionary potential, we expect like-for-like net rental income to grow by a further c.3-5% this financial year. As our office portfolio is 99% full, like-for-like growth in this part of our portfolio is expected to moderate vs last year's 6.0%, as capturing reversion is now effectively reliant on lease events, yet we expect like-for-like growth in retail to remain in the mid-single digits.





NET ADMINISTRATIVE EXPENSES

We reduced net administrative expenses by a further £11m to £62m. This was well ahead of our guided cost reduction for the year of costs below £70m and, in fact, already below the target we set a year ago for overhead costs to reduce to less than £65m by FY27. As a result, our overhead costs are now at the lowest level in 20 years and down 26% since FY23.

The material reduction in costs principally reflects the benefits of the new data and tech systems we implemented towards the end of FY25. Over the past year, we have started to see significant efficiencies across several core business processes as a result, e.g. by automating the legal lease contract to billing process, and automating and enhancing internal reporting. The latter provides us with more detailed insights and financial planning opportunities, which we expect to drive further value in the future. Linked to this, we also made several organisational changes. We expect further efficiencies to offset inflation, hence we expect overhead to remain in the low £60m's, which equates to c.55bps of our portfolio value and benchmarks well versus the wider UK REIT sector.

The reduction in net administrative expenses and improvement in gross to net margin during the year resulted in a 0.9ppt improvement in our EPRA cost ratio to 20.8%, although we remain of the view that this is not a measure which is overly useful in its own right. Assets with long leases to a single tenant naturally have lower operating costs than more operational assets such as, for example, residential or shopping centres, yet that does not mean they deliver better income returns or higher income growth. For us, the only thing which matters is the overall net income return, as that is what drives value for shareholders.

NET FINANCE EXPENSES

Net interest costs increased by £13m to £118m, which principally reflects the higher average level of net debt following the acquisitions of the final stake of MediaCity and Liverpool ONE in the second half of the prior year. We expect net debt to reduce over the next 12-18 months due to our planned capital recycling, but the benefit of this in terms of net finance expense to be offset by a reduction in capitalised interest following the completion of our London office developments.

Finance expense movements in Capital/other items include the fair value movements on derivatives, caps and hedging and which is not included in EPRA earnings, decreased from a net expense of £39m in the prior period to a net expense of £9m over the last 12 months. This is predominantly due to the fair value movements of our interest-rate swaps over the period.

VALUATION OF INVESTMENT PROPERTIES

The independent external valuation of our Combined Portfolio was up 1.2%, resulting in a £124m increase in value. Our strong leasing activity across our high-quality assets resulted in 6.4% ERV growth, but the upside from this was partly offset by some yield softening in offices and two specific factors related to business rates and build costs in our office-led portfolio, which reduced the valuation growth across our overall portfolio by 1.1%.

As we highlighted in November, the shortfall vs book value on disposals which we agreed in the first half and which completed in the second half has moved from being recorded as a valuation deficit in our half-year accounts to a loss on disposal in our full-year accounts. This now also reflects £22m for the ongoing unwind of the value of QAM, which at the half year was still reflected as a valuation deficit. These movements are the principal reason losses on disposals are up £50m since the first half, but are fully offset by the commensurate increase in valuation surplus, so had no impact on IFRS profit or net assets.

IFRS PROFIT AFTER TAX

Substantially all our activity during the period was covered by UK REIT legislation, which means our tax charge for the period remained minimal. The IFRS profit after tax of £344m reflects our growing EPRA earnings and £122m valuation surplus (excluding surplus on owner-occupied property), partly offset by one-off other costs described in the section below and the shortfall vs book value on a number of low-returning assets we sold during the year. This shortfall is also the principal reason IFRS profit after tax was below the £396m for the prior year.

NET ASSETS AND TOTAL ACCOUNTING RETURN

Including dividends paid, our total accounting return for the year was 5.6%, compared with 6.4% for the prior year. The main difference was due to the shortfall vs book value on the sale of a select number of assets which generated little or no return. The income return on NTA we generated was 5.8%.

After the £303m of dividends paid, EPRA Net Tangible Assets, which reflects the value of our Combined Portfolio less adjusted net debt, increased to £6,574m, or 882 pence per share. This was up 0.9% over the year and 2.2% since September, as growth was partly offset by the sale of £705m of low-returning assets which came at a cost to NTA of 1.1%, excluding the regular QAM value unwind. In addition, we recognised £12m of restructuring and integration costs; wrote off £12m of WIP on a potential future development opportunity; and made a number of other small adjustments impacting NTA in respect of certain property provisions totalling £3m.



FINANCIAL REVIEW CONTINUED

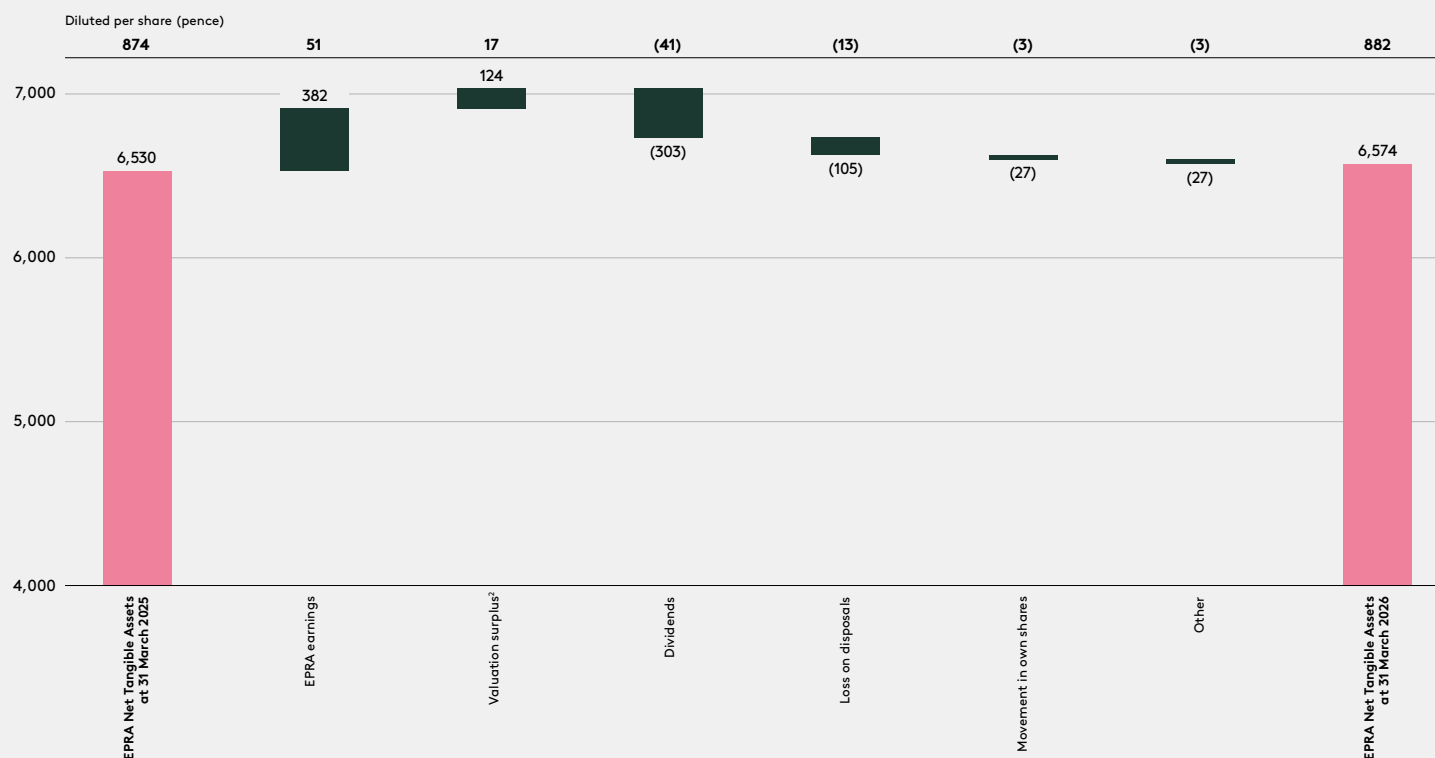
BALANCE SHEET ¹		TABLE 11	
		31 March 2026 £m	31 March 2025 £m
Combined Portfolio ²		10,836	10,880
Adjusted net debt		(4,215)	(4,304)
Other net liabilities		(47)	(46)
EPRA Net Tangible Assets		6,574	6,530
Shortfall of fair value over net investment in finance leases book value		6	8
Other intangible assets		1	2
Excess of fair value over trading properties book value		(48)	(27)
Fair value of interest-rate swaps		4	1
Net assets, excluding amounts due to non-controlling interests		6,537	6,514
Net assets per share		882p	877p
EPRA Net Tangible Assets per share (diluted)		882p	874p

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information above.

2. Includes owner-occupied property and non-current assets held for sale.

MOVEMENT IN EPRA NET TANGIBLE ASSETS¹ (£M)

CHART 12



1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information above.

2. Including valuation surplus on owner-occupied property.



NET DEBT AND LEVERAGE

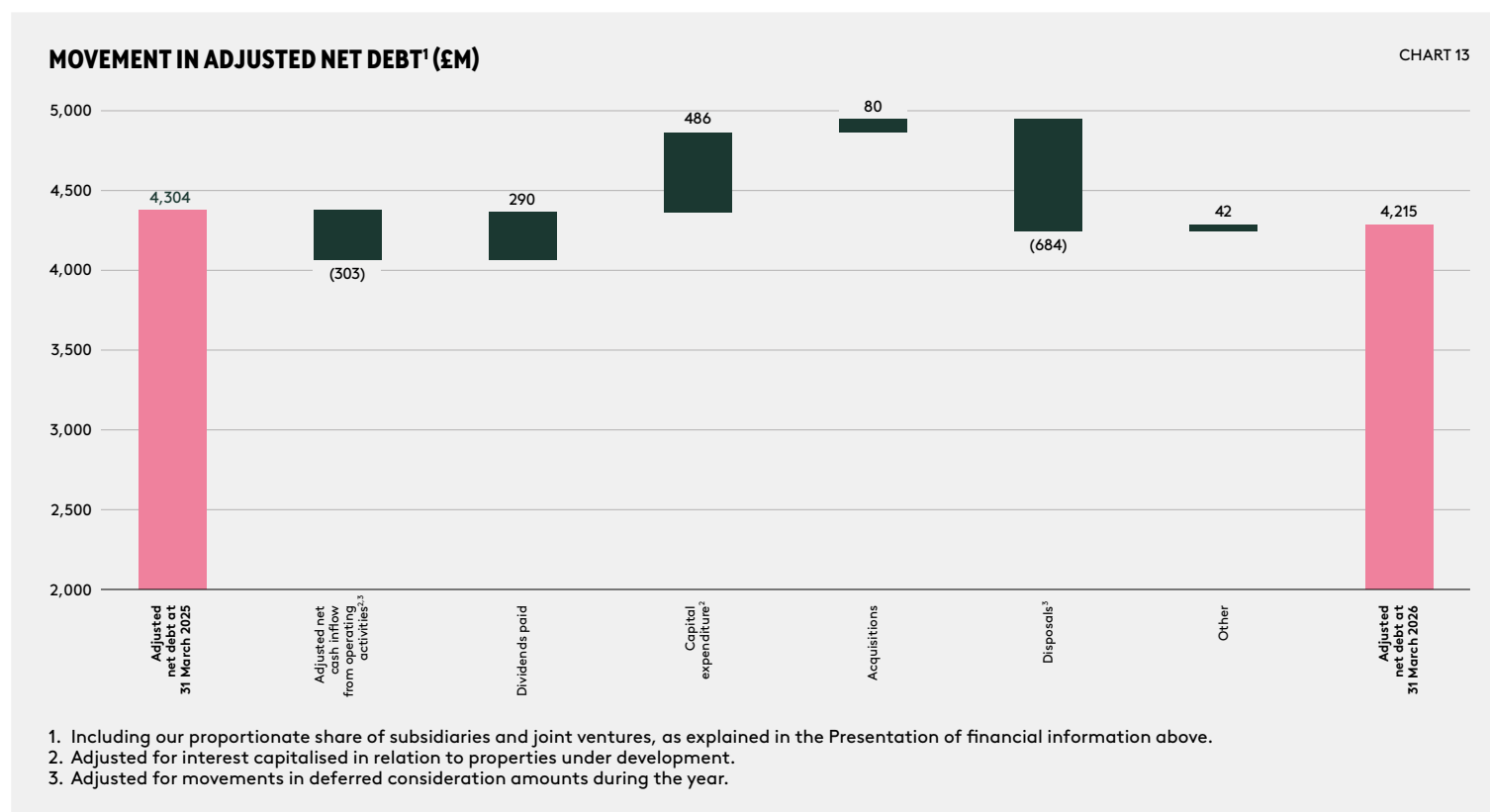
Adjusted net debt, which includes our share of JV borrowings, reduced by £89m to £4,215m during the year. We spent £80m on acquisitions and invested £486m in capex, including £247m for our on-site development schemes, with the remainder principally comprising pre-development capex; a number of accretive smaller projects and leasing capex in retail; and investments in our office portfolio, including the creation of new MYO flex office space and our net-zero

investment programme. This was partly offset by £684m of disposal receipts during the year.

We have £185m of committed capex left on our committed developments, of which £135m is expected to be spent this financial year. As we prioritise investment in major retail and retaining our balance sheet strength, we do not intend to commit to any meaningful capital to new developments for the next c.18 months. Meanwhile, future capex on pre-development assets will be

minimal pending visibility on the potential for public sector support to improve the return prospects for our residential schemes.

The other key elements behind the reduction in net debt are set out in our statement of cash flows and note 12 to the financial statements, with the main movements in adjusted net debt shown below. A reconciliation between net debt and adjusted net debt is shown in note 20 of the financial statements.



Our longstanding operating guidelines are to have an LTV within a 25-40% range, a net debt/EBITDA of less than 8x, and an ICR of at least 3x. Maintaining our strong capital base remains a key priority for us and we would expect these levels to be commensurate with AA credit ratings.

In line with our guidance, average net debt/EBITDA increased due to the fact that our two major on-site developments in London are now at or near the point of full capital deployment but did not produce any income during the year. As such, net debt/EBITDA came out at 8.6x for the year, or 8.4x based on the current position, yet this will reduce meaningfully as these projects now start to produce income.

As we move to a structurally lower level of development activity in the future, this means we now expect net debt/EBITDA to reduce below 7x. We expect to achieve this within the next two years without having to rely on material disposals given the strong momentum in development leasing and continued like-for-like income growth. Our LTV reduced 60bps during the year to 38.7% and we expect this to reduce further to below 35% over time.

NET DEBT AND LEVERAGE		TABLE 14
	31 March 2026	31 March 2025
Net debt	£4,234m	£4,341m
Adjusted net debt ¹	£4,215m	£4,304m
Interest cover ratio	3.1x	3.6x
Net debt/EBITDA (period-end)	8.4x	8.9x
Net debt/EBITDA (weighted average)	8.6x	7.9x
Group LTV ¹	38.7%	39.3%

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information above.



FINANCIAL REVIEW CONTINUED

FINANCING

Our financial position remains strong. In October, we agreed the first one-year extension option of the full £2,250m of revolving credit facilities we signed the prior year. As a result, our overall debt maturity remains long, at 8.6 years, which is twice as long as the average for the UK REIT sector. This provides us with clear visibility and underpins the resilience of our attractive earnings profile. We had £1.3bn of cash and undrawn facilities at the end of March, providing substantial flexibility, and no need to undertake any refinancing activity until

2028. Our debt is 89% fixed or hedged and in line with the guidance for a slight increase we provided at the start of the year, our average cost of debt was up slightly to 3.6%.

Our gross borrowings of £4,360m are diversified across various sources, including £2,870m of Medium Term Notes (MTNs), £746m of syndicated and bilateral bank loans and £744m of commercial paper. Our MTNs and the majority of bank loans form part of our Security Group, which provides security on a floating pool of assets valued at £10.4bn. This structure provides flexibility to include or exclude assets, and an attractive

cost of funding. Our MTNs are currently rated AA and A+ by S&P and Fitch.

Our Security Group has a number of tiered covenants, yet below 65% LTV and above 1.45x ICR, these involve very limited operational restrictions. A default only occurs when LTV is more than 100% or the ICR falls below 1.0x. Our portfolio could withstand a c.36% fall in value before we reach the 65% LTV threshold and c.58% before reaching 100% LTV, whilst our EBITDA could fall by c.54% before we reach the 1.45x ICR threshold and c.68% before reaching 1.0x ICR.

AVAILABLE FACILITIES ¹	TABLE 15	
	31 March 2026 £m	31 March 2025 £m
Medium Term Notes	2,870	2,868
Drawn bank debt	746	778
Outstanding commercial paper	744	750
Cash and available undrawn facilities	1,266	1,101
Total committed credit facilities	2,650	2,590
Weighted average maturity of debt ¹	8.6 years	9.6 years
Percentage of borrowings fixed or hedged ²	89%	91%
Weighted average cost of debt ³	3.6%	3.4%

1. Assuming all extensions on the bank facilities are executed; 8.3 years excl. the remaining extension on the RCFs.

2. Calculated as fixed rate debt and hedges over gross debt based on the nominal values of debt and hedges.

3. Including upfront fees amortisation and commitment fees; excluding this the weighted average cost of debt is 3.4% at 31 March 2026.

FINANCIAL SUMMARY

Reflecting the actions we have taken in recent years, the outlook for Landsec remains positive. Customer demand for our best-in-class office and retail space, which make up 91% of our overall income, remains strong. This persistent trend supported CAGR in like-for-like net income of 4.0% over the last four years and as reversion is growing, should continue to support attractive income growth in the future.

As our overhead costs are down to a 20-year low and capital employed in low/non-yielding development is down materially, this continued top line growth will increasingly start to flow through to an acceleration in EPS growth. We therefore continue to see the potential to deliver c.5% CAGR in EPRA EPS over the next four years, including high single digit growth in FY28, which remains underpinned by our robust capital base, with net debt/EBITDA expected to reduce to below 7x within the next two years.

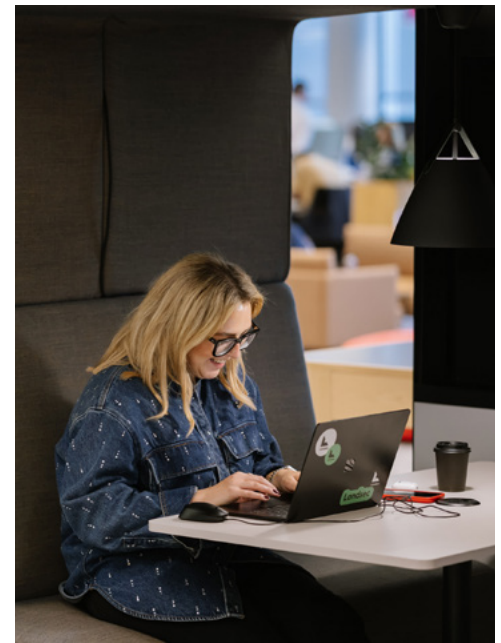
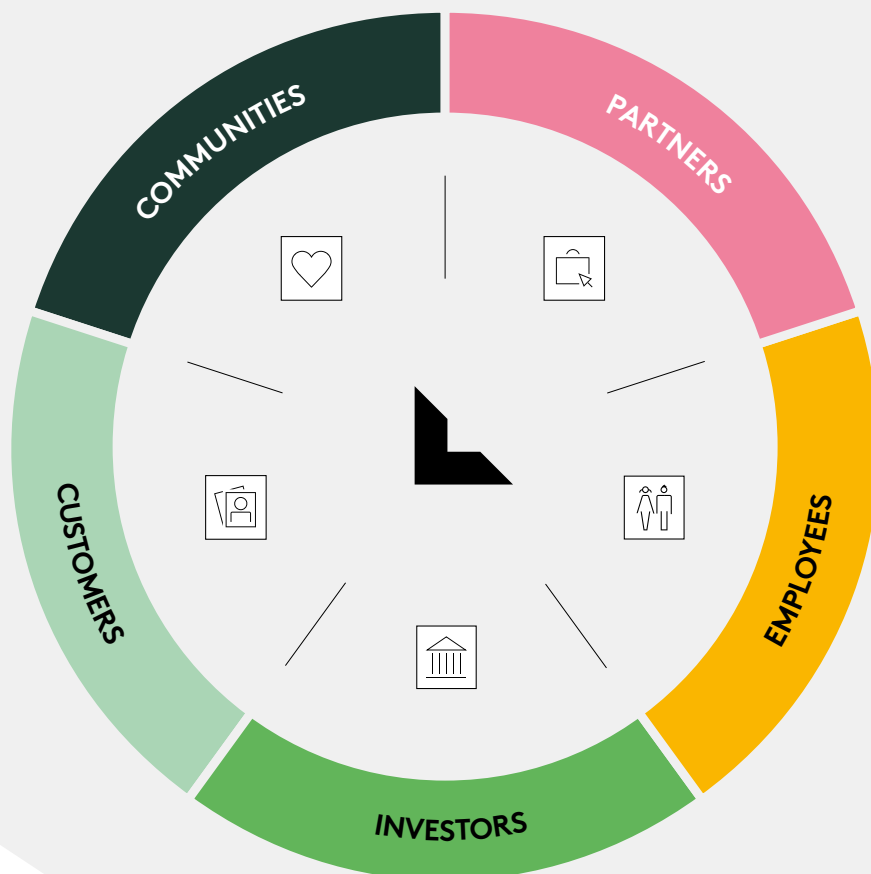
VANESSA SIMMS
CHIEF FINANCIAL OFFICER



OUR STAKEHOLDERS

Our role is to shape places that stand the test of time in order to create value for all our stakeholders. This is our Section 172 Statement.

OUR FIVE KEY STAKEHOLDERS



The Board is pleased to provide a statement that supports Section 172(1) of the Companies Act 2006. This requires that Directors promote the success of the Company for the benefit of the members, having regard to the interests of stakeholders in their decision-making. In this section, we provide examples of how the Board engages with stakeholders and takes into account their interests when making decisions.

STAKEHOLDERS AND BOARD DECISION-MAKING

Our stakeholders' interests and priorities continue to evolve. Effective communication with our stakeholders is critical to keeping pace with their changing needs, which underpins our long-term success. The Board's engagement with stakeholders is both direct engagement and indirect (by management reporting). The importance of having effective relationships with our stakeholders is embedded throughout the wider business.



OUR STAKEHOLDERS CONTINUED

OUR CUSTOMERS



WHY THEY ARE IMPORTANT?

Office – We build lasting partnerships by understanding our customers' needs and supporting their goals. From their first interaction with us to the everyday experience in our spaces, we want to ensure our customers and their teams get the most out of every working day.

Retail – We offer different retail spaces for our customers' needs. Whether our retail customers are looking for a long-term brand statement or a short-term testbed, we offer a range of spaces and lease lengths – all designed to maximise our customers' brand relationship with their customers.

Residential – Continued population growth will mean the existing shortage of urban housing is set to grow and in the medium to long term we aim to play a part of meeting customers' needs for choice within the residential market.

PRIORITIES AND ENGAGEMENT

Landsec maintains a strong customer focused approach, because their success is our success. From the first point of enquiry through to the ongoing management of our places, we work hard to engage our brand partners and office customers at all times. Increasingly, we have begun to build a more meaningful relationship with those people who visit our places, whether through formal programmes like PLUS+ in our Retail business, or through the Landsec Experience App for our Office customers.

We continue to see clear positive momentum in operational performance across every part of our business, notwithstanding the challenging wider economic environment. Owning the right real estate has never been more important, so we continue to benefit from our proactive portfolio repositioning which has taken place over the last few years. This is key to meeting the needs of our customers.

BOARD OVERSIGHT

During the year, the Board received regular updates on customer insights for each of our business units as well as having updates on broader strategy and regularly visiting our sites. Please see page 59 for more details of Board activities during the year.

OUR COMMUNITIES



WHY THEY ARE IMPORTANT?

Our 2024 impact report highlights how our places and activities are positively affecting communities across the UK. Whether through our economic contributions, or the social and sustainable value we deliver, we recognise that our decisions resonate in the long term, and make a significant difference to many.

PRIORITIES AND ENGAGEMENT

Our impact on the local communities within which we operate is as important as our economic input. We create direct jobs, install environmentally friendly features, and drive community relations through programmes and initiatives and we unlock potential through internships to employment.

Our teams engage extensively with local communities as described in more detail on page 33 within our approach to sustainability section.

BOARD OVERSIGHT

The Board gains a better view of our local communities from visiting our sites, and from updates by the Chief Corporate Affairs Officer on political and community engagement.

Members of the Board also attended the Empowering People of Colour (EPOC) event in November on Diversity in Real Estate Leadership which was hosted by Landsec. This event connected board members and executives across the industry with the next generation of potential board talent from ethnic minority backgrounds in the real estate industry.

OUR PARTNERS



WHY THEY ARE IMPORTANT?

Our business model of developing and operating properties relies on a network of suppliers and so it is important that we have strong relationships with our suppliers.

PRIORITIES AND ENGAGEMENT

Our priorities during the year in respect of our suppliers are described in detail on page 34. In our Workplace and Retail business areas we have a particularly strong and cohesive team of service partners with the same goals, ideals and values. We work together to provide customers with the best possible service within our properties. Highlights this year included our Aspire annual awards ceremony, which allowed us to reward our Workplace service partner employees for their amazing achievements.

More information on our relationships with our suppliers and associated processes is available on our website.

Engagement with suppliers is described in more detail on page 34 within our approach to sustainability section.

BOARD OVERSIGHT

The Board receives regular updates from our business units and functions including our relationships with any key suppliers.

OUR EMPLOYEES



WHY THEY ARE IMPORTANT?

At Landsec, we know great things happen when we work together. We're committed to high standards and creating outcomes where everyone wins. Nothing in our history has happened by chance. Every place we identify is for its potential to create lasting value. Every partnership we form with our communities and our customers is to create shared success. And every person that works at Landsec brings their skills and talent to shape the next chapters of our story.

PRIORITIES AND ENGAGEMENT

Our People priorities and highlights during the year are described in detail on pages 26-28.



BOARD OVERSIGHT

Manjiry Tamhane was the Non-executive Director responsible for employee engagement and whistleblowing during the year. She provided half-yearly updates on employee engagement activities, as well as contributing to discussions as and when relevant matters arose. There have also been a number of employee engagement events with the Board during the year:

- Meet the Board events, where members of the Board met with employees for open discussions
- Annual Spotlight awards, our annual employee recognition awards attended by members of the Board
- Attendance by our Chair at the High Performance Masterclass graduations (one of our key talent programmes this year)
- Participants from Landsec Builds (a development programme), attended the Board Strategy Day to present research on our competitors, including lunch with the Board
- The Board received briefings on the employee engagement survey undertaken in October 2025 which provided them with good insights into employee sentiment

Overall, employee sentiment has been very positive across Landsec with high levels of engagement. Manjiry stepped down from the Board on 31 March 2026 and Louise Casey has assumed the role of Non-executive Director for employee engagement with effect from April 2026.

OUR INVESTORS



WHY THEY ARE IMPORTANT?

We want to create sustainable value for our three types of investors: institutional, private and debt. It is important to us that our investors understand our strategy and our equity story so they can support the execution of our strategy and our capital recycling.

PRIORITIES AND ENGAGEMENT INSTITUTIONAL INVESTORS AND DEBT STAKEHOLDERS

We manage and maintain a comprehensive investor relations programme which includes post-results roadshows to meet with institutional investors, bondholders, lenders and rating agencies; attending industry conferences; arranging capital markets days as and when required, asset tours across our portfolio and a programme of meetings with Private Client Fund Managers who manage funds on behalf of private investors. We also issue semi-annual reports to our debt stakeholders.

In FY26 we attended ten investor conferences located in the UK, the Netherlands and the US, together with two overseas roadshows. We are increasing the number of generalist events we attend, reflecting the way our share register has changed over the last decade with fewer specialist real estate funds owning our shares. We held an annual update for bond investors following the FY25 results, which was well attended. In September 2025, we held a retail-focused capital markets day at Liverpool ONE; this included an update from management on our retail business, a panel session of our retail customers who discussed the importance of physical retail within their strategies, and a tour of Liverpool ONE.

PRIVATE INVESTORS

Our private investors are encouraged to give feedback and communicate with the Directors via the Company Secretary throughout the year. We have a rolling programme of share register activities, the intention of which is to maintain an efficient share register, limited paper distributions, effective communications and the provision of best-in-class service to our investors. We work closely with our registrar Equiniti to address all queries that we receive from our private shareholders throughout the year.

We held our AGM as a physical meeting in 2025. We invited shareholders to ask questions and vote on the resolutions.

All resolutions put to the meeting received overwhelming support of investors.

The results of the voting at all general meetings are published on our website: landsec.com/en/investors/regulatory-news.

BOARD OVERSIGHT INSTITUTIONAL INVESTORS

We offer our largest investors regular meetings with the Chair, SID and any members of the Board requested by the institution. These meetings provide valuable two-way communication enabling investors to question Board members on topics of their choice, and for the Board to gather feedback directly from the owners of our company. The next round of meetings is due to be scheduled for May/June following the publication of our full-year results.

PRIVATE INVESTORS

Our AGM has been held as a physical meeting and therefore investors have the opportunity to meet the Board before and after the AGM.



NO. OF EQUITY INVESTORS

7,539

INSTITUTIONAL INVESTORS

1,241

99.13%
OF SHARES

PRIVATE INVESTORS

6,298

0.87%
OF SHARES

NO. OF LISTED BONDS

10



OUR PEOPLE AND CULTURE

This year, we focused on embedding our revised strategy and purpose into every part of our people and culture agenda, ensuring that our purpose is always reflected in how we lead, support, and develop our people.

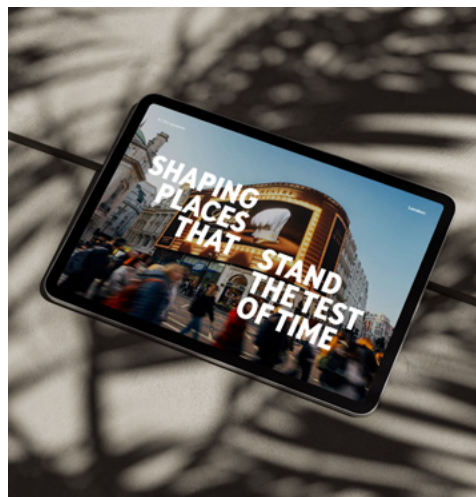
Building on the launch of our cultural DNA last year, we have continued to shape an environment where high performance, inclusion and future-focused capability reinforce one another and directly support our long-term ambition.

We are evolving our culture through clearer expectations, stronger leadership, and better tools, ensuring that how we hire, develop, engage and support colleagues is fully aligned to our strategic direction. This includes strengthening the way we listen to colleagues, acting on insights, and embedding the behaviours and standards that define the Landsec DNA.

OUR CULTURE: THE POWER BEHIND OUR PERFORMANCE

Our culture is the engine that drives our ambition. If we want to grow, move faster, and raise our performance, we need an environment where people are inspired and empowered to do their best work every day.

Our cultural DNA is embedded across every stage of the people experience. We have strengthened our hiring approach by refining our interview questions to reflect our DNA, and we continue to align our training and development opportunities to build future capability in line with our DNA. It is now a central component of our Annual Performance Planning process, supporting colleagues to reflect on how they bring it to life in their day-to-day work. It underpins our recognition framework, shaping how we celebrate values across the organisation. Our People Surveys ensure we remain connected to how our people feel and where our culture is enabling high performance. Together, these elements form an integrated system that reinforces our culture at all key touch points.



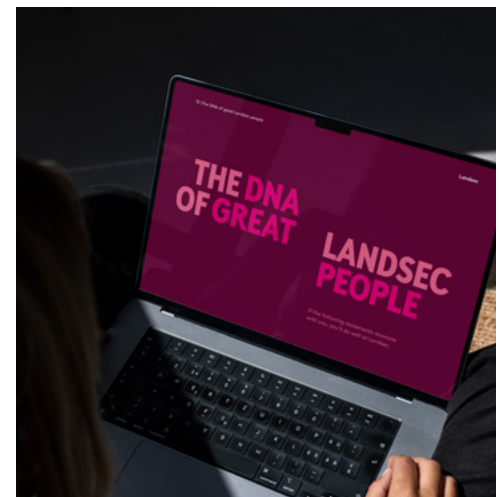
At the centre of it all is our diversity and inclusion (D&I) ambition. When people feel valued and included, they're able to perform at their best and that's what will drive our success.

TALENT ACQUISITION

As part of our cultural shift, we have refreshed our talent acquisition approach to ensure we attract and select people who can perform at their best today, and grow with us in the future. Our approach places emphasis on quality, potential and cultural alignment, ensuring every hiring decision supports both capability and culture.

To enable this, we have embedded Predictive Index (PI) a talent optimisation tool, across all hiring activities, providing hiring managers with clear, science-based insight into behavioural and cognitive alignment. This ensures more consistent and evidence-based hiring decisions.

For senior roles, PI is complemented by the Capability Development Assessment (CDA), which offers a deeper understanding of an individual's capacity to manage complexity



and evolve with the organisation. Together, PI and CDA form a structured, fair and future-focused assessment framework that:

- Prioritises potential over past experience
- Embeds our cultural DNA into every hiring decision
- Enables balanced, data-driven hiring outcomes

This integrated approach ensures we are building a workforce that not only meets today's needs but is equipped to deliver our future ambition.

EMPLOYEE ENGAGEMENT

Understanding our people's perspectives is key to driving our success. We directly engage employees regularly – a comprehensive survey each spring and a pulse survey in the autumn. This enables us to understand our colleagues' views and experiences and where we need to focus on delivering the high-performance culture we are working towards. This enables us to benchmark against similar-sized organisations, the real estate industry, and other top-quartile organisations.



In February 2025, 86% of our employees participated in the latest survey, achieving an engagement score of 89%, a testament to our commitment to fostering a supportive and high-performing workplace.

Our recent efforts following on from the survey outcomes have focused on key priorities, including cross-team communication, career progression, managing performance and workload. Insights from the survey have as a result shaped how we embed our high-performance culture and cultural DNA, including:

- **Communicating what we're working towards and providing greater clarity on performance** – quarterly business updates provided company-wide transparency on our performance.
- **More accessible talent development opportunities** – Talent & Development intranet pages and expanded on-demand learning pathways, offering tailored development opportunities for all.

TALENT MANAGEMENT

Our talent strategy is to elevate performance and potential by embedding strong talent principles, expanding capability, prioritising experiential learning, strengthening evidence-based decisions, and evolving our programmes to accelerate diverse, high-potential talent. At Landsec, we support the 70/20/10 approach to development, based on the premise that learning comes from three main sources:

- **70%** from on-the-job experiences and challenging assignments
- **20%** from developmental relationships, such as mentoring and coaching
- **10%** from formal learning and training

82% of our line managers have engaged with our bespoke Empowering Great Leaders learning content. We remain committed to supporting professional development, with 15 employees pursuing recognised qualifications this year including eight apprenticeship levy funded qualifications.

Through our bi-annual Group Talent Review, we bring clarity to success and tailored programmes. Key outcomes of this approach include:

- **Succession planning:** Comprehensive succession plans for all Executive Leadership Team and Senior Leadership Team roles.
- **Landsec Builds:** A next level leadership development programme for emerging leaders supporting them to truly live the DNA of great Landsec leaders and strengthen our future leadership bench. 26 participants have joined this programme which includes a Board level project.
- **Diversity and inclusion focused programme:** Enrich is a targeted programme aimed at enhancing the ethnic diversity of our future talent pipeline. 16 colleagues have participated in the first two cohorts with significant shifts seen in their confidence, intentionality, and career aspirations following participation in the programme.
 - Both Landsec Builds and Enrich will benefit from enhancements including the addition of senior programme sponsorship, digitalisation content, high performance context and the application of PI to maximise impact.
- **Development of our most senior leaders:** Via high-performance masterclasses.

To date, 78 of our colleagues have joined the long form, truncated or mini masterclasses. The measures of success are to retain and promote talent up and through the organisation.

Our refreshed induction programme, Landed, combines an enhanced day-one experience, a curated digital onboarding journey and an in-person event hosted at one of our iconic locations. Featuring our history, cultural DNA, insights from senior leaders and a Q&A with our CEO, this provides our new colleagues with a deeper connection to our business and culture.

DIVERSE TALENT

We continued to embed our D&I strategy 'Diverse Talent, Inclusive Culture, Inclusive Places'.

To support the recruitment and development of Diverse Talent this year, we have:

- Extended the scope of our diverse candidate shortlist targets to include management vacancies as well as leadership vacancies. 90% of manager and above hires have been recruited from gender and ethnically diverse shortlists.
- Evolved our Landsec Futures internships into a broader early careers programme, now including a new insights week designed to give candidates referred through our charity partners greater exposure to our business. Our first insights week participants have progressed into six-month internships in our Data & Tech team, with our second cohort hosted in our Consumer Experience and Workplace Operations teams.
- Partnered with British Land, Grosvenor, Hammerson, SEGRO and GPE to deliver an industry insights programme for 26 interns across the real estate sector. Now approaching its third year, the programme has already resulted in the successful recruitment of a former Hammerson intern into a permanent role at Landsec.
- Made exit interviews opt-out, with new questions on culture. This helps us learn why people leave and what we can do better.
- Launched an Apprenticeships Hub, making it easier for colleagues to find levy-funded training that supports their continued professional development.
- Piloted a cross business-unit promotion panel to ensure promotion decisions are fair and evidence-based.
- Launched 'Lean-in' circles, led by Landsec Women and bringing together over 60 women across the business to learn and develop together through peer-led mentoring circles.





OUR PEOPLE AND CULTURE CONTINUED

INCLUSIVE CULTURE

Creating an inclusive culture is key to our wider culture work. Alongside the ongoing work of our affinity networks, our 'Empowering Great Leaders' course for line managers brought in practical case studies on neurodiversity and mental health inclusion in a team context. This supported our leaders in understanding how to create the right environment to enable the performance of diverse teams, a key aspect of the DNA of great Landsec leaders.

INCLUSIVE PLACES

Following on from the launch of our inclusive design principles last year, we partnered with inclusive design experts Motionspot to review our operational portfolio of offices and retail spaces. Each report provides practical insights into inclusive design strengths and provides recommendations for improvement which will be embedded into operational plans in the coming year.

Further details on our strategy are available on our D&I strategy page on landsec.com with progress against targets reported annually on our D&I targets and performance scorecard.

"I STARTED AT LANDSEC AS AN INTERN WITH NO CORPORATE EXPERIENCE, JUST CURIOSITY, GRIT AND A WILLINGNESS TO LEARN. WHAT KEPT ME HERE WAS THE SUPPORT, TRUST AND RESPONSIBILITY I WAS GIVEN SO EARLY ON. NOW, I LEAD LANDSEC'S AI & INNOVATION WORKSTREAM, WORKING ACROSS SOME OF THE MOST EXCITING TECH OPPORTUNITIES IN THE BUILT ENVIRONMENT. LANDSEC GAVE ME ROOM TO GROW AND EMPOWERED ME TO SHAPE THAT GROWTH MYSELF."

DECLAN ROYE

AI & INNOVATION LEAD

PAY GAP

We reported on our 2025 ethnicity and gender pay gaps for the Landsec Group with full details available on our website.

- Our mean gender pay gap increased from 28.2% in 2024 to 30.4% in 2025
- Our median gender pay gap increased from 29.2% to 30.3% over the same period

This year we've seen a slight increase in our mean and median gender pay gaps. This was driven by small shifts in the distribution of women across our pay quartiles, with increased female representation in roles within the two lowest pay quartiles and upper middle pay quartile, and a 1.1% decrease in the upper pay quartile.

As a business that's relatively small by headcount, even a small number of changes in representation at our most senior levels will impact our pay gap.

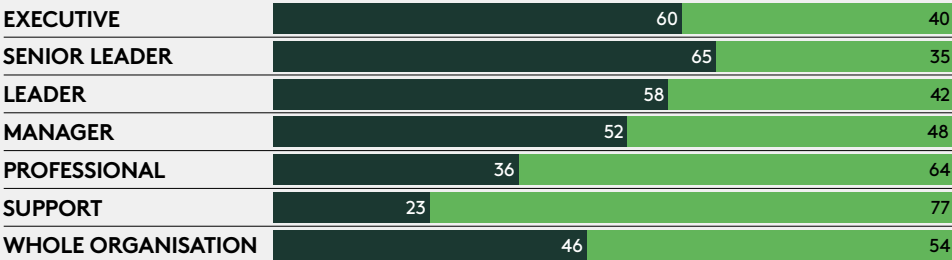
- Our mean ethnicity pay gap reduced from 39.6% in 2024 to 32.3% in 2025
- Our median ethnicity pay gap reduced 39.5% to 32.3% in the same period

Both our mean and median ethnicity pay gaps have improved since 2024 by c.7%.

This is also due to shifts in the distribution of ethnic minority representation across the business. Representation dipped slightly in the lower and lower middle quartile and increased in the upper middle and upper quartiles.

GENDER BY MANAGEMENT LEVEL

CHART 16



● Male ● Female

Details of the gender diversity of the Board can be found on page 58.

ETHNICITY GROUP BY MANAGEMENT LEVEL

CHART 17



● White ● Asian ● Black ● Mixed ● Other ● Prefer not to say/Unknown

19% of our staff are from ethnic minority backgrounds, broadly representative of the UK as a whole. We have seen little change over the past year with representation increasing by around 2% at all levels except leader level where representation decreased slightly by 1.5% and at senior leader level where it increased by 3%. Totals may not add up to 100% due to rounding.



OUR APPROACH TO SUSTAINABILITY

We design, develop and manage buildings in ways that will enhance the health of our environment and improve quality of life for our people, customers and communities, now and for future generations.

Our sustainability strategy – Build well, Live well, Act well – continues to focus our work on the environmental, social and governance (ESG) issues where we know we can have the biggest impact.

See more about our approach to sustainability at landsec.com.

For full performance updates please see our Sustainability Additional Disclosures 2026 and Sustainability Data Tables 2026 at landsec.com/en/sustainability/key-information/reports-benchmarking.

PERFORMANCE AT A GLANCE

We have continued to make good progress against our ambitious commitments and targets set across our three pillars:

PILLAR	TARGET	HIGHLIGHTS
 BUILD WELL Our commitment to enhance the health of the environment See more on pages 30-32	47% reduction in absolute GHG emissions by 2030 from a FY20 baseline 50% reduction in average upfront embodied carbon compared with a typical building by 2030 Reduce energy intensity by 52% by 2030 from a FY20 baseline Deliver our nature strategy across our operational assets and development schemes	 33% reduction in absolute carbon emissions  39% reduction in embodied carbon across development pipeline  27% reduction in energy intensity  800 m²+ wildflower planting across our portfolio
 LIVE WELL Our commitment to support our communities to thrive See more on page 33	£200m of social value by 2030 from a FY20 baseline 30,000 people empowered to enter the world of work from a FY20 baseline	 £147m social value created  19,049 people empowered
 ACT WELL Our commitment to being a fair, responsible business See more on page 34	Build relationships with our strategic suppliers enhancing sustainable practices throughout our supply chain All Landsec colleagues to support the delivery of Build well, Live well, Act well with a proportion of remuneration linked to ESG targets	 98% of strategic suppliers signed up to Our Supply Chain Commitment  100% Employees have ESG metrics included in the Annual Bonus Plan and Long Term Incentive Plan (LTIP) for senior leaders and ELT

SUSTAINABILITY GOVERNANCE

During the year, we evolved our sustainability governance model to further embed sustainability into the way we operate across the business. While Board oversight and Executive Leadership Team (ELT) accountability remain unchanged, we moved from a dedicated central sustainability team to embedding sustainability expertise within business units and enabling functions. This model is supported by a cross-business Sustainability Hub, which brings together specialist expertise to help shape our approach to sustainability, share best practice and coordinate activity. This change strengthens ownership, integration and delivery of sustainability objectives, ensuring sustainability considerations are embedded in decision-making and day-to-day operations across Landsec. Further details can be found on page 35.



OUR APPROACH TO SUSTAINABILITY CONTINUED



BUILD WELL

DECARBONISING OUR PORTFOLIO

Addressing climate change remains a central focus of our sustainability strategy. We continue to progress towards our commitment to achieve net zero carbon by 2040, supported by our science-based target (SBT) to reduce our scope 1, 2 and 3 emissions by 47% by 2030 and by 90% by 2040 from a FY20 baseline.

During the year, we reduced emissions through a combination of improved energy performance, targeted capital investment and low-carbon design decisions. Our total emissions have reduced by 33% compared to our FY20 baseline. Scope 1 and 2 emissions have reduced by 39% primarily driven by energy efficiency across our portfolio and grid decarbonisation. Scope 3 emissions reduced by 32% due to a combination of embodied carbon reduction and enhanced suppliers emissions data.

We have initiated a review of our SBTs to align with the latest Science Based Targets initiative (SBTi) Building Sector Criteria. This process will ensure our targets reflect updated guidance, portfolio changes and the latest climate science, and continue to support our climate transition. We expect to submit revised targets to the SBTi for validation once this work is complete in FY27.

REDUCING OPERATIONAL CARBON

We continue to make progress in decarbonising our portfolio and improving energy efficiency. In FY26, we achieved an energy intensity reduction of 27%, keeping us on track to deliver our target of a 52% reduction by 2030 from a FY20 baseline.

Our £135m Net Zero Transition Investment Plan (NZTIP) remains central to delivering our SBT, with further investment and implementation during the year.

To date, we have invested £88m, including advancing the transition of our office buildings to low-carbon heating and cooling through the air source heat pumps (ASHPs) retrofits and increasing on-site renewable energy generation across our retail assets through solar PV installations.

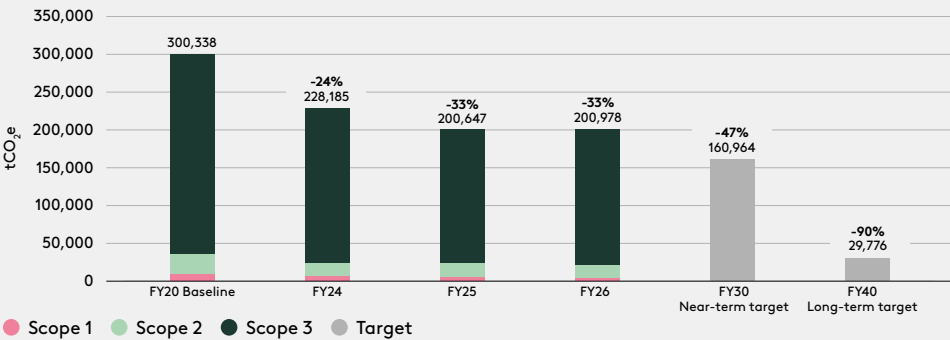
During the year, ASHP retrofit activity progressed across four buildings, with approximately 30 units installed or underway, supporting our ambition to remove fossil fuel-based systems from our portfolio. We are already seeing the benefits of this transition, including reduced energy use, as demonstrated at Dashwood House.

We also continued to expand on-site renewable energy generation across our retail assets. In March 2026, we completed the solar PV installation at Braintree Village, which is expected to generate 8% of total electricity demand. This builds on the success of Gunwharf Quays installation, where the solar PV system has generated £300,000 in additional revenue since installation. Through our NZTIP, further installations are planned, including a 1,270 kWp system at Bluewater which is expected to deliver over £200,000 in annual revenue.

During the year, we strengthened our energy management capabilities through the mobilisation of integrated energy

NET ZERO TARGET PROGRESS

CHART 18



EPC RATINGS

Our portfolio is 100% compliant with the 2023 MEES EPC E or above requirements. In addition, 68% of our portfolio – 73% of offices and 65% of retail – is already EPC B or above. The improvement from last year is primarily driven by the completion of ASHP retrofits and new developments.

FY26 EPC RATING (BY ERV)

CHART 19



ASHP AT DASHWOOD HOUSE ONE YEAR ON

In March 2025, Dashwood House became our first occupied building to complete the transition to ASHPs, eliminating onsite gas-fired systems.

Following a year of seasonal commissioning and optimisation in partnership with engineering consultants, the system has delivered strong performance. Over the first 12 months, the building achieved a 33% reduction in total energy use, resulting in annual cost savings of more than £150,000, while improving system reliability and operational resilience aligned with actual building demand.



management platforms, including Kiveev and Trace, which now provide a centralised source of utility data across our portfolio. These platforms enhance our ability to monitor performance, identify anomalies and target energy reduction opportunities, supporting more proactive and effective energy management and reporting.

We have also enhanced our smart building capabilities through the deployment of the Kode Labs platform, which is now operational across 12 buildings, with further eight sites planned for mobilisation during FY27. By integrating building management and operational systems into a single interface, the platform provides enhanced visibility and control, enabling us and our service partners to optimise building performance and support ongoing reductions in energy consumption.

REDUCING CARBON IN CONSTRUCTION

We design and develop sustainable, low-carbon buildings, with all our commercial developments targeting BREEAM Excellent or above. This supports our ambition to achieve an average upfront embodied carbon reduction of 50% compared with a typical development by 2030. Timber Square, recently completed, and Thirty High exemplify this approach through extensive retention of existing structures, helping to significantly reduce embodied carbon. These projects are targeting upfront embodied carbon intensities of approximately 522 kgCO₂e/sqm and 347 kgCO₂e/sqm respectively.

During the year, our portfolio projects, including MYO King's Cross and 5 New Street Square, demonstrated our continued focus on delivering retrofit projects, achieving upfront embodied carbon intensities of 313 kgCO₂e/sqm and 131 kgCO₂e/sqm respectively, significantly lower than the embodied carbon of a typical new development.

While this is one of the most challenging aspects of sustainability within real estate, our development team continues to prioritise innovation, identifying and scaling low-carbon solutions across our projects, with delivery embedded in our annual bonus plan for Executive Directors and all employees.

We are driving the future of low-embodied carbon construction by scaling innovation in the sourcing and use of construction materials. As signatories to Climate Group's SteelZero and ConcreteZero campaigns, we have committed to procuring 100% net zero steel and concrete by 2050, with an interim target of 50% lower-emission materials by 2030. We are already meeting the 2030 interim targets, with over half of the concrete used being classified as low-carbon and over 75% of steel meeting SteelZero criteria.

Through the Accelerating Concrete Decarbonisation Group (AC-DG), we have partnered with 30+ other companies including peers, contractors and consultants to co-fund three prototype test structures using novel, low-carbon concrete mixes to demonstrate their technical and commercial viability. In addition, we engage our supply chain to encourage responsible sourcing of bio-based materials, including the use of fully PEFC- or FSC-certified timber at Timber Square, which provides full chain of custody from forest to construction site.

We continue to support 'beyond value chain mitigation' (BVCM) to address the unavoidable residual emissions from our new developments. This includes investing in activities that avoid, reduce, or remove and store carbon emissions, also known as carbon offsets. We have secured high-quality, nature-based carbon credits, comprising both removals and avoidance carbon credits from the Kuamut Rainforest Conservation Project in Malaysia and jurisdictional reduction credits through the Lowering of Emissions by Accelerating Forest Finance (LEAF) coalition. These credits will be retired at practical completion of the relevant developments.

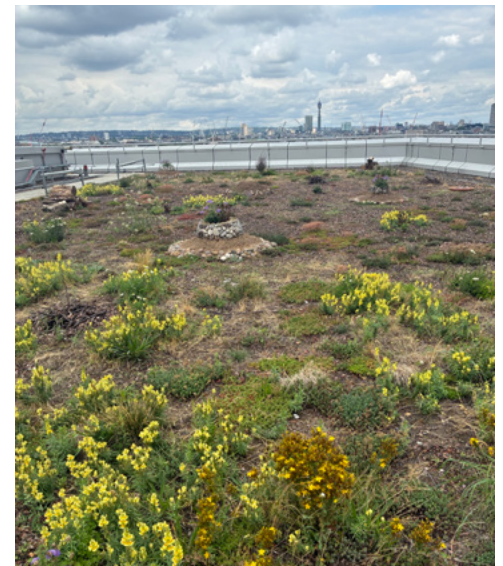


RETROFIT AT MYO KING'S CROSS

MYO King's Cross demonstrates how refurbishment-led development can reduce embodied carbon, while delivering high-quality workspace and measurable social value. By retaining and upgrading the existing structure, supported by sustainable low-carbon CAT B fit-out, the project achieved an upfront embodied carbon intensity of 313 kgCO₂e/m², materially below typical new-build benchmarks, while securing a 5-star NABERS UK Design Target rating and EPC A. Fit-out materials were also redistributed for reuse, avoiding approximately 95 tonnes of CO₂ and delivering estimated £610,000 of social value.

ENHANCING NATURE AND GREEN SPACES

We continue to progress our 'Let Nature In' strategy to improve biodiversity in the built environment, promote health, wellbeing and community engagement, and create nature-based solutions to mitigate and adapt to climate change. Asset specific Nature Action Plans are being implemented across Workplace and Retail, and our 'nature handbook' continues to guide planting palettes and landscape decisions across our portfolio. During the year, highlights included over 800 m² of wildflower planting, the installation of bespoke solitary bee hotels and three Workplace assets receiving Gold awards in London in Bloom.



POLLINATOR FRIENDLY GREEN ROOF AT N2

At n2, we have enhanced the green roof to strengthen biodiversity and climate resilience in the built environment, ensuring our existing spaces work even harder to support nature. Drought-tolerant wildflowers and perennials have been introduced alongside new habitat features, including deadwood piles, sand mounds, pebble banks and gabion planters, creating a more diverse and resilient ecosystem that supports pollinators, invertebrates and bird species.

A dedicated bee-nesting planter has also been installed, and planned acoustic insect monitoring will provide long-term data to better understand ecological performance over time. The roofscape has been designed to offer a calm and restorative outlook for future customers at Thirty High, reflecting our commitment to promoting health, wellbeing and community engagement through access to nature.



OUR APPROACH TO SUSTAINABILITY CONTINUED

USING RESOURCES EFFICIENTLY MATERIALS

Launched in 2024, our Materials Brief is now embedded across our development portfolio and is playing a central role in reducing embodied and whole-life carbon. It guides our design teams to identify opportunities for material reuse, alternative specifications and lower-carbon innovations, in collaboration with our supply chain partners. The Brief also ensures alignment with green building certification requirements and promotes responsible, ethical sourcing, strengthening governance while reducing lifecycle impact.

During the year, this approach delivered substantial reuse across the portfolio. At Trinity Leeds, 25,000 m² of raised access flooring was carefully extracted and stored for future reuse within our portfolio, retaining material value and avoiding unnecessary embodied carbon. At MYO King's Cross, the Brief continued to inform practical interventions including the reuse of existing ceiling tiles and external paving tiles.

Through our Materials Dashboarding tool, carbon-intensive 'hotspot' materials are identified early in the design process. Multiple procurement routes are then assessed to determine the lowest-carbon and most responsible options before specification. During the year, both Hill House and Buchanan Galleries undertook the dashboarding process, identifying 39 clear procurement pathways for key building materials.

WASTE

This year we continued to divert 100% of waste from landfill, and increased our operational waste recycling rate to 68% (FY25: 65%). This improvement reflects onsite processes and targeted occupier engagement, particularly within Workplace where our Aspire partners have actively engaged with 88 customers to support better waste segregation and recycling practices.

The introduction of 'Simpler Recycling' legislation for businesses in England and Wales has had minimal impact on our operations, reflecting our long-standing focus on recycling and waste segregation over the past decade.

WATER

Water and climate change are inextricably linked; extreme weather events exacerbate water stress, making resources more scarce, volatile, and prone to pollution, while increasing operational and supply chain risks, including growing pressures on water costs in some regions. To build portfolio resilience, we have evolved our strategy into a formalised framework centred on three guiding principles and corresponding metrics.

Our headline target is to increase harvested water by 10% by 2030 against a FY26 baseline, reducing our reliance on freshwater across the Landsec portfolio.

In a collaborative effort to embed these principles, all our service partners have designed bespoke water management training tailored to their specific roles. To date, over 100 service partner colleagues have already attended this training, strengthening water stewardship and awareness throughout our operations. Moving forward, we are implementing targeted pollution training for sites with sensitive receptors to further mitigate environmental risk.

ACCELERATING MATERIAL REUSE

This year, we joined ROMULUS, an industry-wide material reuse platform, backed by local councils, designed to facilitate the redistribution of surplus construction materials across projects and organisations. The platform creates visibility of surplus materials across organisations, supporting circular economy principles and reducing embodied carbon and waste.

Through our participation, we have increased collaboration across the supply chain and identified practical reuse opportunities during strip-out and refurbishment phases. During the year, 67 timber doors from the platform were reused at 55 Old Broad Street, alongside 40 sanitary fittings redistributed for external reuse. At Hill House, 24 material opportunities, including glass, lifts and raised access flooring, were shared via the platform, expanding reuse potential across the market.

PRINCIPLE	METRIC OR TARGET
Conservation: Eliminate unnecessary use by changing behaviour and processes	We will optimise rainwater and greywater harvesting across the Landsec portfolio, targeting a 10% increasing in the amount of harvested water ¹ by 2030 compared with a FY26 baseline
Efficiency: Reduce water use by adopting efficient design and technology to do 'more with less'	We will uphold high water efficiency standards in our developments by leveraging our Sustainable Development Toolkit and creating a comprehensive sustainable fit-out guide
Protection: Continue to protect the local water catchment area prioritising assets located in sensitive areas	All relevant Landsec colleagues and service partners will conduct annual water management training and specialist water pollution training for sites with sensitive water receptors

1. 10% increase in the total amount of consumed harvested rainwater and greywater across the Landsec portfolio. See further information on our TNFD disclosure within our Sustainability Additional Disclosures 2026. For more information on our Build well commitments, visit landsec.com/en/sustainability/sustainability-strategy/build-well.



LIVE WELL

CREATING OPPORTUNITIES AND TACKLING LOCAL ISSUES

ENHANCING SOCIAL MOBILITY

Working with our local communities and ensuring we are addressing local need in the areas we serve is part of our focus of creating sustainable places. Through Landsec Futures, we aim to enhance social mobility in our business and the wider property industry, supporting people with opportunities and introducing fresh perspectives into our business. Our aim is to empower 30,000 people from underrepresented socioeconomic backgrounds towards the world of work, creating £200m of social value by 2030, from a FY20 baseline.

Since we launched Landsec Futures in 2023, we have continued to make considerable progress towards this target, supporting 19,049 people towards employment and generating £147m social value. Our programmes operate across the UK, with the partnerships reflecting local needs in each area, and are supported by our colleagues on site.

We have continued to develop partnerships with employability and social mobility charities, including Spear, who support young people aged 16-24 who are not in employment, education or training (NEET) and face multiple barriers to employment. Across Spear centres in London and Leeds, we support through financial investment, employee engagement and employment opportunities. In June 2025, we set a partnership goal to support 10 Spear trainees into employment through our supply chain and brand partners. We exceeded this target supporting 13 trainees, demonstrating how partnerships can unlock real career opportunities for young people facing significant barriers.

This year, we have also evolved our Landsec Futures Internships into a broader early careers programme. To find out more, see page 27 in Our People and Culture section.

“OUR PARTNERSHIP WITH LANDSEC HAS DONE MORE THAN ACHIEVE OUR GOAL; IT IS TRANSFORMING LIVES. BY CONNECTING SPEAR TRAINEES TO EMPLOYMENT OPPORTUNITIES ACROSS LANDSEC’S NETWORK, YOUNG PEOPLE ARE ACCESSING THE PURPOSEFUL, SUSTAINABLE WORK THEY NEED TO THRIVE.”

LYDIA CAVENY

EMPLOYER PARTNERSHIPS MANAGER, SPEAR

ENGAGING OUR LOCAL COMMUNITIES

Our places are shaped by the people who live, work, and spend time in them, and we know that these communities are essential to helping our destinations thrive. That’s why we prioritise listening – taking time to understand what matters to local people and what they want from the spaces we create and manage. By working closely with communities, we build a clearer picture of local needs and aspirations, ensuring our places respond to and reflect them.



GREENER FUTURES YOUTH FESTIVAL

In May 2025, we launched a first-of-its-kind sustainability festival at Mayfield Park, Manchester alongside social value specialist, Ahead Partnership. The day-long event, aimed to get students involved and inspired with green skills and the green economy, engaged over 100 local students. Through a series of workshops, delivered by us and our supply chain partners, students learnt about green skills and related career pathways, and attended a showcase featuring sustainable technology and ideas. The day culminated in a creative design sprint, where students reimagined different low-carbon communities of the future, putting the day’s learnings into action.

INCLUSIVE PLACES

We are committed to designing, building and operating places which are inclusive and meet the needs of the individuals and communities they serve. As part of this, our aim is that all of our destinations are accessible, welcoming and responsive to a diverse range of individual needs.

MOTIONSPOT

To support us in creating truly inclusive places, we partnered with inclusive design experts Motionspot to review our operational portfolio. During the year, Motionspot assessed 44 assets, providing insights into accessibility and inclusion across key themes from our Inclusive Design Principles including sense of belonging, accessibility and amenities and activities. Going beyond compliance, this project is all about sharing best practices across both our retail and workplace portfolios, and identifying opportunities to enhance accessibility and create a welcoming experience for everyone across our places.

ENHANCING WELLBEING

In line with our commitment to supporting customers’ physical and mental wellbeing, we have transitioned from portfolio-wide WELL certification to embedding health and wellbeing principles into our design, development and operational processes. We continue to work with specialist consultants to ensure these considerations remain integral to our assets, supporting occupiers who wish to achieve WELL certification for their own spaces. In practice, we continue to deliver healthy workplaces for our customers and occupiers, through services such as air quality monitoring and wellbeing-focused amenities.

For more information on our Live well commitments, visit landsec.com/en/sustainability/sustainability-strategy/live-well.



OUR APPROACH TO SUSTAINABILITY **CONTINUED**



ACT WELL

EMBEDDING SUSTAINABILITY

ENGAGING OUR EMPLOYEES

To ensure that every colleague contributes to delivering our sustainability strategy, we continue to include sustainability metrics in the Long-Term Incentive Plan (LTIP) and Annual Bonus Plan for Executive Directors and employees.



WORKING WITH SERVICE PARTNERS AND CUSTOMERS TO IMPROVE ENERGY PERFORMANCE

We continue to work closely with service partners and customers to identify practical opportunities to improve energy performance across our buildings. Lighting control training for our service partners, combined with real-time data analysis from the Kode Labs smart building platform, has enabled a more proactive and targeted approach to energy management. To date, this has enabled 75 efficiency initiatives across 65 customers, including lighting optimisation through scheduled perimeter shut-offs and refined sensor logic, as well as refinements to building controls such as widening temperature deadbands to eliminate simultaneous heating and cooling. We have also worked with customers to better align plant operation with public holidays and special events, helping to reduce avoidable energy use.

ENGAGING OUR CUSTOMERS

Following deep-dive energy audits for 38 office customers, delivered between 2021 and 2024, we identified key efficiency themes that offer scalable benefits across our workplace portfolio. Over the past year, our workplace teams have continued to actively engage with customers to advise on and support the implementation of low-to-no-cost initiatives, including lighting and BMS optimisation.

DOING THE BASICS BRILLIANTLY

SUSTAINABLE PROCUREMENT

We continue to work with our suppliers to achieve our sustainability commitments and support positive change beyond our own business. Since publishing Our Supply Chain Commitment in 2022, over 1,000 suppliers, including 98% of our strategic suppliers, have signed up.

During the year, we further strengthened engagement with our strategic suppliers to enhance transparency and performance in line with Our Supply Chain Commitment. We introduced a focused KPI reporting process covering climate change, health, safety and security, human rights and business ethics, supported by supplier briefings and clear guidance on data submission. The information collected supports our Scope 3 carbon reporting, annual disclosures and broader governance oversight, while enabling more effective collaboration with suppliers on shared sustainability priorities.

TACKLING MODERN SLAVERY

We require all employees to complete mandatory modern slavery training and continue to strengthen awareness across our supply chain. During the year, we have embedded our refreshed modern slavery risk framework, with risk assessments at project and supplier level, supported by targeted independent supply chain audits with Achilles.

We continue to engage contractors and facilities management partners to ensure appropriate safeguards and whistleblowing measures are in place, and delivered modern slavery workshops for supply chain partners through the Supply Chain Sustainability School to build capability and oversight.

CREATING HEALTHY, SAFE AND SECURE SPACES

This year we maintained our ISO 45001 certification and BS 9997 fire-safety management-system certification, both subject to independent auditing. We continue to focus our safety improvements on areas where we can have the biggest impact, with the intention of delivering an effective and consistent standard of health, safety and wellbeing across all of our assets to the benefit of our people, partners and guests. Building safety remains one of our priority areas, and we are committed as a responsible building owner and developer to meeting, and where possible exceeding, our obligations under the Building Safety Act.

BUSINESS ETHICS

We are committed to upholding high standards of ethical conduct and operating our business with integrity, and we expect the same of our colleagues and any third-party organisations who work with us. During the year, we implemented our revised procedures for conflicts of interest and gifts and hospitality, and launched training on the failure to prevent fraud for all colleagues. We also updated our Code of Conduct to incorporate the Financial Crime Policy released in the previous year.

For more information on our Act well commitments, visit landsec.com/en/sustainability/sustainability-strategy/act-well.



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) STATEMENT

Landsec has a strong record of leadership on climate action and reporting, where we recognise the risks and opportunities posed by climate change in our business model and strategy.

Climate change is considered a principal risk for Landsec and, since 2017, we have reported our approach to the recommended disclosures of TCFD. We continue to evolve our approach to address climate risks. During the year, we have strengthened our sustainability governance, embedding sustainability expertise across business units and enabling functions, supported by a cross-business Sustainability Hub.

We are making steady progress on our NZTIP and remain on track to meet our science-based target. The NZTIP has been incorporated into our financial statements, as described within the Notes to the financial statements on page 98.

We are also monitoring development of the UK Sustainability Reporting Standards (UK SRS), and are assessing the implications for our disclosures to ensure continued alignment with market requirements and best practices.

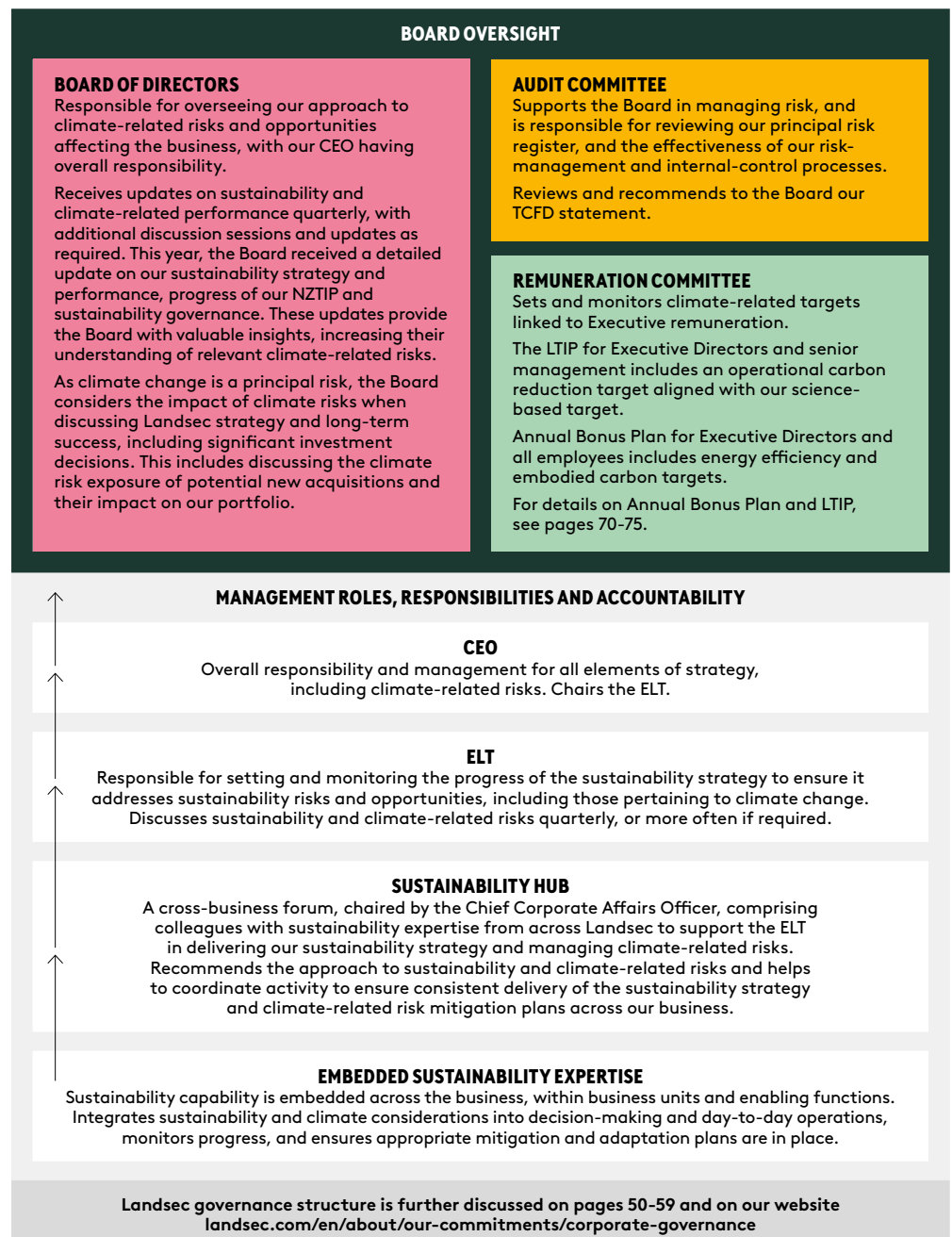
This statement is consistent with the requirements of the London Stock Exchange (LSE) UK Listing Rule 6.6.6 and all 11 TCFD Recommendations and Recommended Disclosures, and we can confirm we have made climate-related financial disclosures for the year ended 31 March 2026 in relation to governance, strategy, risk management, and metrics and targets.

GOVERNANCE

KEY ACTIVITIES IN THE YEAR

Decision-making: The Remuneration Committee reviewed ESG targets and respective outcomes included in the Annual Bonus Plan and LTIP in line with the Remuneration Policy approved at 2024 AGM.

Reporting: Board and ELT receive quarterly sustainability reports tracking progress against sustainability targets.





TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) STATEMENT **CONTINUED**

STRATEGY

IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS AND OPPORTUNITIES

In accordance with the TCFD recommendations, we have identified climate-related risks and opportunities across two categories:

- 1. Transition risks:** associated with the shift to a low-carbon economy, including regulatory changes, market shifts, and evolving consumer preferences
- 2. Physical risks:** related to the physical impacts of climate change, including extreme weather events and long-term environmental changes

We have considered these risks and opportunities over three time horizons – short (less than 1 year), medium (until 2030) and long-term (beyond 2030) – under two science-based climate scenarios – below 2°C (aligned with Shared Socioeconomic Pathways (SSPs) SSP1-2.6) and exceeding 4°C (aligned with SSP5-8.5).

We work with Munich Re to assess physical risks based on the location of assets and their exposure to individual hazards as a consequence of climate change across the time horizons and the scenarios described above. The assessment of current risk exposure utilises Munich Re's proprietary models and loss data, which weight hazards based on their damage potential, normalising the average annual loss rates for property damage within each hazard zone for the respective perils (earthquake, storm/tropical cyclones/tornadoes, flood/storm surge). For future exposures, the model incorporates current conditions, projections and anticipated changes for each peril under different scenarios up to 2100. Transition risks are evaluated by assessing the alignment of assets with relevant regulations (e.g. Minimum Energy Efficiency Standards (MEES)) and market demand.

We have identified and assessed risks across all areas of our business, including investments, developments and operations. Mitigation of these risks is discussed in the section below.

Based on the risks identified in our scenario analysis, and following our Group risk management framework and methodology, we have assessed these for:

LIKELIHOOD

Low | <10% chance of occurrence

High | >20% chance of occurrence

FINANCIAL IMPACT

Low | <£5m P&L / <£150m Capital

High | >£25m P&L / >£500m Capital

REPUTATIONAL IMPACT

Low | minor reputational impact

High | significant impact leading to loss of trust in the company

Our assessment concluded that our current portfolio is not highly exposed to physical risks due to the location of our assets, and the impact of physical risks to our portfolio will only become more relevant in the long term, under a >4°C scenario. Conversely, transition risks are material in the short and medium term as we expect increasing mitigation to reduce emissions, such as policy and regulation changes. Alongside this, there is an opportunity for us to benefit from increasing customer and investor demand for low-carbon buildings.

IMPACT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON OUR STRATEGY

We address these risks and opportunities through three priorities, all of which are critical elements of our approach to sustainability – Build well, Live well, Act well:

- Decarbonising our portfolio
- Developing low-carbon buildings
- Building resilience to a changing climate

DECARBONISING OUR PORTFOLIO

We are committed to achieve net zero carbon across our value chain by 2040. This commitment has been approved by the SBTi and includes a near-term target to reduce our absolute Scope 1, 2 and 3 emissions by 47% by 2030 from a FY20 baseline, and a long-term target to reduce our emissions by 90% by 2040 from the same baseline.

Through our £135m NZTIP, launched in 2021, we are ensuring we meet our near-term science-based target and our portfolio achieves a minimum EPC B. To date, we have invested £88m, completing ASHP retrofits across three assets. We recover a portion of this investment through the service charge as part of lifecycle replacements. We also derive energy efficiency and related cost

savings as a result. For details on the NZTIP and SBT progress, see pages 30-31.

We continue to operate our buildings in line with our company-wide environmental and energy-management system certified to ISO 14001 and ISO 50001. Energy reduction plans and asset-specific action plans outline how we will reduce energy use and carbon emissions of each asset, forming part of the operational financial planning for each asset.

As we strengthen relationships with our suppliers, the climate-related information they provide, including carbon emissions, energy consumption and targets, enhances our understanding of their operations and informs engagement activity. Additionally, we are partnering with a solution provider to gain insights into our brand partners' energy consumption across our retail assets, enabling targeted engagement to support the decarbonisation of our portfolio.

FINANCIAL IMPACT

Income statement

Research shows that buildings with strong sustainability credentials attract higher average rents and improve leasing and occupancy rates. Improved energy efficiency is also expected to reduce service charges payable by tenants.

Conversely, older, less sustainable assets may experience longer voids due to retrofitting requirements and potential rental income losses if they fail to meet minimum EPC requirements.

Balance sheet

Through our £135m NZTIP, we are electrifying heating, installing solar PV and improving energy efficiency across our portfolio. These initiatives are expected to enhance asset values and resilience to yield pressures.

This has been exemplified by the valuation increase following the installation of solar PV, due to additional revenue and reduction in operational costs from on-site electricity generation. This is also supported by the CBRE Sustainability Index, which shows a more resilient total property return for energy efficient assets.

The NZTIP is factored into our asset valuations, alongside expected uplift in ERVs. The cost of the NZTIP is expected to fluctuate due to inflation and portfolio composition changes.

DEVELOPING LOW-CARBON BUILDINGS

We are committed to design and build low-carbon buildings, ensuring low upfront embodied carbon emissions, low operational



<2°C SCENARIO

Proactive and sustained action to halve global emissions by 2030 and reach net zero by 2050 – strong policy and regulatory responses, rapid investment and adoption of low-carbon technology and sustainable business and lifestyle practices. In the UK, marginally higher temperatures all year round, lower precipitation in summer, flooding and windstorms within current variability.

>4°C SCENARIO

Limited climate action is taken to mitigate climate change – there is a push for economic and social development coupled with continuing exploitation of fossil fuels. In the UK, increase in severe weather events, increased summer and winter temperatures, drier summers and wetter winters.

SHORT TERM (<1 YEAR)

Our immediate business planning and budgeting occurs annually, so it is important that appropriate resource for mitigating and adapting to climate change is identified each year and included in annual budgets.

Low physical risks as only 6% of our portfolio is currently highly exposed to combined physical risks (earthquake, storm, flooding and wildfire). 3.3% of portfolio is exposed to river flood (return period of 50-100 years) and 0.3% of portfolio is exposed to storm surge (return period of 100 years). These risks are constantly monitored and we ensure all assets have appropriate mitigation plans in place.

Medium transition risks associated with:

- Existing regulations, e.g. current MEES requiring all non-domestic properties to have a minimum EPC E. Risk is considered low, as 100% of our assets are compliant. We continue monitoring this risk to ensure that all spaces have a valid EPC.
- Local planning requirements favouring low embodied carbon development schemes. Risk is considered medium, as costs to meet embodied carbon targets are highly dependent on design and nature of developments.

Opportunity associated with:

- Increasing occupier interest in assets with high sustainability credentials, including BREEAM and EPC, presents a medium opportunity as our portfolio transitions to net zero, with 70% BREEAM certified and 68% EPC A-B, and we continue developing low-carbon buildings.

Low physical risks as only 6% of our portfolio is currently highly exposed to combined physical risks (earthquake, storm, flooding and wildfire). 3.3% of portfolio is exposed to river flood (return period of 50-100 years) and 0.3% of portfolio is exposed to storm surge (return period of 100 years).

These risks are constantly monitored and we ensure all assets have appropriate mitigation plans in place.

Medium transition risks, as these risks remain broadly consistent with those discussed under the <2°C scenario.

MEDIUM TERM (UNTIL 2030)

We are taking action now until 2030 to meet our near-term science-based target.

Physical risks remain at a similar level as in the short term.

High transition risks associated with:

- Emerging regulations, such as proposed MEES requiring all non-domestic properties to meet a minimum of EPC B by 2030. Risk is considered high, impacting 32% of our current portfolio that has EPC below B.
- Stringent planning requirements, including operational and embodied carbon obligations. For instance, Greater London Authority requires projected operational energy emission shortfalls to be offset, recommending a price of £95/tCO₂e. Risk is considered high, as it impacts our developments.
- Build cost inflation, supply chain constraints and policy uncertainty related to the low-carbon transition may increase the cost and reduce the availability of low-carbon materials and technologies, putting pressure on development returns and potentially affecting progress towards our science-based target (SBT). Risk is considered high, as it could impact our ability to meet our SBT and respond to increasing occupier expectations for low-carbon buildings.

Opportunity associated with:

- Continued increase in occupier demand for sustainable assets, driving demand for green building certifications (e.g. BREEAM) and high energy efficiency (e.g. EPC). JLL suggests that BREEAM certified buildings benefit from 20.6% capital value premium and 11.6% rent premium, and single step EPC improvement contributes to 3.7% capital value premium and 4.2% rent premium. This presents a high opportunity, as our portfolio transitions to net zero and we develop low-carbon buildings.

Physical and transition risks remain at a similar level as in the short term.

LONG TERM (BEYOND 2030)

Many of our assets have a design lifespan of over 60 years – therefore, identifying long-term risks beyond 2030 is important for our investment and development decisions, to ensure our portfolio remains resilient in the long term.

Increase in physical risks, particularly from storm surge. By 2100, 10% of portfolio will be highly exposed to storm surge (return period of 100 years). No significant change to overall portfolio exposure to climate risks. For instance, slightly warmer summers are expected but these do not pose significant risk of heat stress.

Transition risks remain high as further mitigation actions and legislative changes are expected to continue driving reductions in carbon emissions, including:

- Carbon tax – potential for the built environment to be included in UK Emissions Trading Scheme. Risk is considered high, due to high degree of uncertainty at this stage. We keep monitoring emerging discussions, whilst reducing carbon across our portfolio to minimise potential impact to our business.
- Achieving our science-based net zero commitment by 2040. Risk is considered high, as significant reduction beyond achievement of 2030 target will be required, demanding capital expenditure, investment in new technologies and innovative low-carbon materials and processes. Progress will also depend on effective engagement with our supply chain and customers to accelerate decarbonisation across the value chain.

Significant increase in physical risks from hotter, drier summers; warmer, wetter winters and more frequent severe weather events. By 2100, 10% of portfolio will be highly exposed to storm surge (return period of 100 years) and expected losses due to storm surge events will significantly increase.

Sea level rise puts additional strain on the Thames Barrier and increase in river peak flows has potential for flood defence failures across the UK, leading to higher portfolio exposure, with 4.5% of portfolio exposed to river flood (return period of 50-100 years).

According to Swiss Re, climate risk could worsen weather-related insured catastrophe losses, such as flood and wildfires. Property insurance premiums will reflect this augmented risk from climate change, potentially increasing by 33-41% by 2040.

Significant increase in transition risks as adaptation measures are adopted to respond to increase in physical risks.



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) STATEMENT **CONTINUED**

emissions and fossil-fuel free assets powered by renewable electricity. This commitment is embedded within our Sustainable Development Toolkit – a comprehensive guide for our development teams and external partners to ensure that sustainability is integrated throughout the lifecycle of our projects and is a key consideration in our gateway approval process.

For each development, we aim to reduce construction-related emissions by prioritising structural retention and material reuse, adopting efficient design and modern methods of construction, and specifying low-carbon materials. We balance upfront and whole-life carbon to ensure our design decisions do not negatively impact long-term operational and maintenance carbon emissions of our assets. We also explore opportunities across our projects to trial innovations at small scale to support the development of low-carbon solutions.

To optimise operational efficiency, we set energy use intensity (EUI) targets for each scheme, modelling the design of the scheme for maximum energy efficiency. Our developments are 100% electric and target maximum use of on-site renewables as possible.

Beyond our own developments, we are actively engaged in industry-wide initiatives and collaborations to shape industry standards. Landsec is playing an active role in shaping the emerging UK Net Zero Carbon Building Standard (NZCBS), contributing to multiple working groups and submitting two pilot projects: Timber Square (office) and Mayfield (residential). Reflecting our long-standing commitment to low-carbon buildings, our two projects reaching practical completion in 2026, Timber Square and Thirty High, are closely aligned with the Standard's requirements, despite having been designed over five years ago.

For further information on our approach to develop low-carbon buildings and on industry engagement, see pages 31-32.

Following the issuance of our second Green Bond (£350m) in September 2024, supporting our transition to net zero, we published our Green Bond Report 2025, which includes the allocation and impact report. Net proceeds from this bond have been fully allocated to four eligible green projects within the categories Green Buildings – Construction of new developments (Timber Square and

Thirty High) and Green Buildings – Major refurbishments (5 New Street Square and MYO King's Cross). Our Green Bond Framework and Green Bond reports are available on our website: landsec.com/en/investors/debt-investors/green-bonds.

FINANCIAL IMPACT

Income statement

Strong and increasing market demand for low-carbon properties, particularly in the office sector, is outstripping supply. This is likely to drive rental and value premiums for these assets.

Increased demand for low-carbon materials could impact material availability, leading to delay in completion dates and increasing construction costs in our development pipeline.

Balance sheet

Increased demand for low-carbon materials, many of which are still nascent markets, are increasing the construction costs of our development pipeline.

The financial impact of reducing embodied carbon on developments is highly dependent on the strategy adopted. We have modelled this across our live developments and found that retention on one project could reduce Total Development Cost (TDC) by 2.8%, while relying on low-carbon materials on another might increase TDC by 1.8%.

Proceeds from Green Bonds are allocated to low-carbon, eligible new developments and major refurbishments.

BUILDING RESILIENCE TO A CHANGING CLIMATE

Although our current portfolio is not highly exposed to physical climate risks due to the location of our assets, we proactively mitigate these risks through physical measures, insurance coverage and business continuity planning.

Within our development pipeline, we design and build climate-resilient buildings capable of withstanding the UK's evolving climate conditions. We address physical risks, such as temperature fluctuations, by adapting building services design. The performance of our façade and fabric materials is designed to cope with expected higher and extreme temperatures, as well as increased wind speeds, minimising maintenance issues or damage. Our drainage strategies are designed to mitigate increased rainfall and flood risks through physical and nature-based solutions, such as sustainable urban drainage systems (SUDS). In line with our 'Let Nature In' strategy, we integrate

nature-based solutions, such as façade and rooftop greening, permeable surfaces and landscaping to reduce energy demand and enhance climate resilience.

Across our operational portfolio, we ensure assets located in areas highly exposed to physical risks have adequate protection and mitigation, including business continuity and emergency response plans. These measures and our appropriate risk management help us to reduce the risk of increase in insurance costs related to climate risks.

Our Responsible Property Investment Policy ensures that climate risks are assessed during acquisition and disposal of assets. We conduct thorough due diligence, understanding the asset's performance metrics, including energy consumption, EPCs and other sustainability credentials, and assessing flood risk and embodied carbon.

FINANCIAL IMPACT

Income statement

The changing environment has direct cost implications particularly for assets located in high-risk flood zones (3.6% of portfolio) due to potential repair costs, business interruption and higher insurance premium.

Additional financial considerations include potential inclusion of the built environment sector in the UK Emissions Trading Scheme, resulting in carbon taxes and higher energy costs.

Balance sheet

Increased capital investment is required to maintain compliance with evolving legal requirements, such as improving EPC ratings across the portfolio, and protecting assets at risk from physical climate change. Failure to do so could negatively impact long-term capital values.

RESILIENCE OF OUR STRATEGY AND BUSINESS MODEL

We are confident that our strategy to decarbonise our portfolio, develop low-carbon buildings and build resilience to a changing climate supports our transition to a low-carbon economy, whilst managing the impact of climate risks to our portfolio. This is consistent with the Group's going concern and viability assessment.

However, we recognise that our strategy may need to evolve in the long term, particularly under a >4°C scenario. In this scenario, we anticipate that changes to our strategy and financial planning may be required, including



divestment of less resilient assets, and investment in infrastructure to mitigate the impact of flooding and coastal surge. This scenario could also lead to disruptions to our customers' and supply chain partners' businesses, including potential business failures and interruption. In response, we would need to increase due diligence in our supply chain selection, particularly for the sourcing of construction materials that may be processed in regions where the impacts of climate change are more severe.

RISK MANAGEMENT

Climate change is identified as one of Landsec's nine principal risks, and is governed and managed in line with our risk management and control framework. We identify, assess and manage climate-related risks through the framework. Risks are scored on a gross and net basis, following evaluation of the mitigating controls in place. Furthermore, Landsec has defined its appetite for each risk, including climate-related risks, and this is overlaid when considering any residual risks.

As part of its overall responsibility for risk, the Board undertakes an annual assessment, taking account of risks that would threaten our business model, future performance, solvency or liquidity, as well as the Group's strategic objectives. We use scenario-modelling, including the climate scenario analysis described above, to better understand the impact of these risks on our business model, enabling us to consider interdependencies and mitigation plans.

The primary responsibility for management of each risk is assigned to a specific ELT member, who is responsible for ensuring the operating effectiveness of the internal control systems and for implementing key risk mitigation plans.

In line with the sustainability governance and the establishment of the Sustainability Hub during the year, the primary responsibility for climate risk sits with the Chief Corporate Affairs Officer. This is supported by embedded sustainability expertise across the business and coordinated through the Sustainability Hub, which brings together colleagues from across business units and enabling functions to support the identification, assessment and management of climate-related risks and opportunities.

Our climate change principal risk includes both transition and physical climate risks as detailed above, which are monitored quarterly through a set of key risk indicators outlined in the Metrics and Targets section.

Our risk management process to address our principal risks and uncertainties, including climate change, is detailed further on pages 40-46.

METRICS AND TARGETS

TARGETS

To address climate change risks, we have set ambitious climate-related targets – the headlines of which are summarised below:

DECARBONISING OUR PORTFOLIO
Achieve net zero greenhouse gas (GHG) emissions across the value chain by 2040 from a FY20 base year
Near-term target: Reduce absolute Scope 1, 2 and 3 GHG emissions by 47% by 2030 from a FY20 baseline
Long-term target: Reduce absolute Scope 1, 2 and 3 GHG emissions by 90% by 2040 from a FY20 baseline ¹
Reduce energy intensity by 52% by 2030 compared with a FY20 baseline
Source 85% of total energy (electricity, gas, heating and cooling) consumption from renewable sources by 2030
DEVELOPING LOW-CARBON BUILDINGS
Reduce upfront embodied carbon across our developments by 50% compared with a typical building ² by 2030
BUILDING RESILIENCE TO A CHANGING CLIMATE
Ensure all assets in areas highly exposed to climate risks have adaption measures in place

1. Residual 10% emissions that cannot be reduced by 2040 will be offset through permanent emissions removals in line with SBTi guidance.
2. Typical buildings from GLA Whole Life Carbon Guidance – Typical offices: 1,000 kgCO₂e/m² GIA and typical residential: 850 kgCO₂e/m² GIA.

METRICS

In addition to targets, we also monitor a number of climate-related metrics that support our risk assessment, as provided below:

METRICS	FY26	FY25
Reduction in energy intensity from FY20 baseline	27%	23%
Total energy from renewable sources	74%	68%
Percentage of portfolio which is BREEAM-certified (by value)	70%	63%
Percentage of portfolio which is EPC B or above (by ERV)	68%	56%
Percentage of portfolio which is EPC E or above (by ERV)	100%	100%
Investment in energy-efficiency measures implemented in the year	£31.4m	£24.6m
Estimated annual savings from energy-efficiency measures implemented in the year	£0.9m	£1.3m
Percentage of portfolio exposed to climate physical risks ³	6%	6%

3. Portfolio exposure is based on Munich Re's overall risk score that combines earthquake, storm, flood and wildfire risks.

Methodology and performance against Metrics and Targets are detailed in our Sustainability Additional Disclosures 2026 and Sustainability Data Tables 2026 available at landsec.com/en/sustainability/key-information/reports-benchmarking. Additionally, our Streamlined Energy and Carbon Reporting (SECR) on pages 156-158 provides details of our energy consumption and carbon emissions.



MANAGING RISK

Our risk management framework is central to how we oversee our business and our assets, supporting sustainable growth while advancing our strategic goals.

OUR KEY SUCCESSES IN FY26

- Work performed to ensure our preparedness for the requirements of Provision 29 of the UK Corporate Governance Code 2024 (the Code)
- Continued to support our decentralised risk management framework, strengthening the interactions between the 'top-down' and 'bottom-up' risk management processes with the introduction of a bi-annual risk deep-dive at Audit Committee
- Increased the scope of our internal risk and control forum to enhance oversight of our control mechanisms and work on areas of remediation
- Enhanced our business continuity structure, with a specific focus on resilience and our ability to respond in the event of a significant technical outage

OUR KEY PRIORITIES IN FY27

- Streamlining and optimising controls to support our compliance with Provision 29 of the Code
- Enhance our business continuity framework

RISK MANAGEMENT FRAMEWORK AND GOVERNANCE

Landsec operates a Group-wide risk management framework in order to support the identification, evaluation and management of our principal risks. Whilst our approach is well-established, we are continuously reviewing our risk management procedures to ensure that they are fit for purpose, as our business, and the environment we operate in, evolves. Key priorities during FY26 have been leveraging our risk management and control practices to support compliance with the Code and working to enhance our resilience against a significant technical outage.

The key components and stakeholders of our risk management framework are:

- The Board: accountable and have overall responsibility for overseeing risk and ensuring that a robust risk management and internal control system is effective
- The Audit Committee: responsible for reviewing the effectiveness of the risk management and internal control system during the year
- The Executive Leadership Team (ELT): responsible for day-to-day monitoring and management of the Group-wide principal risks, ensuring that there is a consolidated view of our key risks to inform their prioritisation
- Business unit Executive Committees (Excocs): monitoring and managing the specific risks relevant to their business units, as well as ensuring there is appropriate reporting upwards on the status and implications of key risks
- Risk owners: accountable for the day-to-day management, tracking and reporting of the individual risks within their respective areas

- Risk Champions: individuals with responsibility to advocate effective risk management practices within each of their respective business units and to support risk owners
- The Head of Risk and Controls: a central role to oversee and support risk management across the business, managing the framework and providing support to risk owners and risk champions, and to act as a coordinator and interface between the top-down and bottom-up approaches

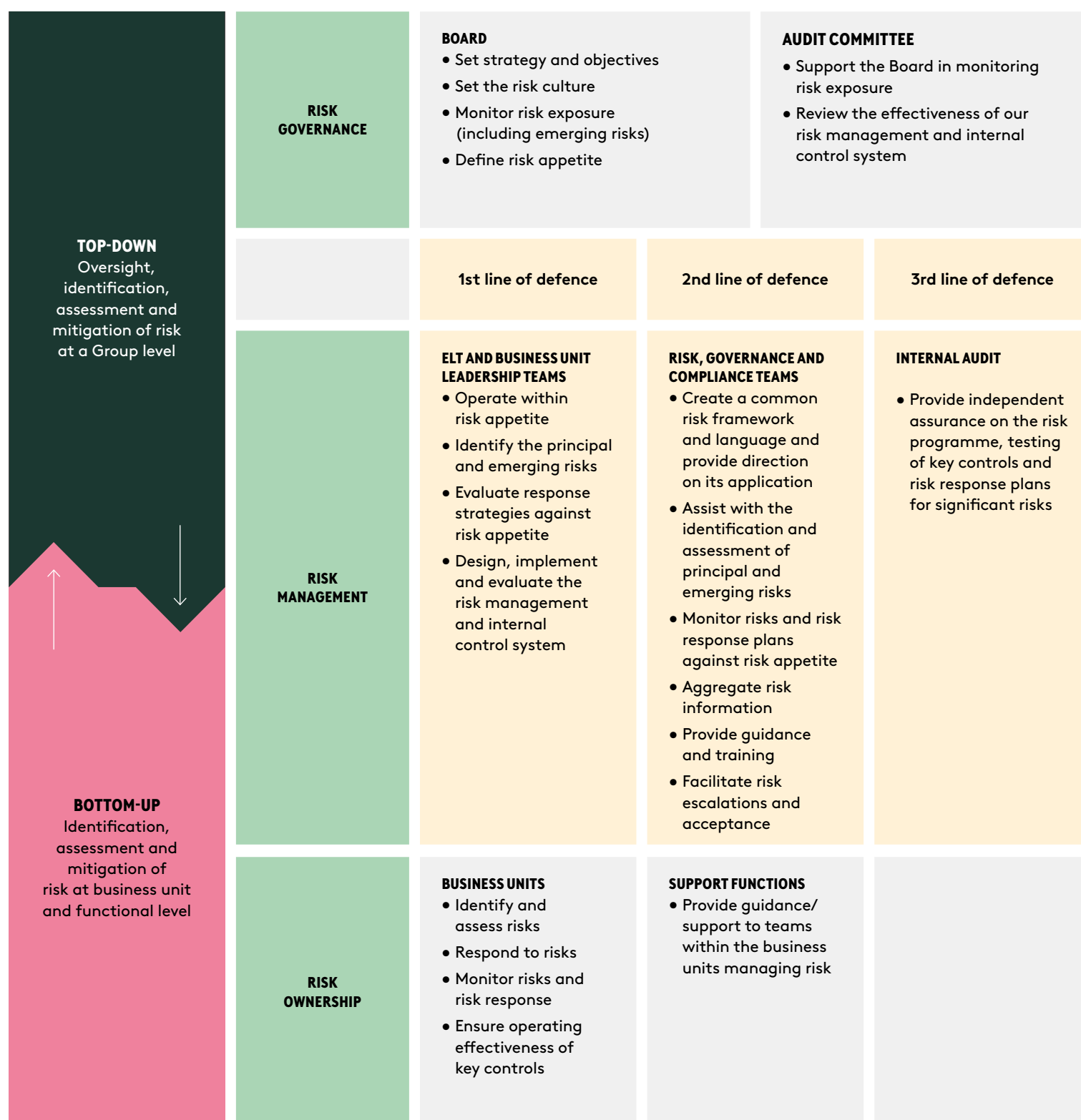
RISK APPETITE

Taking risk is an essential and inherent part of operating any business. As such, Landsec's risk management strategy is not to eliminate all risk but to ensure that appropriate strategies are in place to identify, evaluate and manage the key risks we face. It is essential that our appetite for risk is appropriately considered across each of our risk categories, so that we understand the level of risk we are willing to take, in the drive to reap the associated rewards.

The Board is responsible for defining the risk appetite of the Group, and ensuring it remains in line with our strategy. Landsec's risk appetite differs for each risk, however 'rule of thumb' principles apply, with a minimalist appetite for legal and compliance related risks, a cautious appetite for operational risks and a flexible appetite for strategic risks. The risk appetite reflects Landsec's risk management philosophy and determines the extent to which risk is managed or monitored for changes. To embed risk appetite effectively in the business we have established key risk indicators associated with each risk. Scenario planning also assists in setting these thresholds.



RISK MANAGEMENT FRAMEWORK





MANAGING RISK **CONTINUED**

IDENTIFYING AND EVALUATING RISKS

Landsec's risk management approach begins with teams, senior management and stakeholders across the business who work alongside a risk champion network and the Head of Risk and Controls to identify strategic, operational, legal, and compliance risks in their respective areas. These risks are assessed using a risk scoring matrix, which evaluates the likelihood of each risk materialising and its potential impact. The evaluation process considers both gross risk (before mitigating actions) and net risk (after mitigating actions and controls). The difference between these scores provides visibility into the extent to which we are able to control the risk.

The results are consolidated into risk registers, and from these assessments we identify principal risks (current risks with relatively high impact and probability). These principal risks are reviewed by the ELT both individually – with the designated risk owner – and collectively, at a minimum of once every six months. The Audit Committee examines principal risks twice a year, providing recommendations to the Board for further review and inclusion in external reporting.

Principal risks are also reviewed by the business and the Board during Landsec's annual strategic and business planning processes. As part of these processes, we assess risk scenarios that could threaten our business model, future performance, solvency, liquidity, or the Group's strategic objectives, with findings presented to the Board for consideration. We use modelling to analyse the impact of these scenarios under varying degrees of stress, enabling us to consider interdependencies and test plausible mitigation plans. This approach allows us to better understand the impact of our plans on our risk appetite and principal risks from both a near-term and long-term perspective. We also track emerging risks (risks where the extent and implications are not yet fully understood or are increasing over time).

The risk waterfall on page 43 outlines the principal risks faced by Landsec, the appetite for these risks and the gross and net risk ratings.

MANAGEMENT AND ASSURANCE OF RISKS

Landsec employs a Three Lines of Defence risk model to structure its risk management and assurance activities. The First Line of Defence comprises risk and control owners, who are responsible for the day-to-day management of their respective risks. They also ensure that the controls in place to manage these risks function effectively. For the principal risks, individual members of the ELT are designated as responsible for each risk.

The Second Line of Defence encompasses the risk and compliance functions, which establish the policies and standards for risk management across the business, as well as the internal assurance systems designed to challenge the business to ensure that risks are being managed effectively. Forums such as ELT meetings, business unit Excos and other management teams play a key role in this process. The principal operational risks, including health and safety, and information security and cyber threat are managed by dedicated second-line functions that define and implement policy and mitigating controls, and undertake assurance activities.

The Head of Risk and Controls oversees Landsec's Key Controls Toolkit which comprises a set of clearly defined controls self-certified by business control owners on a quarterly basis. This ensures ongoing

assurance and coverage of critical risk areas. The Risk and Control Forum reviews the outcomes of this process, escalating matters to the ELT or the Audit Committee as necessary. Regular control papers, presented at each Audit Committee meeting, assist in evaluating the control environment and the adequacy of assurance activities. Additionally, the Committee receives a summary report outlining key second and third-line assurance activities, including internal audits, agreed actions and the status of open risk mitigation actions. The Audit Committee also receives deep dives into topical risks, providing additional insight into key areas of focus.

Landsec's Third Line of Defence is primarily delivered through Internal Audit, which provides independent assurance on key controls and processes to both management and the Audit Committee. An annual planning exercise is carried out to identify the areas for inclusion on a risk basis, including the areas where the impact of controls is greatest, i.e. where there is a relatively high inherent risk and relatively low residual risk. This helps to focus the work of Internal Audit and other assurance providers.

For more information refer to the Audit Committee Report on pages 62-67.





PRINCIPAL RISKS AND UNCERTAINTIES

Our principal risks and uncertainties are monitored throughout the year, to assess our changing risk landscape, enabling the Board to make informed decisions.

Our principal risks consist of the nine most significant Group risks and are categorised in accordance with their strategic and operational focus. We have five strategic and four operational risks. The strategic risks relate to the macroeconomic environment; our key markets – office and retail; capital allocation; and development. The operational risks are cyber threat; health and safety; people and skills; and climate change.

Our principal risks are reflected in the risk waterfall below. The risk waterfall allows us to show the gross risk score (without

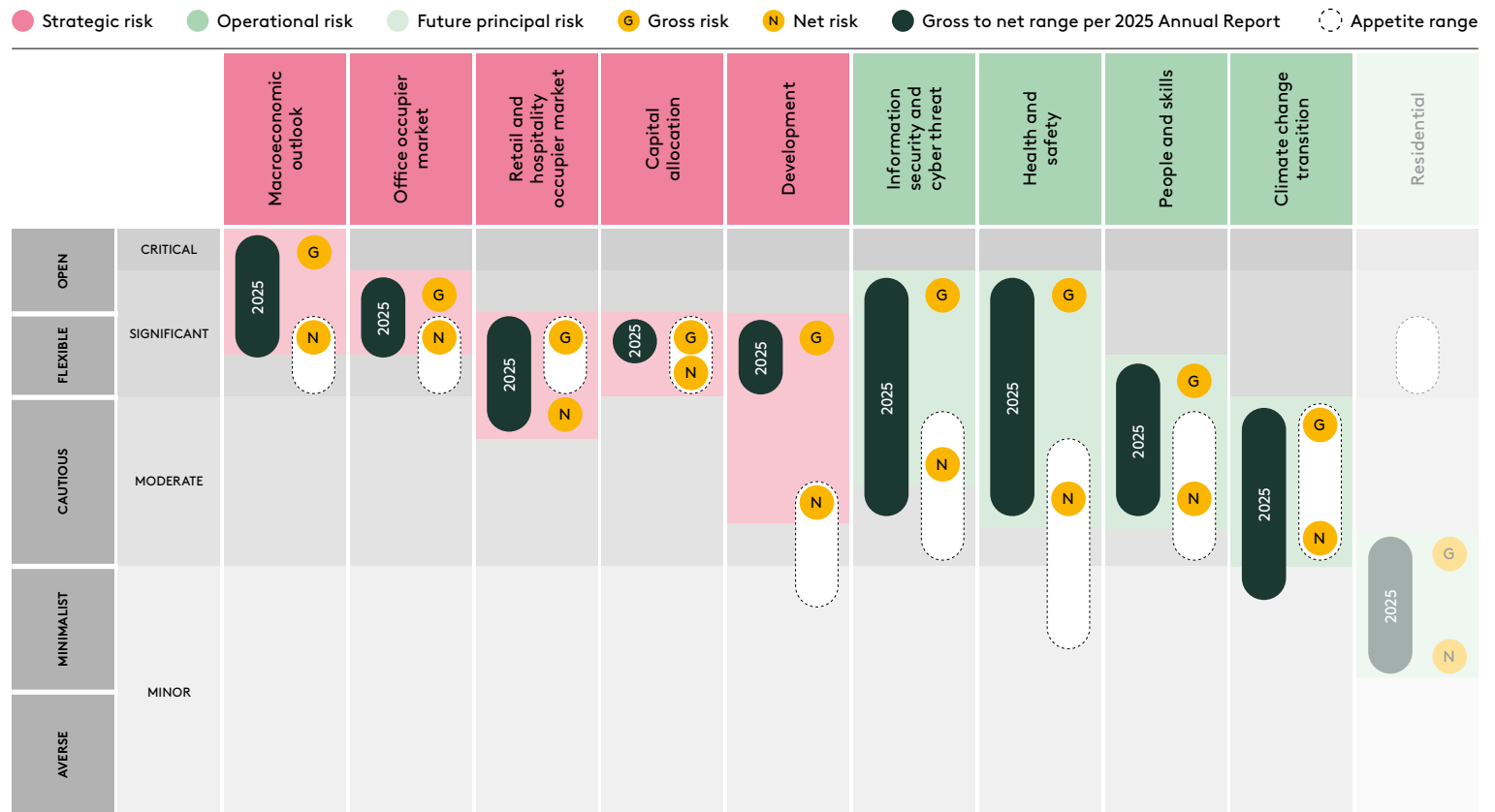
mitigations applied) alongside the net risk score (the rating following consideration of the mitigations in place). These scores for both gross and net risk are calculated as a function of impact and likelihood.

The box on each risk reflects the Group's risk appetite for these risks. The appetite range is a view which outlines the desired risk the Group wishes to take in respect of each risk. Appetite ranges are: 'Open' (where we are focused on maximising opportunities); 'Flexible' (willing to consider all options); 'Cautious' (where we are willing to tolerate

a degree of risk); 'Minimalist' (preferring options with low inherent risk); and 'Averse' (where we avoid risk and uncertainty).

Where the net risk sits within the appetite box, the risk is considered to be managed within appetite. At year-end, there are no net risks currently above appetite. The tables on the following pages describe each principal risk in detail, including mitigating controls, KRIs and changes in the year.

PRINCIPAL RISKS





PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

1 MACROECONOMIC OUTLOOK	EXECUTIVE RESPONSIBLE MARK ALLAN	APPETITE: FLEXIBLE
Changes in the macroeconomic environment result in reduction in demand for space or deferral of decisions by retail and office occupiers. Due to the length of build projects, the prevailing economic climate at initiation may be vastly different from that at completion. EXAMPLE KRIs • Gross Domestic Product • UK household spending levels • Inflation rates – CPI & RPI • Interest rates • Business confidence • Loan to value ratio	MITIGATION • Key risk indicators monitored • Scenario-based modelling of plausible economic trajectories • Market Monitor packs analysing macroeconomic, political and market-risk factors prepared for Board meetings • Group monthly management information packs include business unit review of sector and market risk	CHANGE IN YEAR NO CHANGE Uncertainty around the UK fiscal outlook and the continued elevation of geopolitical tensions persist and are under continuous review, however they are not currently considered significant enough factors to increase the risk score. Long-term interest rates and higher finance costs will remain a risk area for our business going forward. The risk score continues to be within the defined risk appetite.
2 OFFICE OCCUPIER MARKET	EXECUTIVE RESPONSIBLE MARCUS GEDDES	APPETITE: FLEXIBLE
Structural changes in customer expectations leading to changes in demand for office space and the consequent impact on income and asset values. Further, the risk encompasses the inability to identify or adapt to changing markets in a timely manner. EXAMPLE KRIs • Percentage of lease expiries over our five-year plan • Void rates across our portfolio • Like-for-like rental income metrics • Customer and space churn • Market and portfolio take-up MITIGATION • Customer relationship management monitor our customer base • Office leadership team review KRIs monthly	• Management accounts monitoring key risk indicators • ESG programme to decarbonise office portfolio and strengthen prime property portfolio by meeting changing occupier needs • Customer satisfaction measured regularly • Forward-looking market intelligence reviewed regularly • Market-led demand and customer expectations for environmentally sustainable office space are closely monitored • Strict credit policy and process and review of customers at risk • Future of Work forum hosted by our Insight team, examining disruption themes and megatrends in ways of working	CHANGE IN YEAR NO CHANGE The office occupancy market outlook remains positive, supported by robust demand in a constrained market focusing on high quality assets in the best-connected locations. This is demonstrated through active interest across our two new developments, and as a result, the net risk is considered to be stable at year-end and remains within the defined risk appetite.
3 RETAIL AND HOSPITALITY OCCUPIER MARKET	EXECUTIVE RESPONSIBLE BRUCE FINDLAY	APPETITE: FLEXIBLE
Structural changes in customer expectations leading to changes in demand for retail or hospitality space and the consequent impact on income and asset values. EXAMPLE KRIs • Customer footfall/asset visitor numbers • Retailer sales • Portfolio void rates • Percentage of lease expiries over five years • Like-for-like rental income metrics • Customer credit risk and tenant counterparty risk	MITIGATION • Management accounts monitoring key risk indicators • Customer relationship management monitors customer base performance • Data-led development of asset and sector strategies, promoting proactive leasing • Brand Account, Asset Management and Guest Experiences teams established • Customer satisfaction surveys • Credit policy and process defines acceptable level of credit risk • Finance reviews market data on customers at risk and agrees the best plan of action	CHANGE IN YEAR NO CHANGE We are mindful that the macroeconomic environment continues to be challenging, with low growth in consumer spending for the wider retail and hospitality market. However, our strategy focuses on the best quality assets in the strongest locations for which the outlook remains positive. Our Strategic Plan and Business Plans outline initiatives to invest across our existing portfolio and continue to grow our like-for-like net rental income, with the expectation that we will bring the risk within appetite.



4 CAPITAL ALLOCATION	EXECUTIVE RESPONSIBLE MARK ALLAN	APPETITE: FLEXIBLE
Capital allocated to specific assets, sectors or locations does not yield the expected returns, i.e. we are not effective in placing capital or recycling. EXAMPLE KRIs - Committed development pipeline - Portfolio liquidity - Loan to value - Headroom over development capital expenditure - Speculative development, pre-development and trading property risk exposure - Group hedging	MITIGATION - Regular monitoring of capital disciplines and KRIs by business unit ExcOs, Capital Allocation and Performance Review meetings and PLC Board - Detailed market and product analysis to enable optimal investment decisions - Rigorous and established governance and approval processes through the Investment Committee and PLC Board - Investment Appraisal Guidelines define the key investment criteria, the risk-assessment process, key stakeholders and the delegations of authority - Stress-testing of scenarios as part of decision-making	CHANGE IN YEAR DECREASED ↓ We continue to review the momentum of capital markets and their impact on our ability to maintain an appropriate pace of capital recycling to support delivery of our plan. While geopolitical uncertainty is currently considered to be having a downward impact on investment markets and moderating the pace of execution, the overall risk has reduced in the period, reflecting a lower requirement to recycle capital to fund our committed capex. The residual risk remains within the defined risk appetite.
5 DEVELOPMENT	EXECUTIVE RESPONSIBLE MIKE HOOD	APPETITE: CAUTIOUS/MINIMALIST
We may be unable to generate expected returns as a result of changes in the occupier market for a given asset during the course of the development, or cost or time overruns on the scheme. EXAMPLE KRIs - Take-up level for offices - Tender-price inflation - Monitor build-to-sell and build-to-rent ratios to determine phasing approach MITIGATION - Development strategy addresses risks that could adversely affect underlying income and capital performance - A detailed appraisal is undertaken by the Investment Committee before committing to a scheme	- Financial modelling and scenario planning to determine expected yields - Tested project management approach and highly experienced development team - Control processes over key risk areas including: project organisation and reporting; financial management; quality; schedule; change; risk and contingency management; health and safety; and project objectives - Each project is supported by internal stakeholders in Operations, Sustainability and Tech, as evidenced through key monitoring reviews and gateway sign-offs - Strong community involvement in the design process for our developments - Early engagement and strong relationships with planning authorities	CHANGE IN YEAR DECREASED ↓ This risk is considered to have decreased in consideration of the progress during the year to complete two of our major projects. As the majority of the development costs of our committed schemes is already fixed, and no new development commitments are planned in the near future, we have the flexibility to manage the scale and timing of our activity and risk exposure. As such, it was determined at our interim review to reduce our appetite for risk in development to cautious/minimalist. The risk is considered to be within risk appetite.
6 INFORMATION SECURITY AND CYBER THREAT	EXECUTIVE RESPONSIBLE NISHA MANAKTALA	APPETITE: CAUTIOUS
Data loss or disruption to business processes, corporate systems or building management systems resulting in a negative reputational, operational, regulatory or financial impact. EXAMPLE KRIs - Speed of threat and vulnerability detection (against agreed penetration testing/external assurance schedule) - Speed of threat and vulnerability resolution - Number of major cyber incidents or data-loss events - Incident Response and Recovery Plan reviewed and tested - Completion rates on cyber security and data protection training - Number of critical, strategic or infosec partners without current cyber security diligence	MITIGATION - IT security policies set out our standards for security and penetration testing, vulnerability and patch management, data disposal and access control - Quarterly assessment of key IT controls - Monitored mandatory cyber security and GDPR training - Third-party IT providers subject to information security vendor assessment - Close working with IT service partners to manage risk and improve technical standards - Defined technical IT standards for all building systems - Extensive use of cloud-based systems - Business continuity, crisis management and IT disaster recovery plans in place, including regular testing - Established penetration testing and vulnerability management across our IT estate	CHANGE IN YEAR INCREASED ↑ The cyber threat landscape is always evolving, with a significant increase in cyber incidents in the UK over the past year as the sophistication and nature of ransomware attacks, data breaches and AI-driven scams continue to evolve. Landsec must remain vigilant, and we continue to focus on investing in operational strengthening to improve processes and controls in this area. The net risk remains within the overall Cautious risk appetite alignment for operational risks.



PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

7 HEALTH AND SAFETY	EXECUTIVE RESPONSIBLE MARINA THOMAS	APPETITE: CAUTIOUS/MINIMALIST
Failure to identify, mitigate or react effectively to major health or safety incidents, leading to: • Serious injury, illness or loss of life • Criminal or civil proceedings or formal enforcement action • Loss of stakeholder confidence • Delays to building projects and access restrictions to our properties, resulting in loss of income • Inadequate response to regulatory changes • Reputational impact EXAMPLE KRIs • Number of reportable health and safety incidents and training completion rates • Control reviews and follow up to completion • Employee engagement scores on safety culture	MITIGATION • Regular reviews by ELT and the Board • Health and safety management system accredited to ISO 45001 standard • Fire safety management system accredited to the BS 9997 standard • Annual programme of data-led and second-line audits by the Health and Safety team • Legal and best practice compliance monitored in real time • Strict standards applied to the selection of key service and construction partners; assessed by KPIs and regular reviews	CHANGE IN YEAR NO CHANGE — This year, we successfully maintained our ISO 45001 and BS 9997 certifications through independent audits, reflecting our commitment to safety and compliance. Our focus remained on reducing significant occupational safety risks and prioritising fire safety to meet legislative requirements, with a particular focus on delivering our Building Safety Cases. The likelihood of a major health, safety or security incident has remained constant throughout the year and within appetite.
8 PEOPLE AND SKILLS	EXECUTIVE RESPONSIBLE KATE SELLER	APPETITE: CAUTIOUS
Inability to attract, retain and develop the right people and skills to meet our strategic objectives, grow enterprise value and meet shareholder expectations. EXAMPLE KRIs • Employee turnover levels • High-potential employee turnover • Employee engagement score • Succession planning up to date • Time to hire	MITIGATION • Executive remuneration and long-term incentive plans in place, which are benchmarked, overseen by the Remuneration Committee and aligned to the Group and individual performance • Regular review of succession plans for senior and critical roles • Remuneration plans for other key roles are benchmarked annually • The talent management programme identifies high-potential individuals	• Clear employee objectives and development plans • Health and Wellbeing Statement of Practice • Regular employee engagement surveys CHANGE IN YEAR NO CHANGE — It is considered that this risk has remained stable as we continue to monitor engagement and retention risks following the evolution of our strategy and the impact of the restructure. The risk remains within our risk appetite.
9 CLIMATE CHANGE TRANSITION	EXECUTIVE RESPONSIBLE CHRIS HOGWOOD	APPETITE: CAUTIOUS
Climate change risk has two elements: • Our near and long-term SBTs by 2030 and 2040 are not met in time or are achieved at a significantly higher cost than expected, leading to regulatory, reputational and commercial impact • Failure to ensure all new developments are net zero in construction and operation, as defined by the emerging net zero standard for assets, leads to an inability to service market demand for high-quality assets that meet the highest sustainability standards EXAMPLE KRIs • Energy intensity • Renewable electricity • EPC ratings • Operational carbon emissions	• Embodied carbon for new developments • Portfolio natural disaster risk MITIGATION • Climate risks and opportunities for potential acquisitions assessed by our Responsible Property Investment Policy and ESG acquisition appraisal framework • Developments designed to be resilient to climate change and low-carbon, both in construction and operation • All properties comply with ISO 14001 and ISO 50001 Environmental and Energy Management System • Continued monitoring of portfolio exposure to physical climate risks, and we review mitigation actions for sites located in high-risk areas	• Early engagement with supply chain for procurement of ASHPs and solar PVs ensuring appropriate due diligence CHANGE IN YEAR INCREASED ↑ Operational and supply chain challenges affecting the costs of sustainable resources, and a restructure of our internal team have led to an increase in the net risk, which is within our Cautious risk appetite target.

10 RESIDENTIAL

As our Strategic Plan continues to take shape, we anticipate the inclusion of a new strategic principal risk for the residential market, likely to be within our 'Flexible' risk appetite. Over time, our market and operational risk will increase as we progress planned projects and pursue acquisitions of stabilised assets.

NOT A PRINCIPAL RISK YET.



GOING CONCERN AND VIABILITY

The Directors outline their assessment of the Group's ability to operate as a going concern and its long-term viability, taking into account the impact of the Group's principal risks.

GOING CONCERN

Given the impact of international and domestic political and economic events over the course of the year, the Directors have continued to place additional focus on the appropriateness of adopting the going concern assumption in preparing the financial statements for the year ended 31 March 2026. The Group's going concern assessment considers changes in the Group's principal risks (see pages 43-46) and is dependent on a number of factors, including our financial performance and continued access to borrowing facilities. Access to our borrowing facilities is dependent on our ability to continue to operate the Group's secured debt structure within its financial covenants, which are described in note 21.

In order to satisfy themselves that the Group has adequate resources to continue as a going concern for the foreseeable future, the Directors have reviewed the base case, downside and reverse stress test models, as well as a cash flow model which considers the impact of pessimistic assumptions on the Group's operating environment (the 'mitigated downside scenario'). This mitigated downside scenario reflects unfavourable macroeconomic conditions, a deterioration in our ability to collect rent and service charge from our customers, and removes uncommitted acquisitions, disposals and developments.

The Group's key metrics from the mitigated downside scenario as at the end of the going concern assessment period, which covers the 16 months to 30 September 2027, are shown below alongside the actual position at 31 March 2026.

KEY METRICS		TABLE 20
	31 March 2026	Mitigated downside scenario 30 September 2027
Security Group LTV	41.6%	46.6%
Adjusted net debt	£4,215m	£4,608m
EPRA net tangible assets	£6,574m	£5,768m
Available financial headroom	£1.3bn	£0.4bn

In our mitigated downside scenario, the Group has sufficient financial headroom, with our Security Group LTV ratio remaining less than 65% and interest cover above 1.45x, for a period of 16 months from the date of authorisation of these financial statements. Under this scenario, the Security Group's asset values would need to fall by a further 28% from the sensitised values forecasted at 30 September 2027 to be non-compliant with the LTV covenant. This equates to a 36% fall in the value of the Security Group's assets from the 31 March 2026 values for the LTV to reach 65%. The Directors consider the likelihood of this occurring over the going concern assessment period to be remote.

The Security Group also requires earnings before interest of at least £277m in the full year ending 31 March 2027 and at least £156m in the six months ending 30 September 2027 for interest cover to remain above 1.45x in the mitigated downside scenario, which would ensure compliance with the Group's covenant through to the end of the going concern assessment period. Security Group earnings post year-end 31 March 2026 are tracking well above the level required to meet the interest cover covenant for the year ended 31 March 2027. The Directors do not anticipate a reduction in Security Group earnings over the period ending 30 September 2027 to a level that would result in a breach of the interest cover covenant.

The Directors have also considered a reverse stress-test scenario which assumes no further rent will be received, to determine when our available cash resources would be exhausted. Even under this extreme scenario, although breaching the interest cover covenant, the Group continues to have sufficient cash reserves to continue in operation throughout the going concern assessment period.

Based on these considerations, together with available market information and the Directors' knowledge and experience of the Group's property portfolio and markets, the Directors have adopted the going concern basis in preparing these financial statements for the year ended 31 March 2026.

VIABILITY STATEMENT THE VIABILITY ASSESSMENT PERIOD

The Directors have assessed the viability of the Group over a five-year period to March 2031, taking account of the Group's current financial position and the potential impact of our principal risks.



GOING CONCERN AND VIABILITY CONTINUED

PROCESS

Our financial planning process comprises a budget for two financial years and the strategic plan. Generally, the budget has a greater level of certainty and is used to set near-term targets across the Group. The strategic plan is less certain than the budget but provides a longer-term outlook against which strategic decisions can be made.

The financial planning process considers the Group's profitability, capital values, gearing, cash flows and other key financial metrics over the plan period. These metrics are subject to sensitivity analysis, in which a number of the main underlying assumptions are flexed and tested to consider alternative macroeconomic environments. Additionally, the Group also considers the impact of potential structural changes to the business in light of varying economic conditions, such as significant additional sales and acquisitions or refinancing. These assumptions are then adapted further to assess the impact of considerably worse macroeconomic conditions than are

currently expected, which forms the basis of the Group's 'Viability scenario'.

Given the recent unfavourable macroeconomic conditions in which the Group has been operating, additional stress-testing has been carried out on the Group's ability to continue in operation under extremely unfavourable operating conditions. While the assumptions we have applied in these scenarios are possible, they do not represent our view of the likely outturn. The Directors have also considered reverse stress-test scenarios including one in which we are unable to collect any rent for an extended period of time. The results of these tests help to inform the Directors' assessment of the viability of the Group.

KEY RISKS

The table below sets out those of the Group's principal risks (see pages 43-46 for full details of the Group's principal risks) that could impact its ability to remain in operation and meet its liabilities as they fall due and how we have taken these into consideration when making our assessment of the Group's viability.

IMPACT ON KEY METRICS

We have assessed the impact of these assumptions on the Group's key financial metrics over the assessment period, including profitability, net debt, loan-to-value ratios and available financial headroom.

The viability scenario represents a contraction in the size of the business over the five-year period considered, with the Security Group LTV at 49.2% in March 2031, its highest point in the assessment period. The Group maintains positive financial headroom from March 2026 through to September 2027 and the Group will only be required to secure new funding from October 2028. The Directors expect the Group to be able to secure new funding, given the strong relationships and engagement the Group has with its existing banking group. This is evidenced by the bond issuances in March 2023, March 2024 and September 2024 that were well supported by investors, the extension of the Group's existing revolving credit facilities in October 2024 on substantially the same terms as well as the bank facility agreed in May 2025.

PRINCIPAL RISK	VIABILITY SCENARIO ASSUMPTION
Macroeconomic outlook Changes in the macroeconomic environment result in reduction in demand for space or deferral of decisions by retail and office occupiers. Due to the length of build projects, the prevailing economic climate at initiation may be vastly different from that at completion.	- Declines in capital values and outward yield movements across all assets within the portfolio - Additional impact of a higher inflationary market captured within costs - No issuance of additional fixed term bonds through the assessment period - Additional impact of increased interest rates on servicing debt
Office occupier market Structural changes in customer expectations leading to changes in demand for office space and the consequent impact on income and asset values. Further, the risk encompasses the inability to identify or adapt to changing markets in a timely manner.	Reduced demand leads to increased void periods, negative valuation movements and downward pressure on rental values over the whole assessment period
Retail and hospitality occupier market Structural changes in customer expectations leading to changes in demand for retail or hospitality space and the consequent impact on income and asset values.	Increased customer failures lead to increased void periods, negative valuation movements and downward pressure on rental values over the period
Capital allocation Capital allocated to specific assets, sectors or locations does not yield the expected returns i.e. we are not effective in placing capital or recycling.	- Capital that is uncommitted to the portfolio has been removed - Any uncommitted budgeted acquisitions, disposals and developments do not take place due to reduced liquidity
Development We may be unable to generate expected returns as a result of changes in the occupier market for a given asset during the course of the development, or cost or time overruns on the scheme.	A reduction in recognised development profits for committed schemes that will continue to be advanced over the viability assessment period

KEY METRICS	TABLE 21	
	Actuals 31 March 2026	Mitigated downside scenario 31 March 2031
Security Group LTV	41.6%	49.2%
Adjusted net debt	£4,215m	£4,521m
EPRA net tangible assets per share	882p	690p
Available financial headroom	£1.3bn	(£2.5bn)

CONFIRMATION OF VIABILITY

Based on this assessment, the Directors have a reasonable expectation that the Group will continue in operation and meet its liabilities as they fall due over the period to March 2031.



NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

This section of our Strategic Report constitutes Landsec's Non-financial Information and Sustainability Statement. This is intended to help stakeholders understand our position on key non-financial matters. The table below highlights our policies and standards and where you can find more information in this report.

YOU CAN FIND OUR POLICIES ON OUR WEBSITE

landsec.com/en/sustainability/key-information/policies-guidance,
landsec.com/en/about/our-commitments/corporate-governance/group-policies-and-governance

TOPIC	OUR POLICIES AND STANDARDS THAT GOVERN OUR APPROACH		WHERE INFORMATION CAN BE FOUND IN THIS REPORT
 ENVIRONMENTAL MATTERS AND CLIMATE-RELATED FINANCIAL DISCLOSURE REQUIREMENTS	• Sustainability Policy • Environment and Energy Policy • Materials Brief • Responsible Property Investment Policy	• Sustainable Development Toolkit • Nature Strategy • Build well, Live well, Act well site action plans	— BUILD WELL ON PAGES 30-32 — TCFD STATEMENT ON PAGES 35-39 — SECR REPORTING ON PAGES 156-158
 EMPLOYEES	• Employee Code of Conduct • Equal Opportunities Policy • Harassment and Bullying Policy and Procedure	• Health and Safety Policy • Health and Wellbeing Policy • Mental Health First Aider Policy	— OUR PEOPLE AND CULTURE ON PAGES 26-28 — ACT WELL ON PAGE 34
 RESPECT FOR HUMAN RIGHTS	• Human Rights and Modern Slavery Policy • Modern Slavery Statement	• Our Supply Chain Commitment • Right To Work Policy	— DIRECTORS' REPORT ON PAGES 80-82 — ACT WELL ON PAGE 34
 SOCIAL MATTERS	• Diversity and inclusion • Board Diversity Policy • Community Charter	• Stakeholder Engagement Policy • Inclusive Design Principles	— OUR PEOPLE AND CULTURE ON PAGES 26-28 — GOVERNANCE REPORT – BOARD DIVERSITY ON PAGE 58 — OUR STAKEHOLDERS ON PAGES 23-25 — LIVE WELL ON PAGE 33
 ANTI-BRIBERY AND CORRUPTION	• Anti-Bribery and Corruption and Ethical Business Policy • Conflicts of interest and anti-competitive behaviours • Speak Up Policy	• Sustainable Procurement Guidance • Tax strategy • Financial Crime Policy	— ACT WELL ON PAGE 34 — REPORT OF THE AUDIT COMMITTEE ON PAGES 64-67
 DESCRIPTION OF PRINCIPAL RISKS AND IMPACT OF BUSINESS ACTIVITY	• We consider both external and internal risks, evaluate them, assess the impact and put in place mitigating actions and controls		— MANAGING RISK ON PAGES 40-42 — PRINCIPAL RISKS AND UNCERTAINTIES ON PAGES 43-46 — REPORT OF THE AUDIT COMMITTEE ON PAGES 64-67
 DESCRIPTION OF BUSINESS MODEL	• To create value, we buy, develop, manage and sell property, drawing on a range of financial, physical and social resources		— OUR BUSINESS MODEL ON PAGE 7
 NON-FINANCIAL KEY PERFORMANCE INDICATORS	• In addition to our financial performance metrics, we set ourselves a range of KPIs for the year including sustainability targets		— KEY PERFORMANCE INDICATORS ON PAGE 10

This Strategic Report was approved by the Board of Directors on 13 May 2026 and signed on its behalf by:



MARK ALLAN
CHIEF EXECUTIVE



GOVERNANCE

INTRODUCTION TO THE CORPORATE GOVERNANCE REPORT FROM THE CHAIR



DEAR SHAREHOLDER

I am pleased to introduce the governance section for the year ended 31 March 2026.

As Chair of Landsec, I'm pleased to present our Corporate Governance Report. During the year our Board has continued to advance the long-term, sustainable success of the Company. Our effective governance processes underpin Board activities and ensure we effectively consider the opportunities, risks and uncertainties that our business faces.

FY26 PERFORMANCE AND STRATEGY

Our high-quality portfolio, leading operating platforms, and disciplined strategy overseen by the Board have continued to deliver strong performance despite ongoing market uncertainty. Whilst the macroeconomic outlook remains uncertain, the Board are positive about Landsec's prospects for future growth and satisfied that we are appropriately positioned for a higher inflation and interest rate environment.

During the year, the Board has overseen performance and the implementation of actions needed to drive future growth set out in our refreshed strategy. Performance is covered in more detailed elsewhere in this report and our areas of Board focus during the year are described in more detail on page 59.

BOARD SUCCESSION AND DIVERSITY

The Board and Nomination Committee have continued to focus on Board composition and succession planning.

During the year, as well as the retirements of Madeleine Cosgrave in July 2025 and Manjiry Tamhane in March 2026, we welcomed

Michael Campbell and Anne Richards to the Board. As the Board composition has been refreshed over the last few years, it was a good opportunity in October 2025 to have an externally facilitated session focused on skills and strengths, to solidify relationships across the Board. We continue to review and evolve our skills matrix to ensure we have the skills needed on our Board with the most recent update undertaken in early 2026.

Further details of our Board changes can be found in our Nomination Committee Report on page 60.

We remain committed to having a Board that is diverse in all respects. As at the date of this report we comply with the UK Listing Rules requirements relating to diversity:

- (i) 40% of our Board are women (also meeting the FTSE Women Leaders target);
- (ii) two of our senior Board roles are held by women (CFO and SID); and
- (iii) we have two Directors on the Board from minority ethnic backgrounds (also meeting Parker Review targets).

Our progress on diversity and inclusion is described in more detail on pages 27-28.

STAKEHOLDER ENGAGEMENT

Landsec's success is dependent on the Board taking decisions for the benefit of our shareholders and in doing so having regard to all our stakeholders.

We regularly write to our larger shareholders, offering them the opportunity to meet privately and discuss their thoughts on the Company and the wider market with the Chair or the Senior Independent Director. I had a number of these meetings during the year and valuable feedback from those meetings was discussed by the Board.

Our stakeholder engagement activity is described in more detail on pages 23-25.

CULTURE

The Board understands the importance of culture and setting the tone of the organisation from the top to ensure it is embedded throughout Landsec. Our culture is a key component for continuing to make progress with our strategic plans. The aim of our people strategy is to create a high-performing and inclusive culture.

During the year the Board has discussed culture regularly, and also had updates from the Chief People Officer on our people,

our culture, talent and succession planning, diversity and inclusion activities, work to embed our cultural DNA and the results of our employee engagement survey. There have also been direct engagement activities with the workforce, overseen by our Non-executive Director for employee engagement.

Our employee engagement activity is described in more detail on pages 26-27.

BOARD EVALUATION

This year we undertook an internal Board Evaluation which involved the Board completing a questionnaire online, followed by a Board discussion. Overall, the Board Evaluation process has concluded that the Board and Committees are operating well.

Our Board evaluation is described in more detail in our Nomination Committee Report on page 61.

UK CORPORATE GOVERNANCE CODE

In respect of FY26 Landsec was subject to the Code. The Board is pleased to confirm that Landsec applied the principles and complied with all the provisions of the Code throughout the year. We have also been preparing for the Provision 29 changes under the Code which come into effect for FY27, as described in more detail in our Audit Committee Report.

CONCLUSION

I would like to take this opportunity to recognise the hard work and commitment of all our people during the year and to thank them for their continued efforts to ensure the future success of the business. I would also like to thank members of the Board for their continued support and commitment over the past year, and specifically to Manjiry who left at the end of the financial year, for her commitment to Landsec throughout her time on the Board.

SIR IAN CHESHIRE
CHAIR



BOARD OF DIRECTORS



SIR IAN CHESHIRE, CHAIR*

APPOINTED: MARCH 2023 & CHAIR FROM MAY 2023

COMMITTEES: Nomination Committee (Chair), Remuneration Committee

ROLE: Leads the Board, responsible for governance, major shareholder and other stakeholder engagement.

SKILLS AND EXPERIENCE: Sir Ian brings extensive general management and board experience across a range of sectors including Real Estate. His executive roles include senior leadership and commercial roles in customer-focused businesses.

Sir Ian's executive career was spent in retail, customer-focused businesses in senior leadership and commercial roles, latterly as Group Chief Executive of Kingfisher Plc from 2008 to 2015 and prior to that he was Chief Executive of B&Q Plc from June 2005. He previously held FTSE 100 Non-executive Director roles at Barclays Plc (and as Chairman of Barclays Bank UK), Whitbread Plc, where he was Senior Independent Director and BT Group Plc where he was Chair of the Remuneration Committee, Channel 4 and Menhaden Resource Efficiency Plc. He was the lead non-executive director at the UK Cabinet Office and Department for Work and Pensions. Sir Ian was also Chairman of the British Retail Consortium, Chairman of the Prince of Wales Corporate Leaders Group on Climate Change, President of the Business Disability Forum President's Group and chaired the Ecosystem Markets Task Force and GR Task Force.

Sir Ian was knighted in the 2014 New Year Honours for services to Business, Sustainability and the Environment and is a Chevalier of the Ordre National du Merite of France.

OTHER CURRENT APPOINTMENTS: Sir Ian is Chair of Spire Healthcare Group Plc, the King Charles III Charitable Fund and the corporate climate change coalition We Mean Business, and the Institute for Government, and has been appointed as a commissioner on the Pensions Commission in 2025.



MONI MANNINGS OBE, SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR*

APPOINTED: DECEMBER 2023

COMMITTEES: Nomination Committee, Remuneration Committee

ROLE: A sounding board for the Chair and a trusted intermediary for other Directors and shareholders.

SKILLS AND EXPERIENCE: From 2000 until 2016, Moni was a Partner and Head of the International Banking and Finance Division of Olswang LLP, before which she held senior positions in other leading law firms. Until 2017, Moni was Chief Operating Officer of Aistemos Limited.

Previous Non-executive Director positions include Hargreaves Lansdown plc, easyJet plc, Polypipe Group plc, Dairy Crest Group plc, Breedon Group plc, Investec Bank plc and Cazoo Group Ltd.

OTHER CURRENT APPOINTMENTS: Senior Independent Director of Co-operative Group.

A Member of the Takeover Panel. She founded EPOC, a not-for-profit network that seeks to increase the number of people of colour on boards and is also a trustee on the Board of the St Marks Hospital Foundation charity.



JAMES BOWLING, NON-EXECUTIVE DIRECTOR*

APPOINTED: SEPTEMBER 2023

COMMITTEES: Audit Committee (Chair), Nomination Committee

SKILLS AND EXPERIENCE: James was Chief Financial Officer of Severn Trent Plc from 2015 until his retirement in 2023. Prior to joining Severn Trent, James was interim Chief Financial Officer of Shire Plc, where he had been since 2005. Prior to joining Shire, James spent nine years at Ford Motor Company in various finance roles of increasing responsibility.

James has relevant financial experience as a Fellow of the Institute of Chartered Accountants in England and Wales and as an experienced listed company CFO who has successfully applied his skills across a number of sectors. He has broad experience in financial reporting, enterprise risk management, long-term capital investment models and a range of corporate activity, including M&A.

OTHER CURRENT APPOINTMENTS: Non-executive Director of Water Plus Group Ltd, Porterbrook Leasing Company Limited and Premier Marinas Holdings Limited (where he is also Chair of the Audit Committee). Director of Barleymow Investments Limited.

COMMITTEES

- A** Audit Committee
- N** Nomination Committee
- R** Remuneration Committee
- *** Independent as per the Code



GOVERNANCE

BOARD OF DIRECTORS CONTINUED



MICHAEL CAMPBELL,
NON-EXECUTIVE DIRECTOR*

APPOINTED: MAY 2025
COMMITTEES: Audit Committee

SKILLS AND EXPERIENCE: Michael is a Senior Managing Director and Head of International Real Estate at Pretium Partners, an alternative investment manager specialising in residential real estate. Prior to Pretium, Michael spent almost nine years at Mubadala Investment Company, where he launched and led the Firm’s international real estate investment activities. Earlier in his career, he founded Phene Capital, served as Managing Director at UBS Wealth Management, and as Principal at JP Morgan. Michael began his career as a real estate consultant at Ernst & Young and Arthur Andersen.

Michael brings significant experience acting in leadership roles across real estate investment and advisory functions. He has a Bachelor of Arts from Princeton University and an MBA from The Wharton School, University of Pennsylvania.

OTHER CURRENT APPOINTMENTS: Senior Managing Director and Head of International Real Estate at Pretium Partners.



BARONESS LOUISE CASEY,
NON-EXECUTIVE DIRECTOR*

APPOINTED: JANUARY 2025
COMMITTEES: Remuneration Committee

ROLE: Non-executive Director responsible for employee engagement from April 2026.
SKILLS AND EXPERIENCE: Baroness Casey became a crossbench peer in the House of Lords in September 2021, and is a former British Government official, working on issues relating to social welfare for five Prime Ministers over the last 23 years. She started her career in the social welfare sector and was Deputy Director of Shelter, the homelessness charity, from 1992 to 1999. Baroness Casey is also involved in many charities, including as a trustee of the King Charles III Charitable Fund.

Baroness Casey brings a unique perspective on public policy, providing invaluable insight to support engagement with our public sector partners across the country. Her experience reviewing some of the largest public sector organisations also means that she has a particular expertise in understanding how culture impacts organisations.

OTHER CURRENT APPOINTMENTS: Independent adviser for social issues, Chair of the Institute for Global Homelessness, and Visiting Professor at King’s College London.

In February 2025, she became the UK Government Lead Non-executive Director and in May 2025 she became the Chair of the Independent Commission to find long-term and sustainable solutions for adult social care in England.



ANNE RICHARDS DBE,
NON-EXECUTIVE DIRECTOR*

APPOINTED: SEPTEMBER 2025
COMMITTEES: Audit Committee

SKILLS AND EXPERIENCE: Prior to her current appointments, Anne served as Chief Executive Officer of Fidelity from 2018 to 2024, and before that she was Chief Executive Officer at M&G Investments and also served for 13 years as Chief Investment Officer of Aberdeen Asset Management. Anne was previously Chair of City UK, and held the position of director at Prudential Plc, eSure plc, Edinburgh Fund Managers and Aberdeen Asset Management PLC.

Anne has extensive investment experience and brings significant experience of leadership roles across a range of listed and private companies in both executive and non-executive positions. Anne graduated from the University of Edinburgh in Electronics and Electrical Engineering and has an MBA from INSEAD.

Anne will become an Independent Director and member of the Risk Committee of global asset manager and operator Keppel Ltd (Singapore listed) from 1 July 2026.

OTHER CURRENT APPOINTMENTS: Chair of Coutts Bank and Senior Adviser to Fidelity International.

COMMITTEES

- A** Audit Committee
- N** Nomination Committee
- R** Remuneration Committee
- ★** Independent as per the Code



**CHRISTOPHE EVAIN,
NON-EXECUTIVE DIRECTOR***

APPOINTED: APRIL 2019

COMMITTEES: Remuneration Committee (Chair),
Nomination Committee

SKILLS AND EXPERIENCE: Christophe's broad experience, both as a business leader and an investor, is a valuable asset to the Board. Having started his career in banking, holding various positions at NatWest and Banque de Gestion Privée, he joined ICG in 1994 as an investment professional, became CEO in 2010 and stepped down from that position in 2017. During his time at ICG he held various investment and management roles, founded the Group's businesses in Paris, the Asia-Pacific region and North America, and was instrumental in adding various additional businesses, including a UK property lending business.

Christophe has extensive investment experience in private equity, debt and other alternative asset classes. As the former CEO of a UK listed company, he also has management and leadership strengths, having successfully led the transformation of Intermediate Capital Group PLC (ICG) from a principal investment business into a diversified alternative asset management group.

OTHER CURRENT APPOINTMENTS: Non-executive Director of Bridges Fund Management. Chair of Quilvest Capital Partners.



**MILES ROBERTS,
NON-EXECUTIVE DIRECTOR***

APPOINTED: SEPTEMBER 2022

COMMITTEES: Audit Committee

SKILLS AND EXPERIENCE: Miles was Group Chief Executive of DS Smith Plc, the international packaging group, from 2010 until January 2025. Miles is currently acting as an adviser to DS Smith Limited and International Paper and joined the board of RS Group PLC as a Non-executive Director on 1 March 2025. Prior to his role at DS Smith Plc, he was Chief Executive at McBride plc from 2005 to 2010.

In addition to his significant Board experience, Miles brings specific experience of large, long-term capital projects, alongside a particular focus on sustainability. Miles is a qualified chartered accountant.

OTHER CURRENT APPOINTMENTS: Non-executive Director of RS Group PLC and an adviser to DS Smith Limited and International Paper.

**NON-EXECUTIVE DIRECTOR –
MANJIRY TAMHANE**

Manjiry Tamhane stepped down as Non-executive Director and a member of the Remuneration Committee on 31 March 2026 having joined the Board in 2021.

**THE ROLE OF OUR
NON-EXECUTIVE DIRECTORS**

Our Non-executive Directors are responsible for bringing an external perspective, sound judgement and objectivity to the Board's deliberations and decision-making. They support and constructively challenge the Executive Directors using their broad range of experience and expertise, and monitor the delivery of the agreed strategy within the risk management framework set by the Board.

Our Non-executive Directors have a diverse skill set and background including property, investment, asset management, retail and hospitality, public policy and broader leadership and culture experience. This expertise enables the Board to constructively challenge management and encourages diversity of thought in the decision-making process.

COMPANY SECRETARY

Marina Thomas is our Company Secretary. Marina provides advice and support to the Board, its Committees and the Chair, is responsible for governance and compliance across the Group, and is a member of our ELT.

The appointment and removal of the Company Secretary is a matter for the Board.



GOVERNANCE

BOARD OF DIRECTORS CONTINUED



MARK ALLAN, CHIEF EXECUTIVE,
EXECUTIVE DIRECTOR

APPOINTED: APRIL 2020

COMMITTEES: Mark chairs the ELT and attends the Board’s Audit, Remuneration and Nomination Committees at the invitation of the chairs of the relevant Committees.

ROLE: Responsible for the leadership of the Group, development and implementation of strategy, managing overall business performance and leading the ELT.

SKILLS AND EXPERIENCE: Mark joined Landsec as Chief Executive Officer in April 2020. He brings extensive knowledge and experience of the property sector combined with strong operational leadership and financial and strategic management skills to the Board.

Before joining Landsec, Mark was Chief Executive of St. Modwen Properties Plc. Prior to that he was Chief Executive of The Unite Group since 2006. He moved to Unite in 1999 from KPMG and held a number of financial and commercial roles in the business, including Chief Financial Officer from 2003 to 2006.

Mark is a qualified Chartered Accountant and a member of the Royal Institution of Chartered Surveyors.

OTHER CURRENT APPOINTMENTS: Mark is an Independent Trustee at the University of Bristol.



VANESSA SIMMS, CHIEF FINANCIAL
OFFICER, EXECUTIVE DIRECTOR

APPOINTED: MAY 2021

COMMITTEES: A member of the ELT and chairs our Disclosure Committee. Vanessa attends the Board’s Audit Committee meetings at the invitation of the Committee Chair.

ROLE: Works closely with the Chief Executive in developing and implementing vision and strategy. Responsible for Group financial performance, financial planning, management of risks and assurance, Group legal and Group procurement.

SKILLS AND EXPERIENCE: Vanessa brings extensive financial experience to Landsec from the property sector, and has particular expertise in leading and implementing strategic change in businesses and substantial experience of leadership roles in a listed environment.

Previously, Vanessa was Chief Financial Officer at Grainger plc, and prior to that held senior financial positions at The Unite Group plc and SEGRO plc. She was also a Non-executive Director and Audit Chair of Drax Group Plc until June 2024.

Vanessa is a Chartered Certified Accountant (FCCA) and has an executive MBA (EMBA) from Ashridge Business School.

OTHER CURRENT APPOINTMENTS: Vanessa is a Non-executive Director of Rotork plc, a global provider of mission-critical intelligent flow control.

CHART 22

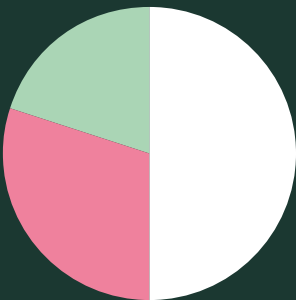
CURRENT GENDER
DIVERSITY OF BOARD*
(ALL DIRECTORS)



Male	60%
Female	40%

CHART 23

CURRENT BOARD TENURE*
(NON-EXECUTIVE DIRECTORS
INCLUDING CHAIR)



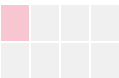
0 to 3 years	50%
3+ to 6 years	30%
6+ years	20%

*Correct as at 13 May 2026.

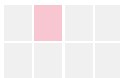


EXECUTIVE LEADERSHIP TEAM

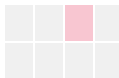
Our ELT is made up of our Executive Directors and our business unit and enabling function leaders, and is chaired by the Chief Executive.



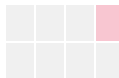
BRUCE FINDLAY
MANAGING DIRECTOR,
RETAIL



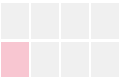
CHRIS HOGWOOD
CHIEF CORPORATE
AFFAIRS OFFICER



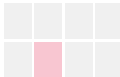
KATE SELLER
CHIEF PEOPLE OFFICER



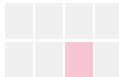
MARCUS GEDDES
MANAGING DIRECTOR,
WORKPLACE



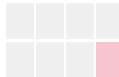
REMCO SIMON
CHIEF STRATEGY &
INVESTMENT OFFICER



NISHA MANAKTALA
CHIEF DATA &
TECHNOLOGY OFFICER



MIKE HOOD
CHIEF OPERATING
OFFICER



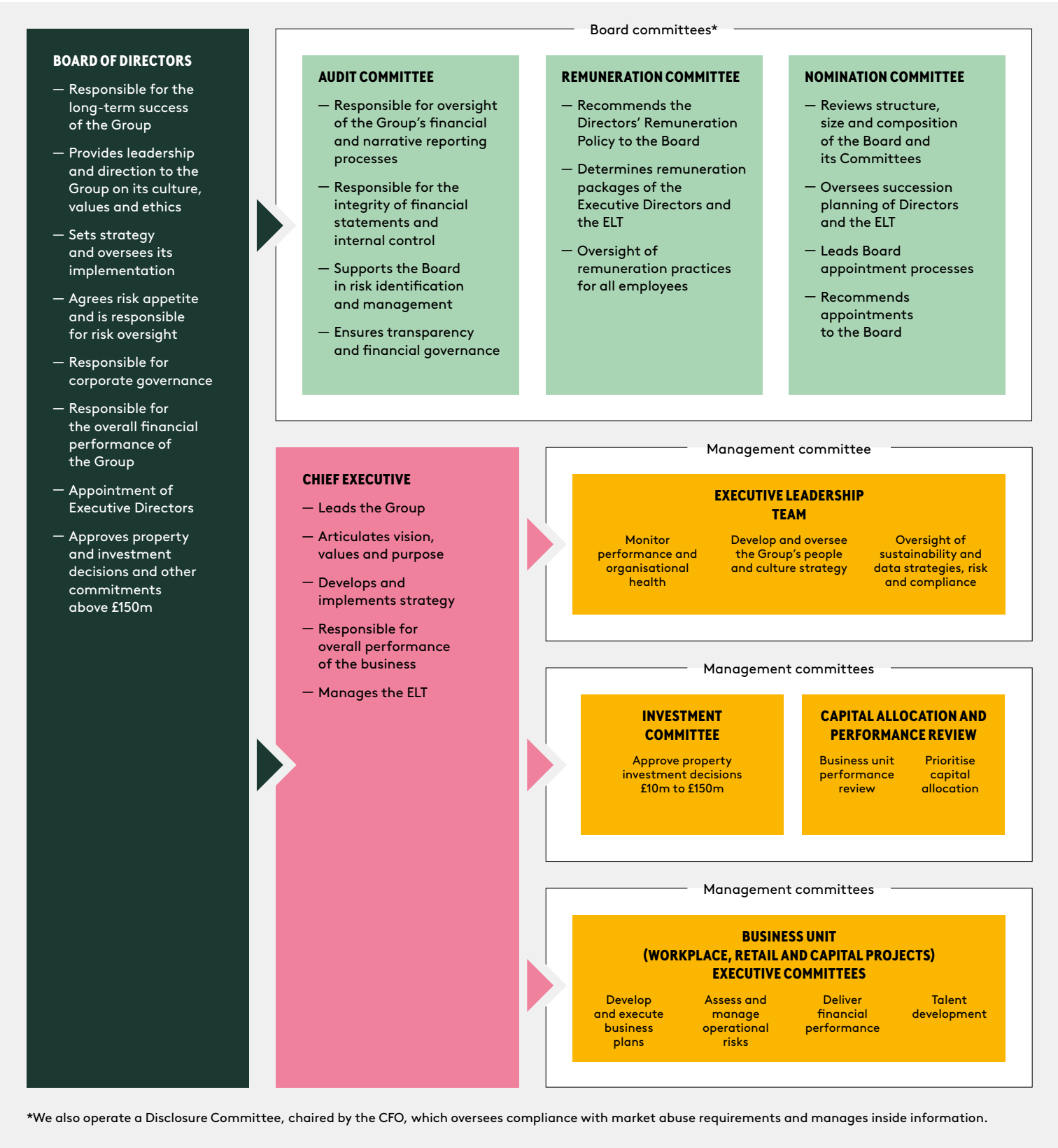
MARINA THOMAS
HEAD OF GOVERNANCE
AND COMPANY
SECRETARY

Biographies for the ELT can be found at landsec.com/en/about/about-landsec/our-leadership.



GOVERNANCE REPORT

OUR GOVERNANCE STRUCTURE





OUR GOVERNANCE STRUCTURE

The Board and Committees continue to oversee our strategy, governance and assurance. They are supported by (i) our ELT, which is responsible for implementing our strategy, oversight of organisational health and our people and other cross-functional agendas; (ii) our Capital Allocation and Performance Review which reviews performance in detail and discusses capital prioritisation; and (iii) the Investment Committee which is the formal decision-making body for business related investments of between £10m and £150m.

Our Delegation of Authorities framework sets out levels of authority for decision-making throughout the business. Decision-making on investments and commercial agreements, including the acquisition, disposal and development of assets, is delegated according to financial values. Our investment appraisal guidelines include the principles in Section 172 of the Companies Act 2006 requiring consideration of all stakeholders.

Decisions that can only be made by the Board, together with the terms of reference for our Board Committees, are on our website.

Our governance structure is effective, helping us to run the business in the most agile manner, whilst maintaining effective controls over significant investment decisions.

ATTENDANCE

There were seven scheduled meetings this year and two unscheduled meetings. All Board members attended the scheduled meetings. The Chair holds meetings with the Non-executive Directors without the Executive Directors present at the end of Board meetings.

BOARD ACTIVITIES

Our Board is responsible for the overall leadership of the Group and throughout the year, Board activities and discussion have continued to focus on the Company's strategic priorities. The Board oversees the Company's strategic direction and supports the ELT with its delivery of the strategy within a transparent governance framework.

Alongside oversight of the implementation of the revised strategy and business financial and operational performance, the Board has considered topics including executive succession, diversity and inclusion, data and technology (including cyber and AI), security, health and safety, compliance topics and governance.

Board activities are covered in more detail on page 59.

STRATEGY DAY

The Board took the opportunity of the strategy day to hear from the participants of Landsec Builds, the programme which replaced our executive level Shadow Boards last year. The participants of Landsec Builds carried out and then presented a detailed review of a select number of our real estate peers (covering office, retail and mixed use), within and outside of the UK. As well as providing useful insights for consideration, there were several follow up points for further analysis.

TRAINING AND DEVELOPMENT

Directors received regular market and broader business updates in their Board papers, facilitating greater awareness and understanding of the context of the Group's business and strategy. The strategy day where real estate peers were reviewed in more detail also provided useful insights for the Board.

INDUCTION

Our induction plan starts as soon as it is confirmed that a new Board member is joining, and through this programme we aim to enable a new Director to assume their responsibilities as quickly as possible and feel able to contribute to business and strategy discussions, with sufficient knowledge to provide effective challenge.

During FY26 induction plans were in place for the following Non-executives appointed in 2025: Louise Casey (January), Michael Campbell (May) and Anne Richards (September).

Our induction programmes are designed for Non-executive Directors to:

- support their understanding of Landsec's business and financial position, strategy, culture, risks and opportunities
- enable a clear understanding of our Board processes and dynamics
- help them build relationships with the Board, the ELT and other key individuals at Landsec and key external advisers
- help Directors learn about our business first hand through site visits across our portfolio. All new Directors visited or are due to visit sites including Victoria, Bluewater, O2, Lewisham, Mayfield, MediaCity and Liverpool ONE



GOVERNANCE REPORT CONTINUED

CONFLICTS OF INTEREST AND EXTERNAL APPOINTMENTS

The Board has a policy to (i) identify and manage Directors' conflicts or potential conflicts; and (ii) determine any mitigating actions deemed appropriate to ensure that all Board meetings and decisions are taken solely with a view to promoting the success of Landsec.

Directors' conflicts of interest are reviewed by the Board during the year, with new conflicts arising between meetings dealt with by the Chair and Company Secretary. Details of Non-executive Directors' other appointments are included on pages 51-53. Non-executive Directors' letters of appointment set out the time commitments expected from them.

Following consideration, the Nomination Committee has concluded that all the Non-executive Directors continue to devote sufficient time to discharging their duties to the required high standard.

We generally adhere to the Institutional Shareholder Services (ISS) proxy voting guidelines on overboarding and accordingly deem all of our Non-executive Directors to be within these guidelines.

Our policy is to allow Executive Directors to take one non-executive directorship at another FTSE company, subject to Board approval. Vanessa Simms is currently on the Board at Rotork plc.

BOARD DIVERSITY

Our latest gender and ethnic diversity data at Board level and below as required under the UK Listing Rules is detailed below. Further diversity data for the wider workforce is on page 28.

Landsec was ranked 17th in the FTSE 100 in the FTSE Women Leaders Review, due to the relatively high representation of women in the combined ELT and direct reports group, and second (out of 21) in the Real Estate sector. Landsec was included in the FTSE 100 companies who continue to meet the target of 'at least one ethnic minority director on their board'. The 2023 Parker Review introduced a new voluntary target 'for each FTSE 100 and 250 Board to set a target for 2027 for the percentage of its Senior Management group who identify as minority ethnic'. We set a target of 9% representation in our senior management population by 2027. This was a mid-point target to our internal 2030 ethnic minority representation targets (18% ethnic minority representation

at Leader and Senior Leader levels and 20% at ELT level). We are currently tracking behind the 2027 target of 9%, as at 31 December 2025 (the Parker Review reporting date) with 5.3% ethnic minority representation within ELT and direct reports. This was a fall from 8.6% in the prior year. Due to the small size of our leadership population, a small change in headcount can have a significant impact on representation. As part of the wider diversity and inclusion plans for FY27, actions to get the target back on track include ethnic diversity targets for recruitment shortlists, hiring manager training, increasing the transparency of promotion assessments and the completion of equality impact assessments for all organisational restructures.

The Committee notes that since Manjiry Tamhane stepped down on 31 March 2026, there has been a reduction in both the proportion of women on the Board and the proportion of Board members from an ethnic minority. Notwithstanding this change, the Board continues to meet the target for women on Boards and exceeds the applicable ethnicity related Board diversity targets. The Committee will continue to monitor ongoing compliance with these targets.

BOARD AND EXECUTIVE LEADERSHIP DIVERSITY UNDER UKLR6.6R(9) AND UKLR6.6R(10)^{1,2}

TABLE 24

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Leadership Team	Percentage of Executive Leadership Team
Gender diversity					
Men	6	55%	2	6	60%
Women	5	45%	2	4	40%
Not specified/prefer not to say	–	–	–	–	–
Ethnic diversity					
White British or other White (including minority-white groups)	8	73%	3	9	90%
Mixed/Multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	2	18%	1	1	10%
Black/African/Caribbean/Black British	1	9%	–	–	–
Other ethnic group	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

1. The data in the table was collected via written submissions completed by each relevant individual within scope of the reporting requirements set out in UK Listing Rule 6.6.6R(10) and based on the categories outlined in UK Listing Rule 6 Annex 1.

2. The reference date for the purposes of UK Listing Rule 6.6.6R(9a) and 6.6.6R(9c) is 31 March 2026, which is consistent with our approach in the prior year. A description of changes occurring subsequent to the reference date is set out in the narrative above.



BOARD DISCUSSIONS DURING THE YEAR

	TOPICS/ACTIVITIES	HIGHLIGHTS/OUTCOMES
STRATEGY	— Retail, Workplace, Capital Projects and Media City business reviews — Acquisitions and disposals — Defence overview, valuations and market reviews — Development deep dive review — Overall strategy review — Presentation from the participants of Landsec Builds focused on our real estate peers — Optimum capital recycling and capital allocation	— Approval of Group business plan — Capital Markets Day to update investors on growth across major retail — Disposals of other non-core assets including Queen Anne's Mansions — Engagement activity for Board and Landsec Builds participants and deeper peer insights
FINANCIAL	— Capital allocation — Budgets — Key business targets — Dividends, results and reports — Going concern and viability statement — Portfolio valuation — Source of funding and gearing levels — Tax strategy — Finance systems transformation — Macroeconomic environment	— Preliminary results, Annual Report and half-year results approved — Group budget approved — Dividends approved and paid — Approval of change of frequency of future dividend payments to half-yearly — Annual tax strategy approved and published — Post investment appraisals for significant investment decisions
OPERATIONAL	— Development pipeline and pre-let activity — Market and sector trends — Cyber security and ransomware — AI and other data and technology updates — Sustainability progress updates — Updates on UK politics — Health, safety and physical security, including fire safety	— Health, safety and security updates — Media City tour and review, tour of Mayfield — Introduction to Liverpool ONE and asset tour — Tours of MYO King's Cross, MYO Bankside, Timber Square and Thirty High
PEOPLE AND ORGANISATION	— Succession planning for ELT and senior management — Talent management across the Group including review of talent programmes and high potentials — Progress with diversity and inclusion programmes — Review of culture through employee engagement survey and feedback from direct engagement — Attendance at Spotlight Awards to celebrate employee achievements	— Focus on high performance culture and issuing our Landsec DNA and Landsec leader DNA — Refreshed purpose to accompany our updated strategic vision — Continued progress with diversity and inclusion initiatives — Approval of gender and ethnicity pay gap reports
GOVERNANCE	— Risk identification, management and internal control — Meeting reports from Chairs of Audit, Remuneration and Nomination Committees — Modern slavery update — Board and Committee effectiveness — Regulatory, litigation and whistleblowing updates — Share register analysis – major shareholder movements — Updates on reports to FTSE Women Leaders Review and Parker Review on Ethnic Diversity — Board succession review and skills matrix review — Annual General Meeting	— Agreed risk appetite — Agree externally facilitated Board and Committee evaluation actions — Approval of Modern Slavery Statement — Remuneration Committee Chair meeting with employees on executive remuneration — Regular meetings between employees and Non-executive Directors with summary feedback covered at the Board — Controls reviewed, designed and embedded to reflect new requirements under Provision 29 of the Code



INTRODUCTION FROM THE CHAIR OF THE NOMINATION COMMITTEE



COMMITTEE MEMBERS

- ▴ Sir Ian Cheshire (Chair)
- ▴ James Bowling
- ▴ Christophe Evain
- ▴ Moni Mannings

KEY ACTIVITIES

- Reviewing Board composition and Board and executive succession
- Refreshing our skills matrix

KEY RESPONSIBILITIES

- Board skills matrix
- Composition of the Board and Committees
- Succession planning for the Board and ELT
- Board appointment processes

MEETINGS

- Three scheduled meetings
- All members of the Committee attended all scheduled meetings during their membership

DEAR SHAREHOLDER

I am pleased to present the report from the Nomination Committee for the year.

We believe that a balanced and diverse Board with a mix of skills, expertise, background and tenure is critical to the success of the business. The composition of the Board underpins the quality of debate and helps ensure appropriate challenge during discussions.

As stated in our Board Diversity Policy (available on our website), diversity at Board level sets the tone for diversity throughout the business. At Landsec we support diversity in the broadest sense, including gender and ethnicity but also experience, skills, professional background and tenure.

The process for Board appointments is led by the Nomination Committee which makes recommendations to the Board for approval. The Nomination Committee works with executive search consultants to create role profiles for each appointment and to ensure we review and meet a diverse range of candidates for Board appointments. Selection is always based on merit and objective criteria.

Further information on diversity at Landsec can be found on pages 27-28.

INDEPENDENCE AND RE-ELECTION TO THE BOARD

The independence, effectiveness and time commitment of each of the Non-executive Directors has been reviewed by the Committee. The Committee is satisfied with the contributions and time commitment demonstrated by all the Non-executive Directors during the year.

The Committee will continue to review and discuss the additional commitments of all Directors (including the Chair) before recommending their approval to the Board. The Committee also considers any potential conflict issues as part of their assessment.

Anne Richards is standing for initial election by shareholders at the AGM in July 2026, with all other Directors standing for re-election with the support of the Board.

BOARD COMPOSITION AND SUCCESSION

The Committee is responsible for keeping Board composition under review. The Committee has continued to review the composition and has also reviewed Board, Board Committee, other Board roles, and executive succession in more detail during the year.

During FY26, Michael Campbell joined the Board in May 2025 to replace Madeleine Cosgrave (who stepped down in July 2025) as our Non-executive real estate expert, and Anne Richards joined the Board in September 2025 bringing significant investment experience.

Manjiry Tamhane stepped down from the Board and Remuneration Committee on 31 March 2026 after five years' service. Manjiry joined the Board in March 2021 and the Board has benefitted from her support and guidance on data, technology and consumer strategies, and has played an important role in helping us shape our future approach to these areas.

More comments on our activities during the year are described in this report.

BOARD SKILLS

Towards the end of FY26, we refreshed the Board's skills matrix to reflect the latest Board composition and this work is described further in this report.

BOARD EVALUATION

This year we carried out an internal Board evaluation. I managed the process alongside the Senior Independent Director and Company Secretary, and the outcomes are described in more detail in this report. Overall, the outcome of the Board review was positive and both this Committee and the Board had operated effectively during the year in carrying out their responsibilities.

SIR IAN CHESHIRE
CHAIR



REPORT OF THE NOMINATION COMMITTEE

BOARD COMPOSITION AND SUCCESSION

The Committee reviewed overall composition of the Board and Committees and other specific roles and determined that Louise Casey should join the Remuneration Committee and be appointed as the Non-executive Director responsible for employee engagement from 1 April 2026. The Committee also reviewed other key Board and Committee roles and executive succession planning.

SKILLS MATRIX

During the year the Nomination Committee led an exercise to update our Board skills matrix. Mirroring the process run in FY25, we utilised the Board Outlook platform to facilitate this process. The Committee reviewed the 2024 assessment of prioritised skills and made a number of minor clarifying amendments. Board members were then asked to self-evaluate themselves against those required skills and peer assess their Board colleagues. The outcome of the skills matrix review was discussed by the Committee and it was agreed that there was an appropriate mix of skills on the Board.

BOARD EVALUATION FY26

Our Board evaluation provides the Board and its Committees with an opportunity to reflect on effectiveness and performance.

This year our review was conducted internally using the Board Outlook system. The Board were sent a questionnaire and an additional Committee survey specifically on advisers and external partners, covering the effectiveness of advisers and their understanding of the business and its risks and their working relationships with management.

The questions in the survey focused on the effectiveness of the Board and its Committees in supporting the delivery of the Group's strategy and long-term value creation, including the Board's role in setting and overseeing strategic priorities. It also covered the quality of the Board's partnership with management, encompassing constructive strategic challenge, effective oversight and the flow of timely and relevant information. The review also looked at the robustness of succession planning, Board composition and the alignment of skills and experience with the Group's evolving strategic needs. Finally, the review included Board culture, the quality of debate, openness of discussion and the effectiveness of Board dynamics, the leadership of the Chair and the overall effectiveness of Board meetings and stakeholder oversight.

OUTCOMES

Overall, the Board was satisfied with its performance during the year. The following key themes were identified:

- Overall, Landsec has an effective Board. The relationship between the Board and management is viewed as a particular area of strength with strong confidence in the CEO and meaningful exposure to the wider management team
- Non-executive Directors expressed strong confidence in the Board's oversight of portfolio rotation and major projects. Projects are seen as aligned with strategy and with the Board both consulted on key decisions and receive regular and effective reporting on delivery progress
- The Board's diversity of background, including global and domestic, alongside diversity of gender and ethnicity, is recognised by the Board as a strength. The Board regards the Chair as providing an effective and well-respected leadership
- Non-executive Directors report that the culture is viewed as healthy by all participants demonstrated by thorough preparation, full engagement and a genuine breadth of perspectives which has brought a strengthened feeling of cohesiveness to the Board
- In response to the external evaluation undertaken in FY25, it had been agreed that an additional externally facilitated Board session would take place in October 2025. The main purpose of this session was to deepen and develop relationships in light of the number of new directors who had joined the Board since 2023. The Board considered this session and other actions undertaken as a result of the last external evaluation to be successful and beneficial for Board dynamics and relationships

The FY26 internal evaluation identified some recommendations including improvements to Board papers and a desire to ensure there was more unstructured time for Board discussions.

The Nomination Committee was also reviewed. There were a few minor recommendations however overall it was concluded that this Committee had operated effectively during the year. The Audit and Remuneration Committee Reports contain a summary of their own reviews.



INTRODUCTION FROM THE CHAIR OF THE AUDIT COMMITTEE



COMMITTEE MEMBERS

- ▶ James Bowling (Chair)
- ▶ Miles Roberts
- ▶ Michael Campbell
(from 1 May 2025)
- ▶ Madeleine Cosgrave
(until 10 July 2025)
- ▶ Anne Richards
(from 1 September 2025)

HIGHLIGHTS

- Continued integrity of reporting process
- Effectiveness of the risk management system and enhancing internal controls process in preparation for Provision 29
- Deep dives into cyber security and health and safety risks
- Transition to business as usual following financial systems transformation
- Accounting treatment of various financial matters
- Corporate governance and regulation changes
- Oversight of internal audit

KEY RESPONSIBILITIES

- Reliability of the financial statements and internal controls
- Effective risk identification and management
- Overall transparency and financial governance

MEETINGS

- Four scheduled meetings with full attendance from all members
- Meeting attendees are shown on page 63

DEAR SHAREHOLDER

I am pleased to provide the report on the work of the Audit Committee for the year ended 31 March 2026.

The key responsibilities and highlights noted to the left outline the focus of the Committee during FY26. We continued to review, monitor and provide assurance to the Board that the financial statements were reliable, and that the integrity of the Company's processes regarding reporting, internal controls, risk identification and management, audit and valuation, effective compliance with laws, regulations and ethical codes of practice, and overall financial governance were in place and operating effectively.

FINANCIAL STATEMENTS AND REPORTING PROCESS

The Committee recognises the importance of the financial statements to investors and wider stakeholders, and therefore monitors the integrity of the Group's reporting process and financial management. It reviews the full and half-yearly financial statements before proposing them to the Board for approval, along with examining in detail the work of the external auditor, external valuers and any significant financial judgements and estimates made by management to ensure that the outcome is appropriate.

The Committee also considered the Task Force on Climate-related Financial Disclosures (TCFD) and the associated assurance work. Further information on this can be found on pages 35 to 39.

RISK AND CONTROLS

Our decentralised and simplified risk framework means that risk identification and management is embedded within the day-to-day operations of the business.

The risk relating to the macroeconomic outlook remains the most significant strategic risk. The risk in relation to climate change transition has increased in the year, whilst the risk in relation to development has decreased due to the reduction in development assets as a share of the portfolio. In addition, the risk that change projects failed to deliver has been removed as a principal risk due to the successful implementation of our core systems and the target operating model.

The Committee is provided with detail to ensure that actions to mitigate principal risks are appropriate. No material emerging risks have been identified through the risk management process during the year, and deep dives into cyber security and health and safety were undertaken.

Regular updates were also provided to assure the Committee of the preparedness for the controls certification required by Provision 29 of the Code. More detail is provided on page 64.

ASSET VALUATION

The valuation of our assets is a significant constituent of our financial results and measurement of our performance. CBRE and JLL continued to value our property portfolio. These industry-leading agencies provided us with expert external valuations of our assets twice during the year, in accordance with the relevant industry standards. The Committee has been updated on proposed changes to the valuers' appointments required as a result of the Royal Institute of Chartered Surveyors' mandatory rotation policy for valuers. Further information on this can be found on page 66.

The valuation process requires the valuers to evaluate the likely future financial performance of each individual asset and apply recent and relevant transactional evidence to determine an appropriate value at the period end. The Committee analyses, challenges and debates the valuations prepared by the valuers who attend Committee meetings for this purpose at the half and full year-end. The external valuation process and the values ascribed to specific assets are also reviewed independently by our auditor, EY, as part of its audit scope.

TRANSACTIONS

During the year there were a number of transactions (for example the disposals of Queen Anne's Mansions, 140 Aldersgate and Red Lion Court). Material transactions were considered by the Committee following discussions with the finance team and external auditor. The Committee satisfied itself that the accounting treatment and associated disclosures were appropriate.



FAIR, BALANCED AND UNDERSTANDABLE

The Committee considered the Company's 2026 Annual Report in the round and concluded and recommended to the Board that, taken as a whole, the 2026 Annual Report is fair, balanced and understandable.

GOING CONCERN AND VIABILITY STATEMENT

The Committee considers the appropriateness of adopting the going concern assumption in preparing the financial statements and the going concern statement is set out on pages 47-48, along with the viability statement and the rationale behind the chosen five-year time horizon.

INTERNAL AUDIT

During FY26, the internal auditor, KPMG, has undertaken audits on payroll, the Mayfield development, leasing, material controls, and IT vendor risk management. These audits were in line with KPMG's FY26 Internal Audit Plan. The Audit Committee has agreed its proposed Internal Audit Plan for FY27.

CORPORATE GOVERNANCE AND REGULATION

The Committee considered its compliance with the Code and the FRC Guidance on Audit Committees and continues to believe that it has addressed both the spirit and the requirements of each. In addition, the Committee continues to regularly monitor any changes to the corporate governance regime and other regulations.

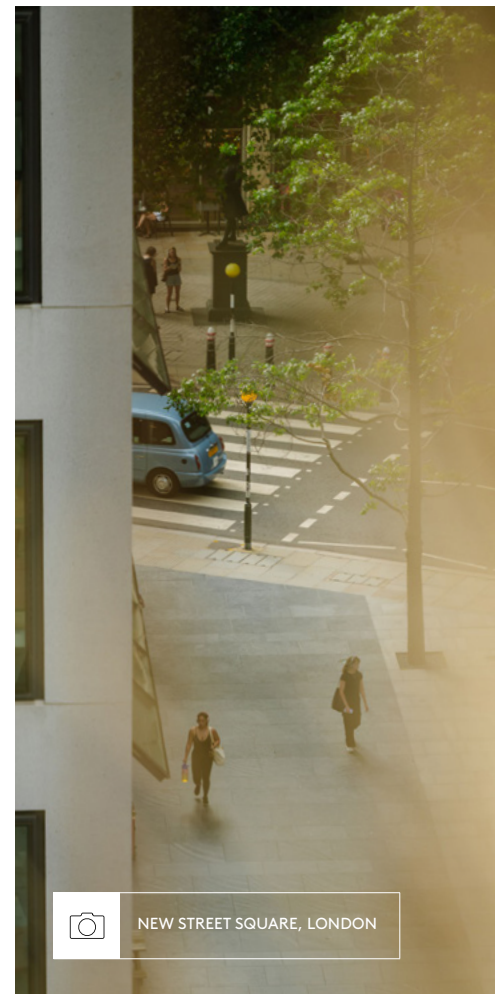
There has been particular focus this year on ensuring that we are prepared for Provision 29 of the Code (effective for our next year-end), and there have been updates on the Economic Crime and Corporate Transparency Act 2023 and IFRS 18.

COMMITTEE CHANGES AND EFFECTIVENESS

As noted in the FY25 report, Madeleine Cosgrave stepped down from the Board and the Committee in July 2025 and Michael Campbell joined the Board and Committee in May 2025. In addition, we were also pleased to welcome Anne Richards to the Board and Committee in September 2025.

This year the Board evaluation was undertaken internally (further details are included on page 61). Whilst there were some minor recommendations for improvement, the evaluation concluded that the Committee continued to be effective.

JAMES BOWLING
CHAIR



NEW STREET SQUARE, LONDON

AUDIT COMMITTEE MEETINGS

ATTENDEES AT MEETINGS TO SUPPORT THE COMMITTEE

- Chair of the Board
- Chief Executive
- Chief Financial Officer
- Head of Governance and Company Secretary
- Deputy Company Secretary
- Head of Risk and Controls
- Members of the senior finance team
- Representatives of the EY external audit team
- Representatives of the KPMG internal audit team

PROPERTY VALUATION PRESENTATIONS

- All Directors are invited to attend meetings when CBRE and JLL present their property valuations

COMMITTEE PRIVATE SESSIONS

- CBRE valuation team
- JLL valuation team
- EY external audit team
- KPMG internal audit team



REPORT OF THE AUDIT COMMITTEE

In addition to ensuring the integrity of the financial reporting process, the Audit Committee has focused on risk management, particularly on certain risks, and the internal controls framework.

STRUCTURE AND OPERATIONS

The Audit Committee's structure and operations are governed by terms of reference, which are reviewed annually and approved by the Board. These were last approved in March 2026 and the changes made were mainly required to reflect Provision 29 of the Code on internal controls which will be effective for the next accounting period.

The terms of reference are available on our website: landsec.com/en/about/our-commitments/corporate-governance/board-committees.

Set out on page 63 are those who regularly attend Audit Committee meetings to support the Committee, and provide relevant information and expertise.

The Committee members are all independent Non-executive Directors and collectively have a broad range of financial, commercial and property sector expertise that enables them to provide oversight of both financial and risk matters, and to advise the Board accordingly. The Board determined that James Bowling, as Chair of the Committee, has recent and relevant financial experience for the purpose of satisfying the Code. Details of the experience of all members of the Committee can be found on pages 51-53.

The Committee's meeting and activity programme is scheduled to align with the financial calendar. Following each meeting, the Committee Chair reports on the main discussion points and findings to the Board.

RISK MANAGEMENT, ASSURANCE AND INTERNAL CONTROL

Details on Landsec's risk management framework, risk appetite, risk identification, and the governance, management and assurance of risks, along with the principal risks and uncertainties, can be found on pages 40-46.

Key elements of the Group's risk management and internal control systems include a decentralised risk management framework, clear organisational responsibilities, robust governance structures and comprehensive financial and compliance processes.

Regular activities, such as risk reviews, internal audit assessments, quarterly self-certification by management and an effective whistleblowing process, ensure these systems remain effective.

Whilst the Board maintains overall responsibility for overseeing risk and ensuring the effective operation of a robust risk management and internal control system, the Audit Committee supports the Board by reviewing the effectiveness of the risk management and systems of internal control.

The Committee monitors the results of the key controls process, evaluates the control environment and considers the adequacy of assurance activities.

Independent assurance, including internal audits conducted by KPMG, provides insight into the adequacy of controls and processes. Throughout the year, the Committee reviewed KPMG's findings on key controls, programme assurance and improvements in key financial processes as part of the agreed annual assurance plan.

The progress of the internal audits and the actions identified by the audits are monitored by the Committee on a regular basis. In addition, the Committee reviewed the effectiveness of the internal auditor as part of the Board evaluation process.

Significant and emerging risks, internal audit findings and progress on recommended actions are discussed regularly at Committee meetings. The Committee is also undertaking

deep dives into specific risk areas. This year, it had detailed presentations on, and considered, information security and cyber threat risk (including management of the risk, assurance activities, resilience initiatives), and health and safety risks (including fire safety remediation in residential buildings).

The Committee was satisfied that the system of risk management and internal controls has been effective throughout the year.

In addition, a programme of work has been ongoing to review the internal controls framework in preparedness for Provision 29 of the Code. As part of this, the Committee oversaw a full 'dry run' of the new requirements. The Group's material controls were reviewed for effectiveness, supported by a clear strategy, evidence testing, certification by material control owners of the effectiveness of their controls and a draft statement for Committee review. This preparatory exercise has positioned the Group well for full implementation in the next financial year.

EXTERNAL AUDITOR

EY is Landsec's external auditor and is engaged to conduct a statutory audit and express an opinion on the Company's and the Group's financial statements. A competitive tender to select the external auditor was last carried out in 2022. Shareholders confirmed the reappointment of EY at our 2025 Annual General Meeting.

EY presented its proposed audit plan as reviewed by senior management to the Committee for discussion. The audit scope and approach was appropriate with consideration as to the Group's structure and strategy. The scope includes a review of the property valuation process and methodology using its own chartered surveyors (more details on pages 66-67), to the extent necessary to express an audit opinion.



When carrying out its statutory audit work, EY has access to a broad range of employees and different parts of the business. If it picks up any material information as part of this process, it would report to the Audit Committee anything that it believed the Committee should know in order to fulfil its duties and responsibilities. As audit partner, Julie Carlyle is authorised to contact the Committee Chair directly at any time to raise any matter of concern, without going through management.

The Committee is keen to ensure that EY feels able to challenge management, to provide observations or recommendations to management and the Audit Committee. These matters may be financial or non-financial and may be based on fact or opinion (including any concern over culture or behaviour).

The effective operation of the external audit is assisted by regular meetings to review the audit process between EY, the CFO and senior members of the finance team.

EY attends each Committee meeting, supported by other meetings held during the year with the Committee, or the Committee Chair, without management being present. These regular discussions were useful to the Committee but no matters of concern emerged.

The Committee continually monitors the performance and effectiveness of the external audit, and in addition the effectiveness of the external auditor was considered as part of the internal Board evaluation process.

During FY26, the Committee complied with the FRC's Audit Committees and the External Audit: Minimum Standard.

INDEPENDENCE AND OBJECTIVITY

The Committee is responsible for monitoring and reviewing the objectivity and independence of the external auditor.

In undertaking its annual assessment, the Committee took into account the FRC Ethical Standard.

The Committee reviewed:

- the confirmation from EY that it maintains appropriate internal safeguards in line with applicable professional standards, together with an explanation of the due diligence process followed to provide such a confirmation

- the mitigation actions taken in seeking to safeguard EY's independent status, including the operation of policies designed to regulate the amount of non-audit services provided by EY and the employment of former EY employees
- the tenure of the audit engagement partner (not being greater than five years); Julie Carlyle was appointed as EY audit partner to the Group in July 2022

No Committee member has any connection with the current auditor.

Taking the above review into account, the Committee concluded that EY remained objective and independent in its role as external auditor.

EY will be appointed for FY27 at this year's Annual General Meeting, subject to shareholder approval.

The Company has complied with the Statutory Audit Services for Large Companies Market Investigation (Mandatory use of Competitive Tender Process and Audit Committee Responsibilities) Order 2014.

AUDIT FEE

The audit fees payable for FY26 (including the audit of the statutory accounts and the Group's joint ventures) are £2.0m (FY25: £2.2m).

NON-AUDIT SERVICES

To help safeguard EY's objectivity and independence, we operate a non-audit services policy that sets out the circumstances and financial limits within which EY may be permitted to provide certain non-audit services.

Compliance with the policy is monitored by the Committee, with approvals being noted at the Audit committee meetings.

Approval levels under the policy for FY26 were as follows:

	Per assignment (£)	Aggregate during the year (£)
Chief Financial Officer	0–25,000	<100,000
Audit Committee Chair	25,000–100,000	100,000–1,100,000*
Committee	>100,000	

*50% of the prior year audit fee.

EY was engaged during the year to provide non-audit services to the Group relating to the Company's half-yearly review, sustainability reporting assurance, the non-statutory audit of the Security Group, work in relation to the update of the bond programme documentation, and assurance of the green bond reporting. The Committee decided that it would be in the interest of the Company to use EY for these services, recognising that the use of audit firms for non-audit work should generally be kept to a minimum and the services were not considered to impact EY's independence and objectivity. Total fees for non-audit services amounted to £0.4m. Details of the fees charged by EY during the year can be found in note 8 to the financial statements.

No non-audit fees were approved or paid on a contingent basis.

EXTERNAL VALUATIONS AND VALUERS

The valuation of the Group's property portfolio, including properties held within the development programme and in joint arrangements, is undertaken by external valuers. The Group provides input, such as source data, and support to the valuation process.

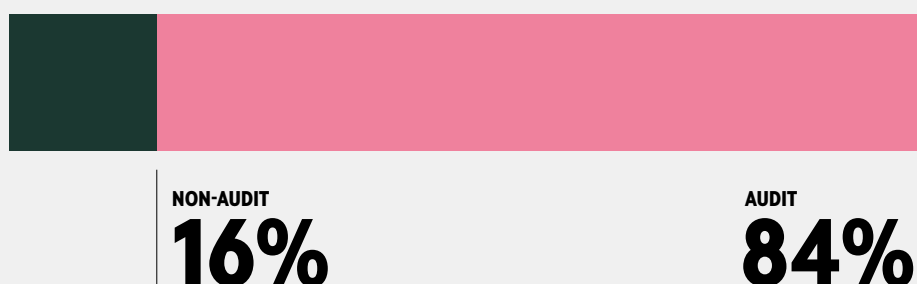
CBRE, appointed in 2015, currently values the office portfolio and some of the retail portfolio. JLL, appointed in 2022, undertakes the valuation of a large part of the retail portfolio.

AUDIT VS. NON-AUDIT FEES FY26

CHART 26

(including the audit of the Group's joint ventures)

22.2% non-audit fees as a ratio to Group audit fee (excluding the audit of the Group's joint ventures).





REPORT OF THE AUDIT COMMITTEE CONTINUED

The valuation helps to determine a significant part of the Group's total property return and net asset value, which have consequential implications for the Group's reported performance and the level of variable remuneration received by senior management. Accordingly, the scrutiny of each valuation and the valuers' objectivity and effectiveness represent an important part of the Committee's work.

Details of the valuation process including the scrutiny by EY and the Committee can be found in the significant financial matters table on page 67.

A fixed-fee arrangement (subject to adjustment for acquisitions and disposals) is in place with the valuers for the valuation of the Group's properties. These fees reflect the valuers' work on the year-end and half-yearly valuations as well as other work on agency services including investment activity. The total valuation fees paid by the Company to CBRE and JLL during the year represented less than 5% of their total fee income from all clients for the year.

The Committee has considered the independence of CBRE and JLL. Both valuers have appropriate systems in place to check for conflicts of interest and must seek approval for non-valuation activities. Their valuation departments operate separately from other advisory activity, and their valuation remuneration is not linked to other non-valuation work that they undertake.

The Committee monitored the performance and effectiveness of the valuers during the year, and were updated on the proposed new valuers' appointments required as a result of the Royal Institute of Chartered Surveyors' mandatory rotation policy for valuers. The Committee was advised that a tender process was undertaken with valuation firms providing a written submission, followed by presentations to senior stakeholders within the Group. A scoring exercise was undertaken to assess the valuers on market insights, depth of sector expertise, valuation methodology and approach, onboarding readiness, and technical capability and reporting strength.

The resultant new appointments will take effect following completion of FY26 year-end valuation, and the first external reporting period for the new appointments will be the interim results for the six months to 30 September 2026.

SIGNIFICANT FINANCIAL MATTERS

There were two significant financial matters in connection with the financial statements, namely the valuation of the Group's property portfolio and revenue recognition, that were considered by the Committee.

Further details are set out in the table on page 67.

These items were considered to be significant, taking into account the level of materiality and the degree of judgement exercised by management and, in respect of the valuation, the external valuers.

In addition, the Committee considered, and made onward recommendations to the Board where appropriate, on other key matters including acquisitions and disposals, provisions, pensions, tax-related matters, transition to business as usual following the financial systems transformation, going concern, receivables, provisions for health and safety remediation and other specific areas of individual property and audit focus.

The Committee was satisfied that all issues had been fully and adequately addressed, were in line with accounting policies as set out in the notes to the financial statements on pages 96-147, and that the judgements made were reasonable and appropriate and had been reviewed and debated with the external auditor who concurred with the approach taken by management.

NON-FINANCIAL MATTERS

The Committee understands the level of reliance that is placed by shareholders on the statutory audit and the report of the external auditor.

We report on alternative performance measures on page 159. The Committee considers these are appropriate for the business.

FAIR, BALANCED AND UNDERSTANDABLE

The Committee applied the same due diligence approach adopted in previous years in order to assess whether the Annual Report is fair, balanced and understandable, one of the key Code requirements. The Committee received assurance from the verification process carried out on the content of the Annual Report to ensure consistent reporting and the existence of appropriate links between key messages and relevant sections of the Annual Report.

Taking the above into account, together with the views expressed by EY, the Committee recommended, and in turn the Board confirmed, that the 2026 Annual Report, taken as a whole, is fair, balanced and understandable and provides the necessary information for shareholders to assess the Company's position, performance, business model and strategy.

WHISTLEBLOWING POLICY

The Audit Committee is updated on any cases which are reported under the Group's Speak Up policy. The policy allows employees and third parties to report concerns about suspected impropriety or wrongdoing, whether financial or otherwise, on a confidential basis, and anonymously if preferred. This includes an independent third-party reporting facility comprising a telephone hotline and an alternative online process.

Any matters reported are initially investigated by the Head of Governance and Company Secretary and reported to the Audit Committee Chair. The Audit Committee is updated on these matters, how they are investigated and any action taken. The Committee Chair provides a regular whistleblowing update to the Board, which has overall responsibility for whistleblowing.

During the year, four whistleblowing incidents were reported. All matters were investigated and appropriate actions or changes were implemented where this was deemed necessary, and the Audit Committee was kept apprised of the details.

We monitor whistleblowing awareness and remind employees that a dedicated hotline exists should they ever need to 'blow the whistle'. The arrangements also form part of the induction programme for new employees. Details of the whistleblowing hotline are included in our Supply Chain Commitment, Sustainable Development Toolkit, procurement tender documentation, on our website, and at our assets and development sites.



SIGNIFICANT FINANCIAL MATTERS

SIGNIFICANT FINANCIAL MATTERS – WHAT IS THE RISK?

Valuation of the Group's property portfolio (including investment properties, investment properties held in joint ventures)

The valuation of the Group's property portfolio is a major determinant of the Group's performance and drives an element of the variable remuneration for senior management. Although the portfolio valuation is conducted by an external valuer, valuation estimates are inherently subjective and require significant judgements to be made by management and valuers.

Significant assumptions and judgements made by the valuer in determining valuations may include the appropriate yield (based on recent market evidence), changes to market rents (ERVs), what will occur at the end of each lease, the level of non-recoverable costs and alternative uses. Development valuations also include assumptions around costs to complete the development, the level of letting at completion, incentives, lease terms and the length of time the space remains void.

HOW THE COMMITTEE ADDRESSED THE MATTERS

The Audit Committee adopts a formal approach by which the valuation process, methodology, market assumptions and outcomes are reviewed and robustly challenged. These reviews are undertaken first by management, by the Committee Chair, and then scrutinised by the Committee following a presentation by each of the valuers. The Group currently uses CBRE and JLL, both leading firms in the UK property market, as its principal valuers. It also involves EY as the external auditor which is assisted by its own specialist team of chartered surveyors who are familiar with the valuation approach and the UK property market*.

CBRE and JLL submit their valuation reports to the Committee as part of the half-yearly and full-year process and attend and present their reports to the Committee. Other Non-executive Directors are invited to join this presentation. The valuers provide a market update and highlight any significant judgements or disagreements which existed between them and management. There were no disagreements identified and the valuations were accepted for reporting purposes. The Committee considers the valuers qualifications, and challenges their approach, assumptions and judgements.

In addition, the Committee Chair and other Committee members meet separately with the valuers for further opportunity to test and challenge the valuations.

Revenue recognition (including the timing of revenue recognition and the treatment of lease incentives)

Certain transactions require management to make judgements as to whether and to what extent they should be recognised as revenue in the year. Market expectations and EPRA earnings targets may place pressure on management to distort revenue recognition. This may result in overstatement or deferral of revenues to assist in meeting current or future targets or expectations, including through incorrect treatment of lease incentives.

The Committee and EY considered the main areas of judgement exercised by management in accounting for matters related to revenue recognition, including timing and treatment of rents, incentives, surrender premiums and other property-related revenue.

In its assessment, the Committee considered all relevant facts, challenged the recoverability of occupier incentives, the options that management had in terms of accounting treatment and the appropriateness of the judgements made by management. These matters had themselves been the subject of prior discussion between EY and management.

The Committee, having considered the views of EY, concurred with the judgements made by management and was satisfied that the revenue reported for the year had been appropriately recognised.

*This year 36 properties (81% of the portfolio by value) were identified for substantive review based on a range of factors including a comparison to market movements, in progress developments, properties with planned capital expenditure, significant receivables, voids, exposure to climate risk and size, amongst others. The Committee reviewed EY's findings.

The above description of the significant financial matters should be read in conjunction with the Independent Auditor's Report on pages 84-91 and the significant accounting policies disclosed in the notes to the financial statements.



DIRECTORS' REMUNERATION REPORT – CHAIR'S ANNUAL STATEMENT



COMMITTEE MEMBERS

- ▶ **Christophe Evain (Chair)**
- ▶ Louise Casey
(from 1 April 2026)
- ▶ Ian Cheshire
- ▶ Moni Mannings
- ▶ Manjiry Tamhane
(until 31 March 2026)

KEY RESPONSIBILITIES

- Reviewing the link between reward and the Group's purpose and strategy
- Oversight of the Directors' Remuneration Policy and reward matters across the Group
- Maintaining a strong connection between returns to shareholders and reward for executives

MEETINGS AND ADVISERS

- Three scheduled and one unscheduled meeting with full attendance from members at all meetings
- Meetings are normally also attended by the Chief Executive, Chief People Officer and Head of Reward
- No individual is involved in discussions on their own remuneration
- FIT Remuneration Consultants LLP provide independent advice to the Committee

DEAR SHAREHOLDER

I am pleased to present the Directors' Remuneration Report for FY26.

This report is split into two sections being: (i) this Annual Statement; and (ii) the Annual Report on Remuneration. The Directors' Remuneration Policy, which was approved by shareholders in 2024, is available on our website.

KEY ACTIVITIES DURING FY26:

- reviewing salaries for Executive Directors and the ELT taking into account wider workforce salary increases
- setting, reviewing and finalising targets and outcomes of incentive plans, and reviewing variable pay arrangements at and below Executive Director level
- monitoring compliance with Executive Director shareholding requirements, market developments and shareholder sentiment on remuneration and oversight of share plan activity
- approval of pay gap reporting
- approving share awards for senior business unit employees (below Board) which incentivise performance against five-year strategic plan targets

PERFORMANCE FOR FY26

Despite continued uncertainty in broader markets, Landsec has delivered strong performance during the year with EPRA earnings up £8m to £382m despite the impact of the sale of Queen Anne's Mansions (QAM), which turned future finance lease income into a capital receipt on sale. EPRA EPS ended the year at the top end of guidance, up 2.2% to 51.4p, as 4.6% LFL income growth (ahead of guidance) and a 15% fall in overhead costs more than offset a 1.8% EPS impact from the sale of QAM, driving a 2.0% growth in dividend.

These results are considered by the Committee to be reflected in the variable pay awarded to the Executive Directors as outlined in this report.

DISCRETION

No discretion was exercised in respect of the Executive Directors for FY26.

INCENTIVE PLANS

Annual bonus for FY26 was awarded at 51.2% of the maximum for the Chief Executive (CEO) (76.8% of salary) and 51.8% of the maximum for the Chief Financial Officer (CFO) (77.6% of salary).

Vesting of the 2023 Long Term Incentive Plan (LTIP) Award in 2026 is based on relative TSR versus FTSE 350 Real Estate peers, TRE and environmental targets. On the basis of performance over the three years to 31 March 2026, these awards will vest at 38.1% of maximum. More detail on bonus awards and LTIP vesting can be found in the Annual Report on Remuneration.

EXECUTIVE REMUNERATION FY27

A summary of the proposed implementation of Remuneration Policy in FY27 is included on pages 74-75.

WIDER WORKFORCE AND EMPLOYEE VOICE

The Committee oversees all remuneration policies and practices across the Group and is regularly briefed by the Chief People Officer. The Committee takes account of the interests of all internal and external stakeholders when making any decisions on remuneration matters.

In May 2026, I again took the opportunity to meet with members of our Landsec Includes group (representing the wider Landsec workforce). I was pleased to answer a number of questions on our progress on diversity targets, target setting more broadly, how we compare to other listed companies, how performance impacts outcomes and how employee engagement can influence Board decision-making.

DIRECTORS' REMUNERATION POLICY

Given the Policy will reach the end of its three-year shareholder approved life next year, a review of the policy will be carried out in FY27.

CONCLUSION

I am grateful for the engagement and support provided by our shareholders and welcome your feedback.

Unless otherwise stated in this report, narrative and tables are unaudited.

CHRISTOPHE EVAIN
CHAIR, REMUNERATION COMMITTEE



ANNUAL REPORT ON REMUNERATION

The Annual Report on Remuneration describes how the Directors' Remuneration Policy has been applied in FY26 and how the Policy will operate in FY27. The shareholder-approved Directors' Remuneration Policy is available on our website. During the year, the Remuneration Policy operated as intended in terms of Company performance and quantum and as a result no changes are proposed to the Policy.

1. REMUNERATION OUTCOMES FOR DIRECTORS DURING THE YEAR

1.1 DIRECTORS' EMOLUMENTS (AUDITED)

SINGLE FIGURE OF REMUNERATION FOR EACH EXECUTIVE DIRECTOR (£K)										TABLE 27
		Base salary ¹	Benefits ²	Pension allowance ³	Annual bonus paid in cash ⁴	Annual bonus deferred into shares ⁴	LTIPs ⁵	Total	Total fixed pay	Total variable pay
Executive Directors										
Mark Allan	FY26	901	16	95	451	241	979	2,683	1,012	1,671
	FY25	878	15	92	439	654	1,617	3,695	985	2,710
Vanessa Simms ⁶	FY26	552	82	58	276	152	600	1,720	692	1,028
	FY25	538	82	56	269	448	990	2,383	676	1,707

1. Base salary earned during FY26 (with prior year comparatives).

2. The benefits consisted of a car/travel allowance and private medical insurance.

3. The pension contribution was a cash allowance of 10.5% of base salary.

4. Further details of the bonus awards are set out in section 1.3 below.

5. Further details of the estimated LTIP vesting values in respect of the 2023 LTIP Awards are set out in section 1.4 below. LTIP values in respect of the prior year have been updated to reflect actual values at vesting, rather than the estimates presented last year (calculation based on a closing share price of 625.50 pence on the 24 June 2025 vesting date rather than the 566 pence three-month average share price to 31 March 2025) and the estimated value of dividend equivalents up to vesting.

6. In addition to the above, Mark Allan participated in the Share Incentive Plan from April 2025 and Vanessa Simms participated in the Sharesave at the maximum monthly savings limit (£500) and in the Share Incentive Plan from February 2024.

SINGLE FIGURE OF REMUNERATION FOR EACH NON-EXECUTIVE DIRECTOR (£K)							TABLE 28
	FY26			FY25			
	Fees ¹	Benefits	Total	Fees ¹	Benefits	Total	
Non-executive Directors							
Ian Cheshire	394	–	394	384	–	384	
Moni Mannings	91	–	91	89	–	89	
James Bowling	96	–	96	94	–	94	
Michael Campbell ²	70	–	70	–	–	–	
Louise Casey ²	76	–	76	19	–	19	
Christophe Evain	96	–	96	94	–	94	
Anne Richards ²	44	–	44	–	–	–	
Miles Roberts	76	–	76	74	–	74	
Manjiry Tamhane ³	76	–	76	74	–	74	
Former Non-executive Directors							
Madeleine Cosgrave ³	21	–	21	74	–	87	
Edward Bonham Carter	–	–	–	21	–	49	

1. Fees paid to Directors during the year ended 31 March 2026 (with prior year comparatives).

2. Board joiners during FY26: Michael Campbell – May 2025, Anne Richards – September 2025.

3. Board leavers during FY26: Madeleine Cosgrave – July 2025, Manjiry Tamhane – March 2026.



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ANNUAL REPORT ON REMUNERATION CONTINUED

1.2 PAYMENTS TO FORMER DIRECTORS

LTI awards held by Colette O'Shea (reduced by time pro-rating to 84,065 shares under award) vested at 60% of maximum in June 2025, with a pre-tax value at vesting of £382K (including dividend equivalents). No other payments have been made in respect of the year ended 31 March 2026.

1.3 ANNUAL BONUS OUTTURN

In the year under review, Executive Directors had the potential to receive a maximum annual bonus of up to 150% of base salary. Of this, 105% of salary was dependent on meeting Group financial targets and 45% of salary was dependent on meeting four strategic objectives including three ESG objectives (two energy related and one D&I related). All targets were set at the beginning of the financial year under review.

The following table confirms the targets and their respective outcomes.

ANNUAL BONUS PERFORMANCE SUMMARY FOR FY26							TABLE 29
Measure	Weighting	Description	Threshold	Target	Maximum	Actual	
EPRA Earnings (Actual)	20%	Sliding scale absolute EPRA targets	£374m	£380m	£390m	£385.1m – Ahead of target ¹	
LFL Net Rental Income Growth	30%	Sliding scale LFL Net Rental Income growth targets	2.5%	4.0%	5.5%	4.6% – Ahead of target	
Group Loan to Value (LTV)	20%	Sliding scale Group LTV targets	37.5%	36.5%	35.0%	38.7% – Below threshold	
Strategic	30%	Strategic objectives including ESG				CEO – Around target CFO – Just ahead of target	
Total	100%		25%	50%	100%	51.2% to 51.8% of max	

1. The EPRA Earnings result of £385.1m has been neutralised by £3.5m which reflects the lost income from the accelerated disposal of QAM in the year ended 31 March 2026, albeit the full impact was offset by the beneficial timing of a number of smaller sales and acquisitions versus the original budget.

STRATEGIC OBJECTIVES					TABLE 30
Target	Applies	Weighting	Description	Assessment	
ESG – Energy intensity	CEO/CFO	2.5%	Energy intensity reduction – % reduction from FY25 baseline from 6% threshold to 6.5% target to 7% stretch	Achieved 6.96%, just below stretch	
ESG – Embodied Carbon	CEO/CFO	2.5%	Embodied carbon emissions reduction measured in kgCO ₂ e/m ² – from 620 threshold to 600 target to 590 stretch	Between target and stretch ¹ at 588 kgCO ₂ e/m ²	
ESG – D&I	CEO/CFO	5%	(1) 90% of vacancies at Manager level and above meet Landsec diverse shortlist targets; (2) 90% of promotions from manager to leader level assessed through a new debiased promotions process; (3) external accessibility audits completed across at least 75% of our managed retail and workplace portfolio.	Achieved target, 2/3 targets met	
Strategic measure	CEO	20%	Aggregate value of capital transactions – from £750m disposals (threshold) to £1bn including a minimum of £750m disposals (target) to £1.5bn including a minimum of £1.2bn disposals (target)	94.6% of target (46.3% of max)	
Strategic measure	CFO	20%	Developing and embedding the five-year earnings growth plan	100.0% of target (50.0% of max. Full review of plans completed and presented to the Board during FY26 and evidenced by increase in FY30 EPRA EPS outlook to 62pps (from 60pps)	
Total		30% of bonus potential		CEO: 50.3% of max CFO: 52.1% of max	

1. While stretch performance has delivered against the embodied carbon emissions targets, the Committee applied judgement to determine a between target and stretch performance given that a number of associated projects were not delivered. This above target performance was considered appropriate given the embodied carbon emissions performance and noting that the non-delivery of the projects was due to asset sales or decisions not to progress rather than management performance.

TOTAL ANNUAL BONUS ACHIEVEMENT							TABLE 31
Director	EPRA (% of max)	NRI (% of max)	Loan to Value (% of max)	Strategic (% of max)	Total (% of max)	Total (% of salary)	Total £k
Mark Allan	75.5%	70.0%	0%	50.3%	51.2%	76.8%	692
Vanessa Simms				52.1%	51.8%	77.6%	428

In line with our Policy, bonus awards between 50% and 100% of salary will be deferred into shares for one year.



1.4 LONG-TERM INCENTIVE PLAN OUTTURNS

The table below summarises how we have assessed performance in respect of the 2023 LTIP awards granted on 8 June 2023 to Executive Directors over the three years to 31 March 2026.

TABLE 32						
Measure	Weighting	Description	Performance outcome			Outturn (% of max)
Total Shareholder Return (TSR) ¹	40%	TSR relative to FTSE 350 Real Estate peers, measured over a three-year period, from 1 April 2023	Threshold (8%) Median	Maximum (40%) Upper quartile	Actual Ranked 9/19 companies	36.84%
Total Return on Equity (TRE) ²	40%	Growth in EPRA NTA per share over the performance period as adjusted for dividends	Threshold (8%) 2% p.a.	Maximum (40%) 10% p.a.	Actual Just above threshold (2.67%)	8.33%
ESG ³	20%	Reduction of carbon emissions associated with energy against 2019/20 baseline	Threshold (4%) 28.6%	Maximum (20%) 35%	Actual Above maximum (51%)	100%
Total	100%		20%	100%		38.1%

1. TSR calculated from 1 April 2023 to 31 March 2026 based on the constituents of the FTSE 350 Real Estate (excluding agencies).

2. Average TRE over the three years to 31 March 2026.

3. Carbon emissions, as neutralised for the decarbonisation of the UK electricity grid over the three years to 31 March 2026, reduced by 51% calculated from a 2019/20 baseline (46,297tCO₂e).

The value of these awards shown in the single figure table for Mark Allan and Vanessa Simms are as follows:

TABLE 33						
	Shares granted ¹	Number of shares that will vest	Number of shares that will lapse	Estimated value of shares vesting ^{2,5} (£k)	Face value of shares expected to vest ³ (£k)	Impact of share price at vesting ⁴ (£k)
Mark Allan	411,209	156,670	254,539	979	979	0
Vanessa Simms	251,865	95,960	155,905	600	600	0

1. 2023 LTIP award granted on 8 June 2023.

2. Based on the average three-month share price to 31 March 2026 (625.0 pence).

3. Based on the prevailing share price at the relevant grant date (625.2 pence).

4. The difference between the value of the shares under awards vesting and the value of the shares at grant.

5. Dividend equivalents accrue on 2023 LTIP awards during the vesting and holding period (or to the date of exercise if sooner). An estimated value of the dividend equivalents will be included in the actual value of the LTIPs at the vesting date which will be presented in the next year's Annual Report on Remuneration. The actual dividend equivalents will be credited at the point of exercise.

1.5 MALUS AND CLAWBACK

Annual bonus and long-term incentive awards are subject to malus and clawback provisions typically measured over two years (bonus) and five years (LTIPs) from the relevant date of award. The Committee believes these periods are appropriate as they should provide an adequate period of time for any relevant events to be identified.

There was no exercise of malus or clawback provisions under the Policy in respect of FY26.

2. DIRECTORS' INTERESTS

2.1 TOTAL SHAREHOLDING (AUDITED)

Details of the Directors' interests, including those of their immediate families and connected persons, in the issued share capital of the Company at the beginning and end of the year, together with confirmation of whether the required shareholding has been met are set out in the table below.

Executive Directors are expected to meet the minimum shareholding requirements within five years of appointment to the Board. Where the minimum level is not met, the Executive Director is expected to retain 100% of the shares acquired, net of tax, under any share plan awarded by the Company. Non-executive Directors are expected to purchase shares within one year of appointment, as agreed with the Chair.



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DIRECTORS' SHARES AS AT 31 MARCH 2026								TABLE 34
Name	Salary/ base fee at 31 March 2026 (£)	Minimum shareholding requirements (% of salary/ base fee) ¹	Required holding value (£)	Holding (ordinary shares) 1 Apr 2025 ²	Holding (ordinary shares) 31 Mar 2026	Deferred bonus shares under holding period	Value of holding (£) ³	Met requirement or building
Mark Allan	904,736	300%	2,714,208	537,951	678,232	105,058	4,058,537	Met
Vanessa Simms	554,151	200%	1,108,302	222,541	319,980	71,932	1,980,314	Met
Ian Cheshire	395,906	–	–	14,840	14,840	–	82,065	Met
Moni Mannings	76,157	–	–	4,643	4,643	–	25,675	Met
James Bowling	76,157	–	–	9,199	9,199	–	50,870	Met
Michael Campbell ⁴	76,157	–	–	–	1,175	–	6,497	Met
Louise Casey	76,157	–	–	–	500	–	2,765	Met
Christophe Evain	76,157	–	–	8,000	8,000	–	44,240	Met
Anne Richards ⁴	76,157	–	–	–	16,497	–	91,228	Met
Miles Roberts	76,157	–	–	3,645	3,645	–	20,156	Met
Manjiry Tamhane	76,157	–	–	4,473	4,473	–	24,735	Met

1. Once the minimum shareholding requirement has been met, the number of shares is frozen with subsequent share price movements disregarded.

2. Figure includes partnership and matching shares held in the Land Securities 2023 Share Incentive Plan (SIP). Since the year-end and up to the date of this report, the following transactions have taken place under the SIP: (1) Mark Allan purchased 26 shares in April and 25 shares in May and received 26 matching shares in April and 25 matching shares in May; (2) Vanessa Simms purchased 26 shares in April and 26 shares in May and received 26 matching shares in April and 26 matching shares in May.

3. Based on a share price of 553 pence on 31 March 2026 and including the value of any deferred bonus shares, net of notional tax and employee NIC.

4. Board joiners: Michael Campbell in May 2025 and Anne Richards in September 2025.

2.2 OUTSTANDING SHARE AWARDS HELD BY EXECUTIVE DIRECTORS (AUDITED)

The table below shows share awards granted and vested during the year, together with the outstanding and unvested awards at the year-end. LTIP awards are granted in the form of nil cost options, which may be exercised from the third anniversary of the date of grant, until their expiry on the tenth anniversary of the date of grant.

OUTSTANDING SHARE AWARDS AND THOSE WHICH VESTED DURING THE YEAR							TABLE 35
		Award date	Market price at award date (p)	Options awarded	Options vested	Market price at date of vesting (p)	Vesting date
Mark Allan	LTIP	24/06/2022	694.3	356,042	213,625	625.50	24/06/2025
		08/06/2023 ¹	625.2	411,209			08/06/2026
		20/06/2024	609.5	434,455			20/06/2027
		26/06/2025	622.5	436,017			26/06/2028
	Deferred bonus	20/06/2024	609.5	28,596	28,596	625.00	20/06/2025
		26/06/2025	622.5	70,551			26/06/2026
		26/06/2025	622.5	34,507			26/06/2027
Vanessa Simms	LTIP	24/06/2022	694.3	218,075	130,845	625.50	24/06/2025
		08/06/2023 ¹	625.2	251,865			08/06/2026
		20/06/2024	609.5	266,104			20/06/2027
		26/06/2025	622.5	267,060			26/06/2028
	Deferred bonus	20/06/2024	609.5	20,082	20,082	625.00	20/06/2025
		26/06/2025	622.5	43,213			26/06/2026
		26/06/2025	622.5	28,719			26/06/2027

1. See section 1.4 in respect of the vesting of the 2023 LTIP awards over three-year performance period to 31 March 2026.



2.3 SHARE AWARDS GRANTED IN FY26

Awards were granted under the LTIP in June 2025, subject to performance conditions measured over a three-year performance period. Awards may normally be exercised between 26 June 2028 and 26 June 2035 and a two-year post-vesting holding period applies.

TABLE 36				
	Number of awards	Basis of grant	Share price (p) ¹	Face value (£)
Mark Allan	436,017	300%	622.5	2,714,206
Vanessa Simms	267,060	300%	622.5	1,662,449

1. Face value of awards has been determined based on the closing share price on the trading day immediately prior to the date of grant.

The performance targets attached to the June 2025 LTIP awards were as follows:

LTIP 2025-2028: 300% OF SALARY					TABLE 37
Measure	Weighting	Description	Performance range ¹		
TSR	40%	TSR relative to the constituents of the FTSE 350 Real Estate Index (excluding agencies), measured over a three-year period, from 1 April 2025.	Threshold (8%) Median	Maximum (40%) Upper quartile	
TRE	35%	Growth in EPRA NTA per share over the three-year performance period as adjusted for dividends.	Threshold (7%) 4% p.a.	Maximum (35%) 11% p.a.	
ESG	15%	Reduction of carbon emissions over the three-year performance period.	Threshold (3%) 12%	Maximum (15%) 18%	
D&I	5%	Delivery of D&I strategy based on Board approved 2030 gender targets – female representation at Leader level in 2028.	Threshold (1%) 39%	Maximum (5%) 44%	
D&I	5%	Delivery of D&I strategy based on our Board approved 2030 ethnicity targets – ethnic minority representation at Leader level in 2028.	Threshold (1%) 10%	Maximum (5%) 16%	

1. Vesting takes place on a straight-line basis between threshold, target and maximum values.

Awards were granted under the Deferred Share Bonus Plan in June 2025 as set out below.

TABLE 38					
	Deferral period (years)	Number of awards	Vesting date	Share price (p) ¹	Face value (£)
Mark Allan	1	70,551	26/06/2026	622.5	439,180
	2	34,507	26/06/2027	622.5	214,806
Vanessa Simms	1	43,213	26/06/2026	622.5	269,001
	2	28,719	26/06/2027	622.5	178,776

1. Face value of awards has been determined based on the closing share price on the trading day immediately prior to the date of grant.

2.4 DIRECTORS' OPTIONS OVER ORDINARY SHARES (AUDITED)

The options over shares set out below relate to the Land Securities Group PLC Sharesave scheme (Sharesave).

OUTSTANDING GRANTS AND THOSE WHICH WERE EXERCISED DURING THE YEAR								TABLE 39
	Number of options at 1 April 2025	Option price per share ¹ (p)	Number of options granted in year to 31 March 2026	Number options exercised/lapsed	Market price at exercise (p)	Number of options at 31 March 2026	Exercisable dates	
Vanessa Simms	3,501	529.8	–	–	–	3,501	08/2027-02/2028	

1. The exercise price for the Sharesave awards was determined based on a three-day average mid-market share price prior to the invitation date of the scheme, discounted by 20%.



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2.5 DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

DATES OF APPOINTMENT FOR DIRECTORS		TABLE 40
Name	Date of appointment	Date of contract/ Letter of appointment
Executive Directors		
Mark Allan	14 April 2020	21 November 2019
Vanessa Simms	4 May 2021	27 October 2020
Non-executive Directors¹		
Ian Cheshire	23 March 2023	19 January 2023
Moni Mannings	11 December 2023	8 December 2023
James Bowling	7 September 2023	26 July 2023
Michael Campbell	1 May 2025	19 March 2025
Louise Casey	1 January 2025	27 September 2024
Madeleine Cosgrave	1 January 2019	22 November 2018
Christophe Evain	1 April 2019	14 March 2019
Anne Richards	1 September 2025	19 March 2025
Miles Roberts	19 September 2022	1 August 2022
Manjiry Tamhane	1 March 2021	29 January 2021

1. Board leavers: Madeleine Cosgrave in July 2025 and Manjiry Tamhane in March 2026.

3. REMUNERATION ADVICE

The Committee received advice on remuneration and ancillary share plan matters from FIT. FIT is a member of the Remuneration Consultants Group and is a signatory to its Code of Conduct, which requires its advice to be impartial. The Committee is satisfied that its advice is independent and objective. Aside from some support on senior leader remuneration matters and undertaking our bi-annual Equal Pay Audit, FIT has no other connection with the Group. For the financial year under review, FIT received fees of £69,377 for advisory services to the Committee (FY25: £69,534).

4. APPLICATION OF POLICY FOR FY27

The Directors' Remuneration Policy is available on our website.

4.1 EXECUTIVE DIRECTORS' BASE SALARIES FY27

From 1 June 2026, Executive Director salaries will increase by 3%. The average salary increase across the wider workforce will be 3%.

TABLE 41			
Name	Current salary (£k)	From 1 June 2026 (£k)	Percentage increase
Mark Allan	905	932	3%
Vanessa Simms	554	571	3%



4.2 NON-EXECUTIVE DIRECTORS' FEES FY27

The fees for the Chair and the Non-executive Directors for FY27 are presented below. Base fees for the Chair and the Non-executive Directors will increase from 1 June 2026 by 3% (aligned to the level of increase for Executive Directors and wider workforce). In line with the Committee's terms of reference, no individual was involved in the decisions relating to their own remuneration.

TABLE 42			
	Current base fee (£k)	From 1 June 2026 (£k)	Percentage increase
Chair	396	408	3%
Non-executive Director – base fee	76	78	3%
Additional fees			
Audit/Remuneration Committee Chair	20	20	–
Senior Independent Director	15	15	–
Employee engagement lead ¹	–	10	–

1. The Board approved the introduction of a new fee for the role of Non-executive Director responsible for employee engagement with effect from 1 June 2026.

4.3 PERFORMANCE TARGETS FOR THE COMING YEAR

The weighting on financial performance is 70% of bonus potential to ensure focus on our key financial performance metrics. For FY27, LFL Net Rental Income Growth (30% weighting) and EPRA Earnings (20% weighting) will be retained as financial measures. The Committee has however decided to replace LTV targets with net debt to EBITDA targets for FY27. While the Group loan to value measure (weighting 20%) was appropriate in FY26 as a clear and externally understood measure during a year when completing disposals and managing leverage were priorities, the Group is increasingly focused on net debt to EBITDA as our primary measure given it is a cash-based measure directly derived from matters that the team have more influence over (as opposed to external valuations that are inherently more subjective). Our net debt to EBITDA ratio and targets are communicated externally.

The remaining 30% will continue to be based on strategic targets, with at least three relating to Landsec's ESG agenda (delivering on our environmental and D&I strategies) and the remainder relating to other aspects of Landsec's balanced scorecard.

Challenging sliding scale targets will operate and the Remuneration Committee will retain discretion to ensure any payouts against the targets reflect the underlying performance of the Company. Performance targets are considered to be commercially sensitive although will be disclosed in full, together with the performance and the resulting bonus awards, in next year's Directors' Remuneration Report.

ANNUAL BONUS FY27 PERFORMANCE CRITERIA: AWARDS CAPPED AT 150% OF SALARY			TABLE 43	
Measure	Weighting	Description		
EPRA earnings	20%	EPRA earnings performance versus budgeted performance		
LFL NRI	30%	LFL net rental income percentage growth targets		
Net debt: EBITDA	20%	Net debt to EBITDA target		
Strategic objectives	30%	Five objectives covering broader strategic targets, environmental targets and diversity and inclusion		

In respect of the 2026 LTIP awards, reflecting Landsec's:

- continued focus on delivering returns to shareholders through the cycle, we will continue to operate: (i) relative Total Shareholder Return targets against FTSE 350 sector peers excluding agencies (weighting at 40%), and (ii) Total Return on Equity, being the percentage change in EPRA Net Tangible Assets per share plus dividends (weighting at 35%)
- industry-leading approach to ESG, we will continue to operate carbon reduction targets based on our ambitious, science-based plans to transition to net zero across the value chain by 2040 (weighting at 15%); and D&I targets will again be operated (weighting 10%)

LTIP 2026-2029 PERFORMANCE CRITERIA: 300% OF SALARY					TABLE 44	
Measure	Weighting	Description	Performance range ¹			
TSR	40%	TSR relative to the selected constituents of the FTSE 350 Real Estate Index (excluding agencies), measured over a three-year period from 1 April 2026.	Threshold (8%)	Maximum (40%)	Median	Upper quartile
TRE	35%	Growth in EPRA NTA per share over the three-year performance period as adjusted for dividends.	Threshold (7%)	Maximum (35%)	4% p.a.	11% p.a.
ESG – carbon emissions	15%	Reduction of carbon emissions over the three-year performance period aligned to achieve our updated science-based target by 2030.	Threshold (3%)	Maximum (15%)	19%	30%
ESG – D&I	5%	Delivery of our refreshed D&I strategy based on our Board approved 2030 gender targets – female representation at Leader level in 2029.	Threshold (1%)	Maximum (5%)	39%	45%
ESG – D&I	5%	Delivery of our refreshed D&I strategy based on our Board approved 2030 ethnicity targets – ethnic minority representation at Leader level in 2029.	Threshold (1%)	Maximum (5%)	11%	17%
Total LTIP	100%					

1. Vesting takes place on a straight-line basis between threshold, target and maximum values.



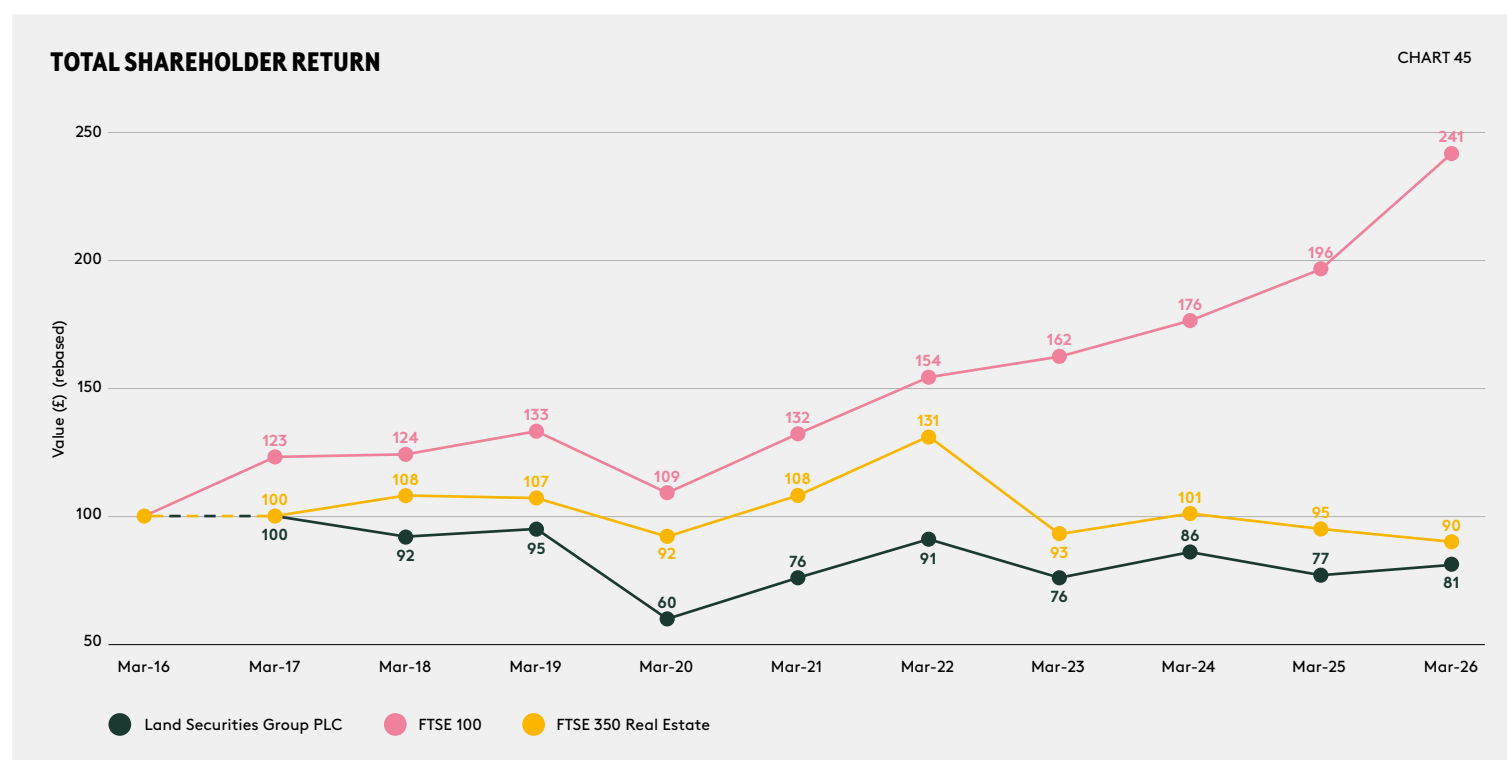
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5. TOTAL SHAREHOLDER RETURN AND CHIEF EXECUTIVE PAY

The following graph illustrates the performance of the Company measured by TSR (share price growth plus dividends paid) against a 'broad equity market index'. As the Company is a constituent of the FTSE 350 Real Estate Index, this is considered to be the most appropriate benchmark for the purposes of the graph. An additional line to illustrate the Company's performance compared with the FTSE 100 Index over the previous ten years is also included.

This graph shows the value, by 31 March 2026, of £100 invested in Landsec on 31 March 2016, compared with the value of £100 invested in the FTSE 100 and FTSE 350 Real Estate Indices on the same date.



The following table shows remuneration for the Chief Executive over a period of ten years.

CHIEF EXECUTIVE REMUNERATION OVER TEN YEARS				TABLE 46
Year	Chief Executive	Single figure of total remuneration (£k)	Annual bonus award (% of maximum)	LTIP vesting (% of maximum)
2026	Mark Allan	2,683	51.2	38.1
2025	Mark Allan	3,695 ¹	83.0	60.0
2024	Mark Allan	3,096	47.0	60.0
2023	Mark Allan	2,628	50.0	37.7
2022	Mark Allan	2,000	90.4	0.0
2021	Mark Allan	2,920 ²	16.2	n/a
2020	Robert Noel	1,569	43.8	0.0
2019	Robert Noel	1,624	50.5	0.0
2018	Robert Noel	1,693	58.8	0.0
2017	Robert Noel	2,692	58.8	50.0

1. LTIP values in respect of the prior year have been updated to reflect actual values at vesting (rather than the estimates presented last year) and estimated dividend equivalents over the vesting period. Calculation based on a closing share price of 625.50 pence on the 24 June 2025 vesting date. See section 1.1.

2. Includes £1,692,042 in relation to buyout awards made on appointment.



6. THE CONTEXT OF PAY AT LANDSEC

6.1 PAY ACROSS THE GROUP

A. SENIOR MANAGEMENT

For the year under review, bonus payments to our 37 most senior employees (excluding the Executive Directors) ranged from 20% to 71% of salary (FY25: 42% to 100%), equating to 49% to 118% of target. The average bonus was 37% of salary (FY25: 54%), equating to 93% of target.

B. ALL OTHER EMPLOYEES

From 1 June 2026, Executive Director salaries will increase by 3%. The average salary increase across the wider workforce will be 3%.

As at 31 March 2026, the ratio of the base salary of the Chief Executive to the average base salary across the Group (excluding Executive Directors) was 13:1 (£904,736:£67,500 (FY25: 13:1 (£882,669:£65,997))).

C. PERCENTAGE CHANGE IN REMUNERATION BETWEEN DIRECTORS AND EMPLOYEES

The table below shows the year-on-year percentage change in salary, benefits and annual bonus earned for all current Directors compared to all employees.

TABLE 47															
	2021/22			2022/23			2023/24			2024/25			2025/26		
	Salary/ fee change (%)	Benefits change (%)	Bonus change (%)	Salary/ fee change (%)	Benefits change (%)	Bonus change (%)	Salary/ fee change (%)	Benefits change (%)	Bonus change (%)	Salary/ fee change (%)	Benefits change (%)	Bonus change (%)	Salary/ fee change ¹ (%)	Benefits change (%)	Bonus change (%)
Executive Directors															
Mark Allan	9	(75)	479	3	(3)	(43)	4	(50)	(3)	3	(1)	82	2.5	5	(37)
Vanessa Simms	–	–	–	13	24	(38)	4	161	2	3	–	87	2.5	1	(40)
Non-executive Directors															
Ian Cheshire	–	–	–	–	–	–	–	–	–	3	–	–	2.5	–	–
Moni Mannings	–	–	–	–	–	–	–	–	–	–	–	–	2.5	–	–
James Bowling	–	–	–	–	–	–	–	–	–	–	–	–	2.5	–	–
Louise Casey	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Christophe Evain	7	–	–	–	–	–	2	–	–	3	–	–	2.5	–	–
Miles Roberts	–	–	–	–	–	–	–	–	–	3	–	–	2.5	–	–
Michael Campbell ²	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Anne Richards ²	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Former Directors															
Cressida Hogg	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Colette O'Shea	5	–	389	(49)	(50)	(71)	–	–	–	–	–	–	–	–	–
Edward Bonham Carter	3	–	–	–	–	–	2	–	–	–	–	–	–	–	–
Manjiry Tamhane ²	–	–	–	–	–	–	3	–	–	3	–	–	–	–	–
Madeleine Cosgrave ²	5	–	–	–	–	–	3	–	–	3	–	–	–	–	–
Nicholas Cadbury	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Average employee	(1)	2	219	15	25	(12)	6	(5)	2	3	(1)	39	3	7	(24)

1. Reflects the increase to base fees for Non-executive Directors awarded in 2024 for those serving in the full year 2024/25 and 2025/26.

2. Board joiners in FY26: Michael Campbell – May 2025, Anne Richards – September 2025. Board leavers in FY26: Madeleine Cosgrave – July 2025, Manjiry Tamhane – March 2026.



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ANNUAL REPORT ON REMUNERATION CONTINUED

D. CEO PAY RATIO

The tables below show how pay for the CEO compares to employees at the lower, median and upper quartiles (calculated on a full-time equivalent basis). The ratios have been calculated in accordance with Option A of The Companies (Miscellaneous Reporting) Regulations 2018, which uses the total pay and benefits for all employees, and is the same methodology that is used to calculate the CEO's single figure of remuneration table on page 69. Figures are calculated by reference to 31 March 2026 using actual pay data from April 2025 to March 2026.

Excluded from our analysis are joiners, leavers and long-term absentees from the Company during the year. As the CEO has a larger proportion of his total remuneration linked to business performance than other employees in the UK workforce, the ratio has decreased versus last year primarily as a result of the decrease in the bonus award (51.2% of maximum compared to 83% of maximum for the prior year) and LTIP vesting (38.1% of maximum compared with 60% of maximum for the prior year). Given the alignment of incentive arrangements which are cascaded below Board level, the Remuneration Committee believes the pay ratios are consistent with the pay, reward and progression policies for the Group's UK employees taken as a whole.

TABLE 48				
Year ended	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
31 March 2026	Option A	46:1	30:1	20:1
31 March 2025 ¹	Option A	57:1	36:1	25:1
31 March 2024	Option A	48:1	31:1	20:1
31 March 2023	Option A	47:1	29:1	18:1
31 March 2022	Option A	40:1	25:1	16:1
31 March 2021	Option A	22:1	14:1	10:1
31 March 2020	Option A	36:1	23:1	15:1
	CEO pay	P25 pay	P50 pay	P75 pay
Salary	£901,058	£47,895	£65,948	£102,500
Total pay ^{2,3}	£2,682,485	£58,023	£90,201	£135,997

1. The CEO pay ratios for FY25 have been updated to reflect the actual value at vesting for the CEO as detailed in section 1.1.

2. Employees may now participate in our Share Incentive Plan, however this has not been included in the calculations above.

3. The CEO's single figure for the year ended 31 March 2026 is based on the estimated LTIP value in respect of the 2023 awards due to vest in June 2026 and excludes estimated dividend equivalents.

E. TOTAL PAY AND BENEFITS

TABLE 49							
Year ended	Method	Lower quartile (25th percentile)		Median		Upper quartile (75th percentile)	
		Total Pay and Benefits	Total Salary	Total Pay and Benefits	Total Salary	Total Pay and Benefits	Total Salary
31 March 2026	A	£58,023	£47,895	£90,201	£65,948	£135,997	£102,500
31 March 2025	A	£59,798	£48,235	£93,604	£66,135	£139,334	£94,169
31 March 2024	A	£59,126	£46,421	£93,298	£69,126	£142,521	£102,767
31 March 2023	A	£55,502	£43,811	£89,395	£64,851	£147,119	£104,813
31 March 2022	A	£50,620	£38,038	£79,746	£58,083	£122,832	£77,600
31 March 2021	A	£45,752	£39,000	£73,212	£55,776	£105,848	£77,000
31 March 2020	A	£44,140	£29,785	£69,393	£58,565	£104,438	£79,203



6.2 THE RELATIVE IMPORTANCE OF SPEND ON PAY

The table below shows the total spend on pay for all Landsec employees, compared with our returns to shareholders in the form of dividends.

	March 2026 (£m)	March 2025 (£m)	TABLE 50 % change
Spend on pay ¹	77	77	0
Dividend paid ²	293	297	(1)

1. Including base salaries for all employees, bonuses and share-based payments.

2. Dividend paid represents dividends declared for the year. See note 11 to the financial statements.

7. DILUTION

Awards granted under the Company's long-term incentive arrangements (The Land Securities Group Omnibus Share Plan 2024, Land Securities 2015 LTIP, Restricted Share Plan and the Land Securities 2015 Executive Share Option Plan) are satisfied through the funding of an Employee Benefit Trust (EBT) (administered by an external trustee) which acquires existing Land Securities Group PLC shares in the market. The EBT held 4,340,245 ordinary shares at 31 March 2026 (2024/25: 2,061,915). The exercise of share options under the Land Securities Group PLC Sharesave, which is open to all employees who have completed more than one month's service with the Group, can be satisfied by the allotment of newly issued shares. At 31 March 2026, the total number of shares which could be allotted under this Scheme was 502,543 shares (2024/25: 539,248), which represents less than 0.07% (2024/25: 0.07%) of the issued share capital of the Company.

8. SHAREHOLDER ENGAGEMENT AND 2025 AGM VOTING

At our AGM on 11 July 2024, the Directors' Remuneration Policy secured 97.63% votes for and 2.37% votes against (with 37,565 votes withheld). The Directors' Remuneration Policy is available on our website. The Annual Report on Remuneration at our AGM on 10 July 2025 secured 96.63% votes for and 3.37% votes against (with 131,489 votes withheld). A vote withheld is not a vote in law. There have been no requests for engagement with shareholders on matters relating to remuneration during the year, although remuneration has been covered in wider governance meetings with shareholders and the Chair of the Board.

9. COMMITTEE EFFECTIVENESS

At the end of the year, the Committee reviewed its effectiveness and was considered to be operating effectively. The Committee also reviewed its adviser, FIT, and confirmed it continued to be satisfied with its performance.

The Directors' Remuneration Report was approved by the Board on 13 May 2026 and signed on its behalf by:

CHRISTOPHE EVAIN
CHAIR, REMUNERATION COMMITTEE



GOVERNANCE

DIRECTORS' REPORT

The Directors present their report for the year ended 31 March 2026.

ADDITIONAL DISCLOSURES

Other information that is relevant to this report, and which is also incorporated by reference, including information required in accordance with the Companies Act 2006 and UK Listing Rule 6.6.1, can be located as follows:

TABLE 51	
	Pages
Likely future developments in the business	2-5
Employee engagement	26-28
Events after the reporting period	147
Going concern and viability statement	47-48
Principal risks and uncertainties	43-46
Governance (including remuneration)	50-82
Capitalised interest	17-19
Financial instruments	131
Credit, market and liquidity risks	131-135
Related party transactions	146
Energy and carbon reporting	156-158
Workforce engagement	26-28
Stakeholders	23-25
Section 172 Statement	23-25

UK CORPORATE GOVERNANCE CODE

The Company has complied throughout the year with all relevant provisions of the Code. The Code can be found on the FRC's website: [frc.org.uk](https://www.frc.org.uk)

COMPANY STATUS

Land Securities Group PLC is a public limited liability company incorporated under UK law. It has a premium listing on the London Stock Exchange main market for listed securities (LSE:LAND) and is a constituent member of the FTSE 100 Index.

Landsec is a Real Estate Investment Trust (REIT). It is expected that the Company, which has no branches, will continue to operate as the holding company of the Group. A Dividend Reinvestment Plan (DRIP) election is currently available in respect of all dividends paid by Landsec.

DIVIDENDS

The results for the year are set out in the financial statements on pages 92-147.

Whilst Landsec's dividend policy in recent years has been to distribute three quarterly dividends, followed by a final dividend, the Board has approved the move to half-yearly payments with effect from FY26. This move aligns Landsec to peers and our financial reporting timeline in addition to simplifying administration. The Company has paid an interim dividend of 19.0 pence per ordinary share in January 2026. A final dividend of 22.2 pence per share is being put to shareholders for approval at the AGM in July 2026:

TABLE 52						
	Interim 2025/2026			Final 2025/2026 (proposed)		
	PID ¹	Non-PID ²	Total	PID ¹	Non-PID ²	Total
Amount	13.6 pence	5.4 pence	19.0 pence	22.2 pence	0 pence	22.2 pence
Record date	28 November 2025			19 June 2026		
Payment date	19 January 2026			24 July 2026		

1. Property income distribution (PID).

2. Non-property income distribution (non-PID), ordinary dividend.

DIRECTORS

The names and biographical details of the current Directors and the Board Committees of which they are members are set out on pages 51-54.

All the Directors proposed for election and re-election held office during the financial year except Manjiry Tamhane, who stepped down from the Board on 31 March 2026 and therefore is not standing for re-election. Anne Richards joined the Board on 1 September 2025 and will stand for her first election at the 2026 AGM in July.

The Service Agreements for our Executive Directors and the Letters of Appointment for our Non-executive Directors are available for inspection at Landsec's registered office.

A summary of these documents is also included in the Directors' Remuneration Policy on our website.

APPOINTMENT AND REMOVAL OF DIRECTORS

The appointment and replacement of Directors is governed by Landsec's Articles of Association (Articles), the Code, the Companies Act 2006 (Act) and related legislation.

The Board may appoint a Director either to fill a vacancy or as an addition to the Board so long as the total number of Directors does not exceed the limit prescribed in the Articles. An appointed Director must retire and seek election to office at the next Landsec AGM. In addition to any power of removal conferred by the Act, Landsec may by ordinary resolution remove any Director before the expiry of their period of office and may, subject to the Articles, by ordinary resolution appoint another person who is willing to act as a Director in their place. In line with the Code, it is the Board's policy that all Directors are required to stand for re-election at each AGM.



DIRECTORS' POWERS

The Board manages the business of Landsec under the powers set out in the Articles. These powers include the Directors' ability to issue or buy back shares.

Shareholders' authority to empower the Directors to make market purchases of up to 10% of the Company's own ordinary shares is sought at the AGM each year.

The Articles can only be amended, or new Articles adopted, by a resolution passed by shareholders in general meeting and being approved by at least three quarters of the votes cast.

DIRECTORS' INTERESTS

Save as disclosed in the Directors' Remuneration Report, none of the Directors, nor any person connected with them, has any interest in the share or loan capital of Landsec or any of its subsidiaries. At no time during FY26 did any Director hold a material interest, directly or indirectly, in any contract of significance with Landsec or any subsidiary other than the Executive Directors in relation to their Service Agreements.

DIRECTORS' INDEMNITIES AND INSURANCE

Landsec has agreed to indemnify each Director against any liability incurred in relation to acts or omissions arising in the ordinary course of their duties. The indemnity applies only to the extent permitted by law. The third-party indemnity arrangements were in force throughout the year and at the date of this report and are qualifying indemnity provisions under the Companies Act 2006. A copy of the deed of indemnity is available for inspection at Landsec's registered office. Landsec has appropriate Directors' & Officers' Liability insurance cover in respect of potential legal action against its Directors.

SHARE CAPITAL

Landsec has a single class of share capital which is divided into ordinary shares of nominal value 10²/₅ pence each ranking pari passu. No other securities have been issued by the Company. At 31 March 2026, there were 751,831,297 ordinary shares in issue and fully paid. As at 31 March 2026 the number of shares held by the Company in Treasury is 6,789,236. The voting rights and dividend entitlements have been waived for the shares held by Treasury and the EBT.

No shares were bought back during the year. Further details relating to share capital, including movements during the year, are set out in note 36 to the financial statements.

At the Company's AGM held on 10 July 2025, shareholders authorised the Company to make market purchases of ordinary shares representing up to 10% of its issued share capital at that time and to allot shares within certain limits approved by shareholders. These authorities will expire at the 2026 AGM and a renewal of that authority will be sought.

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2026, the Company had been notified under the Disclosure and Transparency Rules (DTR 5) of the following holdings of voting rights in its issued share capital:

TABLE 53		
Shareholder name	Number of ordinary shares	Percentage of total voting rights attaching to issued share capital ^{1,2}
Blackrock Inc	83,787,961	11.23
Caxton Associates LLP	40,500,996	5.43
Schroders plc	36,781,617	4.96
Legal & General Group plc	30,213,841	3.99

1. Total number of voting rights attaching to the issued share capital of the Company on 31 March 2026 was 745,042,061.

2. The percentage of voting rights detailed above was calculated at the time of the relevant disclosures made in accordance with DTR 5.

The Company has not received any DTR notifications during the period from 1 April to 13 May 2026, being the period from the year-end through to the date on which this report has been signed. DTR notifications are displayed as RNS announcements on the Investor section of our website.

EMPLOYEE BENEFIT TRUST

Equiniti Trust (Jersey) Limited continues as trustee (Trustee) of Landsec's EBT. The EBT is used to purchase Land Securities Group PLC ordinary shares in the market from time to time for the benefit of employees, including to satisfy outstanding awards under Landsec's various employee share plans.

At 31 March 2026 the EBT held 4,340,245 ordinary shares.

A dividend waiver is in place from the Trustee in respect of all dividends payable by Landsec on shares which the EBT holds. Further details regarding the EBT, and of shares issued pursuant to Landsec's various employee share plans during the year, are set out in notes 35-37 to the financial statements.



DIRECTORS' REPORT CONTINUED

SHAREHOLDER VOTING RIGHTS AND RESTRICTIONS ON TRANSFER OF SHARES

All the issued and outstanding ordinary shares of Landsec have equal voting rights with one vote per share. There are no special control rights attached to them save that the control rights of ordinary shares held in the EBT can be directed by the Company to satisfy the vesting of outstanding awards under its various employee share plans.

In relation to the EBT, the Trustee has agreed not to vote any shares held in the EBT at any general meeting. If any offer is made to all shareholders to acquire their shares in Landsec, the Trustee will not be obliged to accept or reject the offer in respect of any shares which are at the time subject to subsisting awards and the Trustee may take such action with respect to an offer as it thinks fit.

Landsec is not aware of any agreements or control rights between existing shareholders that may result in restrictions on the transfer of securities or on voting rights. The rights, including full details relating to voting of shareholders and any restrictions on transfer relating to Landsec's ordinary shares, are set out in the Articles and in the explanatory notes that accompany the Notice of the 2026 AGM. These documents are available on Landsec's website at: landsec.com/en/investors/shareholders-equity-investors/annual-general-meeting

CHANGE OF CONTROL

There are a number of agreements that take effect, alter or terminate upon a change of control of the Company following a takeover. None of these are considered significant.

The Company's share plans contain provisions that take effect in such an event but do not entitle participants to a greater interest in the shares of the Company than created by the initial grant or award under the relevant plan. There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment or otherwise that occurs specifically because of a takeover.

HUMAN RIGHTS AND EQUAL OPPORTUNITIES

Landsec operates a Human Rights Policy which aims to recognise and safeguard the human rights of all citizens in the business areas under our control. We support the principles set out within both the UN's

Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Our Policy is built on these foundations including, without limitation, the principles of equal opportunities, collective bargaining, freedom of association and protection from forced or child labour.

The Policy takes account of the Modern Slavery Act that came into force in October 2015 and requires Landsec to report annually on its workforce and supply chain, specifically to confirm that workers are not enslaved or trafficked. Landsec's Modern Slavery Statement was last approved by the Board in July 2025 and is available on our website.

Landsec is an equal opportunities employer and our range of employment policies and guidelines reflects legal and employment requirements in the UK and safeguards the interests of employees, potential employees and other workers. We do not condone unfair treatment of any kind and offer equal opportunities in all aspects of employment and advancement regardless of race, nationality, gender, age, marital status, sexual orientation, disability, religious or political beliefs.

Landsec recognises that it has clear obligations towards all its employees and the community at large to ensure that disabled people are afforded equal opportunities to enter employment and progress. Landsec has therefore established procedures designed to provide fair consideration and selection of disabled applicants and to satisfy their training and career development needs. If an employee becomes disabled, wherever possible Landsec takes steps to provide reasonable adjustments to their existing employment arrangements, or by redeployment and providing appropriate retraining to enable continued employment in the Group. Further information can be found on pages 26-28.

POLITICAL DONATIONS

The Company did not make any political donations or expenditure in the year that require disclosure (2025: nil).

AUDITOR AND DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as the Directors are aware, there is no relevant audit information that has not been brought to the attention of the Company's auditor. Each Director has taken all reasonable steps to make himself or herself aware of any relevant audit information and to establish that such information was provided to the auditor.

A resolution to confirm the reappointment of EY as auditor of the Company will be proposed at the 2026 AGM. The reappointment has been recommended to the Board by the Audit Committee and EY has indicated its willingness to remain in office.

2026 ANNUAL GENERAL MEETING

This year's AGM is scheduled to be held at 10.30am on Thursday, 9 July 2026 at 80 Victoria Street, London SW1E 5JL.

A separate circular, comprising a letter from the Chair, Notice of Meeting and explanatory notes in respect of the resolutions proposed, can be found on our website: landsec.com/en/investors/shareholders-equity-investors/annual-general-meeting

DISCLAIMER

The purpose of this Annual Report is to provide information to the members of the Company and it has been prepared for, and only for, the members of the Company as a body, and no other persons. The Company, its Directors and employees, agents and advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed.

A cautionary statement in respect of forward-looking statements contained in this Annual Report appears on the inside back cover of this document.

The Directors' Report was approved by the Board on 13 May 2026.

By Order of the Board.

MARINA THOMAS
COMPANY SECRETARY
Land Securities Group PLC

Company number 4369054



FINANCIAL STATEMENTS

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and the Company financial statements in accordance with the requirements of the Companies Act 2006. Under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules and company law, group financial statements are required to be prepared in accordance with UK adopted international accounting standards (IFRSs and IFRICs).

Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit and loss of the Group and the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information
- in respect of the Group and Company financial statements, state whether international accounting standards in conformity with the requirements of the Companies Act 2006 (and UK adopted international accounting standards) have been followed, subject to any material departures disclosed and explained in the financial statements

- provide additional disclosures when compliance with the specific requirements of UK adopted international accounting standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's and Company's financial position and performance
- prepare the Group's and Company's financial statements on a going concern basis, unless it is inappropriate to do so

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company, and to enable them to ensure that the Annual Report complies with the Companies Act 2006 and as regards the Group financial statements, Article 4 of the IAS regulation. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' RESPONSIBILITY STATEMENT UNDER THE DISCLOSURE AND TRANSPARENCY RULES

Each of the Directors confirm to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 (and UK adopted international accounting standards)
- give a true and fair view of the assets, liabilities, financial position, profit or loss of the Company and Group as a whole
- the Strategic Report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Group and the Company, together with a description of the principal risks and uncertainties faced by the Group and Company

In addition, the Directors confirm that, to the best of their knowledge:

- the Group financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face

The Statement of Directors' Responsibilities was approved by the Board of Directors on 13 May 2026 and is signed on its behalf by:

MARK ALLAN
CHIEF EXECUTIVE

VANESSA SIMMS
CHIEF FINANCIAL OFFICER



FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LAND SECURITIES GROUP PLC

OPINION

In our opinion:

- Land Securities Group PLC's Group financial statements and Parent Company financial statements (the 'financial statements') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2026 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK adopted international accounting standards as applied in accordance with section 408 of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Land Securities Group PLC (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2026 which comprise:

Group	Parent Company
Balance sheet as at 31 March 2026	Balance sheet as at 31 March 2026
Income statement for the year then ended	Statement of changes in equity for the year then ended
Statement of comprehensive income for the year then ended	Statement of cash flows for the year then ended
Statement of changes in equity for the year then ended	Related notes 1 to 41 to the financial statements, including: material accounting policy information
Statement of cash flows for the year then ended	
Related notes 1 to 41 to the financial statements, including: material accounting policy information	

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and as regards the Parent Company financial statements, as applied in accordance with section 408 of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting the audit.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- assessing the risk around going concern in planning our audit, at the interim and again at the year end phase.
- confirming our understanding of the Group's going concern assessment process and reviewing management's related Board papers.
- assessing and challenging the appropriateness of the duration of the going concern review period to the end of September 2027 and considering whether there are any known events or conditions that will occur in the short-term following the going concern period which would impact our considerations.
- challenging the key assumptions and inputs used by management within the base case and downside scenarios modelled by management by comparing to corroborative evidence and searching out independent contradictory evidence.
- challenging whether sustainability costs identified by management associated with the Net Zero Transition Investment Plan have been appropriately considered within the base case and downside scenarios modelled by management.
- assessing and challenging management's consideration of downside sensitivities taking into account current events and market conditions. We have applied further sensitivities on income and capital expenditure where appropriate to stress test the impact on both liquidity and covenants. As part of our sensitivity testing, we considered the perspective of our real estate specialists team on forecast valuation movements.
- checking the integrity of the models developed by management for the base case cash flow, liquidity forecasts and covenant calculations covering the going concern review period to September 2027 and the additional downside scenarios. This has included re-performing calculations and testing the formulas being applied throughout.



- checking that the terms and conditions of the debt agreements with lenders had been appropriately incorporated into the going concern scenarios and modelling, including the maturity profile of the Group's borrowings, the impact of the Security Group structure (as defined in the Glossary on page 171) and the tiered operating covenant regime.
- performing testing to evaluate whether the covenant requirements of the debt facilities would be breached under either the base case or the downside scenarios through the going concern period.
- challenging the conclusions that both the levels of decline required to breach the covenants and the reverse stress test prepared can be considered as remote by obtaining external market outlooks in relation to future valuations and reviewing previous declines observed in results.
- testing on key assumptions and considered the likelihood of outcomes including controllable mitigating actions, which include uncommitted capital expenditure, acquisitions, disposals and developments, over and above the scenarios modelled.
- further challenging the cash flow forecasts with reference to historical trends and assessing the outcome of management's previous forecasts.
- reviewing the disclosures in the financial statements relating to going concern with a view to confirming that they appropriately disclose the risk, the impact on the Group's operations and results and potential mitigating actions.

The results of the mitigated downside scenarios modelled by management indicate that the Group would maintain available facility and covenant headroom to be able to withstand the impact of plausible downside sensitivities throughout the period of the going concern assessment to 30 September 2027.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Parent Company's ability to continue as a going concern for a period to 30 September 2027.

In relation to the Group and Parent Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

OVERVIEW OF OUR AUDIT APPROACH

Audit scope	• The Group operates in the United Kingdom through four segments: Office-led, Retail-led, Residential-led and Other assets. • We have performed an audit of the complete financial information of the Group including the Parent Company component. The Group audit team also performed audit procedures on joint venture balances included within the Group financial statements.
Key audit matters	• The valuation of property, including investment properties and investment properties held in joint ventures. • Revenue recognition, including service charge income and the treatment of lease incentives.
Materiality	• Overall Group materiality of £114m which represents 1.0% of total assets in the Group balance sheet at 31 March 2026. Overall materiality is applied to account balances related to investment properties and trading properties (either wholly owned or within the Joint Venture) and loans and borrowings (excluding the related finance expense). • Specific materiality of £19m, which represents 5% of EPRA earnings before tax. Specific materiality is applied to account balances which are not account balances related to investment properties, trading properties (either wholly owned or within the Joint Venture), loans and borrowings or derivatives. • Parent Company materiality of £54m, which represents 1.0% of total assets in the Parent Company balance sheet. Parent Company materiality is applied to all balances within the Parent Company.



INDEPENDENT AUDITOR'S REPORT CONTINUED

AN OVERVIEW OF THE SCOPE OF THE PARENT COMPANY AND GROUP AUDITS

TAILORING THE SCOPE

In the current year our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the geographic structure of the Group, the accounting processes and controls, and the industry in which the Group operates. We have identified the Group as one component and performed full scope procedures across the entire Group. All work was carried out by the Group audit team.

Our scoping to address the risk of material misstatement for each key audit matter is set out in the Key audit matters section of our report.

CLIMATE CHANGE

Stakeholders are increasingly interested in how climate change will impact Land Securities Group PLC. The Group has determined that the most significant future impacts from climate change on their operations will be from failure to meet their 2040 science-based net zero target leading to regulatory, reputational and commercial impact and failure to mitigate physical impact on the Group's assets. These are explained in the required Task Force On Climate Related Financial Disclosures and on pages 43-46 in the principal risks and uncertainties. They have also explained their climate commitments on pages 29-34. All of these disclosures form part of the 'Other information,' rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on 'Other information'.

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

The Group has explained in the basis of preparation note within the financial statements how they have reflected the impact of climate change in their financial statements including how this aligns with their commitment to achieve net zero emissions by 2040. The impact of climate change on significant judgements and estimates are included in note 2.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition, their climate commitments, the effects of material climate risks disclosed on pages 43-46 and the significant judgements and estimates disclosed in note 2 and whether these have been appropriately reflected in the valuation of the investment properties, investment properties held in joint ventures and trading properties or have any other material impact on the financial statements. As part of this evaluation, we performed our own risk assessment, supported by our climate change internal specialists, to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work, whilst we have not identified the impact of climate change on the financial statements to be a standalone key audit matter, we have considered the impact on the valuation of property, including investment properties and investment properties held in joint ventures key audit matter. Details of the impact, our procedures and findings are included in our explanation of key audit matter below.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.



Risk	Our response to the risk	Key observations communicated to the Audit Committee
The valuation of property, including investment properties and investment properties held in joint ventures 2026: £10,018m in investment properties and £636m (the Group's share) in investment properties held in joint ventures (2025: £10,034m in investment properties and £608m (the Group's share) in investment properties held in joint ventures) Refer to the Report of the Audit Committee (pages 64-67); Accounting policies (pages 112-113); Note 13 of the Financial statements (pages 114-117). The valuation of property, including investment properties, development properties and investment properties held in joint ventures, requires significant judgement and estimation by management and their external valuers. Inaccuracies in inputs or unreasonable bases used in these judgements (including the estimated rental value, yield profile applied and development costs to complete) could result in a material misstatement of the income statement and balance sheet. There is also a risk that management could inappropriately influence the input data and/or the significant judgements and estimates in respect of property valuations in order to meet market expectations or bonus targets.	Our audit procedures over the valuation of property included: We obtained an understanding of the Group's processes and controls around the valuation of properties. We evaluated the competence of the Group's external valuers, CBRE and JLL which included consideration of their qualifications and expertise. We met with CBRE and JLL to challenge their valuation approach and the judgements they made in their property valuation. Such judgements included the estimated rental value, yield profile and other significant assumptions that impact the value. We selected properties based on a risk assessment of a number of factors including comparison with market movements, significant debtors, ESG considerations and size across asset classes and segments, to identify higher risk properties. Our higher risk properties include properties not tested in prior years. These properties comprised 81% of the market value of Combined portfolio (including investment properties held in joint ventures). For these higher risk properties, we tested source documentation provided by the Group to CBRE and JLL. This included agreeing a sample back to underlying lease data and vouching costs items and assumptions in respect of development properties. We assessed and challenged the judgements made by CBRE and JLL, including through inspection of comparable market evidence, where available. We included chartered surveyors on our audit team who reviewed and challenged the valuation approach and assumptions for the higher risk properties. Our chartered surveyors compared the yields applied to each property to an expected range of yields taking into account available market data and asset specific considerations. They challenged whether the other assumptions applied by the external valuers, such as the estimated rental values, voids, tenant incentives and development costs to complete were supported by available data. They also challenged whether other market transactions contradict the assumptions used in the valuation. Together with our real estate specialists' team, we met with the external valuers to further discuss the findings from our audit work described above and to seek further explanations as required. We challenged whether sustainability costs identified by management as part of the Net Zero Investment Plan have been appropriately considered within the valuation. As part of this, we assessed and challenged judgements made by CBRE and JLL for costs associated with ESG and refurbishment capital expenditure costs. We performed analytical procedures on the properties not included in the higher risk properties reviewed in detail by our real estate specialists team by comparing assumptions and the value of those properties by reference to our understanding of the UK real estate market, external market data and asset specific considerations to evaluate the appropriateness of the valuations adopted by the Group. Where values or assumptions were not in line with our expectations, we challenged these further by discussing with management, CBRE, JLL and our real estate specialists' team and, where appropriate, obtaining further evidence to support the movement in values. We performed 9 site visits. Where properties are under development, this enabled us to test existence of the property and challenge whether the status of the development was consistent with what we were told by management. We challenged development directors and project managers for major properties in the development programme on the project costs, progress of development and leasing status. We challenged the reasonableness of forecast costs to complete included in the valuations as well as the identified contingencies and the exposure to remaining risks, by comparing the total forecast costs to contractual arrangements and other supporting evidence. We challenged forecast costs to complete for evidence of overruns through risks identified during our development meetings, review of meeting minutes and other supporting information. We challenged the information provided by the development directors and the project managers through our review of cost analysis as well as the valuation outcome. We assessed the adequacy of the disclosures of estimates and valuation assumptions in note 13 including those required by IFRS 13 – Fair Value Measurement. Scope of our procedures We performed full scope audit procedures over the valuation of properties, including investment properties and investment properties held in joint ventures.	We have tested the inputs, assumptions and methodology used by CBRE and JLL. We have concluded that the methodology applied is reasonable and that the external valuations are a reasonable assessment of the market value of investment properties at 31 March 2026. We concluded that the properties reviewed by our chartered surveyors were within the reasonable range of values as assessed by them. We concluded that committed capital expenditure and ESG considerations has been appropriately considered within the valuations where appropriate. We consider that management provided an appropriate level of review and challenge over the valuations, and we did not identify evidence of undue management influence. We have reviewed the disclosures in the financial statements including the disclosure of methodology, key unobservable inputs and sensitivity thereof and consider them to be appropriate.



FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT CONTINUED

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Revenue recognition, including service charge income and the treatment of lease incentives. 2026: £618m rental income (2025: £600m rental income) 2026: £190m service charge income (2025: £155m service charge income) Refer to the Report of the Audit Committee (pages 64-67); Accounting policies (pages 102-103); note 6 of the Financial statements (pages 103-104). Market expectations and EPRA earnings-based targets (which include management compensation) may place pressure on management to distort revenue recognition. This may result in overstatement or understatement of rental income and service charge income to assist in meeting current or future targets or expectations, including through the manipulation of timing of revenue recognition of lease incentives (straight line rent), inappropriate income recovered through the service charge and fictitious revenues being recorded via topside journals.	Our audit procedures over revenue recognition included: We selected a sample of new, existing and amended lease agreements in the year and agreed the key lease terms to the Group's property information management systems in use throughout the year, including lease incentive clauses. We performed data analytics procedures to set an expectation of rental income across the whole population of leases in the Group's portfolio for the year; this also covers the straight-lining rent adjustment for lease incentives. We obtained the schedules used to calculate straight-lining of revenue in accordance with IFRS 16 Leases. We tested the arithmetical accuracy of these schedules and that the straight lining was calculated in accordance with the guidance. For a sample of leases we agreed the lease information per the schedules back to lease agreements. We performed additional substantive testing procedures over a sample of variable turnover rents by recalculating the expected turnover revenue based on evidence received from tenants and the Group's property information management systems in use throughout the year. We further agreed invoices issued to cash collections received for each of these samples. We have performed testing in relation to service charge income. This has included vouching a sample of income recognised to both invoice and cash collection, and performing an analytical review to challenge unexpected or unusual variances. We have also performed testing on the service charge expense in the year, including the accrual at year end to test cut-off. We performed audit procedures specifically designed to address the risk of management override of controls including topside consolidation adjustments and journal entries which impact revenue. Scope of our procedures The Group was subject to full scope audit procedures over revenue.	Based upon the audit procedures performed, we concluded that revenue has been recognised on an appropriate basis in the year.

OUR APPLICATION OF MATERIALITY

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

MATERIALITY

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

The table below sets out the materiality, performance materiality and threshold for reporting audit differences applied on our audit:

	Basis	Materiality	Performance materiality	Audit differences
Overall – all account balances related to investment properties and trading properties (either wholly owned or within the Joint Venture) and loans and borrowings (excluding the related finance expense)	1.0% of total assets (2025: 0.9% of total assets)	£114m (2025: £105m)	£85m (2025: £79m)	£6m (2025: £5m)
Specific – all account balances which are not account balances related to investment properties, trading properties (either wholly owned or within the Joint Venture) and loans and borrowings (excluding the related finance expenses)	5% of EPRA earnings before tax (2025: 5% EPRA earnings before tax)	£19m (2025: £19m)	£14m (2025: £14m)	£1m (2025: £1m)
Parent Company	1.0% of total assets (2025: 0.9% of total assets)	£54m (2025: £48m)	£40m (2025: £36m)	£2.7m (2025: £2m)



When establishing our overall audit strategy, we determined a magnitude of uncorrected misstatements that we judged would be material for the financial statements as a whole. We determined that an asset-based measure would be the most appropriate basis for determining overall materiality given that key users of the Group's financial statements are primarily focused on the valuation of the Group's assets. Based on this, we determined that it is appropriate to set the overall materiality at 1.0% of total assets (2025: 0.9% of total assets). We applied overall materiality to the investment properties and trading properties balances (either wholly owned or within the Joint Venture) and loans and borrowings (excluding the related finance expense) as the value of loans and borrowings which are secured against the Group's investment properties.

This provided a basis for determining the nature, timing and extent of risk assessment procedures, identifying and assessing the risk of material misstatement and determining the nature, timing and extent of further audit procedures.

We determined that for other account balances not related to investment properties, trading properties (either wholly owned or held within joint ventures), loans and borrowings (excluding the related finance expense) or derivatives, a misstatement of less than overall materiality for the financial statements as a whole could influence the economic decisions of users. We believe that it is most appropriate to use a profit-based measure as profit is also a focus of users of the financial statements.

We determined that materiality for these areas should be based upon 5% of EPRA earnings before tax. EPRA earnings is considered an important performance metric and aligned with industry earnings measures.

During the course of our audit, we reassessed initial materiality which resulted in a reduction to our overall materiality as a result of total assets having decreased from our initial materiality assessment.

PERFORMANCE MATERIALITY

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2025: 75%) of our planning materiality. We have set performance materiality at this percentage due to our past experience of the audit that indicates a lower risk of misstatements, both corrected and uncorrected.

REPORTING THRESHOLD

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £6m (2025: £5m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

OTHER INFORMATION

The other information comprises the information included in the annual report, including the Strategic report and Governance section set out on pages 1-82, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and those reports have been prepared in accordance with applicable legal requirements;
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Rules and Transparency Rules sourcebook made by the Financial Conduct Authority (the 'FCA Rules'), is consistent with the financial statements and has been prepared in accordance with applicable legal requirements; and
- information about the company's corporate governance statement and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules.



INDEPENDENT AUDITOR'S REPORT CONTINUED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements.

- the Strategic report or the Directors' report; or
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Rules.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- a Corporate Governance Statement has not been prepared by the Company.

CORPORATE GOVERNANCE STATEMENT

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 47-48 and 83;
- directors' explanation as to its assessment of the company's prospects, the period this assessment covers and why the period is appropriate set out on pages 47-48;
- directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 83;
- directors' statement on fair, balanced and understandable set out on page 83;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 43-46;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 40-46; and
- The section describing the work of the Audit Committee set out on pages 62-67.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 83, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.



However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (UK adopted international accounting standards, the Companies Act 2006 and UK Corporate Governance Code), Listing Rules, the relevant tax regulations in the United Kingdom, including the UK REIT regulations, the UK General Data Protection Regulation (GDPR), Health & Safety Regulations, Building Safety Act and the Bribery Act. There are no significant industry specific laws or regulations that we considered in determining our approach.
- We understood how Land Securities Group PLC is complying with those frameworks through enquiry with management, and by identifying the Group's policies and procedures regarding compliance with laws and regulations. We also identified those members of management who have the primary responsibility for ensuring compliance with laws and regulations, and for reporting any known instances of non-compliance to those charged with governance. We corroborated our enquiries through our review of Board minutes and papers provided to the Board and the Audit Committee, as well as consideration of the results of our audit procedures across the Group to either corroborate or provide contrary evidence which was then followed up. Our assessment included the tone from the top and the emphasis on a culture of honest and ethical behaviour.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by reviewing the company's risk register and enquiry with management and the Audit Committee during the planning and execution phases of our audit. We considered the programmes and controls that the Group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how management monitors those programmes and controls.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved:
 - Enquiry of management, and when appropriate, those charged with governance regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements;
 - Understanding of management's internal controls designed to prevent and detect irregularities;
 - Designing audit procedures to incorporate unpredictability around the nature, timing and extent of our testing;
 - Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
 - Reading minutes of meetings of those charged with governance, including those of the Risk Committee and the Audit Committee;
 - Reading of internal audit reports;
 - Obtaining electronic confirmations from the Group's banking providers to vouch the existence of cash balances and completeness of loans, borrowings and other treasury positions such as derivatives;
 - Obtaining and reading correspondence from legal and regulatory bodies, including the FRC and HMRC;
 - Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the valuation of investment property and the fair value of the acquired assets and liabilities of Land Securities Group PLC (see Key audit matters set out earlier in this report); and
 - Journal entry testing, with a focus on manual journals and journals indicating large or unusual transactions based on our understanding the business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

OTHER MATTERS WE ARE REQUIRED TO ADDRESS

Following the recommendation from the Audit Committee, we were appointed by the company on 18 July 2013 to audit the financial statements for the year ending 31 March 2014 and subsequent financial periods. Following the conclusion of a formal tender process led by the Audit Committee, we were appointed to continue as auditor for the financial year ending 31 March 2024 and subsequent financial periods.

The period of total uninterrupted engagement including previous renewals and reappointments is 13 years, covering the years ending 31 March 2014 to 31 March 2026. The audit opinion is consistent with the additional report to the Audit Committee.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

JULIE CARLYLE (SENIOR STATUTORY AUDITOR)

for and on behalf of Ernst & Young LLP, Statutory Auditor
London
13 May 2026



FINANCIAL STATEMENTS

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2026

		2026		2025	
	Notes	EPRA earnings £m	Capital and other items £m	Total £m	Total £m
Revenue	6	860	32	892	842
Costs	7	(393)	(79)	(472)	(429)
		467	(47)	420	413
Share of post-tax profit from joint ventures	15	25	27	52	37
Loss on disposal of investment properties		–	(103)	(103)	(15)
Net surplus on revaluation of investment properties	13	–	96	96	91
Operating profit		492	(27)	465	526
Finance income	9	14	–	14	15
Finance expense	9	(124)	(9)	(133)	(148)
Profit before tax		382	(36)	346	393
Taxation	11			(2)	3
Profit for the year				344	396

Attributable to:

Shareholders of the parent		343	396
Non-controlling interests		1	–
		344	396

Profit per share attributable to shareholders of the parent:

Basic earnings per share	5	46.2p	53.3p
Diluted earnings per share	5	45.9p	53.0p

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 Total £m	2025 Total £m
Profit for the year		344	396
Items that may be subsequently reclassified to the income statement:			
Net surplus on revaluation of owner-occupied property	18	2	12
Deferred tax charge on owner-occupied property revaluation surplus	11	–	(3)
Other comprehensive income for the year		2	9
Total comprehensive income for the year		346	405
Attributable to:			
Shareholders of the parent		345	405
Non-controlling interests		1	–
		346	405



BALANCE SHEETS

AT 31 MARCH 2026

	Notes	2026 £m	Group 2025 £m	2026 £m	Company 2025 £m
Non-current assets					
Investment properties	13	10,018	10,034	–	–
Property, plant and equipment	18	42	42	–	–
Intangible assets	19	3	3	–	–
Net investment in finance leases	17	20	19	–	–
Investments in joint ventures	15	593	551	–	–
Investments in subsidiary undertakings	28	–	–	5,358	5,363
Trade and other receivables	26	148	229	–	–
Other non-current assets	29	45	22	–	–
Total non-current assets		10,869	10,900	5,358	5,363
Current assets					
Trading properties	14	56	81	–	–
Trade and other receivables	26	491	467	–	–
Monies held in restricted accounts and deposits	22	11	20	–	–
Cash and cash equivalents	23	106	39	–	1
Other current assets	30	7	4	–	–
Non-current asset held for sale		–	110	–	–
Total current assets		671	721	–	1
Total assets		11,540	11,621	5,358	5,364
Current liabilities					
Borrowings	21	(746)	(752)	–	–
Trade and other payables	27	(363)	(406)	(1,658)	(1,750)
Provisions	33	(41)	(44)	–	–
Other current liabilities	31	(18)	(6)	–	–
Total current liabilities		(1,168)	(1,208)	(1,658)	(1,750)
Non-current liabilities					
Borrowings	21	(3,749)	(3,802)	–	–
Trade and other payables	27	(40)	(44)	–	–
Provisions	33	(23)	(30)	–	–
Other non-current liabilities	32	(22)	(5)	–	–
Total non-current liabilities		(3,834)	(3,881)	–	–
Total liabilities		(5,002)	(5,089)	(1,658)	(1,750)
Net assets		6,538	6,532	3,700	3,614
Equity					
Capital and reserves attributable to shareholders					
Ordinary shares	36	80	80	80	80
Share premium		320	319	320	319
Other reserves		29	30	15	30
Merger reserve		–	–	374	374
Retained earnings		6,108	6,085	2,911	2,811
Equity attributable to shareholders of the parent		6,537	6,514	3,700	3,614
Equity attributable to non-controlling interests		1	18	–	–
Total equity		6,538	6,532		

The profit for the year of the Company was £406m (2025: £497m).

The financial statements on pages 92-147 were approved by the Board of Directors on 13 May 2026 and were signed on its behalf by:

MARK ALLAN
DIRECTOR

VANESSA SIMMS
DIRECTOR



FINANCIAL STATEMENTS

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2026

		Attributable to shareholders of the parent					Group	
		Ordinary shares £m	Share premium £m	Other reserves ¹ £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
Notes								
At 1 April 2024		80	319	23	5,980	6,402	45	6,447
Total comprehensive income for the financial year		–	–	–	405	405	–	405
Transactions with shareholders of the parent:								
Share-based payments	35	–	–	7	(3)	4	–	4
Dividends paid to shareholders of the parent	10	–	–	–	(297)	(297)	–	(297)
Acquisition of non-controlling interests		–	–	–	–	–	(56)	(56)
Total transactions with shareholders of the parent		–	–	7	(300)	(293)	(56)	(349)
Dividends paid to non-controlling interests		–	–	–	–	–	(1)	(1)
Issued share capital		–	–	–	–	–	12	12
Acquisition of subsidiaries		–	–	–	–	–	18	18
Total transactions with shareholders		–	–	7	(300)	(293)	(27)	(320)
At 31 March 2025		80	319	30	6,085	6,514	18	6,532
Total comprehensive income for the financial year		–	–	2	343	345	1	346
Transfer to revaluation surplus reserve		–	–	12	(12)	–	–	–
Transactions with shareholders of the parent:								
Share-based payments	35	–	1	(15)	(3)	(17)	–	(17)
Dividends paid to shareholders of the parent	10	–	–	–	(303)	(303)	–	(303)
Total transactions with shareholders of the parent								
Dividends paid to non-controlling interests		–	–	–	–	–	(2)	(2)
Recognition of redemption liability	31	–	–	–	(2)	(2)	(16)	(18)
Total transactions with shareholders		–	1	(15)	(308)	(322)	(18)	(340)
At 31 March 2026		80	320	29	6,108	6,537	1	6,538

		Attributable to shareholders					Company
		Ordinary shares £m	Share premium £m	Other reserves £m	Merger reserve £m	Retained earnings ² £m	Total equity £m
Notes							
At 1 April 2024		80	319	23	374	2,614	3,410
Total comprehensive income for the financial year		–	–	–	–	497	497
Transactions with shareholders:							
Share-based payments	35	–	–	7	–	(3)	4
Dividends paid to shareholders	10	–	–	–	–	(297)	(297)
Total transactions with shareholders		–	–	7	–	(300)	(293)
At 31 March 2025		80	319	30	374	2,811	3,614
Total comprehensive income for the financial year		–	–	–	–	406	406
Transactions with shareholders:							
Share-based payments	35	–	1	(15)	–	(3)	(17)
Dividends paid to shareholders	10	–	–	–	–	(303)	(303)
Total transactions with shareholders		–	1	(15)	–	(306)	(320)
At 31 March 2026		80	320	15	374	2,911	3,700

1. Included within other reserves is a revaluation surplus reserve of £14m pertaining to owner-occupied property.
2. Available for distribution.



STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £m	Group 2025 £m	2026 £m	Company 2025 £m
Cash flows from operating activities					
Net cash generated from operations	12	353	381	–	–
Interest received		47	23	–	–
Interest paid		(180)	(144)	–	–
Rents paid		(13)	(12)	–	–
Capital expenditure on trading properties		(6)	(8)	–	–
Disposal of trading properties		13	13	–	–
Other operating cash flows		–	3	(1)	(1)
Net cash inflow/(outflow) from operating activities	12	214	256	(1)	(1)
Cash flows from investing activities					
Investment property development expenditure		(298)	(293)	–	–
Other investment property related expenditure		(147)	(163)	–	–
Acquisition of investment properties, net of cash acquired		(84)	(325)	–	–
Acquisition of subsidiaries, net of cash acquired		–	(18)	–	–
Disposal of investment properties		734	404	–	–
Cash distributions from joint ventures	15	11	12	–	–
Net cash inflow/(outflow) from investing activities		216	(383)	–	–
Cash flows from financing activities					
Net proceeds from new borrowings (net of finance fees)	21	300	963	–	–
Net repayment of borrowings	21	(338)	(562)	–	–
Net cash outflow from derivative financial instruments	21	(16)	(6)	–	–
Acquisition of own shares		(27)	–	–	–
Proceeds from non-controlling interest share capital issuance		–	12	–	–
Dividends paid to shareholders of the parent	10	(290)	(305)	–	–
Dividends paid to non-controlling interests		(2)	(1)	–	–
Decrease/(increase) in monies held in restricted accounts and deposits		9	(14)	–	–
Other financing cash flows		1	1	–	–
Net cash (outflow)/inflow from financing activities		(363)	88	–	–
Increase/(decrease) in cash and cash equivalents for the year		67	(39)	(1)	(1)
Cash and cash equivalents at the beginning of the year		39	78	1	2
Cash and cash equivalents at the end of the year	23	106	39	–	1



FINANCIAL STATEMENTS

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FOR THE YEAR ENDED 31 MARCH 2026

SECTION 1 – GENERAL

This section contains a description of the Group's significant accounting policies that relate to the financial statements as a whole. A description of accounting policies specific to individual areas (e.g. investment properties) is included within the relevant note to the financial statements.

This section also includes a summary of new accounting standards, amendments and interpretations that have been applied in the year and those not yet adopted, and their actual or expected impact on the reported results of the Group.

1 BASIS OF PREPARATION AND CONSOLIDATION

BASIS OF PREPARATION

These financial statements have been prepared on a going concern basis and in accordance with UK adopted international accounting standards (IFRSs and IFRICs), and as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006. The financial statements have been prepared in Pounds Sterling (rounded to the nearest one million), which is the presentation currency of the Group (Land Securities Group PLC and all its subsidiary undertakings), and under the historical cost convention as modified by the revaluation of investment property, financial assets at fair value through profit or loss, derivative financial instruments and pension assets. As applied by the Group and the Company, there are no material differences between UK adopted international accounting standards and EU IFRS.

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

Land Securities Group PLC (the Company) has not presented its own statement of comprehensive income (and separate income statement), as permitted by Section 408 of Companies Act 2006. The Merger reserve arose on 6 September 2002 when the Company acquired 100% of the issued share capital of Land Securities PLC. The Merger reserve represents the excess of the cost of acquisition over the nominal value of the shares issued by the Company to acquire Land Securities PLC. The Merger reserve does not represent a realised or distributable profit. Other reserves includes the Capital redemption reserve, which represents the nominal value of cancelled shares, the Share-based payment reserve and Own shares held by the Group.

GOING CONCERN

Given the impact of international and domestic political and economic events over the course of the year, the Directors have continued to place additional focus on the appropriateness of adopting the going concern assumption in preparing the financial statements for the year ended 31 March 2026. The Group's going concern assessment considers changes in the Group's principal risks (see pages 43-46) and is dependent on a number of factors, including our financial performance and continued access to borrowing facilities. Access to our borrowing facilities is dependent on our ability to continue to operate the Group's secured debt structure within its financial covenants, which are described in note 21.

In order to satisfy themselves that the Group has adequate resources to continue as a going concern for the foreseeable future, the Directors have reviewed the base case, downside and reverse stress test models, as well as a cash flow model which considers the impact of pessimistic assumptions on the Group's operating environment (the 'mitigated downside scenario'). This mitigated downside scenario reflects unfavourable macroeconomic conditions, a deterioration in our ability to collect rent and service charge from our customers and removes uncommitted acquisitions, disposals and developments.

The Group's key metrics from the mitigated downside scenario as at the end of the going concern assessment period, which covers the 16 months to 30 September 2027, are shown below alongside the actual position at 31 March 2026.

Key metrics	Mitigated downside scenario	
	31 March 2026	30 September 2027
Security Group LTV	41.6%	46.6%
Adjusted net debt	£4,215m	£4,608m
EPRA net tangible assets	£6,574m	£5,768m
Available financial headroom	£1.3bn	£0.4bn



In our mitigated downside scenario, the Group has sufficient financial headroom, with our Security Group LTV ratio remaining less than 65% and interest cover above 1.45x, for a period of 16 months from the date of authorisation of these financial statements. Under this scenario, the Security Group's asset values would need to fall by a further 28% from the sensitised values forecasted at 30 September 2027 to be non-compliant with the LTV covenant. This equates to a 36% fall in the value of the Security Group's assets from the 31 March 2026 values for the LTV to reach 65%. The Directors consider the likelihood of this occurring over the going concern assessment period to be remote.

The Security Group also requires earnings before interest of at least £277m in the full year ending 31 March 2027 and at least £156m in the six-month period ending 30 September 2027 for interest cover to remain above 1.45x in the mitigated downside scenario, which would ensure compliance with the Group's covenant through to the end of the going concern assessment period. Security Group earnings post year end 31 March 2026 are tracking well above the level required to meet the interest cover covenant for the year ended 31 March 2027. The Directors do not anticipate a reduction in Security Group earnings over the period ending 30 September 2027 to a level that would result in a breach of the interest cover covenant.

The Directors have also considered a reverse stress-test scenario which assumes no further rent will be received, to determine when our available cash resources would be exhausted. Even under this extreme scenario, although breaching the interest cover covenant, the Group continues to have sufficient cash reserves to continue in operation throughout the going concern assessment period.

Based on these considerations, together with available market information and the Directors' knowledge and experience of the Group's property portfolio and markets, the Directors have adopted the going concern basis in preparing these financial statements for the year ended 31 March 2026.

BASIS OF CONSOLIDATION

The consolidated financial statements for the year ended 31 March 2026 incorporate the financial statements of the Company and all its subsidiary undertakings. Subsidiary undertakings are those entities controlled by the Company. Control exists where an entity is exposed to variable returns and has the ability to affect those returns through its power over the investee.

The results of subsidiaries and joint ventures acquired or disposed of during the year are included from the effective date of acquisition or to the effective date of disposal. Accounting policies of subsidiaries and joint ventures which differ from Group accounting policies are adjusted on consolidation.

Where instruments in a subsidiary held by third parties are redeemable at the option of the holder, these interests are classified as a financial liability, called the redemption liability. The liability is carried at fair value; the value is reassessed at the balance sheet date and movements are recognised in the statement of changes in equity or the income statement. Movements are recognised in the statement of changes in equity if the option holder holds a non-controlling interest.

Where equity in a subsidiary is not attributable, directly or indirectly, to the shareholders of the parent, this is classified as a non-controlling interest. Total comprehensive income or loss and the total equity of the Group are attributed to the shareholders of the parent and to the non-controlling interests according to their respective ownership percentages. When the proportion of equity held by the non-controlling interest changes, the Group will adjust the carrying amounts of equity attributable to the shareholders of the parent and non-controlling interest to reflect the changes in their relative interests in the subsidiary. The Group shall recognise directly in equity any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received, and attribute it to the shareholders of the parent.

Joint arrangements are those entities over whose activities the Group has joint control, established by contractual agreement. Interests in joint arrangements are accounted for as either a joint venture or a joint operation. A joint arrangement is accounted for as a joint venture when the Group, along with the other parties that have joint control of the arrangement, have rights to the net assets of the arrangement. Interests in joint ventures are equity accounted. The equity method requires the Group's share of the joint venture's post-tax profit or loss for the year to be presented separately in the income statement and the Group's share of the joint venture's net assets to be presented separately in the balance sheet. A joint arrangement is accounted for as a joint operation when the Group, along with the parties that have joint control of the arrangement, have rights to the assets and obligations for the liabilities relating to the arrangement. Joint operations are accounted for by including the Group's share of the assets, liabilities, income and expenses on a line-by-line basis.

Intra-group balances and any unrealised gains and losses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with joint ventures are eliminated to the extent of the Group's interest in the joint venture concerned. Unrealised losses are eliminated in the same way, but only to the extent that there is no evidence of impairment.



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FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

2 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to exercise judgement in applying the Group's accounting policies. The areas where the Group considers the judgements to be most significant involve assumptions or key estimates in respect of future events, where actual results may differ from these estimates. These key estimates are deemed to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Other sources of estimation uncertainties identified below are estimates deemed to have a lower risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

JUDGEMENTS

- Recognising revenue where property management activities are performed by a third party (note 6)
- Compliance with the Real Estate Investment Trust (REIT) taxation regime and the recognition of deferred tax assets and liabilities (note 11)
- Accounting for certain property acquisitions and disposals (note 13)

KEY ESTIMATES

- Valuation of investment properties (note 13)

OTHER SOURCES OF ESTIMATION UNCERTAINTIES

- Valuation of trading properties and owner-occupied property (note 14 and note 18)
- Impairment of trade receivables (note 26)
- Estimation of provisions (note 33)

In preparing the financial statements, the Group has considered the impact of climate change, taking into account the relevant disclosures in the Strategic Report, including those made in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures. These considerations included the limited exposure in terms of our investment properties to achieve our science-based target by 2030 (note costs will fluctuate year on year as we account for changes in inflation and portfolio composition). Related capital expenditure and the expected impact on ERVs associated with this commitment have been factored within property valuations. On this basis, the Group has concluded that climate change did not have a material impact on the financial reporting judgements and estimates, consistent with the assessment that this is not expected to have a significant impact on the Group's going concern or viability assessment.

3 CHANGES IN ACCOUNTING POLICIES AND STANDARD

The accounting policies used in these financial statements are consistent with those applied in the last annual financial statements, as amended where relevant to reflect the adoption of new standards, amendments and interpretations which became effective in the year as listed below:

- Amendments to IAS 21 – Lack of exchangeability

There has been no material impact on the financial statements of adopting any new standards, amendments and interpretations.

AMENDMENTS TO IFRS

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the Group as listed below:

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- Amendments to IFRS 7 and IFRS 9 Classification and measurement of financial instruments and for contracts referencing nature-dependent electricity
- Annual Improvements to IFRS Accounting Standards (Volume 11)

The Group has yet to assess the full outcome of these new standards, amendments and interpretations, however with the exception of IFRS 18 these other new standards, amendments and interpretations are not expected to have a significant impact on the Group's financial statements. The Group intends to adopt these new standards, amendments and interpretations, if applicable, when they become effective.



SECTION 2 – PERFORMANCE

This section focuses on the performance of the Group for the year, including segmental information, earnings per share and net assets per share, together with further details on specific components of the income statement and dividends paid.

Our property portfolio is a combination of properties that are wholly owned by the Group, part owned through joint arrangements and properties owned by the Group but where a third party holds a non-controlling interest. Internally, management review the results of the Group on a basis that adjusts for these different forms of ownership to present a proportionate share. The Combined Portfolio, with assets totalling **£10.8bn**, is an example of this approach, reflecting the economic interest we have in our properties regardless of our ownership structure. The Combined Portfolio comprises the investment properties, owner-occupied property and non-current assets held for sale of the Group's subsidiaries, on a proportionately consolidated basis when not wholly owned, together with our share of investment properties held in our joint ventures. We consider this presentation provides further understanding to stakeholders of the activities and performance of the Group, as it aggregates the results of all of the Group's property interests which under IFRS are required to be presented across a number of line items in the statutory financial statements.

The same principle is applied to many of the other measures we discuss and, accordingly, a number of our financial measures include the results of our joint ventures and subsidiaries on a proportionate basis. Measures that are described as being presented on a proportionate basis include the Group's share of joint ventures on a line-by-line basis and are adjusted to exclude the non-owned elements of our subsidiaries. This is in contrast to the Group's statutory financial statements, where the Group's interest in joint ventures is presented as one line on the income statement and balance sheet, and all subsidiaries are consolidated at 100% with any non-owned element being adjusted as a non-controlling interest or redemption liability, as appropriate. Our joint operations are presented on a proportionate basis in all financial measures.

EPRA earnings is an alternative performance measure and is the Group's alternative measure of the underlying pre-tax profit of the property rental business. EPRA earnings excludes all items of a capital nature, such as valuation movements and profits and losses on the disposal of investment properties, as well as exceptional items. The Group believes that EPRA earnings provides additional understanding of the Group's operational performance to shareholders and other stakeholder groups. A full definition of EPRA earnings is given in the Glossary. The components of EPRA earnings are presented on a proportionate basis in note 4.

Our income statement has two key components: the income we generate from leasing our investment properties net of associated costs (including interest expense), which we refer to as EPRA earnings, and items not directly related to the underlying rental business, principally valuation changes, profits or losses on the disposal of properties, refinancing activity and exceptional items, which we refer to as Capital and other items. Our income statement is presented in a columnar format, split into those items that relate to EPRA earnings and Capital and other items. The total column represents the Group's results presented in accordance with IFRS; the other columns provide additional information. We believe EPRA earnings provides further understanding of the results of the Group's operational performance to stakeholders as it focuses on the rental income performance of the business and excludes Capital and other items which can vary significantly from year to year.

4 SEGMENTAL INFORMATION

The Group's operations are all in the UK and are managed across four operating segments, being Office-led, Retail-led, Residential-led and Other assets.

The Office-led segment includes all operating or under development office assets in London and the regions as well as the associated retail and other premises in proximity to these assets. The Retail-led segment includes all the shopping centres and outlets in our portfolio. The Residential-led segment includes our residential developments and the Other assets segment mainly includes assets that will not be a focus for capital investment and consists of our retail and leisure park assets.

In previous financial periods, our segmental reporting reflected that our operations were organised into Central London, Major retail destinations (Major retail), Mixed-use urban neighbourhoods (Mixed-use urban) and Subscale sectors. As noted in the Group's Annual Report for the year ended 31 March 2025, the Group has aligned its financial reporting to reflect its updated strategy and operating model and consequently, comparatives have been restated.

Management has determined the Group's operating segments based on the information reviewed by Senior Management to make strategic decisions. The chief operating decision maker is the Executive Leadership Team (ELT), comprising the Executive Directors and the Managing Directors. The information presented to ELT includes reports from all functions of the business as well as strategy, financial planning, succession planning, organisational development and Group-wide policies.



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FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

4 SEGMENTAL INFORMATION CONTINUED

The Group's primary measure of underlying profit before tax is EPRA earnings. However, Segment net rental income is the lowest level to which the profit arising from the ongoing operations of the Group is analysed between the four segments. The administrative costs, which are predominantly staff costs for centralised functions, are all treated as administrative expenses and are not allocated to individual segments.

The Group manages its financing structure, with the exception of joint ventures and non-wholly owned subsidiaries, on a pooled basis. Individual joint ventures and non-wholly owned subsidiaries may have specific financing arrangements in place. Debt facilities and finance expenses, including those of joint ventures, are managed centrally and are therefore not attributed to a particular segment. Unallocated income and expenses are items incurred centrally which are not directly attributable to one of the segments.

All items in the segmental information note are presented on a proportionate basis.

SEGMENTAL RESULTS

EPRA EARNINGS										
	2026					2025 ¹				
	Office-led £m	Retail-led £m	Residential-led £m	Other assets £m	Total £m	Office-led £m	Retail-led £m	Residential-led £m	Other assets £m	Total £m
Rental income	327	264	12	52	655	327	222	12	74	635
Finance lease interest	–	–	–	1	1	–	–	–	1	1
Gross rental income (before rents payable)	327	264	12	53	656	327	222	12	75	636
Rents payable ²	(3)	(9)	–	–	(12)	(4)	(7)	–	(1)	(12)
Gross rental income (after rents payable)	324	255	12	53	644	323	215	12	74	624
Service charge income ³	85	99	5	11	200	77	75	5	8	165
Service charge expense ³	(85)	(103)	(6)	(12)	(206)	(81)	(80)	(5)	(10)	(176)
Net service charge expense	–	(4)	(1)	(1)	(6)	(4)	(5)	–	(2)	(11)
Other property related income	22	8	1	3	34	23	8	2	3	36
Direct property expenditure	(51)	(48)	(5)	(7)	(111)	(49)	(45)	(4)	(11)	(109)
Other operating income	22	–	–	–	22	10	–	–	–	10
Other operating expense	(23)	–	–	–	(23)	(9)	–	–	–	(9)
Movement in bad and doubtful debts provision	1	(1)	–	2	2	1	7	1	2	11
Segment net rental income	295	210	7	50	562	295	180	11	66	552
Other income					1					1
Administrative expense					(61)					(71)
Depreciation					(2)					(3)
EPRA earnings before interest					500					479
Finance income					14					15
Finance expense					(124)					(109)
Joint venture net finance expense					(8)					(11)
EPRA earnings attributable to shareholders of the parent					382					374
Capital/other items					(36)					19
Profit before tax					346					393
Taxation					(2)					3
Profit for the year					344					396

1. Restated for changes in the Group's operating segments as outlined in the note narrative above.

2. Included within rents payable is lease interest payable of £7m (2025: £8m) across the four segments.

3. Current year balances reflect a reclassification of service charge management fees from service charge expense to service charge income of £11m. While the comparatives have not been restated, the equivalent reclassification would have been £8m.



5 PERFORMANCE MEASURES

In the tables below, we present earnings per share attributable to shareholders of the parent, calculated in accordance with IFRS, and net assets per share attributable to shareholders of the parent together with certain measures defined by the European Public Real Estate Association (EPRA), which have been included to assist comparison between European property companies. Three of the Group's key financial performance measures are EPRA earnings per share, EPRA Net Tangible Assets per share and Total accounting return. Refer to table 73 in the Business Analysis section for further details on these alternative performance measures.

EPRA earnings, which is a tax adjusted measure of underlying earnings, is the basis for the calculation of EPRA earnings per share. We believe EPRA earnings and EPRA earnings per share provide further insight into the results of the Group's operational performance to stakeholders as they focus on the rental income performance of the business and exclude Capital and other items which can vary significantly from year to year.

EARNINGS PER SHARE				
	Year ended 31 March 2026		Year ended 31 March 2025	
	Profit for the year £m	EPRA earnings £m	Profit for the year £m	EPRA earnings £m
Profit attributable to shareholders of the parent	343	343	396	396
Valuation and loss on disposals ¹	–	(17)	–	(84)
Net finance expense (excluded from EPRA earnings)	–	9	–	39
Impairment of goodwill	–	–	–	22
Taxation	–	2	–	(3)
Net development contract and transaction expenditure	–	30	–	(3)
Restructuring, integration and other costs	–	15	–	7
Profit used in per share calculation	343	382	396	374

	IFRS	EPRA	IFRS	EPRA
Basic earnings per share	46.2p	51.4p	53.3p	50.3p
Diluted earnings per share	45.9p	51.1p	53.0p	50.1p

1. Whilst the Group's accounting policy is to recognise the profit/(loss) on disposal of investment properties with reference to the asset's carrying amount at the beginning of the accounting period, £22m of the balance pertains to revaluation movements arising from rental income received from 1 April 2025 to the date of disposal on the Queen Anne's Mansions office block.

NET ASSETS PER SHARE						
	31 March 2026			31 March 2025		
	Net assets £m	EPRA NDV £m	EPRA NTA £m	Net assets £m	EPRA NDV £m	EPRA NTA £m
Net assets attributable to shareholders of the parent	6,537	6,537	6,537	6,514	6,514	6,514
Shortfall of fair value over net investment in finance leases book value	–	(6)	(6)	–	(8)	(8)
Other intangible asset	–	–	(1)	–	–	(2)
Fair value of interest-rate swaps	–	–	(4)	–	–	(1)
Excess of fair value of trading properties over book value	–	48	48	–	27	27
Shortfall of fair value of debt over book value (note 21)	–	359	–	–	334	–
Net assets used in per share calculation	6,537	6,938	6,574	6,514	6,867	6,530

	IFRS	EPRA NDV	EPRA NTA	IFRS	EPRA NDV	EPRA NTA
Net assets per share	882p	n/a	n/a	877p	n/a	n/a
Diluted net assets per share	877p	931p	882p	872p	919p	874p



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FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

5 PERFORMANCE MEASURES CONTINUED

NUMBER OF SHARES				
		2026		2025
	Weighted average million	31 March million	Weighted average million	31 March million
Ordinary shares	752	752	752	752
Treasury shares	(7)	(7)	(7)	(7)
Own shares	(2)	(4)	(2)	(2)
Number of shares – basic	743	741	743	743
Dilutive effect of share options	4	4	4	4
Number of shares – diluted	747	745	747	747

Total accounting return is calculated as the cash dividends per share paid in the year plus the change in EPRA NTA per share, divided by the opening EPRA NTA per share. We consider this to be a useful measure for shareholders as it gives an indication of the total accounting return over the year.

TOTAL ACCOUNTING RETURN BASED ON EPRA NTA		
	Year ended 31 March 2026 Pence	Year ended 31 March 2025 Pence
Increase in EPRA NTA per share	8	15
Dividend paid per share in the year (note 10)	41	40
Total return (a)	49	55
EPRA NTA per share at the beginning of the year (b)	874	859
Total accounting return (a/b)	5.6%	6.4%

6 REVENUE

A ACCOUNTING POLICY

Rental income, including fixed rental uplifts, is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives being offered to occupiers to enter into a lease, such as an initial rent-free period or a cash contribution to fit out or similar costs, are an integral part of the net consideration for the use of the property and are therefore recognised on the same straight-line basis. Where the total consideration due under a lease is modified, for example, where a concession is granted to a tenant prior to the date the conceded rent falls due, the revised total amount due under the lease is recognised on a straight-line basis over the remaining term of the lease.

Contingent rents, being lease payments that are not fixed at the inception of a lease, for example turnover rents as well as surrender premiums net of dilapidations, are considered as variable consideration and are recorded as income in the year in which they are earned. Where a single payment is received from a tenant to cover both rent and service charge, the service charge component is separated and reported as service charge income.

The Group's revenue from contracts with customers, as defined in IFRS 15, includes service charge income, other property related income, trading property sales proceeds, development contract income and other income.

Service charge income and management fees are recorded as income over time in the year in which the services are rendered. Revenue is recognised over time because the tenants benefit from the services as soon as they are rendered by the Group. The actual service provided during each reporting period is determined using cost incurred as the input method.

Other property related income includes development and asset management fees. These fees are recognised over time, using time elapsed as the input method which measures the benefit simultaneously received and consumed by the customer, over the period the development or asset management services are provided.



Proceeds received on the sale of trading properties are recognised when control of the property transfers to the buyer, i.e. the buyer has the ability to direct the use of the property and the right to the cash inflows and outflows generated by it. This generally occurs on unconditional exchange or on completion. If completion is expected to occur significantly after exchange or if the Group has significant outstanding obligations between exchange and completion, the Group assesses whether there are multiple performance obligations in the contract and recognises revenue as each performance obligation is satisfied.

When property is let under a finance lease, the Group recognises a receivable equal to the net investment in the lease at inception of the lease. Rentals received are accounted for as repayments of principal and finance income as appropriate. Finance income is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining net investment in the finance lease and is recognised within revenue.

Revenue on development contracts is recognised over time over the period of the contract as the Group creates or enhances an asset that the customer controls. Progress towards completion of the development, by reference to the value of work completed using the costs incurred to date as a proportion of total costs expected to be incurred over the term of the contract is used as the input method.

Other income includes turnover generated from the provision of equipment, facilities and services to customers through the Group's studio and hotel operations. Revenue is recognised over time as customers obtain control of the promised goods or services, typically upon delivery or as services are rendered.

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SIGNIFICANT ACCOUNTING JUDGEMENT

For those properties where the property management activities are performed by a third party, the Group considers the third party to be the principal delivering the service. The key factors considered by the Group when making this judgement include the following responsibilities of the third party:

- selecting suppliers and ensuring all services are delivered
- establishing prices and seeking efficiencies
- risk management and compliance

In addition, the residual rights residing with the Group are generally protective in nature.

All revenue is classified within the 'EPRA earnings' column of the income statement, with the exception of proceeds from the sale of trading properties, income from development contracts or transactions and the non-owned element of the Group's subsidiaries which are presented in the 'Capital and other items' column.

	2026			2025		
	EPRA earnings £m	Capital and other items £m	Total £m	EPRA earnings £m	Capital and other items £m	Total £m
Rental income (excluding adjustment for lease incentives)	593	2	595	563	4	567
Adjustment for lease incentives	23	–	23	33	–	33
Rental income	616	2	618	596	4	600
Service charge income ¹	190	–	190	154	1	155
Trading property sales proceeds	–	30	30	–	22	22
Other property related income	30	–	30	34	1	35
Finance lease interest	1	–	1	1	–	1
Development contract and transaction income	–	–	–	–	17	17
Other operating income	22	–	22	10	–	10
Other income	1	–	1	2	–	2
Revenue per the income statement	860	32	892	797	45	842

1. Current year balances reflect a reclassification of service charge management fees from service charge expense to service charge income of £11m. While the comparatives have not been restated, the equivalent reclassification would have been £8m.



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FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

6 REVENUE CONTINUED

The following table reconciles revenue per the income statement to the individual components of revenue presented in note 4.

	2026				2025			
	Group £m	Joint ventures £m	Adjustment for non- wholly owned subsidiaries £m	Total £m	Group £m	Joint ventures £m	Adjustment for non- wholly owned subsidiaries £m	Total £m
Rental income	618	39	(2)	655	600	39	(4)	635
Service charge income ¹	190	10	–	200	155	11	(1)	165
Other property related income	30	4	–	34	35	2	(1)	36
Finance lease interest	1	–	–	1	1	–	–	1
Other operating income	22	–	–	22	10	–	–	10
Other income	1	–	–	1	2	–	(1)	1
Revenue in the segmental information note	862	53	(2)	913	803	52	(7)	848
Development contract and transaction income	–	–	–	–	17	–	–	17
Trading property sales proceeds	30	–	–	30	22	–	–	22
Revenue including Capital and other items	892	53	(2)	943	842	52	(7)	887

1. Current year balances reflect a reclassification of service charge management fees from service charge expense to service charge income of £11m. While the comparatives have not been restated, the equivalent reclassification would have been £8m.

7 COSTS

A ACCOUNTING POLICY

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the income statement whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less costs to sell and its value in use. The value in use is determined as the net present value of the future cash flows expected to be derived from the asset, discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount after the reversal does not exceed the amount that would have been determined, net of applicable depreciation, if no impairment loss had been recognised.

Rents payable reflect amounts due under head leases. Where rents payable are variable, and do not depend on an index or rate, the payments are recognised in the income statement as incurred. Where these rents are fixed, or in-substance fixed, at the inception of the agreement, or become fixed or in-substance fixed at some point over the life of the agreement, an asset representing the right to use the underlying land and a corresponding liability for the present value of the minimum future lease payments are recognised on the Group's balance sheet within Investment properties and borrowings respectively.

All costs are classified within the 'EPRA earnings' column of the income statement, with the exception of the cost of sale of trading properties, costs arising on development contracts or transactions, amortisation and impairments of intangible assets, and other attributable costs, arising on business combinations and the non-owned element of the Group's subsidiaries which are presented in the 'Capital and other items' column.



	2026			2025		
	EPRA earnings £m	Capital and other items £m	Total £m	EPRA earnings £m	Capital and other items £m	Total £m
Rents payable	11	–	11	11	–	11
Service charge expense ¹	194	–	194	164	1	165
Direct property expenditure	104	–	104	103	1	104
Movement in bad and doubtful debts provision	(2)	–	(2)	(9)	–	(9)
Administrative expenses	61	2	63	71	–	71
Impairment of trading properties	–	3	3	–	4	4
Cost of trading property disposals	–	31	31	–	28	28
Development contract and transaction expenditure	–	30	30	–	14	14
Depreciation, including amortisation of software	2	1	3	3	1	4
Reversal of impairment of amounts due from joint ventures	–	–	–	–	(1)	(1)
Impairment of goodwill	–	–	–	–	22	22
Fair value gain on remeasurement of investment	–	(2)	(2)	–	–	–
Other operating expense	23	–	23	9	–	9
Restructuring, integration and other costs	–	14	14	–	7	7
Total costs per the income statement	393	79	472	352	77	429

The following table reconciles costs per the income statement to the individual components of costs presented in note 4.

	2026				2025			
	Group £m	Joint ventures £m	Adjustment for non- wholly owned subsidiaries £m	Total £m	Group £m	Joint ventures £m	Adjustment for non- wholly owned subsidiaries £m	Total £m
Rents payable	11	1	–	12	11	1	–	12
Service charge expense ¹	194	13	(1)	206	165	12	(1)	176
Direct property expenditure	104	7	–	111	104	6	(1)	109
Administrative expenses	61	–	–	61	71	–	–	71
Depreciation, including amortisation of software	2	–	–	2	3	–	–	3
Movement in bad and doubtful debts provision	(2)	–	–	(2)	(9)	(2)	–	(11)
Other operating expense	23	–	–	23	9	–	–	9
Costs in the segmental information note	393	21	(1)	413	354	17	(2)	369
Impairment of trading properties	3	–	–	3	4	–	–	4
Cost of trading property disposals	31	–	–	31	28	–	–	28
Administrative expenses	2	–	–	2	–	–	–	–
Development contract and transaction expenditure	30	–	–	30	14	2	–	16
Depreciation	1	–	–	1	1	–	–	1
Reversal of impairment of amounts due from joint ventures	–	–	–	–	(1)	–	–	(1)
Fair value gain on remeasurement of investment	(2)	–	–	(2)	–	–	–	–
Impairment of goodwill	–	–	–	–	22	–	–	22
Restructuring, integration and other costs	14	–	–	14	7	–	–	7
Costs including Capital and other items	472	21	(1)	492	429	19	(2)	446

1. Current year balances reflect a reclassification of service charge management fees from service charge expense to service charge income of £11m. While the comparatives have not been restated, the equivalent reclassification would have been £8m.



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7 COSTS CONTINUED

EMPLOYEE COSTS		
	2026 £m	2025 £m
Salaries and wages	69	71
Employer payroll taxes	10	10
Other employee costs	5	5
Share-based payments (note 35)	9	6
	93	92

	2026 Number	2025 Number
The average monthly number of employees during the year was:		
Indirect property or contract and administration	367	394
Direct property or contract services:		
Full-time ¹	312	291
Part-time	21	19
	700	704

1. During the year 20 (2025: 37) employees were transferred in by TUPE as a result of acquisitions.

With the exception of the Executive Directors who are employed by Land Securities Group PLC, all employees are employed by subsidiaries of the Group. The employee costs for Land Securities Group PLC are borne by another Group company.

During the year, none (2025: none) of the Executive Directors had retirement benefits accruing under the defined benefit scheme. Information on Directors' emoluments share options and interests in the Company's shares is given in the Directors' Remuneration Report on pages 68-79.

Details of the employee costs associated with the Group's key management personnel are included in note 39.

8 AUDITOR REMUNERATION

	2026 £m	2025 £m
Services provided by the Group's auditor		
Audit fees:		
Audit of Parent Company and consolidated financial statements	1.3	1.3
Audit of subsidiary undertakings	0.5	0.8
Audit of joint ventures	0.2	0.1
	2.0	2.2
Non-audit fees:		
Other assurance services	0.4	0.3
	2.4	2.5

It is the Group's policy to employ the Group's auditor on assignments additional to their statutory duties where their expertise and experience with the Group are important. Where appropriate the Group seeks tenders for services. If fees for an assignment are expected to be greater than £25,000, they are pre-approved by the Audit Committee.



9 NET FINANCE EXPENSE

	2026		2025	
	EPRA earnings £m	Capital and other items £m	Total £m	Total £m
Finance income				
Interest receivable from joint ventures	9	–	9	11
Other interest receivable	5	–	5	4
	14	–	14	15
Finance expense				
Bond and debenture debt	(105)	–	(105)	(101)
Bank and other short-term borrowings	(59)	–	(59)	(36)
Fair value movement on derivatives	–	(9)	(9)	(34)
Other interest payable	(2)	–	(2)	–
	(166)	(9)	(175)	(137)
Interest capitalised in relation to properties under development	42	–	42	28
	(124)	(9)	(133)	(148)
Net finance expense	(110)	(9)	(119)	(94)
Joint venture net finance expense	(8)			(11)
Net finance expense included in EPRA earnings	(118)			(105)

Lease interest payable of £7m (2025: £8m) is included within rents payable as detailed in note 4.



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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

10 DIVIDENDS

A ACCOUNTING POLICY

Interim dividend distributions to shareholders are recognised in the financial statements when paid. Final dividend distributions are recognised as a liability in the period in which they are approved by shareholders.

All significant cash payments for the Parent Company, including dividend payments, are made by the Group's treasury function in accordance with the Group's financial risk management policy.

DIVIDENDS PAID						
		Pence per share			Year ended 31 March	
		PID	Non-PID	Total	2026 £m	2025 £m
Payment date						
For the year ended 31 March 2024:						
Third interim	12 April 2024	9.30	–	9.30		69
Final	26 July 2024	12.10	–	12.10		90
For the year ended 31 March 2025:						
First interim	4 October 2024	9.20	–	9.20		68
Second interim	8 January 2025	–	9.40	9.40		70
Third interim	11 April 2025	9.50	–	9.50	71	
Final	25 July 2025	12.30	–	12.30	91	
For the year ended 31 March 2026:						
Interim	9 January 2026	13.60	5.40	19.00	141	
Gross dividends					303	297
Dividends in the statement of changes in equity					303	297
Timing difference on payment of withholding tax					(13)	8
Dividends in the statement of cash flows					290	305

The Board has recommended a final dividend for the year ended 31 March 2026 of **22.2p** per ordinary share (2025: 12.3p) to be paid as a PID. This final dividend will result in a further estimated distribution of **£164m** (2025: £92m). Subject to shareholders' approval at the Annual General Meeting, the final dividend will be paid on 24 July 2026 to shareholders registered at the close of business on 19 June 2026.

The total dividend paid and recommended in respect of the year ended 31 March 2026 is **41.2p** per ordinary share (2025: 40.4p) resulting in a total estimated distribution of **£305m** (2025: £301m).

For the year ending 31 March 2027, the Group will pay two half-yearly dividends, likely to be in January 2027 and July 2027.

A Dividend Reinvestment Plan (DRIP) has been available in respect of all dividends paid during the year. The last day for DRIP elections for the final dividend is close of business on 3 July 2026.



11 INCOME TAX

A ACCOUNTING POLICY

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the tax payable on the taxable income for the year and any adjustment in respect of previous years. Deferred tax is provided in full using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised, or the liability is settled.

No provision is made for temporary differences (i) arising on the initial recognition of assets or liabilities, other than on a business combination, that affect neither accounting nor taxable profit and (ii) relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future.

S SIGNIFICANT ACCOUNTING JUDGEMENT

The Group is a Real Estate Investment Trust ('REIT'). As a result, the Group does not pay UK corporation tax on its profits and gains from the qualifying rental business in the UK. Non-qualifying profits and gains of the Group continue to be subject to corporation tax as normal. In order to maintain group REIT status, certain ongoing criteria must be met. The main criteria are as follows:

- at the start of each accounting period, the assets of the tax exempt business must be at least 75% of the total value of the Group's assets;
- at least 75% of the Group's total profits must arise from the tax exempt business; and
- at least 90% of the notional taxable profit of the property rental business must be distributed.

The Directors intend that the Group should continue as a REIT for the foreseeable future, with the result that deferred tax is no longer recognised on temporary differences relating to the property rental business.

Deferred tax assets and liabilities require management judgement in determining the amounts, if any, to be recognised. In particular, judgement is required when assessing the extent to which deferred tax assets should be recognised, taking into account the expected timing and level of future taxable income. Deferred tax assets are only recognised when management believes it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

The major components of income tax for the years ended 31 March 2026 and 2025 are:

	2026 £m	2025 £m
Income statement:		
Current income tax charge	2	–
Deferred income tax credit	–	(3)
Statement of other comprehensive income:		
Deferred income tax charge	–	3
Total income tax charge in the consolidated statement of comprehensive income	2	–



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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

11 INCOME TAX CONTINUED

The tax for the year is lower than the standard rate of corporation tax in the UK of **25%** (2025: 25%). The differences are explained as below.

	2026 £m	2025 £m
Profit before tax	346	393
Profit before tax multiplied by the rate of corporation tax in the UK of 25% (2025: 25%)	87	98
Adjustment for exempt property rental profits and revaluations in the year	(95)	(110)
	(8)	(12)
Effects of:		
Timing difference on repurchase of medium term notes	(7)	(11)
Interest rate fair value movements and other temporary differences	3	6
Impairment of goodwill	–	5
Revaluation of owner-occupied property	–	(3)
Non-allowable expenses and non-taxable items	1	12
Movement in unrecognised tax losses	13	3
Total income tax charge in the consolidated statement of comprehensive income	2	–

Deferred tax is calculated at the rate substantively enacted at the balance sheet date of **25%** (2025: 25%).

There are unrecognised deferred tax assets on the following items due to the high degree of uncertainty as to their future utilisation by non-REIT qualifying activities.

	2026 £m	2025 £m
Revenue losses	235	247
Capital losses	258	263
Other unrecognised temporary differences	7	2
Total unrecognised items	500	512

The movement in unrecognised tax losses reflects losses arising in the year and utilisation of losses brought forward.



12 NET CASH GENERATED FROM OPERATIONS

RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH GENERATED FROM OPERATIONS				
	2026 £m	Group 2025 £m	2026 £m	Company 2025 £m
Operating profit/(loss)	465	526	(41)	(329)
Adjustments for:				
Net surplus on revaluation of investment properties	(96)	(91)	–	–
Loss on disposal of trading properties	1	6	–	–
Loss on disposal of investment properties	103	15	–	–
Share of profit from joint ventures	(52)	(37)	–	–
Share-based payment charge	9	6	–	–
Impairment of goodwill	–	22	–	–
Reversal of amounts due from joint ventures	–	(1)	–	–
Non-cash development contract and transaction expenditure	29	1	–	–
Impairment charge on investment in subsidiary	–	–	14	302
Rents payable	11	11	–	–
Depreciation and amortisation	2	4	–	–
Fair value gain on remeasurement of investment	(2)	–	–	–
Impairment of trading properties	3	4	–	–
Non-cash restructuring, integration and other costs	7	–	–	–
	480	466	(27)	(27)
Changes in working capital:				
Increase in receivables	(56)	(128)	–	–
(Decrease)/increase in payables and provisions	(71)	43	27	27
Net cash generated from operations	353	381	–	–
RECONCILIATION TO ADJUSTED NET CASH INFLOW FROM OPERATING ACTIVITIES				
	2026 £m	Group 2025 £m	2026 £m	Company 2025 £m
Net cash inflow from operating activities	214	256	–	–
Joint ventures net cash inflow from operating activities	6	4	–	–
Adjusted net cash inflow from operating activities¹	220	260	–	–

1. Includes cash flows relating to the interest in Liverpool ONE which is not owned by the Group but is consolidated in the Group numbers.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

SECTION 3 – PROPERTIES

This section focuses on the property assets which form the core of the Group's business. It includes details of investment properties, investments in joint ventures and trading properties.

Our property portfolio is a combination of properties that are wholly owned by the Group, part owned through joint arrangements and properties owned by the Group but where a third party holds a non-controlling interest. In the Group's IFRS balance sheet, wholly owned properties and properties owned by the Group but where a third party holds a non-controlling interest are presented as either 'Investment properties' or 'Trading properties'. The Group applies equity accounting to its investments in joint ventures, which requires the Group's share of properties held by joint ventures to be presented within 'Investments in joint ventures'.

Internally, management review the results of the Group on a basis that adjusts for these forms of ownership to present a proportionate share. The Combined Portfolio, with assets totalling **£10.8bn**, is an example of this proportionate share, reflecting the economic interest we have in our properties regardless of our ownership structure. We consider this presentation provides further insight to stakeholders about the activities and performance of the Group, as it aggregates the results of all of the Group's property interests which under IFRS are required to be presented across a number of line items in the statutory financial statements.

The Group's investment properties are carried at fair value and trading properties are carried at the lower of cost and net realisable value. Both of these values are determined by the Group's external valuers. The combined value of the Group's total investment property portfolio (including the Group's share of investment properties held through joint ventures) is shown as a reconciliation in note 13.

A ACCOUNTING POLICY

INVESTMENT PROPERTIES

Investment properties are properties, either owned or leased by the Group, that are held either to earn rental income or for capital appreciation, or both. Investment properties are measured initially at cost including related transaction costs, and subsequently at fair value. Fair value is based on market value, as determined by a professional external valuer at each reporting date. The difference between the fair value of an investment property at the reporting date and its carrying amount prior to remeasurement is included in the income statement as a valuation surplus or deficit. Investment properties are presented on the balance sheet within non-current assets.

Some of the Group's investment properties are owned through long-leasehold arrangements, as opposed to the Group owning the freehold. Where the Group is a lessee, a right-of-use asset is recognised at the commencement date of the lease and accounted for as investment property. Initially, the cost of investment properties held under leases includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The investment properties held under leases are subsequently carried at their fair value. A corresponding liability is recorded within borrowings. Each lease payment is allocated between repayment of the liability and a finance charge to achieve a constant interest rate on the outstanding liability.

TRADING PROPERTIES

Trading properties are those properties held for sale, or those being developed with a view to sell. Trading properties are recorded at the lower of cost and net realisable value. The net realisable value of a trading property is determined by a professional external valuer at each reporting date. If the net realisable value of a trading property is lower than its carrying value, an impairment loss is recorded in the income statement. If, in subsequent periods, the net realisable value of a trading property that was previously impaired increases above its carrying value, the impairment is reversed to align the carrying value of the property with the net realisable value. Trading properties are presented on the balance sheet within current assets.

ACQUISITION OF PROPERTIES

Properties are treated as acquired when the Group assumes control of the property.

CAPITAL EXPENDITURE AND CAPITALISATION OF BORROWING COSTS

Capital expenditure on properties consists of costs of a capital nature, including costs associated with developments and refurbishments. Where a property is being developed or undergoing major refurbishment, interest costs associated with direct expenditure on the property are capitalised. Where borrowings are specifically used to finance any capital expenditure on the properties, the actual borrowing costs incurred are capitalised. However, where borrowings are used generally to finance the operations of the Group, the interest capitalised is calculated using the Group's weighted average cost of borrowings. Interest is capitalised from the commencement of the development work until the date of practical completion. Certain internal staff and associated costs directly attributable to the management of major schemes are also capitalised. The total staff and associated costs are capitalised based on the proportion of time spent on the relevant scheme. Internal staff costs are capitalised from the date the Group determines it is probable that the development will progress until the date of practical completion.



TRANSFERS BETWEEN INVESTMENT PROPERTIES AND TRADING PROPERTIES

When the Group begins to redevelop an existing investment property for continued future use as an investment property, the property continues to be held as an investment property. When the Group begins to redevelop an existing investment property with a view to sell, the property is transferred to trading properties and held as a current asset. The property is remeasured to fair value as at the date of the transfer with any gain or loss being taken to the income statement. The remeasured amount becomes the deemed cost at which the property is then carried in trading properties.

DISPOSAL OF PROPERTIES

Properties are treated as disposed when control of the property is transferred to the buyer. Typically, this will either occur on unconditional exchange or on completion. Where completion is expected to occur significantly after exchange, or where the Group continues to have significant outstanding obligations after exchange, the control will not usually transfer to the buyer until completion.

The profit on disposal is determined as the difference between the sales proceeds and the carrying amount of the asset at the beginning of the accounting period plus capital expenditure to the date of disposal. The profit on disposal of investment properties is presented separately on the face of the income statement. Proceeds received on the sale of trading properties are recognised within Revenue, and the carrying value at the date of disposal is recognised within Costs.

S SIGNIFICANT ACCOUNTING JUDGEMENT

ACQUISITION AND DISPOSAL OF PROPERTIES

Property transactions can be complex in nature and material to the financial statements. To determine when an acquisition or disposal should be recognised, management consider whether the Group assumes or relinquishes control of the property, and the point at which this is obtained or relinquished. Consideration is given to the terms of the acquisition or disposal contracts and any conditions that must be satisfied before the contract is fulfilled. In the case of an acquisition, management must also consider whether the transaction represents an asset acquisition or business combination.

KEY ACCOUNTING ESTIMATES AND OTHER SOURCES OF ESTIMATION UNCERTAINTY VALUATION OF THE GROUP'S PROPERTIES

The valuation of the Group's property portfolio has been undertaken by independent valuers in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation – Global Standards and UK Supplement (together the "Red Book"). Real estate by its nature is a complex asset class with value determined by a range of factors overlaid by interpretation and judgemental assessment of market data; as such it is classified as 'Level 3 asset' within IFRS. Factors affecting valuation are on an individual property level and include the property type, location, tenure and tenancy characteristics, quality of the asset and prospects for future rental revenue.

The Group's investment property valuation has been undertaken by valuers interpreting market evidence as available in reaching their conclusions on Fair Value, reflecting asset specific data provided by Management, making assumptions that tenure, tenancies, town planning and condition of buildings are as provided. As a result, the valuations the Group places on its property portfolio are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of volatility or low transaction volume in the property market.

The estimation of the net realisable value of the Group's trading properties, in particular the development land and infrastructure programmes, is inherently subjective due to a number of factors, including their complexity, unusually large size, the substantial expenditure required and long timescales to completion. In addition, as a result of these timescales to completion, the plans associated with these programmes could be subject to significant market variation over the course of development. As a result, and similar to the valuation of investment properties, the net realisable values of the Group's trading properties are subject to a degree of uncertainty and are determined on the basis of assumptions which may not prove to be accurate.

If the assumptions upon which the external valuer has based its valuations prove to be inaccurate, this may have an impact on the value of the Group's investment and trading properties, which could in turn have an effect on the Group's financial position and results. Whilst the valuations were appropriate as at 31 March 2026, changes to macroeconomic conditions could affect future valuations.



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13 INVESTMENT PROPERTIES

	2026 £m	2025 £m
Net book value at the beginning of the year	10,034	9,330
Acquisitions of investment properties ¹	75	642
Capital expenditure	443	473
Capitalised interest	41	27
Net movement in head leases capitalised ²	(2)	86
Disposals ^{3,4}	(669)	(479)
Net surplus on revaluation of investment properties ⁴	96	91
Transfer to property, plant and equipment (note 18)	–	(26)
Transfer to assets held for sale	–	(110)
Net book value at the end of the year	10,018	10,034

1. Adjusted downward by £17m of transaction and contract related provisions utilised in the year (see note 33).

2. See note 21 for details of the amounts payable under head leases and note 4 for details of the rents payable in the income statement.

3. Includes impact of disposals of finance leases.

4. Whilst the Group's accounting policy is to recognise the profit/(loss) on disposal of investment properties with reference to the asset's carrying amount at the beginning of the accounting period, £22m of the balance pertains to revaluation movements arising from rental income received from 1 April 2025 to the date of disposal on the Queen Anne's Mansions office block.

The market value of the Group's investment properties, as determined by the Group's external valuers, differs from the net book value presented in the balance sheet due to the Group presenting tenant finance leases, head leases and lease incentives separately. The following table reconciles the net book value of the investment properties to the market value.

	2026				2025			
	Group £m	Joint ventures ¹ £m	Adjustment for non- wholly owned subsidiaries £m	Combined Portfolio £m	Group £m	Joint ventures ¹ £m	Adjustment for non- wholly owned subsidiaries £m	Combined Portfolio £m
Market value	10,154	661	(20)	10,795	10,125	636	(33)	10,728
Less: properties treated as finance leases	(13)	–	–	(13)	(12)	–	–	(12)
Plus: head leases capitalised	135	1	–	136	158	1	–	159
Less: tenant lease incentives	(258)	(26)	–	(284)	(237)	(29)	–	(266)
Net book value	10,018	636	(20)	10,634	10,034	608	(33)	10,609
Net surplus on revaluation of investment properties	96	27	(1)	122	91	13	3	107

1. Refer to note 15 for a breakdown of this amount by our principal joint arrangements.

The net book value of leasehold properties where head leases have been capitalised is **£1,438m** (2025: £1,761m).

Investment properties include capitalised interest of **£358m** (2025: £317m). The average rate of interest capitalisation for the year is **4.7%** (2025: 4.8%). The gross historical cost of investment properties is **£8,941m** (2025: £9,136m).



VALUATION PROCESS

The fair value of investment properties at 31 March 2026 was determined by the Group's external valuers, CBRE and JLL. The valuations are in accordance with RICS standards and were arrived at by reference to market evidence of transactions for similar properties. The valuations performed by the valuers are reviewed internally by Senior Management and other relevant people within the business. This process includes discussions of the assumptions used by the valuers, as well as a review of the resulting valuations. Discussions of the valuation process and results are held between Senior Management, the Audit Committee and the valuers on a half-yearly basis.

The valuers' opinion of fair value was primarily derived using comparable recent market transactions on arm's length terms and using appropriate valuation techniques. The fair value of investment properties is determined using the income capitalisation approach. Under this approach, forecast net cash flows, based upon existing leases and current market derived estimated rental values (market rents) together with estimated costs, are discounted at market derived capitalisation rates to produce the valuers' opinion of fair value. The average discount rate, which, if applied to all cash flows would produce the fair value, is described as the equivalent yield.

Properties in the development programme are typically valued using a residual valuation method. Under this methodology, the valuer assesses the completed development value using income and yield assumptions. Deductions are then made for estimated costs to complete, including finance and developer's profit, to arrive at the valuation. Costs include future estimated costs associated with refurbishment or development (excluding finance costs), together with an estimate of cash incentives to be paid to tenants. As the development approaches completion, the valuer may consider the income capitalisation approach to be more appropriate.

The Group considers all of its investment properties to fall within 'Level 3', as defined by IFRS 13 and as explained in note 25(iii). Accordingly, there have been no transfers of properties within the fair value hierarchy in the financial year.

The table below summarises the key unobservable inputs used in the valuation of the Group's wholly owned investment properties, and properties owned by the Group but where a third party holds a non-controlling interest, at 31 March 2026:

	Market value £m	Estimated rental value £ per sq ft			Equivalent yield %			2026 Costs £ per sq ft		
		Low	Average	High	Low	Average	High	Low	Average ¹	High
Office-led										
West End offices	2,552	22	101	162	4.5%	5.6%	6.6%	–	27	125
City and Southwark offices	1,481	83	93	111	6.0%	6.2%	8.0%	33	52	245
Manchester offices	264	23	33	39	8.0%	8.6%	10.1%	–	11	89
Retail and other	992	17	72	110	4.5%	5.8%	18.0%	–	6	99
Total Office-led	5,289	17	90	162	4.5%	5.8%	18.0%	–	29	245
Retail-led										
Shopping centres	2,135	6	19	39	6.4%	7.7%	9.6%	–	4	35
Outlets	662	50	55	57	5.5%	6.8%	8.0%	–	15	17
Total Retail-led	2,797	6	27	57	5.5%	7.5%	9.6%	–	7	35
Residential-led										
Developments	205	5	14	61	5.3%	8.3%	13.9%	–	4	74
Total Residential-led	205	5	14	61	5.3%	8.3%	13.9%	–	4	74
Other assets										
Retail and leisure parks	511	10	14	20	6.0%	8.2%	9.6%	–	3	9
Total Other assets	511	10	14	20	6.0%	8.2%	9.6%	–	3	9
Developments: income capitalisation method	1,023	52	105	155	5.7%	5.9%	7.4%	–	–	–
Developments: residual method	329	83	83	120	5.3%	4.0%	5.5%	–	–	–
Development programme	1,353	52	100	155	5.3%	5.4%	7.4%	–	–	–
Market value at 31 March 2026 – Group	10,154									

1. The calculation for average costs excludes those properties which are assumed by the Group's external valuer to be substantially refurbished or redeveloped, but which do not yet form part of the development programme.



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13 INVESTMENT PROPERTIES CONTINUED

The sensitivities below illustrate the impact of changes in key unobservable inputs (in isolation) on the fair value of the Group's properties:

SENSITIVITIES								2026
	Market value £m	Impact on valuations of 5% change in estimated rental value		Impact on valuations of 25 bps change in equivalent yield		Impact on valuations of 5% change in costs		
		Increase £m	Decrease £m	Decrease £m	Increase £m	Decrease £m	Increase £m	
Total Office-led	5,289	222	(220)	268	(248)	16	(16)	
Total Retail-led	2,797	114	(110)	100	(95)	3	(3)	
Total Residential-led	205	7	(6)	7	(7)	–	–	
Total Other assets	511	15	(14)	16	(15)	–	–	
Developments: income capitalisation method	1,023	55	(46)	60	(48)	7	(3)	
Developments: residual method	329	62	(62)	67	(61)	58	(48)	
Market value at 31 March 2026 – Group	10,154	475	(458)	518	(474)	84	(70)	

The table below summarises the key unobservable inputs used in the valuation of the Group's wholly owned investment properties, and properties owned by the Group but where a third party holds a non-controlling interest, at 31 March 2025:

	Market value £m	Estimated rental value £ per sq ft			Equivalent yield %			2025 ¹ Costs £ per sq ft		
		Low	Average	High	Low	Average	High	Low	Average ²	High
Office-led										
West End offices	2,488	21	85	102	4.4%	5.6%	6.1%	–	50	134
City and Southwark offices	1,445	57	87	107	5.9%	6.2%	7.5%	–	88	226
Manchester offices	294	17	37	73	5.8%	8.0%	10.0%	1	9	60
Retail and other	1,299	15	73	140	3.5%	4.0%	17.5%	–	68	237
Total Office-led	5,526	15	83	164	3.5%	5.4%	17.5%	–	51	237
Retail-led										
Shopping centres	1,993	8	16	39	6.8%	6.8%	9.8%	2	7	36
Outlets	626	49	53	56	6.5%	6.9%	8.1%	12	20	24
Total Retail-led	2,619	8	25	56	6.5%	6.8%	9.8%	2	10	36
Residential-led										
Developments	203	5	25	61	5.3%	5.9%	13.9%	–	31	74
Total Residential-led	203	5	25	61	5.3%	5.9%	13.9%	–	31	74
Other assets										
Retail and leisure parks	626	6	15	24	6.0%	7.9%	12.2%	–	2	26
Total Other assets	626	6	15	24	6.0%	7.9%	12.2%	–	2	26
Developments: income capitalisation method	96	155	155	155	6.0%	6.0%	6.0%	444	444	444
Developments: residual method	1,055	60	78	164	5.2%	4.3%	6.0%	312	548	1,411
Development programme	1,151	60	84	164	5.2%	4.4%	6.0%	312	496	1,411
Market value at 31 March 2025 – Group 10,125										

1. Restated for changes in the Group's operating segments as outlined in note 4.

2. The calculation for average costs excludes those properties which are assumed by the Group's external valuer to be substantially refurbished or redeveloped, but which do not yet form part of the development programme.



The sensitivities illustrate the impact of changes in key unobservable inputs (in isolation) on the fair value of the Group's properties:

SENSITIVITIES							
		Impact on valuations of 5% change in estimated rental value		Impact on valuations of 25 bps change in equivalent yield		Impact on valuations of 5% change in costs	
	Market value £m	Increase £m	Decrease £m	Decrease £m	Increase £m	Decrease £m	Increase £m
Total Office-led	5,526	329	(330)	408	(379)	90	(87)
Total Retail-led	2,619	109	(108)	92	(88)	5	(5)
Total Residential-led	203	7	(6)	8	(6)	–	–
Total Other assets	626	20	(19)	20	(20)	1	(1)
Developments: income capitalisation method	96	8	(10)	5	(7)	2	(2)
Developments: residual method	1,055	112	(112)	123	(112)	82	(77)
Market value at 31 March 2025 – Group	10,125	465	(463)	529	(493)	97	(95)

1. Restated for changes in the Group's operating segments as outlined in note 4.

14 TRADING PROPERTIES

	Development land and infrastructure £m	Residential £m	Total £m
At 1 April 2024	72	28	100
Acquisitions	10	–	10
Capital expenditure	5	6	11
Capitalised interest	–	1	1
Disposals	(19)	(7)	(26)
Impairment provision	(4)	–	(4)
Transfer to development contract and transaction expenditure	(11)	–	(11)
At 31 March 2025	53	28	81
Capital expenditure	4	3	7
Capitalised interest	–	1	1
Disposals	–	(30)	(30)
Impairment provision	(3)	–	(3)
At 31 March 2026	54	2	56

The cumulative impairment provision at 31 March 2026 in respect of Development land and infrastructure was **£34m** (2025: £31m); and in respect of Residential was **£nil** (2025: £nil).



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15 JOINT ARRANGEMENTS

A ACCOUNTING POLICY

Joint arrangements are those entities over whose activities the Group has joint control, established by contractual agreement. Interests in joint arrangements are accounted for as either a joint venture or a joint operation. The treatment as either a joint venture or a joint operation will depend on whether the Group has rights to the net assets, or a direct interest in the assets and liabilities of the arrangement.

A joint arrangement is accounted for as a joint venture when the Group, along with the other parties that have joint control of the arrangement, has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method of accounting. The equity method requires the Group's share of the joint venture's post-tax profit or loss for the year to be presented separately in the income statement and the Group's share of the joint venture's net assets to be presented separately in the balance sheet.

A joint arrangement is accounted for as a joint operation when the Group, along with the parties that have joint control of the arrangement, has rights to the assets and obligations for the liabilities relating to the arrangement. The Group's share of jointly controlled assets, related liabilities, income and expenses are combined with the equivalent items in the financial statements on a line-by-line basis.

The Group's principal joint arrangements are described below:

Joint ventures ¹	Percentage owned & voting rights ²	Business segment	Year end date ³	Joint venture partner
Held at 31 March 2026				
Nova, Victoria ⁴	50%	Office-led	31 March	Suntec Real Estate Investment Trust
Southside Limited Partnership	50%	Retail-led	31 March	Invesco Real Estate European Fund
Westgate Oxford Alliance Limited Partnership	50%	Retail-led	31 March	The Crown Estate Commissioners
Harvest ^{5,7}	50%	Other assets	31 March	J Sainsbury plc
The Ebbsfleet Limited Partnership ⁷	50%	Other assets	31 March	Ebbsfleet Property Limited
West India Quay Unit Trust ⁷	50%	Other assets	31 March	Schroder UK Real Estate Fund
Mayfield ^{6,7}	50%	Residential-led	31 March	LCR Limited, Manchester City Council, Transport for Greater Manchester
Curzon Park Limited ⁷	50%	Other assets	31 March	Derwent Developments (Curzon) Limited
Landmark Court Partnership Limited ⁷	51%	Office-led	31 March	TTL Landmark Court Properties Limited
Opportunities for Sittingbourne Limited ⁷	50%	Other assets	31 March	Swale Borough Council
Cathedral (Movement, Greenwich) LLP ⁷	52%	Other assets	31 March	Mr Richard Upton
Circus Street Developments Limited ⁷	50%	Other assets	31 March	High Wire Brighton Limited
Joint operation	Ownership interest	Business segment	Year end date ³	Joint operation partners
Held at 31 March 2026				
Bluewater, Kent	64%	Retail-led	31 March	M&G Real Estate, Royal London Asset Management, Schroders Capital Real Estate

1. Refer to Additional information pages 164-167 for the full list of the Group's related undertakings.

2. Investments under joint arrangements are not always represented by an equal percentage holding by each partner. In a number of joint ventures that are not considered principal joint ventures and therefore not included in the table above, the Group holds a majority shareholding but has joint control and therefore the arrangement is accounted for as a joint venture.

3. The year end date shown is the accounting reference date of the joint arrangement. In all cases, the Group's accounting is performed using financial information for the Group's own reporting year and reporting date.

4. Nova, Victoria includes the Nova Limited Partnership, Nova Residential Limited Partnership, Nova GP Limited, Nova Business Manager Limited, Nova Residential (GP) Limited, Nova Residential Intermediate Limited, Nova Estate Management Company Limited, Nova Nominee 1 Limited and Nova Nominee 2 Limited.

5. Harvest includes Harvest 2 Limited Partnership, Harvest Development Management Limited, Harvest 2 Selly Oak Limited, Harvest 2 GP Limited and Harvest GP Limited.

6. Mayfield includes Mayfield Development Partnership LP and Mayfield Development (General Partner) Limited.

7. Included within Other in subsequent tables.



All of the Group's joint arrangements listed above have their principal place of business in the United Kingdom. All of the Group's principal joint arrangements own and operate investment property, with the exception of:

- The Ebbsfleet Limited Partnership, which is a holding company;
- Harvest, which is engaged in long-term development contracts; and
- Curzon Park Limited, Landmark Court Partnership Limited, Opportunities for Sittingbourne Limited and Circus Street Developments Limited, which were previously or are companies continuing their business of property development.

The activities of all the Group's principal joint arrangements are therefore strategically important to the business activities of the Group.

All joint ventures listed above are registered in England and Wales with the exception of Southside Limited Partnership and West India Quay Unit Trust which are registered in Jersey.

JOINT VENTURES						
	Year ended 31 March 2026					
	Nova, Victoria 100% £m	Southside Limited Partnership 100% £m	Westgate Oxford Alliance Partnership 100% £m	Other 100% £m	Total 100% £m	Total Group share £m
Comprehensive income statement						
Revenue ¹	49	15	39	3	106	53
Gross rental income (after rents payable)	34	12	28	2	76	38
Net rental income	31	9	23	2	65	33
EPRA earnings before interest	31	9	23	2	65	33
Finance (expense)/revenue	(13)	(6)	–	2	(17)	(8)
Net finance (expense)/revenue	(13)	(6)	–	2	(17)	(8)
EPRA earnings	18	3	23	4	48	25
Capital and other items						
Net surplus on revaluation of investment properties	38	3	5	8	54	27
Loss on disposal of investment properties	–	–	–	(1)	(1)	(1)
Other income	–	–	–	2	2	1
Profit before tax	56	6	28	13	103	52
Post-tax profit	56	6	28	13	103	52
Total comprehensive income	56	6	28	13	103	52
Group share of profit before tax	28	3	14	7	52	
Group share of post-tax profit	28	3	14	7	52	
Group share of total comprehensive income	28	3	14	7	52	

1. Revenue includes gross rental income (before rents payable), service charge income, other property related income, trading properties disposal proceeds and income from long-term development contracts.



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FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

15 JOINT ARRANGEMENTS CONTINUED

JOINT VENTURES						
Year ended 31 March 2025						
	Nova, Victoria 100% £m	Southside Limited Partnership 100% £m	Westgate Oxford Alliance Partnership 100% £m	Other 100% £m	Total 100% £m	Total Group share £m
Comprehensive income statement						
Revenue ¹	49	17	35	3	104	52
Gross rental income (after rents payable)	35	13	26	3	77	38
Net rental income	35	11	21	3	70	35
EPRA earnings before interest	33	11	21	3	68	34
Finance expense	(15)	(6)	–	–	(21)	(11)
Net finance expense	(15)	(6)	–	–	(21)	(11)
EPRA earnings	18	5	21	3	47	23
Capital and other items						
Net surplus on revaluation of investment properties	22	2	3	–	27	13
Profit on disposal of investment properties	–	–	–	5	5	3
Other costs	–	–	–	(4)	(4)	(2)
Profit before tax	40	7	24	4	75	37
Post-tax profit	40	7	24	4	75	37
Total comprehensive income	40	7	24	4	75	37
Group share of profit before tax	20	3	12	2	37	
Group share of post-tax profit	20	3	12	2	37	
Group share of total comprehensive income	20	3	12	2	37	

1. Revenue includes gross rental income (before rents payable), service charge income, other property related income, trading properties disposal proceeds and income from long-term development contracts.



JOINT VENTURES						
Year ended 31 March 2026						
	Nova, Victoria 100% £m	Southside Limited Partnership 100% £m	Westgate Oxford Alliance Partnership 100% £m	Other 100% £m	Total 100% £m	Total Group share £m
Balance sheet						
Investment properties ¹	790	141	236	106	1,273	636
Non-current assets	790	141	236	106	1,273	636
Cash and cash equivalents	20	5	12	14	51	25
Other current assets	49	5	13	42	109	55
Current assets	69	10	25	56	160	80
Total assets	859	151	261	162	1,433	716
Trade and other payables and provisions	(25)	(5)	(14)	(11)	(55)	(27)
Current liabilities	(25)	(5)	(14)	(11)	(55)	(27)
Non-current liabilities	(44)	(146)	–	(1)	(191)	(96)
Non-current liabilities	(44)	(146)	–	(1)	(191)	(96)
Total liabilities	(69)	(151)	(14)	(12)	(246)	(123)
Net assets	790	–	247	150	1,187	593
Comprised of:						
Net assets	790	–	247	150	1,187	593
Accumulated losses recognised as net liabilities²	–	–	–	–	–	–
Market value of investment properties¹	834	142	242	104	1,322	661
Net cash³	20	5	12	14	51	25

1. The difference between the book value and the market value of investment properties is the amount recognised in respect of lease incentives, head leases capitalised and properties treated as finance leases, where applicable.
2. The Group's share of accumulated losses of a joint venture interest are recognised as net liabilities (see note 32) where there is an obligation to provide for these losses.
3. Excludes funding provided by the Group and its joint venture partners.



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FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

15 JOINT ARRANGEMENTS CONTINUED

JOINT VENTURES						
Year ended 31 March 2025						
	Nova, Victoria 100% £m	Southside Limited Partnership 100% £m	Westgate Oxford Alliance Partnership 100% £m	Other 100% £m	Total 100% £m	Total Group share £m
Balance sheet						
Investment properties ¹	753	138	229	96	1,216	608
Non-current assets	753	138	229	96	1,216	608
Cash and cash equivalents	28	5	11	5	49	24
Other current assets	59	5	14	90	168	84
Current assets	87	10	25	95	217	108
Total assets	840	148	254	191	1,433	716
Trade and other payables and provisions	(33)	(6)	(14)	(58)	(111)	(55)
Current liabilities	(33)	(6)	(14)	(58)	(111)	(55)
Non-current liabilities	(78)	(148)	–	–	(226)	(113)
Non-current liabilities	(78)	(148)	–	–	(226)	(113)
Total liabilities	(111)	(154)	(14)	(58)	(337)	(168)
Net assets/(liabilities)	729	(6)	240	133	1,096	548
Comprised of:						
Net assets	729	–	240	133	1,102	551
Accumulated losses recognised as net liabilities²	–	(6)	–	–	(6)	(3)
Market value of investment properties¹	802	139	235	96	1,272	636
Net cash³	28	5	11	5	49	24

1. The difference between the book value and the market value of investment properties is the amount recognised in respect of lease incentives, head leases capitalised and properties treated as finance leases, where applicable.

2. The Group's share of accumulated losses of a joint venture interest are recognised as net liabilities (see note 32) where there is an obligation to provide for these losses.

3. Excludes funding provided by the Group and its joint venture partners.



JOINT VENTURES					
	Nova, Victoria Group share £m	Southside Limited Partnership Group share £m	Westgate Oxford Alliance Partnership Group share £m	Other Group share £m	Total Group share £m
Net investment					
At 1 April 2024	344	(5)	121	61	521
Total comprehensive income	20	3	12	2	37
Cash and other distributions	–	–	(11)	(1)	(12)
Other non-cash movements	1	(1)	(2)	4	2
At 31 March 2025	365	(3)	120	66	548
Total comprehensive income	28	3	14	7	52
Cash and other distributions	–	–	(11)	–	(11)
Other non-cash movements	2	–	–	2	4
At 31 March 2026	395	–	123	75	593
Comprised of:					
At 31 March 2025					
Non-current assets	365	–	120	66	551
Non-current liabilities ¹	–	(3)	–	–	(3)
At 31 March 2026					
Non-current assets	395	–	123	75	593
Non-current liabilities ¹	–	–	–	–	–

1. The Group's share of accumulated losses of a joint venture interest are recognised as net liabilities (see note 32) where there is an obligation to provide for these losses.

16 CAPITAL COMMITMENTS

	2026 £m	2025 £m
Contracted capital commitments at the end of the year in respect of:		
Investment properties	178	276
Trading properties	–	6
Joint ventures (our share)	–	1
Total capital commitments	178	283

Capital commitments include contractually committed obligations to purchase goods or services used in the construction, development, repair, maintenance or other enhancement of the Group's properties.



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17 NET INVESTMENT IN FINANCE LEASES

A ACCOUNTING POLICY

Where the Group's leases transfer the significant risks and rewards incidental to ownership of the underlying asset to the tenant, the lease is accounted for as a finance lease. At the outset of the lease the fair value of the asset is derecognised from investment property and recognised as a finance lease receivable. The finance lease receivable is derecognised in the event that the lease is terminated. Lease income is recognised over the period of the lease, reflecting a constant rate of return. The difference between the gross receivable and the present value of the receivable is recognised as finance income within revenue over the lease term.

	2026 £m	2025 £m
Non-current		
Finance leases – gross receivables	35	35
Unguaranteed residual value	2	2
Unearned finance income	(17)	(18)
	20	19
Current¹		
Finance leases – gross receivables	2	2
Unearned finance income	(1)	(1)
	1	1
Net investment in finance leases	21	20
Gross receivables from finance leases due:		
No later than one year	2	1
One to two years	1	1
Two to three years	2	2
Three to four years	2	2
Four to five years	2	2
More than five years	28	29
	37	37
Unguaranteed residual value	2	2
Unearned finance income	(18)	(19)
Net investment in finance leases	21	20

1. Included in Other Receivables in note 26.

The Group has leased out several investment properties under finance leases, which range from 25 to 125 years in duration from the inception of the lease.



18 PROPERTY, PLANT AND EQUIPMENT

A ACCOUNTING POLICY

Property, plant and equipment comprise owner-occupied property, improvements, furniture, fixtures and fittings in the Group's offices.

Owner-occupied property arises from the Group's acquisition of MediaCity in the prior year, namely the studio operations that are conducted from premises previously held as investment property. This property is carried at fair value and is valued in the same manner as the Group's investment properties. Refer to note 13 for more information. Any revaluation surplus arising on revaluing the owner-occupied property is recognised in other comprehensive income and accumulated in equity. Any residual revaluation deficits after reversing previous revaluation gains recognised in equity are recorded as a Capital and other item on the income statement.

The remaining property, plant and equipment assets are stated at cost less accumulated depreciation and are depreciated to their residual value on a straight-line basis over their estimated useful lives of between two and five years.

	Owner-occupied property £m	Furniture and fittings £m	Total £m
At 1 April 2024	–	7	7
Transfer from investment property (note 13)	26	–	26
Revaluation	12	–	12
Depreciation	–	(3)	(3)
At 31 March 2025	38	4	42
Revaluation	2	–	2
Depreciation	–	(2)	(2)
At 31 March 2026	40	2	42



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FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

19 INTANGIBLE ASSETS

A ACCOUNTING POLICY

Intangible assets comprise goodwill and other intangible assets arising on business combinations and software used internally within the business. Intangible assets arising on business combinations are initially recognised at fair value. Goodwill is not amortised but is tested at least annually for impairment. Other intangible assets arising on business combinations are amortised to the income statement over their expected useful lives. Software assets are stated at cost less accumulated amortisation and are amortised on a straight-line basis over their estimated useful economic lives, normally three to five years.

	Goodwill £m	Software £m	Other intangible asset £m	Total £m
At 1 April 2024	–	1	2	3
Additions	22	1	–	23
Amortisation	–	(1)	–	(1)
Impairment	(22)	–	–	(22)
At 31 March 2025	–	1	2	3
Additions	–	–	–	–
Amortisation	–	–	–	–
Impairment	–	–	–	–
At 31 March 2026	–	1	2	3

The other intangible asset relates to the Group's acquisition of its interest in Bluewater, Kent in 2014 and represents the estimated fair value of the management rights for the centre. The fair value at the date of acquisition was £30m and the asset is being amortised over a period of 20 years. On recognition of the other intangible asset, the Group recognised a deferred tax liability of £6m, and corresponding goodwill of the same amount. The deferred tax liability is being released to the income statement as the other intangible asset is amortised or impaired, and the corresponding element of the goodwill is tested for impairment.

In the year ended 31 March 2026, the other intangible asset has been impaired by **£nil** (2025: £nil). The recoverable amount of the other intangible asset has been based on its fair value less costs of disposal applying discounted cash flow projections, using a discount rate of **8.3%** with cash flows projected over a period of **8 years** and a growth rate applied of **5.5%**.



SECTION 4 – CAPITAL STRUCTURE AND FINANCING

This section focuses on the Group's financing structure, including borrowings and financial risk management. The total capital of the Group consists of shareholders' equity and net debt. The Group's strategy is to maintain an appropriate net debt to total equity ratio (gearing) and loan-to-value ratio (LTV) to ensure that asset level performance is translated into enhanced returns for shareholders while maintaining an appropriate risk reward balance to accommodate changing financial and operating market cycles. The table in note 20 details a number of the Group's key metrics in relation to managing its capital structure.

A key element of the Group's capital structure is that the majority of our borrowings are secured against a large pool of our assets (the Security Group). This enables us to raise long-term debt in the bond market, as well as shorter-term flexible bank facilities, both at competitive rates. In general, we follow a secured debt strategy as we believe this gives the Group better access to borrowings at a lower cost.

In addition, the Group holds a number of assets outside the Security Group structure (in the Non-restricted Group). By having both the Security Group and the Non-restricted Group, and considerable flexibility to move assets between the two, we are able to raise the most appropriate finance for each specific asset or joint venture.

20 CAPITAL STRUCTURE

	2026				2025			
	Group £m	Joint ventures £m	Adjustment for non- wholly owned subsidiaries £m	Combined £m	Group £m	Joint ventures £m	Adjustment for non- wholly owned subsidiaries £m	Combined £m
Property portfolio								
Market value of non-current property assets ¹	10,195	661	(20)	10,836	10,277	636	(33)	10,880
Carrying value of trading properties	56	–	–	56	81	–	–	81
Total property portfolio (a)	10,251	661	(20)	10,892	10,358	636	(33)	10,961
Net debt								
Borrowings	4,360	–	–	4,360	4,396	–	(15)	4,381
Monies held in restricted accounts and deposits	(11)	–	–	(11)	(20)	–	1	(19)
Cash and cash equivalents	(106)	(25)	1	(130)	(39)	(24)	–	(63)
Fair value of interest-rate swaps	(5)	–	–	(5)	(1)	–	–	(1)
Fair value of foreign exchange swaps and forwards	(4)	–	–	(4)	5	–	–	5
Net debt (b)	4,234	(25)	1	4,210	4,341	(24)	(14)	4,303
Add: Fair value of interest-rate swaps	5	–	–	5	1	–	–	1
Adjusted net debt (c)	4,239	(25)	1	4,215	4,342	(24)	(14)	4,304
Adjusted total equity								
Total equity (d)	6,538	–	(1)	6,537	6,532	–	(18)	6,514
Fair value of interest-rate swaps	(5)	–	–	(5)	(1)	–	–	(1)
Adjusted total equity (e)	6,533	–	(1)	6,532	6,531	–	(18)	6,513
Gearing (b/d)	64.8%			64.4%	66.5%			66.1%
Adjusted gearing (c/e)	64.9%			64.5%	66.5%			66.1%
Group LTV (c/a)	41.4%			38.7%	41.9%			39.3%
EPRA LTV²				40.4%				41.0%
Security Group LTV	41.6%				41.9%			
Weighted average cost of debt	3.6%			3.6%	3.4%			3.4%

1. Includes owner-occupied property and non-current assets held for sale.

2. EPRA LTV differs from Group LTV as it includes net payables and receivables and includes trading properties at fair value and debt instruments at nominal value rather than book value. Group LTV remains our core performance measure.



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21 BORROWINGS

A ACCOUNTING POLICY

Borrowings, other than bank overdrafts, are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between the amount initially recognised and the redemption value being recognised in the income statement over the period of the borrowings, using the effective interest method.

When debt refinancing exercises are carried out, existing liabilities will be treated as being extinguished when the new liability is substantially different from the existing liability. In making this assessment, the Group will consider the transaction as a whole, taking into account both qualitative and quantitative characteristics.

	Secured/ unsecured	Fixed/ floating	Effective interest rate %	Nominal/ notional value £m	Fair value £m	2026 Book value £m	Nominal/ notional value £m	Fair value £m	2025 Book value £m
Current borrowings									
Commercial paper									
Sterling	Unsecured	Floating	Various ¹	228	228	228	270	270	270
Euro	Unsecured	Floating	Various ¹	270	270	270	310	310	310
US Dollar	Unsecured	Floating	Various ¹	246	246	246	170	170	170
Total current borrowings				744	744	744	750	750	750
Amounts payable under head leases				2	2	2	2	2	2
Total current borrowings including amounts payable under head leases				746	746	746	752	752	752
Non-current borrowings									
Medium term notes (MTN)									
A16 2.375% MTN due 2029	Secured	Fixed	2.5	350	340	350	350	333	349
A6 5.376% MTN due 2029	Secured	Fixed	5.4	65	65	65	65	65	65
A13 2.399% MTN due 2031	Secured	Fixed	2.4	300	278	300	300	274	300
A7 5.396% MTN due 2032	Secured	Fixed	5.4	77	77	77	77	78	77
A18 4.750% MTN due 2033	Secured	Fixed	4.9	300	293	297	300	294	295
A17 4.875% MTN due 2034	Secured	Fixed	5.0	400	391	395	400	393	396
A11 5.125% MTN due 2036	Secured	Fixed	5.1	50	48	50	50	47	50
A19 4.625% MTN due 2036	Secured	Fixed	4.9	350	328	346	350	330	346
A14 2.625% MTN due 2039	Secured	Fixed	2.6	500	367	495	500	371	495
A15 2.750% MTN due 2059	Secured	Fixed	2.7	500	255	495	500	275	495
				2,892	2,442	2,870	2,892	2,460	2,868
Syndicated and bilateral bank debt	Secured	Floating	SONIA + margin	746	746	746	778	778	778
Total non-current borrowings				3,638	3,188	3,616	3,670	3,238	3,646
Amounts payable under head leases	Unsecured	Fixed	5.2	133	202	133	156	230	156
Total non-current borrowings including amounts payable under head leases				3,771	3,390	3,749	3,826	3,468	3,802
Total borrowing including amounts payable under head leases				4,517	4,136	4,495	4,578	4,220	4,554
Total borrowings excluding amounts payable under head leases				4,382	3,932	4,360	4,420	3,988	4,396

1. Non-Sterling commercial paper is immediately swapped into Sterling. The interest rate is fixed at the time of the issuance for the duration and tracks SONIA swap rates.



RECONCILIATION OF MOVEMENTS IN LIABILITIES ARISING FROM FINANCING ACTIVITIES						
	At the beginning of the year £m	Cash flows £m	Non-cash changes			2026 At the end of the year £m
			Foreign exchange movements £m	Other changes in fair values £m	Other changes £m	
Borrowings	4,554	(38)	2	–	(23)	4,495
Derivative financial instruments	4	(16)	(2)	11	(6)	(9)
Redemption liability	–	–	–	–	18	18
	4,558	(54)	–	11	(11)	4,504
						2025
Borrowings	3,780	401	2	(10)	381	4,554
Derivative financial instruments	(25)	(6)	11	23	1	4
	3,755	395	13	13	382	4,558

The MTNs are secured on the fixed and floating pool of assets of the Security Group. The Security Group includes wholly owned investment properties, development properties and a number of the Group's investment in other assets, in total valued at **£10.4bn** at 31 March 2026 (2025: £10.0bn). The secured debt structure has a tiered operating covenant regime which gives the Group substantial flexibility when the loan-to-value and interest cover in the Security Group are less than 65% and more than 1.45x respectively. If these limits are exceeded, the operating environment becomes more restrictive with provisions to encourage a reduction in gearing. The interest rate of each MTN is fixed until the expected maturity, being two years before the legal maturity date of the MTN. The interest rate for the last two years may either become floating on a SONIA basis plus an increased margin (relative to that at the time of issue), or subject to a fixed coupon uplift, depending on the terms and conditions of the specific notes.

The effective interest rate is based on the coupon paid and includes the amortisation of issue costs and discount to redemption value. The MTNs are listed on the Irish Stock Exchange and their fair values are based on their respective market prices.

SYNDICATED AND BILATERAL BANK DEBT							
		Authorised		Drawn		Undrawn	
	Maturity as at 31 March 2026	2026 £m	2025 £m	2026 £m	2025 £m	2026 £m	2025 £m
Syndicated debt	2027-30	2,550	2,490	746	778	1,804	1,712
Bilateral debt	2026	100	100	–	–	100	100
		2,650	2,590	746	778	1,904	1,812

On 2 May 2025, the Group put in place a new £300m bank facility with a final maturity of November 2027. On 13 October 2025, the Group exercised extension options on the existing syndicated facilities extending maturity dates to 2028 and 2030 on the same terms. During the year ended 31 March 2026, the amounts drawn under the Group's facilities decreased by **£32m**. At 31 March 2026, the Group's committed facilities totalled **£2,650m** (2025: £2,590m). All the committed syndicated and bilateral facilities are secured on the assets of the Security Group.

The terms of the Security Group funding arrangements require undrawn facilities to be reserved where syndicated and bilateral facilities mature within one year, or when commercial paper is issued. The available financial headroom, being the total amount of cash and available undrawn facilities, net of commercial paper, at 31 March 2026 was **£1,266m** (2025: £1,101m).



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22 MONIES HELD IN RESTRICTED ACCOUNTS AND DEPOSITS

A ACCOUNTING POLICY

Monies held in restricted accounts and deposits represent cash held by the Group in accounts with conditions that restrict the access of these monies by the Group and, as such, does not meet the definition of cash and cash equivalents.

	2026 £m	Group 2025 £m	2026 £m	Company 2025 £m
Short-term deposits	5	15	–	–
Cash at bank and in hand	6	5	–	–
	11	20	–	–

23 CASH AND CASH EQUIVALENTS

A ACCOUNTING POLICY

Cash and cash equivalents comprise cash balances, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Monies that are restricted by use only, and not restricted by access, are classified as cash and cash equivalents. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are deducted from cash and cash equivalents for the purpose of the statement of cash flows.

	2026 £m	Group 2025 £m	2026 £m	Company 2025 £m
Cash at bank and in hand	68	30	–	1
Short-term deposits	38	9	–	–
	106	39	–	1

The Group's cash and cash equivalents and bank overdrafts are subject to cash pooling arrangements. The following table provides details of cash balances and bank overdrafts which are subject to offsetting agreements.

	2026			2025		
	Gross amounts of financial assets £m	Gross amounts of financial liabilities £m	Net amounts recognised in the balance sheet £m	Gross amounts of financial assets £m	Gross amounts of financial liabilities £m	Net amounts recognised in the balance sheet £m
Assets						
Cash and cash equivalents	170	(64)	106	140	(101)	39
	170	(64)	106	140	(101)	39



24 DERIVATIVE FINANCIAL INSTRUMENTS

A ACCOUNTING POLICY

The Group uses interest rate and foreign exchange swaps and forwards to manage its market risk. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes.

All derivative financial instruments are recognised on the balance sheet at fair value. The fair value of interest-rate and foreign exchange swaps is based on counterparty or market quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market rates for similar instruments at the measurement date. The gain or loss on derivative financial instruments are recognised immediately in the income statement, within net finance expense.

CARRYING VALUE OF DERIVATIVE FINANCIAL INSTRUMENTS

	2026 £m	2025 £m
Current assets	6	2
Non-current assets	25	2
Current liabilities	–	(6)
Non-current liabilities	(22)	(2)
	9	(4)

25 FINANCIAL RISK MANAGEMENT

INTRODUCTION

A review of the Group's objectives, policies and processes for managing and monitoring risk is set out in 'Managing risk' and 'Our principal risks and uncertainties' (pages 40-46). This note provides further detail on financial risk management and includes quantitative information on specific financial risks.

The Group is exposed to a variety of financial risks: market risks (principally interest rate risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise the potential adverse effects of these on the Group's financial performance and includes the use of derivative financial instruments to hedge certain risk exposures.

Financial risk management is carried out by the Group's treasury function under policies approved by the Board of Directors, except where the relevant arrangements have been put in place by an individual subsidiary or a joint venture level prior to acquisition.

The Group assesses whether it intends to hold its financial assets to collect the contractual cash flows, or whether it intends to sell them before maturity and classifies its financial instruments into the appropriate categories. The following table summarises the Group's financial assets and liabilities into the categories required by IFRS 7 Financial Instruments: Disclosures:

	2026 £m	Group 2025 £m	2026 £m	Company 2025 £m
Financial assets at amortised cost	494	551	–	–
Cash and cash equivalents	106	39	–	1
Financial liabilities at amortised cost	(4,777)	(5,004)	(1,657)	(1,750)
Financial instruments at fair value through profit or loss	19	4	–	–
Redemption liability	(18)	–	–	–
	(4,176)	(4,410)	(1,657)	(1,749)



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

25 FINANCIAL RISK MANAGEMENT CONTINUED

FINANCIAL RISK FACTORS

(i) CREDIT RISK

The Group's principal financial assets are cash and cash equivalents, trade and other receivables, net investment in finance leases and amounts due from joint ventures. Further details concerning the credit risk of counterparties is provided in the note that specifically relates to each type of asset.

BANK AND FINANCIAL INSTITUTIONS

The principal credit risks of the Group arise from financial derivative instruments and deposits with banks and financial institutions. In line with the policy approved by the Board of Directors, financial instruments, including derivatives and cash deposits, are only placed with banks and financial institutions with a minimum credit rating of BBB+ or equivalent. The Group aims to place financial instrument transactions with banks and financial institutions with which it has a committed lending relationship. The Group's treasury function performs regular reviews of the credit ratings of all financial counterparties and monitors the existing derivatives and cash investment exposures to ensure that they remain within the Group's policy limits.

TRADE RECEIVABLES

Trade receivables are presented in the balance sheet net of allowances for doubtful receivables. The Group assesses on a forward-looking basis the expected credit losses associated with its trade receivables. A provision for impairment is made for the lifetime expected credit losses on initial recognition of the receivable. In determining the expected credit losses, the Group takes into account any recent payment behaviours and future expectations of likely default events (i.e. not making payment on the due date) based on individual customer credit ratings, actual or expected insolvency filings or company voluntary arrangements, likely deferrals of payments due, agreed rent concessions and market expectations and trends in the wider macroeconomic environment in which our customers operate. These assessments are made on a customer by customer basis.

To limit the Group's exposure to credit risk on trade receivables, a credit report is usually obtained from an independent rating agency prior to the inception of a lease with a new counterparty. This report, alongside the Group's internal assessment of credit risk, is used to determine the size of the deposit that is required, if any, from the tenant at inception. In general, these deposits represent between three and six months' rent.

NET INVESTMENT IN FINANCE LEASES

This balance relates to amounts receivable from tenants in respect of tenant finance leases. This is not considered a significant credit risk as the tenants are generally of good financial standing.

(ii) LIQUIDITY RISK

The Group has a well spread debt and facility maturity profile with expected maturities on its MTNs between 2027 and 2057 and diversified shorter-term maturities in commercial paper and committed bank facilities, that are designed to ensure that the Group has sufficient available funds for its operations, committed capital expenditure programme and refinancing of upcoming maturing debt.

Management monitors the Group's available financial headroom as follows:

	2026 £m	2025 £m
Cash and cash equivalents	106	39
Undrawn facilities	1,904	1,812
Commercial paper	(744)	(750)
Cash and available undrawn facilities	1,266	1,101
As a proportion of drawn debt¹	28.9%	24.9%

1. Based on nominal values, including MTNs and commercial paper.

The Group's core financing structure is in the Security Group, although the Non-restricted Group may also secure independent funding.

SECURITY GROUP

The Group's principal financing arrangements utilise the credit support of a ring-fenced group of assets (the Security Group) that comprises the majority of the Group's investment properties, development properties and a number of investments in other assets. These arrangements operate in 'tiers' determined by LTV and interest cover ratio (ICR). This structure is most flexible at lower tiers (with a lower LTV and a higher ICR) and allows property acquisitions, disposals and developments to occur with relative freedom. In higher tiers, the requirements become more restrictive. No financial covenant default is triggered until the applicable LTV exceeds 100% or the ICR is less than 1.0x.



As at 31 March 2026, the LTV for the Security Group was **41.6%** (2025: 41.9%), meaning that the Group was operating in Tier 1 and benefitted from maximum operational flexibility.

Management monitors the key Security Group covenants including LTV, ICR, sector and regional concentration, and disposals on a monthly basis or semi-annual basis, depending on the covenant.

NON-RESTRICTED GROUP

The Non-restricted Group obtains funding when required from a combination of inter-company loans from the Security Group, equity and external bank debt. Bespoke credit facilities are established with banks when required for the Non-restricted Group and joint ventures, usually on a limited-recourse basis.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the expected maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows (inclusive of interest).

	Less than 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	Over 5 years £m	2026 Total £m
Borrowings (excluding lease liabilities)	1,229	485	1,406	2,342	5,462
Derivative financial instruments	–	–	22	–	22
Lease liabilities	8	8	24	957	997
Trade payables	37	–	–	–	37
Capital accruals	70	–	–	–	70
Accruals	91	–	–	–	91
Other payables	44	9	31	–	84
Redemption liability	18	–	–	–	18
	1,497	502	1,483	3,299	6,781

	Less than 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	Over 5 years £m	2025 Total £m
Borrowings (excluding lease liabilities)	880	130	1,548	2,799	5,357
Derivative financial instruments	6	2	–	–	8
Lease liabilities	9	8	25	1,043	1,085
Trade payables	30	–	–	–	30
Capital accruals	70	–	–	–	70
Accruals	155	–	–	–	155
Other payables	22	–	44	–	66
	1,172	140	1,617	3,842	6,771

(iii) MARKET RISK

The Group is exposed to market risk through interest rates, availability and price of credit and foreign exchange movements.

INTEREST RATES

The Group uses derivative financial instruments to manage its interest-rate exposure and has a hedging policy that generally requires at least 70% of its forecast debt from committed cash flows for the coming three years and at least 50% for years four and five. Due to a combination of factors, including the degree of certainty required under IFRS 9 Financial Instruments, the Group does not apply hedge accounting to hedging instruments used in this context. Specific interest rate hedges are also used from time to time to fix the interest rate exposure on our debt. Where specific hedges are used to fix the interest exposure on floating rate debt, these may qualify for hedge accounting.

At 31 March 2026, the net notional position of the Group's interest-rate swaps (including the Group's share of joint ventures and non-wholly owned subsidiaries) was **£950m** of pay-fixed and receive-floating interest-rate swaps (2025: £1,145m) and the Group had a net notional position of **£100m** forward starting pay-fixed and receive-floating interest-rate swaps (2025: £500m). The Group's gross debt position (including the Group's share of joint venture and non-wholly owned subsidiaries) at 31 March 2026 was **88.9%** fixed (2025: 91.3%), a 1% increase/(decrease) in interest rates would increase/(decrease) the annual net finance expense in the income statement and reduce/(increase) equity by **£7m** (2025: £8m). The sensitivity has been calculated by applying the interest rate change to the floating rate components of borrowings, interest-rate swaps as well as cash and cash equivalents.



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25 FINANCIAL RISK MANAGEMENT CONTINUED

FOREIGN EXCHANGE

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Group's functional currency.

As the Group is UK based, foreign exchange exposure from operations is low. The majority of the Group's foreign currency transactions relate to foreign currency borrowing under the Group's commercial paper programme. It is the Group's policy to hedge 100% of this exposure. At 31 March 2026, the Group had issued **€311m** (2025: €370m) and **\$324m** (2025: \$220m) of commercial paper, fully hedged through foreign exchange swaps. A 10% weakening or strengthening of Sterling would therefore have **£nil** (2025: £nil) impact in the income statement and equity arising from foreign currency borrowings.

Where additional foreign exchange risk is identified (not linked to borrowings), it is the Group's policy to assess the likelihood of the risk crystallising and if deemed appropriate use derivative financial instruments to hedge some or all of the risk. At 31 March 2026, the Group had no foreign currency exposures (other than those linked to borrowings) being managed using derivative financial instruments (2025: £nil exposure). A 10% weakening or strengthening of Sterling would therefore have no impact on the loss before tax and or total equity (2025: £nil impact).

FINANCIAL MATURITY ANALYSIS

The interest rate profile of the Group's borrowings is set out below (based on notional values):

	2026			2025		
	Fixed rate £m	Floating rate £m	Total £m	Fixed rate £m	Floating rate £m	Total £m
Sterling	3,027	974	4,001	3,050	1,048	4,098
Euro	–	270	270	–	310	310
US Dollar	–	246	246	–	170	170
	3,027	1,490	4,517	3,050	1,528	4,578

The expected maturity profiles of the Group's borrowings are as follows (based on net notional values):

	2026			2025		
	Fixed rate £m	Floating rate £m	Total £m	Fixed rate £m	Floating rate £m	Total £m
One year or less, or on demand	351	744	1,095	–	750	750
More than one year but not more than two years	66	300	366	1	240	241
More than two years but not more than five years	679	446	1,125	718	538	1,256
More than five years	1,931	–	1,931	2,331	–	2,331
Borrowings	3,027	1,490	4,517	3,050	1,528	4,578
Effect of hedging	950	(950)	–	1,145	(1,145)	–
Borrowings net of interest-rate swaps	3,977	540	4,517	4,195	383	4,578

The expected maturity profiles of the Group's derivative financial instruments are as follows (based on net notional values):

	2026		2025	
	Foreign exchange swaps £m	Interest-rate swaps £m	Foreign exchange swaps £m	Interest-rate swaps £m
One year or less, on demand	513	400	486	(45)
More than one year but not more than two years	–	100	–	740
More than two years but not more than five years	–	450	–	150
More than five years	–	–	–	300
	513	1,050	486	1,145



VALUATION HIERARCHY

Derivative financial instruments, financial assets at fair value through profit and loss (other investments) and the redemption liability are the only financial instruments which are carried at fair value. For financial instruments other than borrowings disclosed in note 21, the carrying value in the balance sheet approximates their fair values. The table below shows the aggregate assets and liabilities carried at fair value by valuation method:

	2026				2025			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Assets	–	31	10	41	–	4	8	12
Liabilities	–	(22)	(18)	(40)	–	(8)	–	(8)

Note:

Level 1: valued using unadjusted quoted prices in active markets for identical financial instruments.

Level 2: valued using techniques based on information that can be obtained from observable market data.

Level 3: valued using techniques incorporating information other than observable market data.

The fair value of the amounts payable under the Group's lease obligations, using a discount rate of **3.6%** (2025: 3.4%), is **£204m** (2025: £232m). The fair value of the Group's net investment in tenant finance leases, calculated by the Group's external valuer by applying a weighted average equivalent yield of **8.0%** (2025: 8.8%), is **£13m** (2025: £12m).

The fair values of any floating rate financial liabilities are assumed to be equal to their nominal value. The fair values of the MTNs fall within Level 1 of the fair value hierarchy, the syndicated and bilateral facilities, commercial paper, interest-rate swaps and foreign exchange swaps fall within Level 2, and the amounts payable and receivable under leases fall within Level 3.

The fair values of the financial instruments have been determined by reference to relevant market prices, where available. The fair values of the Group's outstanding interest-rate swaps have been estimated by calculating the present value of future cash flows, using appropriate market discount rates. These valuation techniques fall within Level 2.

The fair value of the redemption liability is the present value of the amount the Group would be required to pay to settle the liability (an exit price). Moreover, both the fair values of the other investments and the redemption liability are calculated by reference to the net assets of their respective underlying entities. The valuations are not based on observable market data and therefore are considered to fall within Level 3.

SECTION 5 – WORKING CAPITAL

This section focuses on our working capital balances, including trade and other receivables and trade and other payables.

26 TRADE AND OTHER RECEIVABLES

A ACCOUNTING POLICY

Trade and other receivables are recognised initially at fair value, subsequently at amortised cost and, where relevant, adjusted for the time value of money. The Group assesses on a forward-looking basis the expected credit losses associated with its trade receivables. A provision for impairment is made for the lifetime expected credit losses on initial recognition of the receivable. If collection is expected in more than one year, the balance is presented within non-current assets.

In determining the expected credit losses, the Group takes into account any recent payment behaviours and future expectations of likely default events (i.e. not making payment on the due date) based on individual customer credit ratings, actual or expected insolvency filings or company voluntary arrangements and market expectations and trends in the wider macroeconomic environment in which our customers operate. Where a concession is agreed with a customer after the due date for the rent, this amount is recognised as an impairment of the related trade receivable.

Trade and other receivables are written off once all avenues to recover the balances are exhausted and the lease has ended. Receivables written off are no longer subject to any enforcement activity.



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FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

26 TRADE AND OTHER RECEIVABLES CONTINUED

S SOURCE OF ESTIMATION UNCERTAINTY

IMPAIRMENT OF TRADE RECEIVABLES

The Group's assessment of expected credit losses is inherently subjective due to the forward-looking nature of the assessments. As a result, the value of the provisions for impairment of the Group's trade receivables are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate. See note 25 for further details of the Group's assessment of the credit risk associated with trade receivables.

	2026 £m	2025 £m
Net trade receivables	74	70
Tenant lease incentives	258	242
Prepayments	66	69
Accrued income	18	21
Amounts due from joint ventures	13	12
Deferred consideration	10	2
Other receivables	52	51
Total current trade and other receivables	491	467
Non-current amounts due from joint ventures	98	116
Non-current prepayments	31	24
Non-current deferred consideration	19	78
Other non-current receivables	–	11
Total trade and other receivables	639	696

The accounting for lease incentives is set out in note 6. The value of the tenant lease incentive, included in current trade and other receivables, is spread over the lease term.

The non-current amounts due from joint ventures have maturity dates ranging from April 2028 to the dissolution of the joint venture. Interest is charged at rates ranging from 4% to 5% (2025: 4% to 5%).

AGEING OF TRADE RECEIVABLES

	Not past due £m	Up to 30 days past due £m	Up to 6 months past due £m	Up to 12 months past due £m	More than 12 months past due £m	Total £m
As at 31 March 2026						
Not impaired	–	27	23	13	11	74
Impaired	–	–	2	3	23	28
Gross trade receivables	–	27	25	16	34	102
As at 31 March 2025						
Not impaired	–	28	25	10	7	70
Impaired	–	–	1	4	24	29
Gross trade receivables	–	28	26	14	31	99

None of the Group's other receivables are past due and therefore no ageing has been shown (2025: £nil).



27 TRADE AND OTHER PAYABLES

	2026 £m	Group 2025 £m	2026 £m	Company 2025 £m
Trade payables	37	30	–	–
Capital accruals	70	70	–	–
Other payables	41	8	–	–
Accruals	91	155	–	–
Deferred income	121	129	–	–
Amounts owed to joint ventures	3	14	–	–
Loans from Group undertakings	–	–	1,658	1,750
Total current trade and other payables	363	406	1,658	1,750
Non-current other payables	40	44	–	–
Total trade and other payables	403	450	1,658	1,750

Capital accruals represent amounts due for work completed on investment properties but not paid for at the year end. Deferred income principally relates to rents received in advance.

The Loans from Group undertakings are repayable on demand with no fixed repayment date. Interest is charged at 4.21% per annum (2025: 4.95%).

SECTION 6 – OTHER REQUIRED DISCLOSURES

This section gives further disclosure in respect of other areas of the financial statements, together with mandatory disclosures required in accordance with IFRS.

28 INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

A ACCOUNTING POLICY

Investments in subsidiary undertakings are stated at cost in the Company's balance sheet, less any provision for impairment in value.

In accordance with IFRS 2 Share Based Payments, the equity settled share-based payment charge for the employees of the Company's subsidiaries is treated as an increase in the cost of investment in the subsidiaries, with a corresponding increase in the Company's equity.

	2026 £m	2025 £m
At the beginning of the year	5,363	5,659
Capital contributions relating to share-based payments (note 35)	9	6
Impairment charge	(14)	(302)
At 31 March	5,358	5,363

A full list of subsidiary undertakings at 31 March 2026 is included on pages 164-167. This includes those which are exempt from the requirement of the Companies Act 2006 (the 'Act') relating to the audit of individual accounts by virtue of Section 479A of the Act.

In the year ended 31 March 2026, there has been an impairment charge on the Company's investment in its subsidiaries of **£14m** (2025: charge of £302m) as a result of a decrease in net assets held in those subsidiary companies. The recoverable amount of the investments has been based on the fair value of each of the subsidiaries at 31 March 2026 as determined by their individual net asset values at that date, totalling **£5,358m** (2025: £5,363m).



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29 OTHER NON-CURRENT ASSETS

	2026 £m	2025 £m
Net pension surplus (note 34)	10	11
Derivative financial instruments (note 24)	25	2
Other investments	10	9
Total other non-current assets	45	22

30 OTHER CURRENT ASSETS

	2026 £m	2025 £m
Derivative financial instruments (note 24)	6	2
Current tax assets	1	2
Total other current assets	7	4

31 OTHER CURRENT LIABILITIES

	2026 £m	2025 £m
Derivative financial instruments (note 24)	–	6
Redemption liability ¹	18	–
Total other current liabilities	18	6

1. On 8 September 2025, the Group granted a put option to the non-controlling interest in Liverpool ONE that has been recognised as a redemption liability at 31 March 2026.

32 OTHER NON-CURRENT LIABILITIES

	2026 £m	2025 £m
Net liabilities incurred on behalf of joint ventures ¹ (note 15)	–	3
Derivative financial instruments (note 24)	22	2
Total other non-current liabilities	22	5

1. The Group's share of accumulated losses of a joint venture interest are recognised as net liabilities (see note 15) where there is an obligation to provide for these losses.



33 PROVISIONS

A ACCOUNTING POLICY

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are estimated considering various possible outcomes and determining the most likely outcome. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

	Building and fire safety remediation £m	Transaction and contract related £m	2026 Total £m
At 1 April 2025	23	51	74
Charge for the year	10	4	14
Utilised during the year	(1)	(20)	(21)
Reversed during the year	(3)	–	(3)
At 31 March 2026	29	35	64
Current	29	12	41
Non-current	–	23	23
At 31 March 2026	29	35	64

BUILDING AND FIRE SAFETY REMEDIATION PROVISIONS

Management have assessed their legal and constructive obligations arising from the Building Safety Act 2022 and other associated fire regulations and remediation works for identified Reinforced Autoclaved Aerated Concrete. Where an obligation exists, including for properties no longer owned by the Group but for which the Group is responsible for remediation works, a provision is recorded on the Group's balance sheet. **£12m** of the provision recorded at 31 March 2026 relates to properties no longer owned by the Group. Moreover, a receivable of **£11m** (2025: £5m) has been recorded in note 26 where the Group is virtually certain that the provision recorded will be reimbursed by the original developer of the property or by other responsible parties for such remediation works.

TRANSACTION AND CONTRACT RELATED PROVISIONS

Relate to historic or ongoing transactions and contracts that the Group is party to wherein an obligation arises as part of its developer contractual arrangements, queries received from tax authorities, or contractor claims. These provisions are classed together as they pertain to past transactions or contracts executed to acquire or dispose of assets or queries arising therefrom. The provisions reflect management's best estimate of the costs required to settle these obligations, however owing to the nature of these provisions there is uncertainty over both the amount and the timing of the potential cash outflows.



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FOR THE YEAR ENDED 31 MARCH 2026 CONTINUED

34 NET PENSION SURPLUS

A ACCOUNTING POLICY

Contributions to defined contribution schemes are charged to the income statement as incurred.

The pension obligations arising under the Group's defined benefit pension scheme are measured at discounted present value. The scheme assets are measured at fair value, except annuities which are valued to match the liability or benefit value. The operating and financing costs of the scheme are recognised separately in the income statement. Service costs are spread using the projected unit credit method. Past service costs are recognised immediately in the income statement in the period in which they are identified. Net financing costs are recognised in the period in which they arise, calculated with reference to the discount rate, and are included in finance income or expense on a net basis. Remeasurement gains and losses arising from either experience differing from previous actuarial assumptions, or changes to those assumptions, are recognised immediately in other comprehensive income.

DEFINED CONTRIBUTION SCHEMES

The charge to operating profit for the year in respect of defined contribution schemes was **£2m** (2025: £4m).

DEFINED BENEFIT SCHEME

The Pension & Assurance Scheme of the Land Securities Group of Companies (the 'Scheme') is a registered defined benefit final salary scheme subject to the UK regulatory framework for pensions, including the Scheme Specific Funding requirements. The Scheme is operated under trust and as such, the Trustees of the Scheme are responsible for operating the Scheme and they have a statutory responsibility to act in accordance with the Scheme's Trust Deed and Rules, in the best interest of the beneficiaries of the Scheme and UK legislation (including trust law). The Trustees and the Group have the joint power to set the contributions that are paid to the Scheme.

In setting contributions to the Scheme, the Trustees and the Group are guided by the advice of a qualified independent actuary on the basis of triennial valuations using the projected unit credit method. The Scheme is closed to new members (and was closed to future accrual on 31 October 2019). A full actuarial valuation of the Scheme was undertaken on 30 June 2024 by the independent actuaries, Hymans Robertson LLP. This valuation was updated to 31 March 2026 using, where required, assumptions prescribed by IAS 19 Employee Benefits.

There have been no employer or employee contributions following the closure of the Scheme to future accrual on 31 October 2019. Prior to this, the employer contribution rate was 43.1% of pensionable salary to cover the costs of accruing benefits and the employee contributions were at 8% of monthly pensionable salary. It was also agreed that no further deficit contributions were required from the Group. Employee contributions were paid by salary sacrifice, and therefore appeared as Group contributions. The Group does not expect to make any employee or employer contributions to the Scheme in the year to 31 March 2027 (2026: £nil).

All death-in-service and incapacity benefits arising during employment are wholly insured. No post-retirement benefits other than pensions are made available to employees of the Group.

ANALYSIS OF THE AMOUNTS CHARGED TO THE INCOME STATEMENT

	2026 £m	2025 £m
Analysis of the amount charged to operating profit		
Current service costs	–	–
Past service costs	2	–
Charge to operating profit	2	–
Analysis of amount credited to net finance expense		
Interest income on plan assets	(8)	(8)
Interest expense on defined benefit scheme liabilities	7	8
Impact on net finance expense	(1)	–

ANALYSIS OF THE AMOUNTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

	2026 £m	2025 £m
Analysis of gains and losses		
Net remeasurement gains on scheme assets	1	18
Net remeasurement losses on scheme liabilities	(1)	(18)
Net remeasurement amount	–	–
Cumulative net remeasurement loss recognised in other comprehensive income	(41)	(41)



The net surplus recognised in respect of the defined benefit scheme can be analysed as follows:

	%	2026 £m	%	2025 £m
Insurance contracts	90	129	90	132
Cash and cash equivalents	10	15	10	15
Fair value of scheme assets	100	144	100	147
Fair value of scheme liabilities		(131)		(132)
Net pension surplus as per IAS 19		13		15
Expected authorised payments charge		(3)		(4)
Net pension surplus		10		11

In the year ended 31 March 2026, **£10m** (2025: £9m) of benefits were paid to members.

In December 2022, the Scheme transacted a buy-in policy for £79m covering all remaining uninsured members. This insurance contract is valued as an asset using the same IAS 19 assumptions. Insurance contracts are annuities which are unquoted assets. All other Scheme assets have quoted prices in active markets. The Scheme assets do not include any directly owned financial instruments issued by the Group. Indirectly owned financial instruments had a fair value of **£nil** (2025: £nil).

In the most recent triennial valuation, the defined benefit scheme liabilities were split **nil%** (2025: nil%) in respect of active scheme participants, **26%** (2025: 31%) in respect of deferred scheme participants, and **74%** (2025: 69%) in respect of retirees. As the Scheme is now closed to future accrual, there are no longer any active scheme participants. The weighted average duration of the defined benefit scheme liabilities at 31 March 2026 is **10.1 years** (2025: 10.7 years).

The assumptions agreed with the Trustees of the Scheme for the triennial valuation at 30 June 2024 have been restated to the assumptions described by IAS 19 Employee Benefits. The major assumptions used in the valuation were (in nominal terms):

	2026 %	2025 %
Rate of increase in pensionable salaries	n/a	n/a
Rate of increase in pensions with no cap	3.60	3.40
Rate of increase in pensions with 5% cap	3.05	3.30
Discount rate	6.05	5.70
Inflation – Retail Price Index	3.60	3.40
– Consumer Price Index	3.05	2.75

The mortality assumptions used in this valuation were:

	2026 Years	2025 Years
Life expectancy at age 60 for current pensioners – Men	26.2	25.9
– Women	28.5	28.5
Life expectancy at age 60 for future pensioners (current age 40) – Men	27.1	27.3
– Women	30.6	30.9



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34 NET PENSION SURPLUS CONTINUED

The sensitivities regarding the principal assumptions used to measure the Scheme liabilities are set out below. These were calculated using approximate methods taking into account the duration of the Scheme liabilities.

Assumption	Change in assumption	Impact on Scheme liabilities
Discount rate	Decrease by 0.5%	Increase by £7m
Life expectancy	Increase by 1 year	Increase by £5m
Rate of inflation	Increase by 0.5%	Increase by £5m

The above sensitivities show the impact on liabilities only and do not reflect the hedging the Scheme has in place. In December 2022, the Scheme transacted a buy-in policy for £79m covering all remaining uninsured members. As a result, the Group no longer bears any longevity, interest rate or inflation risk in respect of the pension scheme. The buy-in policy is an investment asset of the Scheme.

The Company did not operate any defined contribution schemes or defined benefit schemes during the financial years ended 31 March 2026 or 31 March 2025.

On 25 July 2024, the Court of Appeal upheld the High Court's decision in the Virgin Media Limited v NTL Pension Trustees II Limited case, ruling that historical amendments for contracted-out defined benefit schemes were invalid without a section 37 actuarial confirmation. However, the appeal did not address the form of the section 37 confirmation or the necessary actuarial remedies if these were absent. Whilst there has been proposed legislation put forward to address this, it was not substantively enacted at the reporting date. Consequently, the Trustees have not initiated a formal due diligence exercise to investigate this matter following discussions with their legal advisers. The Trustees and the Group continue to monitor developments and will assess any implications for the Scheme.

35 SHARE-BASED PAYMENTS

A ACCOUNTING POLICY

The cost of granting shares, options over shares and other share-based remuneration to employees and Executive Directors is recognised through the income statement. All awards are equity settled and therefore the fair value is measured at the grant date. Where the awards have non-market related performance criteria, the Group uses the Black-Scholes option valuation model to establish the relevant fair values. Where the awards have Total Shareholder Return (TSR) market related performance criteria, the Group has used the Monte Carlo simulation valuation model to establish the relevant fair values. The resulting values are amortised through the income statement over the vesting period of the awards. For awards with non-market related criteria, the charge is reversed if it appears probable that the performance or service criteria will not be met.

The following table analyses the total cost recognised in the income statement for the year between each plan, together with the number of options outstanding.

	2026 Charge £m	2026 Number (millions)	2025 Charge £m	2025 Number (millions)
Long-Term Incentive Plan	4	6	1	4
Deferred Share Bonus Plan	1	–	1	–
Executive Share Option Scheme	–	1	–	1
Sharesave Plan	–	1	–	1
Restricted Share Plan	4	1	4	2
	9	9	6	8

A summary of the main features of each type of plan is given below. The plans have been split into two categories: Executive plans and Other plans. For further details on the Executive plans, see the Directors' Remuneration Report on pages 68-79.

EXECUTIVE PLANS: LONG-TERM INCENTIVE PLAN (LTIP)

The LTIP is open to Executive Directors, Executive Leadership Team and senior management members with awards made at the discretion of the Remuneration Committee. In addition, other than for Executive Directors, an award of 'matching shares' could be made where the individual acquired shares in Land Securities Group PLC and pledged to hold them for a period of three years. The awards are issued at nil consideration, subject to performance and vesting conditions being met. Awards of LTIP shares and matching shares are subject to the same performance criteria and normally vest after three years. Awards are satisfied by the transfer of existing shares held by the Employee Benefit Trust (EBT).



The weighted average share price at the date of vesting was **598p** (2025: 622p). The estimated fair value of awards granted during the year under the scheme was **£16m** (2025: £8m).

DEFERRED SHARE BONUS PLAN (DSBP)

The Executive Directors' annual bonus is structured in two distinct parts made up of an initial payment and deferred shares. The shares are usually deferred for one or two years. The shares are deferred for one year and are not subject to additional performance criteria. Awards are satisfied by the transfer of existing shares held by the EBT at nil consideration. The weighted average share price at the date of vesting during the year was **602p** (2025: 635p). The estimated fair value of awards granted during the year under the scheme was **£1m** (2025: £1m).

OTHER PLANS:

EXECUTIVE SHARE OPTION SCHEME (ESOS)

The 2005 ESOS was previously open to managers not eligible to participate in the LTIP, but was largely replaced by the Restricted Share Option Plan in the year ended 31 March 2020. Awards are discretionary and are granted over ordinary shares of the Company at the middle market price on the three dealing days immediately preceding the date of grant. Awards normally vest after three years and are not subject to performance conditions. Awards are satisfied by the transfer shares from the EBT and lapse ten years after the date of grant. There were no awards exercised during the year (2025: none). The estimated fair value of awards granted during the year under the scheme was **£nil** (2025: £nil).

SHARESAVE PLAN

Under the Sharesave Plan, Executive Directors and other eligible employees are invited to make regular monthly contributions into a Sharesave plan operated by Equiniti. On completion of the three or five year contract period, ordinary shares in the Company may be purchased at a price based upon the middle market price on the three dealing days immediately preceding the date of invitation less 20% discount. The weighted average share price at the date of exercise for awards exercised during the year was **603p** (2025: 620p). The estimated fair value of awards granted during the year under the scheme was **£1m** (2025: £1m).

RESTRICTED SHARE PLAN (RSP)

The RSP started in the year ended 31 March 2020. It is open to qualifying management level employees with awards granted as nil cost options. Awards are discretionary and are granted over ordinary shares of the Company at the middle market price on the day immediately preceding date of grant. Awards normally vest after three years and are not subject to performance conditions. Awards are satisfied by the transfer of shares from the EBT and lapse ten years after the date of grant. The weighted average share price at the date of exercise for awards exercised during the year was **629p** (2025: 631p). The estimated fair value of awards granted during the year under the scheme was **£3m** (2025: £3m).

SHARE INCENTIVE PLAN (SIP)

The SIP started in the year ended 31 March 2024. All employees and Executive Directors are invited to make contributions up to the annual limit set by HMRC. The contributions are invested into a trust account managed by Equiniti who purchase partnership shares at the market price on behalf of participants. Landsec grants one matching share for each partnership share purchased. Free shares can also be granted up to an annual limit. The matching and free shares vest after three years and are not subject to performance conditions. The weighted average share price at the date of exercise for awards exercised during the year was **601p** (2025: 615p). The estimated fair value of awards granted during the year under the scheme was **£1m** (2025: £1m).

The aggregate number of awards outstanding, and the weighted average exercise price, are shown below:

	Executive plans ¹		Other plans			
	Number of awards		Number of awards		Weighted average exercise price	
	2026 Number (millions)	2025 Number (millions)	2026 Number (millions)	2025 Number (millions)	2026 Pence	2025 Pence
At the beginning of the year	5	4	3	3	691	759
Granted	3	2	1	1	539	521
Exercised	(1)	–	(1)	–	659	522
Lapsed	(1)	(1)	–	(1)	810	922
At 31 March	6	5	3	3	682	706
Exercisable at the end of the year	–	–	1	1	747	794
	Years	Years	Years	Years		
Weighted average remaining contractual life	2	1	1	1		

1. Executive plans are granted at nil consideration.



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35 SHARE-BASED PAYMENTS CONTINUED

The number of share awards outstanding for the Group by range of exercise prices is shown below:

Exercise price – range	Outstanding at 31 March 2026			Outstanding at 31 March 2025		
	Weighted average exercise price	Number of awards	Weighted average remaining contractual life	Weighted average exercise price	Number of awards	Weighted average remaining contractual life
Pence	Pence	Number (millions)	Years	Pence	Number (millions)	Years
Nil ¹	–	6	2	–	5	2
400 – 599	530	1	1	544	1	1
600 – 799	652	1	–	670	2	–
800 – 999	949	–	2	948	–	3
1,000 – 1,199	1,017	–	1	1,017	–	2
1,200 – 1,399	–	–	–	1,328	–	–

1. Executive plans are granted at nil consideration.

FAIR VALUE INPUTS FOR AWARDS WITH NON-MARKET PERFORMANCE CONDITIONS

Fair values are calculated using the Black-Scholes option pricing model for awards with non-market performance conditions. The weighted average inputs into this model for the grants under each plan in the financial year are as follows:

Year ended 31 March	Long-Term Incentive Plan		Deferred Share Bonus Plan		Restricted Share Plan		Sharesave Plan	
	2026	2025	2026	2025	2026	2025	2026	2025
Share price at grant date	626p	625p	632p	637p	629p	630p	574p	628p
Exercise price	n/a	n/a	n/a	n/a	n/a	n/a	504p	530p
Expected volatility	23% to 27%	27%	27%	29%	27%	27%	27%	29%
Expected life	3 to 5 years	3 years	1 to 2 years	1 year	3 years	3 years	3 to 5 years	3 to 5 years
Risk-free rate	3.76% to 3.95%	4.23%	3.72% to 3.82%	4.63%	3.56%	4.00%	3.79% to 3.94%	4.09% to 4.17%
Expected dividend yield	Nil	Nil	Nil	Nil	Nil	6.32%	7.04%	6.34%

Expected volatility is determined by calculating the historical volatility of the Group's share price over the previous ten years. The expected life used in the model has been determined based upon management's best estimate for the effects of non-transferability, vesting/exercise restrictions and behavioural considerations. The risk-free rate is the yield at the date of the grant of an award on a gilt-edged stock with a redemption date equal to the anticipated vesting of that award.

FAIR VALUE INPUTS FOR AWARDS WITH MARKET PERFORMANCE CONDITIONS

Fair values are calculated using the Monte Carlo simulation option pricing model for awards with market performance conditions. Awards made under the Omnibus Share Plan include a TSR condition, which is a market-based condition. The weighted average inputs into this model for the scheme are as follows:

Year ended 31 March	Share price at date of grant		Exercise price		Expected volatility – Group		Expected volatility – index of comparator companies		Correlation – Group vs index	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Long-Term Incentive Plan	622p	625p	n/a	n/a	26%	29%	25%	27%	68%	66%



36 ORDINARY SHARE CAPITAL

A ACCOUNTING POLICY

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

The consideration paid by any Group entity to acquire the Company's equity share capital, including any directly attributable incremental costs, is deducted from equity until the shares are cancelled, reissued or sold. Where own shares are sold or reissued, the net consideration received is included in equity.

	Group and Company Allotted and fully paid	
	2026 £m	2025 £m
Ordinary shares of 10 ² / ₃ p each	80	80

	Number of shares	
	2026	2025
At the beginning of the year	751,732,064	751,676,657
Issued on the exercise of options	99,233	55,407
At 31 March	751,831,297	751,732,064

The number of options over ordinary shares from Executive plans that were outstanding at 31 March 2026 was **7,509,019** (2025: 6,622,885). If all the options were exercisable at that date then **7,509,019** (2025: 6,622,885) shares would be required to be transferred from the Employee Benefit Trust (EBT). The number of options over ordinary shares from Other plans that were outstanding at 31 March 2026 was **937,854** (2025: 1,119,835). If all the options were exercisable at that date then **502,543** new ordinary shares (2025: 539,248) would be issued and **435,311** shares would be required to be transferred from the EBT (2025: 580,587).

Shareholders at the Annual General Meeting have previously authorised the acquisition of shares by the Company representing up to 10% of its share capital, to be held as treasury shares. There were no treasury shares transferred to the EBT during the year ended 31 March 2026 (2025: none) to satisfy future awards under employee share plans. At 31 March 2026, the Group held **6,789,236** ordinary shares (2025: 6,789,236) with a market value of **£38m** (2025: £37m) in treasury. The Company's voting rights and dividends in respect of the treasury shares, including those own shares which the EBT holds, continue to be waived.

37 OWN SHARES

A ACCOUNTING POLICY

Shares acquired by the EBT are presented on the Group and Company balance sheets within 'Other reserves'. Purchases of treasury shares are deducted from retained earnings.

	Group and Company	
	2026 £m	2025 £m
At the beginning of the year	14	23
Acquisition of ordinary shares	27	–
Transfer of shares to employees on exercise of share options	(15)	(9)
At 31 March	26	14

Own shares consist of shares in Land Securities Group PLC held by the EBT in respect of the Group's commitment to a number of its employee share option schemes (note 35).

The number of shares held by the EBT at 31 March 2026 was **4,340,245** (2025: 2,061,915). The market value of these shares at 31 March 2026 was **£24m** (2025: £11m).



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38 CONTINGENCIES

The Group has contingent liabilities in respect of legal claims, contractor claims, remediation for building defects, developer contractual arrangements, guarantees and warranties arising in the ordinary course of business. A provision for such matters is only recognised to the extent that the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation.

39 RELATED PARTY TRANSACTIONS

SUBSIDIARIES

During the year, the Company entered into transactions, in the normal course of business, with related parties as follows:

	2026 £m	2025 £m
Transactions with subsidiary undertakings¹:		
Recharge of costs	(317)	(306)
Dividends received	500	900
Interest paid	(79)	(108)

1. All significant cash payments for the Parent Company, including dividend payments, are made by the Group's treasury function in accordance with the Group's financial risk management policy.

JOINT ARRANGEMENTS

As disclosed in note 15, the Group has investments in a number of joint arrangements. Details of transactions and balances between the Group and its joint arrangements are as follows:

	Year ended and as at 31 March 2026				Year ended and as at 31 March 2025			
	Income/ (expense) £m	Net investments into joint ventures £m	Amounts owed by joint ventures £m	Amounts owed to joint ventures £m	Income/ (expense) £m	Net investments into joint ventures £m	Amounts owed by joint ventures £m	Amounts owed to joint ventures £m
Nova, Victoria	9	–	27	–	10	1	45	–
Southside Limited Partnership	4	–	73	–	4	(1)	74	–
Westgate Oxford Alliance Limited Partnership	2	(11)	7	–	1	(13)	4	–
Other	–	2	3	(3)	1	4	5	(14)
	15	(9)	110	(3)	16	(9)	128	(14)

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The remuneration of the Directors, who are the key management personnel of the Group and Company, is set out below in aggregate for each of the applicable categories specified in IAS 24 'Related Party Disclosures'. Further information about the remuneration of individual Directors is provided in the audited part of the Directors' Remuneration Report on pages 68-79.

	2026 £m	2025 £m
Short-term employee benefits ¹	5	5
Share-based payments	3	3
	8	8

1. Short-term employee benefits include pension allowances.



40 OPERATING LEASE ARRANGEMENTS

A ACCOUNTING POLICY

The Group earns rental income by leasing its properties to tenants under non-cancellable operating leases. Leases in which substantially all risks and rewards incidental to ownership of investment properties are retained by the Group as the lessor are classified as operating leases. Payments, including prepayments, received under operating leases (net of any incentives paid) are charged to the income statement on a straight-line basis over the period of the lease.

At the balance sheet date, the Group had contracted with tenants to receive the following undiscounted future minimum lease payments:

	2026 £m	2025 £m
Not later than one year	417	484
Later than one year, but not more than two years	369	449
Later than two years, but not more than three years	325	414
Later than three years, but not more than four years	285	364
Later than four years, but not more than five years	237	304
More than five years	1,307	1,763
	2,940	3,778

The total of contingent rents, primarily turnover based rents, recognised as income during the year was **£43m** (2025: £25m).

41 EVENTS AFTER THE REPORTING PERIOD

On 14 April 2026, the Group restructured its £300m syndicated term loan facility on substantially the same terms and extended the final maturity to November 2028.

On 1 May 2026, the Group cancelled its undrawn £100m revolving bilateral debt facility that was due to mature in November 2026.

No other significant events occurred after the reporting period but before the financial statements were authorised for issue.



ADDITIONAL INFORMATION

BUSINESS ANALYSIS – EPRA DISCLOSURES

EPRA NET ASSET MEASURES				TABLE 54
				31 March 2026
	EPRA NRV £m	EPRA NTA £m	EPRA NDV £m	
Net assets attributable to shareholders	6,537	6,537	6,537	
Shortfall of fair value over net investment in finance lease book value	(6)	(6)	(6)	
Other intangible asset	–	(1)	–	
Fair value of interest-rate swaps	(4)	(4)	–	
Shortfall of fair value of debt over book value (note 21)	–	–	359	
Excess of fair value of trading properties over book value	48	48	48	
Purchasers' costs ¹	640	–	–	
Net assets used in per share calculation	7,215	6,574	6,938	

	EPRA NRV	EPRA NTA	EPRA NDV
Diluted net assets per share	968p	882p	931p

EPRA NET ASSET MEASURES				TABLE 55
				31 March 2025
	EPRA NRV £m	EPRA NTA £m	EPRA NDV £m	
Net assets attributable to shareholders	6,514	6,514	6,514	
Shortfall of fair value over net investment in finance lease book value	(8)	(8)	(8)	
Other intangible asset	–	(2)	–	
Fair value of interest-rate swaps	(1)	(1)	–	
Shortfall of fair value of debt over book value (note 21)	–	–	334	
Excess of fair value of trading properties over book value	27	27	27	
Purchasers' costs ¹	668	–	–	
Net assets used in per share calculation	7,200	6,530	6,867	

	EPRA NRV	EPRA NTA	EPRA NDV
Diluted net assets per share	964p	874p	919p

1. EPRA NTA and EPRA NDV reflect IFRS values which are net of purchasers' costs. Purchasers' costs are added back when calculating EPRA NRV.



EPRA PERFORMANCE MEASURES			TABLE 56
			31 March 2026
Measure	Definition for EPRA measure	Notes	EPRA measure
EPRA earnings	Recurring earnings from core operational activity	5	£382m
EPRA earnings per share	EPRA earnings per weighted number of ordinary shares	5	51.4p
EPRA diluted earnings per share	EPRA diluted earnings per weighted number of ordinary shares	5	51.1p
EPRA Net Tangible Assets (NTA)	Net assets adjusted to exclude the fair value of interest-rate swaps, intangible assets and excess of fair value over net investment in finance lease book value	5	£6,574m
EPRA Net Tangible Assets per share	Diluted Net Tangible Assets per share	5	882p
EPRA net disposal value (NDV)	Net assets adjusted to exclude the fair value of debt and goodwill on deferred tax and to include excess of fair value over net investment in finance lease book value	5	£6,938m
EPRA net disposal value per share	Diluted net disposal value per share	5	931p
EPRA loan-to-value (LTV) ¹	Ratio of adjusted net debt, including net payables, to the sum of the net assets, including net receivables, of the Group, its subsidiaries and joint ventures, all on a proportionate basis, expressed as a percentage	20	40.4%

		Table	EPRA measure
Voids/vacancy rate	ERV of vacant space as a % of ERV of Combined Portfolio excluding the development programme ²	57	2.0%
Net initial yield (NIY)	Annualised rental income less non-recoverable costs as a % of market value plus assumed purchasers' costs ³	59	5.4%
Topped-up NIY	NIY adjusted for rent-free periods ³	59	6.1%
Cost ratio	Total costs as a percentage of gross rental income (including direct vacancy costs) ⁴	60	20.8%
	Total costs as a percentage of gross rental income (excluding direct vacancy costs) ⁴	60	16.0%

1. EPRA LTV differs from the Group LTV presented in note 20 as it includes net payables and receivables and includes trading properties at fair value and debt instruments at nominal value rather than book value.
2. This measure reflects voids in the Combined Portfolio excluding only properties under development.
3. This measure relates to the Combined Portfolio, excluding properties currently under development, and are calculated by our external valuer. Topped-up NIY reflects adjustments of £60m.
4. This measure is calculated based on gross rental income after rents payable and excluding costs recovered through rents but not separately invoiced of £13m. Further information on the Group's accounting policies pertaining to capitalised costs can be found in section 3 of the financial statements.

EPRA VACANCY RATE

The EPRA vacancy rate is based on the ratio of the estimated market rent for vacant properties versus total estimated market rent, for the Combined Portfolio excluding properties under development. There are no significant distorting factors influencing the EPRA vacancy rate.

		TABLE 57
		31 March 2026 £m
ERV of vacant properties		14
ERV of Combined Portfolio excluding properties under development		700
EPRA vacancy rate (%)		2.0



ADDITIONAL INFORMATION

BUSINESS ANALYSIS – EPRA DISCLOSURES CONTINUED

CHANGE IN NET RENTAL INCOME FROM THE LIKE-FOR-LIKE PORTFOLIO ¹				TABLE 58
	2026 £m	2025 ² £m	£m	Change %
Office-led	262	247	15	6%
Retail-led	171	162	9	6%
Residential-led	8	8	–	–
Other assets	42	45	(3)	(4%)
	483	462	21	5%

1. Excludes movement in bad/doubtful debts and surrender premiums received during the year.

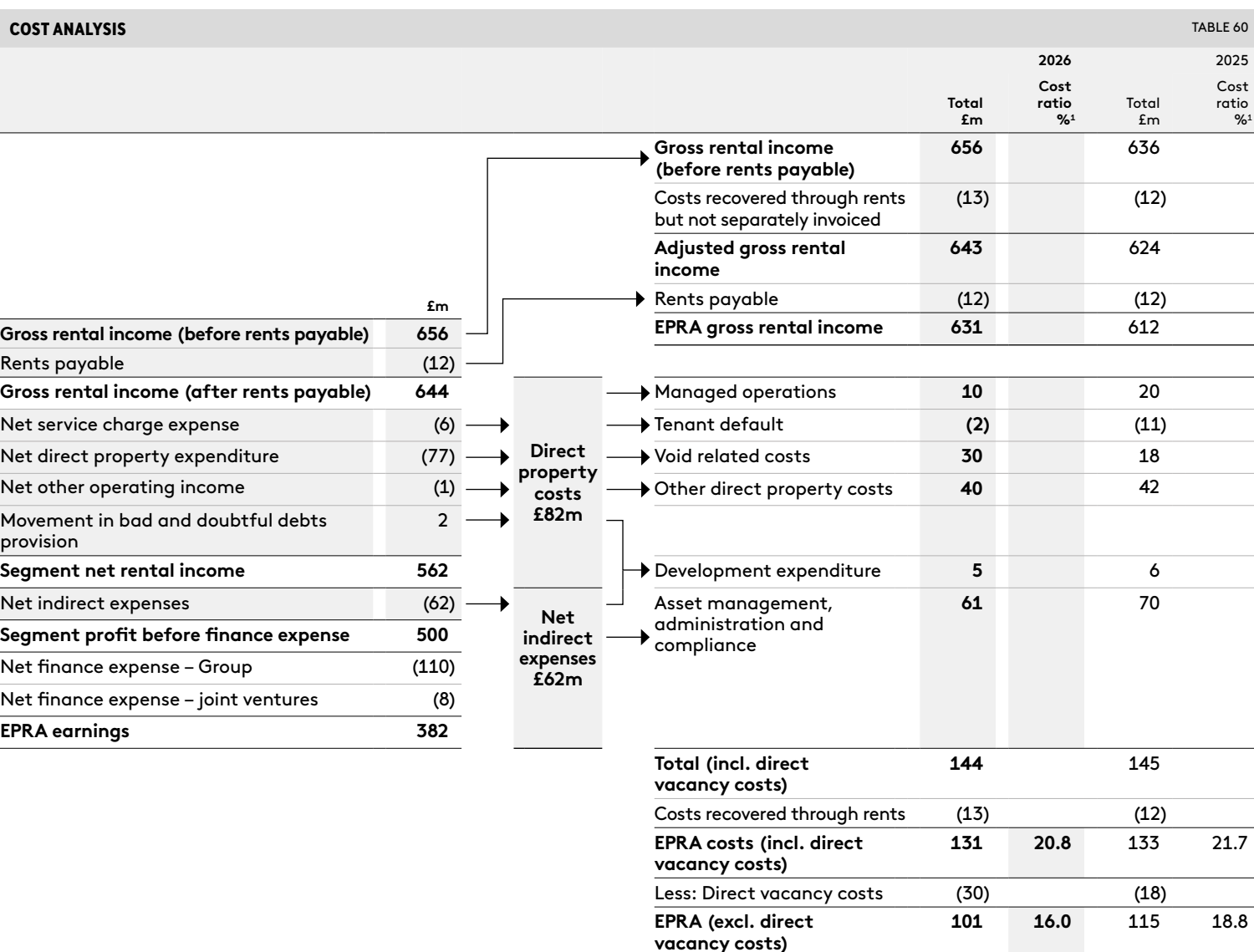
2. Restated for changes in the Group's operating segments as outlined in note 4.

EPRA NET INITIAL YIELD (NIY) AND TOPPED-UP NIY		TABLE 59
		31 March 2026 £m
Combined Portfolio ¹		10,836
Trading properties		122
Less: Properties under development, trading properties under development and land		(1,309)
Like-for-like investment property portfolio, proposed and completed developments, and completed trading properties		9,649
Plus: Allowance for estimated purchasers' costs		573
Grossed-up completed property portfolio valuation (a)		10,222
EPRA annualised cash passing rental income ²		635
Net service charge expense ³		(6)
Void costs and other deductions		(73)
EPRA Annualised net rent² (b)		556
Plus: Rent-free periods and other lease incentives (annualised)		60
Topped-up annualised net rents (c)		616
EPRA NIY (b/a)		5.4%
EPRA Topped-up NIY (c/a)		6.1%

1. Includes owner-occupied property and non-current assets held for sale.

2. EPRA annualised cash passing rental income and EPRA annualised net rent as calculated by the Group's external valuer.

3. Including costs recovered through rents but not separately invoiced.



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ADDITIONAL INFORMATION

BUSINESS ANALYSIS – EPRA DISCLOSURES CONTINUED

ACQUISITIONS, DISPOSALS AND CAPITAL EXPENDITURE				TABLE 61	
	Group £m	Joint ventures £m	Adjustment for non-wholly owned subsidiaries ¹ £m	Year ended 31 March 2026 Combined Portfolio £m	Year ended 31 March 2025 Combined Portfolio £m
Investment properties					
Net book value at the beginning of the year	10,034	608	(33)	10,609	9,797
Acquisitions	75	–	–	75	724
Capital expenditure	443	2	(1)	444	486
Capitalised interest	41	–	–	41	27
Net movement in head leases capitalised	(2)	–	–	(2)	86
Disposals	(669)	–	–	(669)	(482)
Net surplus on revaluation of investment properties ²	96	27	(1)	122	107
Transfer to non-current assets held for sale	–	–	–	–	(110)
Transfer to property, plant and equipment ³	–	–	–	–	(26)
Net book value at the end of the year	10,018	637	(35)	10,620	10,609
(Loss)/profit on disposal of investment properties	(103)	(1)	–	(104)	(12)
Trading properties					
	£m	£m	£m	£m	£m
Net book value at the beginning of the year	81	–	–	81	100
Transfer to trade and other receivables	–	–	–	–	(11)
Acquisitions	–	–	–	–	10
Capital expenditure	7	–	–	7	11
Capitalised interest	1	–	–	1	1
Disposals	(30)	–	–	(30)	(26)
Movement in impairment	(3)	–	–	(3)	(4)
Net book value at the end of the year	56	–	–	56	81
Loss on disposal of trading properties	(1)	–	–	(1)	(6)
ACQUISITIONS, DEVELOPMENT AND OTHER CAPITAL EXPENDITURE					
		Investment properties ⁴ £m	Trading properties £m	Combined Portfolio £m	Combined Portfolio £m
Acquisitions, development and other capital expenditure					
Acquisitions ⁵		75	–	75	734
Development capital expenditure ⁶		298	–	298	318
Other capital expenditure		145	7	151	179
Capitalised interest		41	1	42	28
Acquisitions, development and other capital expenditure		559	8	566	1,259
Disposals					
				£m	£m
Net book value – investment property disposals				669	482
Net book value – trading property disposals				30	26
Net book value – other net assets				(21)	(1)
Loss on disposal – investment properties				(104)	(15)
Loss on disposal – trading properties				(2)	(6)
Other				–	61
Total disposal proceeds				572	547

1. This represents the interest in Liverpool ONE that is not owed by the Group but is consolidated in the Group financial statements.

2. Whilst the Group's accounting policy is to recognise the profit/(loss) on disposal of investment properties with reference to the asset's carrying amount at the beginning of the accounting period, £22m of the balance pertains to revaluation movements arising from rental income received from 1 April 2025 to the date of disposal on the Queen Anne's Mansions office block.

3. Refer to note 18 for further information.

4. See EPRA analysis of capital expenditure table 62 for further details.

5. Properties acquired in the year includes £14m for the acquisition of an additional 2.78% stake in Liverpool ONE through accretive debt repayment.

6. Development capital expenditure for investment properties comprises expenditure on the development pipeline and completed developments.



EPRA ANALYSIS OF CAPITAL EXPENDITURE

TABLE 62

Year ended 31 March 2026												
	Acquisitions ¹ £m	Development capital expenditure ² £m	Other capital expenditure				Capitalised interest £m	Total capital expenditure – Combined Portfolio £m	Total capital expenditure – joint ventures (Group share) £m	Adjustment for non-wholly owned subsidiaries £m	Total capital expenditure – Group £m	
			Incremental lettable space ³ £m	No incremental lettable space £m	Tenant improvements £m	Total £m						
Office-led												
West End offices	–	5	–	31	1	32	1	38	(1)	–	39	
City and Southwark offices	–	4	–	29	–	29	2	35	–	–	35	
Manchester offices	–	–	–	3	–	3	–	3	–	–	3	
Retail and other	–	–	–	8	2	10	–	10	–	–	10	
Developments	63	245	–	–	–	–	35	343	–	–	343	
Total Office-led	63	254	–	71	3	74	38	429	(1)	–	430	
Retail-led												
Shopping centres	–	3	7	33	12	52	1	56	2	(12)	66	
Outlets	–	–	–	11	1	12	–	12	–	–	12	
Total Retail-led	–	3	7	44	13	64	1	68	2	(12)	78	
Residential-led												
Developments	–	41	–	–	–	–	2	43	1	–	42	
Total Residential-led	–	41	–	–	–	–	2	43	1	–	42	
Other assets												
Retail and leisure parks	28	–	–	2	7	9	–	37	–	–	37	
Other	–	–	–	–	–	–	–	–	–	–	–	
Total Other assets	28	–	–	2	7	9	–	37	–	–	37	
Total capital expenditure	91	298	7	117	23	147	41	577	2	(12)	587	
Timing difference between accrual and cash basis								(42)	3	12	(57)	
Total capital expenditure on a cash basis								535	5	–	530	

1. Investment properties acquired in the year.

2. Expenditure on the future development pipeline and completed developments.

3. Capital expenditure where the lettable area increases by at least 10%.



ADDITIONAL INFORMATION

BUSINESS ANALYSIS – GROUP

TOP 12 OCCUPIERS AT 31 MARCH 2026		TABLE 63
		% of Group rent ¹
Deloitte		2.2%
BBC		2.0%
Taylor Wessing		1.7%
Qube Research & Technologies		1.6%
Inditex UK		1.6%
Verition Advisors UK		1.2%
Boots UK		1.1%
Q Park		1.1%
Cineworld		1.0%
Primark		0.9%
JD Sports Fashion		0.9%
Marks & Spencer		0.9%
		16.2%

1. On a proportionate basis.

PROPERTY INCOME DISTRIBUTION (PID) CALCULATION		TABLE 64
	Year ended 31 March 2026 £m	Year ended 31 March 2025 £m
Profit before tax per income statement	346	393
Accounting profit on residual operations	32	45
Profit attributable to tax-exempt operations	378	438
Adjustments		
Capital allowances	(84)	(56)
Capitalised interest	(42)	(29)
Revaluation surplus	(122)	(117)
Tax exempt disposals	5	(18)
Capital expenditure	5	5
Other tax adjustments	113	6
REIT dividends received	(10)	(11)
Estimated tax-exempt income for the year	243	218
PID thereon (90%)	218	197
REIT dividends received (100%)	10	11
Minimum PID to be paid	228	208

As a REIT, our income and capital gains from qualifying activities are exempt from corporation tax. 90% of this income must be distributed as a Property Income Distribution ('PID') and is taxed at the shareholder level to give a similar tax position to direct property ownership. Non-qualifying activities, such as sales of trading properties, are subject to corporation tax. This year, there was a £2m current tax charge (2025: £3m credit).

The table above provides a reconciliation of the Group's profit/(loss) before tax to its estimated tax exempt income, 90% of which the Company is required to distribute as a PID to comply with REIT regulations. The Company also needs to distribute 100% of REIT dividends received.



The Company has 12 months after the year end to make the minimum distribution. Accordingly, PID dividends paid in the year may relate to the distribution requirements of previous periods. The table below sets out the dividend allocation for the years ended 31 March 2026 and 31 March 2025:

	Year ended 31 March 2026 £m	Year ended 31 March 2025 £m	PID allocation Pre- 31 March 2025 £m	Dividends in excess of minimum PID £m	Total dividend £m
Dividends paid in year to 31 March 2025	–	208	–	89	297
Dividends paid in year to 31 March 2026	228	–	–	35	263
Minimum PID to be paid by 31 March 2027	–	–	n/a	n/a	–
Total PID required	228	208			

The Group has met all the REIT requirements, including the payment by 31 March 2026 of the minimum (PID) for the year ended 31 March 2025. The forecast minimum PID for the year ended 31 March 2026 is £228m, which must be paid by 31 March 2027. The Group has already made PID dividends relating to 31 March 2026 of £228m.

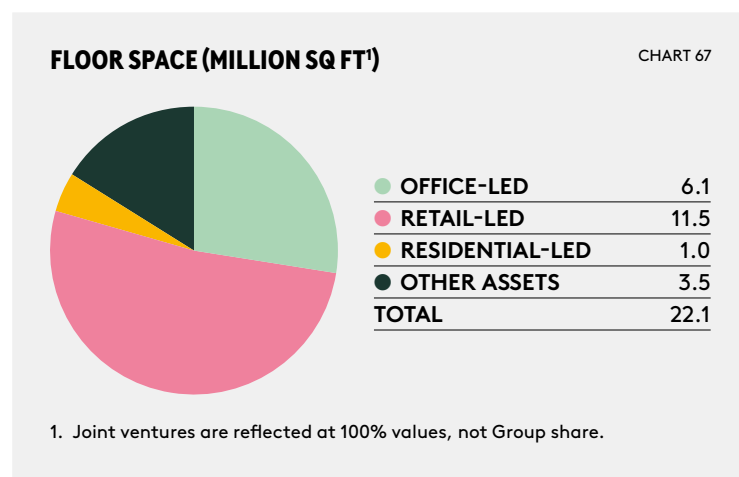
Our latest tax strategy can be found on our corporate website. In the year, the total taxes we incurred and collected were **£161m** (2025: £135m), of which **£46m** (2025: £36m) was directly borne by the Group including environmental taxes, business rates and stamp duty land tax.

REIT BALANCE OF BUSINESS

To retain the Group's REIT status, it must meet conditions from the REIT legislation. At least 75% of the Group's assets and 75% of the Group's income must relate to qualifying activities. The results of these tests at the balance sheet date are below:

	For the year ended 31 March 2026			For the year ended 31 March 2025		
	Tax-exempt business	Residual business	Adjusted results	Tax-exempt business	Residual business	Adjusted results
Profit before tax (£m) ¹	361	(60)	301	317	(54)	263
Balance of business – 75% profits test	100.0%	0.0%		100.0%	0.0%	
Adjusted total assets (£m) ¹	10,796	773	11,569	10,872	761	11,633
Balance of business – 75% assets test	93.3%	6.7%		93.5%	6.5%	

1. Calculated according to REIT rules.



FLOOR AREAS ¹	31 March 2026 Million sq ft
Office-led	
West End offices	2.4
City and Southwark offices	1.5
Manchester offices	0.9
Retail and other	1.0
Developments	0.3
Total Office-led	6.1
Retail-led	
Shopping centres	10.4
Outlets	1.1
Total Retail-led	11.5
Residential-led	
Developments	1.0
Total Residential-led	1.0
Other assets	
Retail and leisure parks	3.5
Total Other assets	3.5
Total	22.1

1. Joint ventures are reflected at 100% values, not Group share.



ADDITIONAL INFORMATION

SUSTAINABILITY PERFORMANCE

GREENHOUSE GAS REPORTING

In line with requirements set out in the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, and in accordance with the Streamlined Energy and Carbon Reporting (SECR), this statement reports our greenhouse gas (GHG) emissions for financial year ending 31 March 2026.

STREAMLINE ENERGY AND CARBON REPORTING (SECR)

Our streamlined energy and carbon reporting figures include energy consumption and carbon emissions associated with all properties under our operational control (i.e. absolute portfolio). Energy consumption is reported as kWh and no normalisation technique is applied. Carbon emissions are reported as tonnes of carbon dioxide equivalent (tCO₂e). We report our full GHG emissions annually in accordance to the World Resources Institute (WRI) GHG Protocol.

GHG emissions are broken down into three scopes: Scopes 1, 2 and 3. Scope 1 emissions are direct emissions from activities controlled by us that release emissions into the atmosphere, while Scope 2 emissions are indirect emissions associated with our consumption of purchased energy.

At Landsec, Scope 1 comprises emissions from natural gas purchased for common areas and shared services and refrigerant gas losses based on top-ups recorded on our compliance reporting system – Riskwise. Scope 2 emissions are from electricity, heating and cooling purchased for common areas and shared services. All material sources of Scope 1 and 2 emissions are reported. As the remaining sources (i.e. diesel used in generator testing) represent such a small proportion of total emissions, we do not report them.

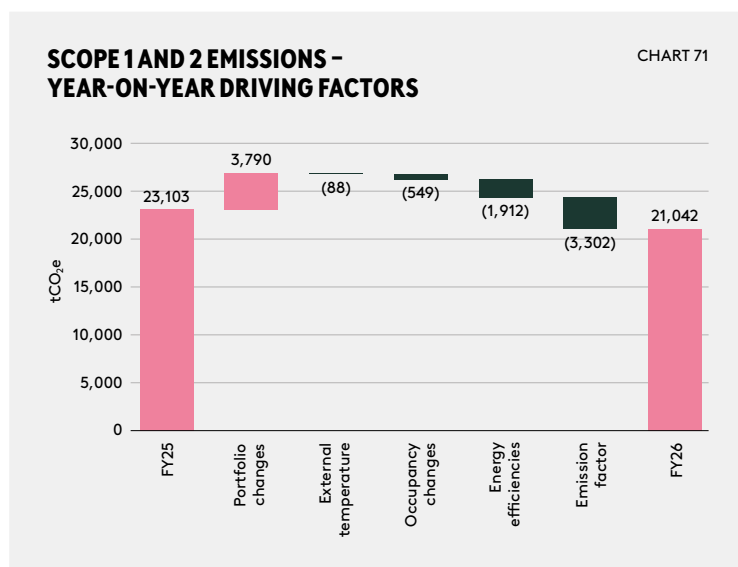
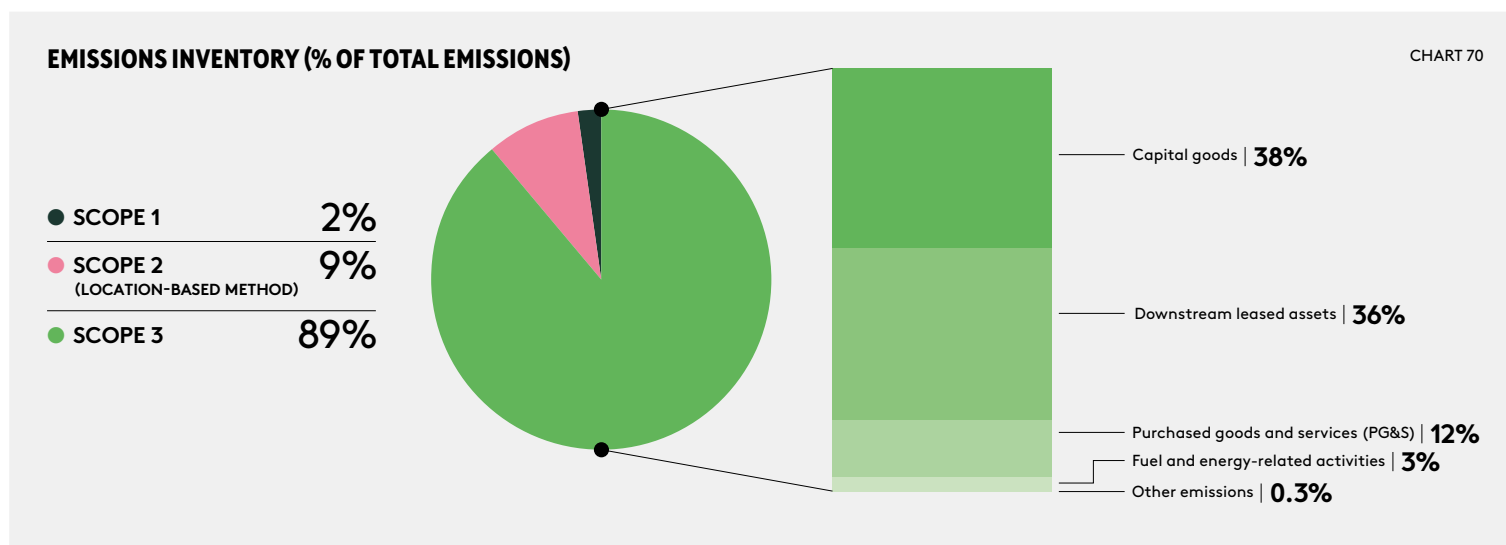
Scope 2 emissions are reported using both the 'location-based' and 'market-based' accounting methods. Location-based emissions are reported using the UK Government's 'Greenhouse gas reporting: conversion factors 2025'. Scope 2 market-based emissions are reported using the conversion factor associated with each individual electricity, heating and cooling supply, either obtained directly from the supplier or from their official company website.

Scope 3 emissions are those that are a consequence of our business activities, but which occur at sources we do not own or control and which are not classified as Scope 2 emissions. The GHG Protocol identifies 15 categories of which eight are currently deemed relevant for Landsec, with additional relevant categories to be incorporated in future reporting as our emissions inventory and methodologies continue to evolve.

Our emissions inventory can be seen in chart 70. Our energy and carbon reporting methodology is detailed in our Sustainability Additional Disclosures 2026 at landsec.com/en/sustainability/key-information/reports-benchmarking.

GHG EMISSIONS				TABLE 69
Emissions	Unit	FY26	FY25	FY24
Scope 1	tCO ₂ e	3,273	5,165	5,809
Scope 2 (location-based method)	tCO ₂ e	17,769	17,938	17,667
Scope 2 (market-based method)	tCO ₂ e	3,441	4,133	2,761
Total Scope 1 and 2 (location-based method)	tCO ₂ e	21,042	23,103	23,475
Total Scope 1 and 2 (market-based method)	tCO ₂ e	6,714	9,298	8,569
Scope 3 category				
Category 1 purchased goods and services (PG&S)	tCO ₂ e	24,295	35,016	35,354
Category 2 capital goods	tCO ₂ e	75,915	62,279	73,355
Category 3 fuel- and energy-related activities	tCO ₂ e	6,775	6,406	6,575
Category 4 upstream transportation and distribution	tCO ₂ e	Under PG&S	Under PG&S	Under PG&S
Category 5 waste generated in operations	tCO ₂ e	132	160	605
Category 6 business travel	tCO ₂ e	304	249	274
Category 7 employee commuting	tCO ₂ e	137	161	131
Category 13 downstream leased assets	tCO ₂ e	72,377	73,273	88,415
Total Scope 3 emissions	tCO ₂ e	179,936	177,544	204,710
Total Scope 1, 2, 3 emissions (location-based method)	tCO ₂ e	200,978	200,647	228,185
Intensity	Unit	FY26	FY25	FY24
Total Scope 1 and 2 (location-based method)	kgCO ₂ e/m ²	11.47	13.45	13.01
Total Scope 1 and 2 (market-based method)	kgCO ₂ e/m ²	3.66	5.41	4.75

The following Scope 3 emissions category are excluded from the above table: 8. upstream leased assets; 9. downstream transportation and distribution; 10. processing of sold products; 11. use of sold products; 12. end-of-life treatment of sold products; 14. franchises; and 15. investments.



Scope 1 and 2 emissions, calculated using location-based emission factors, have decreased by 9% compared with the previous reporting year. The reduction was primarily driven by grid decarbonisation, reflected in a 14.5% decrease in location-based electricity emission factors compared with the prior year, alongside continued energy efficiency initiatives across our assets. These reductions were partially offset by an increase in emissions associated with portfolio acquisitions and the transition to full operational control of an asset acquired in the prior year. The detailed breakdown of main factors driving the change in our Scope 1 and Scope 2 emissions can be seen in the waterfall chart 71.

In terms of market-based emissions, the 28% year-on-year reduction primarily reflects the transition of assets acquired in the prior year to our corporate contract supply from REGO-backed renewable electricity.

The two largest Scope 3 categories are capital goods and downstream leased assets, making up nearly 74% of our total emissions, as shown in table 69.

Capital goods include the emissions associated with the manufacture and transport of materials used within our development activities and portfolio projects. Downstream leased assets are those emissions associated with energy consumed by our customers within our assets.

Emissions from capital goods have increased by 22% compared with the previous reporting year, primarily due to an increase in refurbishment and tenant fit-out projects across our portfolio. In contrast, emissions from purchased goods and services decreased by 31% year on year, driven by strengthened engagement with our strategic suppliers and an enhanced approach to collecting carbon and energy data from suppliers.

We continue making considerable progress in reducing upfront embodied carbon across our developments, as discussed on pages 31-32. Upfront embodied carbon performance across our development pipeline is disclosed in our Sustainability Data Tables 2026.

For downstream leased assets, we continue engaging with our tenants across our FRI assets and retail brand partners to increase the proportion of primary tenant energy consumption data, which now represents 71% of our total downstream leased assets data. This represents a 5 percentage point decrease as compared with prior year, reflecting an increased number of tenants following portfolio acquisition. Looking ahead, we have established a partnership with a third-party solution provider to access aggregated tenant energy consumption data from the national energy database for a number of our shopping centres. This enhanced data will be included into our reporting figures from the next reporting year, and we anticipate this will increase the proportion of primary tenant energy consumption data reported. Despite an increase in the number of tenants following portfolio acquisitions, emissions from downstream leased assets remained broadly stable during the reporting period.



ADDITIONAL INFORMATION

SUSTAINABILITY PERFORMANCE CONTINUED

ENERGY CONSUMPTION			TABLE 72		
	Unit		FY26	FY25	FY24
Electricity consumption	kWh	for landlord shared services	88,116,417	80,345,185	81,052,747
		(sub)metered to tenants	51,108,584	45,160,499	50,356,156
		Total electricity consumption	139,225,001	125,505,684	131,408,903
District heating and cooling consumption	kWh	for landlord shared services	13,385,240	7,216,433	5,022,349
		(sub)metered to tenants	3,240,286	3,600,824	3,991,868
		Total heating and cooling consumption	16,625,526	10,817,257	9,014,216
Fuel (natural gas) consumption	kWh	for landlord shared services	13,217,469	25,406,940	28,558,903
		(sub)metered to tenants	15,739,193	15,925,043	16,912,876
		Total fuel (natural gas) consumption	28,956,663	41,331,982	45,471,779
Total energy consumption	kWh	for landlord shared services	114,719,127	112,968,557	114,633,999
		(sub)metered to tenants	70,088,063	64,686,366	71,260,900
		Total energy consumption	184,807,189	177,654,923	185,894,898
Energy intensity	m ²	floor area	1,834,450	1,717,547	1,804,436
	kWh/m ²	Total building energy intensity	101	103	103

The table above presents the absolute energy consumption procured by Landsec, broken down by landlord and tenant usage. During the year, total energy consumption increased by 4% year on year, primarily due to a 7% increase in absolute floor area following portfolio acquisition, leading to a 3% reduction in energy intensity. The reduction was primarily driven by improvements across our Workplace portfolio, reflecting the continuous optimisation of existing building systems and the ASHP retrofits across a number of London offices as part of our NZTIP. In addition, energy performance improvements at our retail assets, including the installation of new solar PV system, also contributed to the reduction. For details on the progress of our NZTIP and energy performance, see pages 30-31.

ASSURANCE

Landsec's auditor, EY, has once again conducted sustainability assurance as part of our ongoing commitment to embedding sustainability across the business and enhancing the integrity, quality and usefulness of the information we disclose. EY performed a limited assurance engagement on selected performance data and qualitative statements in the 'Our People and Culture', 'Our approach to sustainability', and 'TCFD' sections of the Strategic Report pages 26-39; the sustainability content in the 'Additional Information' section of the Landsec Annual Report 2026 pages 156-158; the Sustainability Additional Disclosures 2026 and the Sustainability Data Tables 2026 available on our website. The full assurance statement is available at landsec.com/en/sustainability/key-information/reports-benchmarking.



ALTERNATIVE PERFORMANCE MEASURES

The Group has applied the European Securities and Markets Authority (ESMA) 'Guidelines on Alternative Performance Measures' in these results. In the context of these results, an alternative performance measure (APM) is a financial measure of historical or future financial performance, position or cash flows of the Group which is not a measure defined or specified in IFRS.

The table below summarises the APMs included in these results and where the reconciliations of these measures can be found. The definitions of APMs are included in the Glossary.

TABLE 73		
Alternative performance measure	Nearest IFRS measure	Reconciliation
EPRA earnings	Profit/loss before tax	Note 4
EPRA earnings per share	Basic earnings/loss per share	Note 5
EPRA diluted earnings per share	Diluted earnings/loss per share	Note 5
EPRA Net Tangible Assets	Net assets attributable to shareholders	Note 5
EPRA Net Tangible Assets per share	Net assets attributable to shareholders	Note 5
Total accounting return	n/a	Note 5
Adjusted net cash inflow from operating activities	Net cash inflow from operating activities	Note 12
Combined Portfolio	Investment properties	Note 13
Adjusted net debt	Borrowings	Note 20
Group LTV	n/a	Note 20
EPRA LTV	n/a	Note 20



ADDITIONAL INFORMATION

COMBINED PORTFOLIO ANALYSIS

TOTAL PORTFOLIO ANALYSIS										
	Market value ¹		Valuation movement ¹		Rental income ¹		Annualised rental income ²		Net estimated rental value ³	
	31 March 2026 £m	31 March 2025 ⁴ £m	Surplus/ (deficit) £m	Surplus/ (deficit) %	31 March 2026 £m	31 March 2025 ⁴ £m	31 March 2026 £m	31 March 2025 ⁴ £m	31 March 2026 £m	31 March 2025 ⁴ £m
Office-led										
West End offices	2,930	3,124	29	1.1	152	162	136	164	192	202
City and Southwark offices	1,481	1,445	27	1.9	89	80	90	85	113	111
Manchester offices	303	258	6	2.0	25	24	28	22	30	28
Retail and other ⁹	1,032	1,139	(12)	(1.2)	60	59	57	60	58	60
Developments ⁵	1,273	1,108	(57)	(4.3)	1	2	–	–	91	85
Total Office-led	7,019	7,074	(7)	(0.1)	327	327	311	331	484	486
Retail-led										
Shopping centres	2,293	2,132	103	4.8	211	171	206	200	214	205
Outlets	662	627	23	3.7	53	51	49	48	54	52
Total Retail-led	2,955	2,759	126	4.6	264	222	255	248	268	257
Residential-led										
Developments ⁵	318	275	0.3	0.1	12	12	11	11	27	14
Total Residential-led	318	275	0.3	0.1	12	12	11	11	27	14
Other assets										
Retail and leisure parks	544	772	5	1.0	53	73	47	67	49	66
Other	–	–	–	–	–	2	–	–	–	–
Total Other assets	544	772	5	1.0	53	75	47	67	49	66
Combined Portfolio	10,836	10,880	124	1.2	656	636	624	657	828	823
Properties treated as finance leases	–	–	–	–	(1)	(1)				
Combined Portfolio	10,836	10,880	124	1.2	655	635				
Represented by:										
Investment portfolio	10,175	10,244	98	1.0	569	585	539	575	736	735
Share of joint ventures	661	636	26	4.3	86	50	85	82	92	88
Combined Portfolio	10,836	10,880	124	1.2	655	635	624	657	828	823



TOTAL PORTFOLIO ANALYSIS CONTINUED			TABLE 74	
	Net initial yield ⁶		Equivalent yield ⁷	
	31 March 2026 %	Movement in like- for-like ⁸ bps	31 March 2026 %	Movement in like- for-like ⁸ bps
Office-led				
West End offices	3.9	15	5.6	15
City and Southwark offices	5.0	76	6.2	6
Manchester offices	6.9	37	8.2	21
Retail and other ⁹	4.7	31	4.8	(14)
Developments ⁵	0.0	n/a	5.7	n/a
Total Office-led	4.5	40	5.9	14
Retail-led				
Shopping centres	7.1	(8)	7.7	(7)
Outlets	6.1	(20)	6.7	(19)
Total Retail-led	6.6	(7)	7.1	(10)
Residential-led				
Developments ⁵	4.1	n/a	6.5	n/a
Total Residential-led	4.1	n/a	6.5	n/a
Other assets				
Retail and leisure parks	7.1	(44)	8.2	7
Total Other assets	7.1	(44)	8.2	7
Combined Portfolio	5.4	15	6.3	3
Represented by:				
Investment portfolio	5.3	n/a	6.5	n/a
Share of joint ventures	5.9	n/a	6.2	n/a
Combined Portfolio	5.4	n/a	6.3	n/a

Notes

1. Refer to Glossary for definition.
2. Annualised rental income is annual 'rental income' (as defined in the Glossary) at the balance sheet date, except that car park and commercialisation income are included on a net basis (after deduction for operational outgoings). Annualised rental income includes temporary lettings.
3. Net estimated rental value is gross estimated rental value, as defined in the Glossary, after deducting expected rent payable.
4. Restated for changes in the Group's operating segments as outlined in note 4.
5. Comprises the development pipeline – refer to Glossary for definition.
6. Net initial yield – refer to Glossary for definition. This calculation includes all properties including those sites with no income.
7. Equivalent yield – refer to Glossary for definition. Future developments are excluded from the calculation of equivalent yield on the Combined Portfolio.
8. The like-for-like portfolio – refer to Glossary for definition.
9. Includes owner-occupied property.



ADDITIONAL INFORMATION

TEN-YEAR SUMMARY

INCOME STATEMENT								TABLE 75		
	Year ended and as at 31 March									
	2026 £m	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m	2019 £m	2018 £m	2017 £m
Revenue	892	842	824	791	679	635	741	757	830	781
Costs	(472)	(429)	(409)	(382)	(308)	(333)	(274)	(271)	(321)	(260)
	420	413	415	409	371	302	467	486	509	521
Share of post-tax profit/(loss) from joint ventures	52	37	2	(1)	33	(192)	(151)	(85)	27	69
(Loss)/profit on disposal of investment properties	(103)	(15)	(16)	(144)	107	8	(6)	–	1	19
Profit/(loss) on disposal of investments in joint ventures	–	–	–	–	2	–	–	–	66	(2)
Profit on disposal of other investments	–	–	–	–	–	–	–	–	–	13
Net surplus/(deficit) on revaluation of investment properties	96	91	(628)	(827)	416	(1,448)	(1,000)	(441)	(98)	(186)
(Loss)/gain on changes in finance leases	–	–	–	(6)	6	–	–	–	–	–
Operating profit/(loss)	465	526	(227)	(569)	935	(1,330)	(690)	(40)	505	434
Net finance expense	(119)	(133)	(114)	(53)	(60)	(63)	(147)	(83)	(548)	(268)
Profit/(loss) before tax	346	393	(341)	(622)	875	(1,393)	(837)	(123)	(43)	166
Taxation	(2)	3	–	–	–	–	5	4	(1)	1
Profit/(loss) for the year	344	396	(341)	(622)	875	(1,393)	(832)	(119)	(44)	167
Net surplus/(deficit) on revaluation of investment properties ¹ :										
Investment portfolio	96	91	(628)	(827)	416	(1,448)	(998)	(440)	(98)	(187)
Share of joint ventures	27	13	(19)	(30)	(3)	(198)	(181)	(117)	7	40
Adjustment for non-wholly owned subsidiaries ²	(1)	3	22	9	(4)	–	–	–	–	–
Total	122	107	(625)	(848)	409	(1,646)	(1,179)	(557)	(91)	(147)
EPRA earnings	382	374	371	393	355	251	414	442	406	382
Results per share										
Total dividend payable in respect of the financial year	41.2p	40.4p	39.6p	38.6p	37.0p	27.0p	23.2p	45.55p	44.2p	38.55p
Basic earnings/(loss) per share	46.2p	53.3p	(43.0)p	(83.6)p	117.4p	(188.2)p	(112.4)p	(16.1)p	(5.8)p	21.1p
Diluted earnings/(loss) per share	45.9p	53.0p	(43.0)p	(83.6)p	117.1p	(188.2)p	(112.4)p	(16.1)p	(5.8)p	21.1p
EPRA earnings per share	51.4p	50.3p	50.1p	53.1p	48.0p	33.9p	55.9p	59.7p	53.1p	48.4p
EPRA diluted earnings per share	51.1p	50.1p	50.1p	53.1p	47.8p	33.9p	55.9p	59.7p	53.1p	48.3p
Net assets per share	882p	877p	863p	945p	1,070p	975p	1,182p	1,341p	1,404p	1,418p
Diluted net assets per share	877p	872p	859p	942p	1,067p	973p	1,181p	1,339p	1,404p	1,416p
EPRA Net Tangible Assets per share	882p	874p	859p	936p	1,063p	985p	1,192p	1,348p	1,410p	1,422p

1. Includes the Group's non-wholly owned subsidiaries on a proportionate basis.

2. This represents the non-controlling interest share in Liverpool ONE and MediaCity during periods when they were not wholly owned but were consolidated in the Group financial statements.



BALANCE SHEET										TABLE 76
	As at 31 March									
	2026 £m	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m	2019 £m	2018 £m	2017 £m
Investment properties	10,018	10,034	9,330	9,658	11,207	9,607	11,297	12,094	12,336	12,144
Property, plant and equipment	42	42	7	–	–	–	–	–	–	–
Intangible assets	3	3	3	6	8	8	14	20	34	36
Net investment in finance leases	20	19	21	21	70	152	156	159	162	165
Investment in joint ventures	593	551	529	533	700	625	824	1,031	1,151	1,734
Investment in associates	–	–	–	3	4	–	–	–	–	–
Trade and other receivables	148	229	159	146	177	170	178	176	165	123
Other non-current assets	45	22	41	67	61	22	32	30	49	51
Total non-current assets	10,869	10,900	10,090	10,434	12,227	10,584	12,501	13,510	13,897	14,253
Trading properties and long-term development contracts	56	81	100	118	145	36	24	23	24	122
Trade and other receivables	491	467	379	365	368	354	433	437	471	418
Monies held in restricted accounts and deposits	11	20	6	4	22	10	9	36	15	21
Cash and cash equivalents	106	39	78	41	128	–	1,345	14	62	30
Other current assets	7	4	11	4	5	6	48	14	–	–
Non-current asset held for sale	–	110	–	–	–	–	–	–	–	–
Total current assets	671	721	574	532	668	406	1,859	524	572	591
Borrowings	(746)	(752)	(975)	(315)	(541)	(906)	(977)	(934)	(872)	(404)
Trade and other payables	(363)	(306)	(348)	(306)	(320)	(252)	(270)	(273)	(294)	(302)
Provisions	(41)	(44)	(30)	–	–	–	–	–	–	–
Other current liabilities	(18)	(6)	–	(24)	(11)	(7)	(2)	(18)	(14)	(7)
Total current liabilities	(1,168)	(1,208)	(1,353)	(645)	(872)	(1,165)	(1,249)	(1,225)	(1,180)	(713)
Borrowings	(3,749)	(3,802)	(2,805)	(3,223)	(4,012)	(2,610)	(4,355)	(2,847)	(2,858)	(2,859)
Trade and other payables	(40)	(44)	(4)	(17)	(8)	(1)	(1)	(1)	–	(25)
Provisions	(23)	(30)	(42)	–	–	–	–	–	–	–
Other non-current liabilities	(22)	(5)	(13)	(9)	(12)	(2)	(5)	(5)	(8)	(9)
Redemption liability	–	–	–	–	–	–	–	(36)	(37)	(36)
Total non-current liabilities	(3,834)	(3,881)	(2,864)	(3,249)	(4,032)	(2,613)	(4,361)	(2,889)	(2,903)	(2,929)
Net assets	6,538	6,532	6,447	7,072	7,991	7,212	8,750	9,920	10,386	11,202
Net debt¹	(4,210)	(4,303)	(3,496)	(3,348)	(4,254)	(3,509)	(3,942)	(3,747)	(3,654)	(3,219)
Market value of the Combined Portfolio	10,836	10,880	9,963	10,239	12,017	10,791	12,781	13,750	14,103	14,439
Adjusted net debt¹	(4,215)	(4,304)	(3,517)	(3,287)	(4,179)	(3,489)	(3,926)	(3,737)	(3,652)	(3,261)

1. Net debt and adjusted net debt exclude amounts payable under head leases for reporting periods from, and including, the year ended 31 March 2022. Net debt and adjusted net debt for prior periods included in the table above have not been restated, but would have excluded amounts payable under head leases of £61m (2021), £30m (2020 and 2019) and £31m (2018 and 2017).



ADDITIONAL INFORMATION

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

As at 31 March 2026, the Company had a 100% interest, direct or indirect, in the ordinary share capital of the following subsidiaries, all of which are registered in the UK at 100 Victoria Street, London, SW1E 5JL, except for entities with a footnote indicating their country of registration and address.

Company name
B.M. COM. Lease Extension LLP ⁹
Barrack Close Limited ⁴
Beyond Green Developments (Broadland) Limited ⁹
Blueco Limited
Bluewater Outer Area Limited
Bluewater Two Limited
Burlington House Developments Limited ²
Cathedral (Brighton) Limited ⁹
Cathedral (Bromley 2) Limited ⁹
Cathedral (Bromley Esco) Limited
Cathedral (Bromley) Limited ⁹
Cathedral (Greenwich Beach) Limited ⁹
Cathedral (Preston Barracks) Limited ⁹
Cathedral (Sittingbourne) Limited ⁹
Dashwood House Limited ⁹
Deadhare Limited
Development Securities (Curzon Park) Limited
Development Securities (Furlong) Limited ⁹
Development Securities (Greenwich) Limited ⁹
Development Securities (HDD) Limited ⁹
Development Securities (Ilford) Limited ⁹
Development Securities (Investment Ventures) Limited ⁹
Development Securities (Investments) Limited ⁹
Development Securities (Launceston) Limited ⁹
Development Securities (No.22) Limited ⁹
Development Securities (Sevenoaks) Limited ³
Development Securities (Slough) Limited ⁹
Dock 10 Limited
DS Renewables LLP ⁹
EPD Buckshaw Village Limited ⁹
Greenhithe Holdings Limited ⁵
Greenwich Limited ⁹
Gunwharf Quays Limited ⁹
HDD Didcot Limited ⁴
HDD Lawley Village Limited
Kensington & Edinburgh Estates (South Woodham Ferrers) Limited ⁴
Kingsland Shopping Centre Limited
L. & P. Estates Limited ⁹
Land Securities (Finance) Limited

Company name
Land Securities Buchanan Street Developments Limited ⁹
Land Securities Capital Markets PLC
Land Securities Development Limited ⁹
Land Securities Ebbsfleet Limited ⁹
Land Securities Insurance Limited ⁸
Land Securities Intermediate Limited
Land Securities Management Limited ⁹
Land Securities Management Services Limited ⁹
Land Securities Partnerships Limited ⁹
Land Securities Pensions Trustee Limited ⁹
Land Securities PLC
Land Securities Portfolio Management Limited
Land Securities Properties Limited
Land Securities Property Holdings Limited ¹
Land Securities SPV'S Limited ⁹
Land Securities Trading Limited ⁹
Land Securities Trinity Limited ⁹
Landsec 1 Limited ⁹
Landsec 2 Limited ⁹
Landsec 7 Limited ⁹
Landsec 8 Limited ⁹
Landsec 9 Limited ⁹
Landsec 10 Limited ⁹
Landsec 11 Limited ⁹
Landsec 12 Limited ⁹
Landsec 13 Limited ⁹
Landsec 14 Limited ⁹
Landsec 15 Limited ⁹
Landsec 16 Limited ⁹
Landsec 17 Limited ⁹
Landsec 18 Limited ⁹
Landsec 19 Limited ⁹
Landsec 20 Limited ⁹
Landsec 21 Limited ⁹
Landsec 22 Limited ⁹
Landsec 23 Limited ⁹
Landsec Investment Services Limited ⁹
Landsec Limited ⁹
Landsec U and I Developer Limited ⁹
Landsec Workplace Developer Limited ⁹
LC25 Limited ⁹



Company name
Leisure II (West India Quay LP) Shareholder Limited ⁹
Leisure II (West India Quay Two) Limited ⁶
Leisure II (West India Quay) Limited ⁶
Leisure Parks I Limited ⁹
Leisure Parks II Limited ⁹
Liverpool Property Investments Limited ⁹
Liverpool One Residential GP Limited
Lovibond Lane Management Company Limited
LS (Jaguar) GP Investments Limited ⁹
LS 1 New Street Square Developer Limited ⁹
LS 1 Sherwood Street Developer Limited ⁹
LS 1 Sherwood Street Limited ⁹
LS 123 Victoria Street Limited ⁹
LS 21 Moorfields Development Management Limited ⁹
LS 60-78 Victoria Street Limited ⁹
LS 62 Buckingham Gate Limited ⁹
LS Aberdeen Limited ⁹
LS Banbridge Phase Two Limited ⁹
LS Bluewater Investments Limited ⁹
LS Braintree Limited ⁹
LS Brighton Marina Limited ⁹
LS Buchanan Limited ⁹
LS Cambridge Limited ⁹
LS Canterbury Limited ⁹
LS Cardiff (GP) Investments 2 Limited ⁹
LS Cardiff (GP) Investments Limited ⁹
LS Cardiff 2 Limited ⁹
LS Cardiff Holdings Limited ⁹
LS Cardiff Limited ⁹
LS Cardinal Limited ⁹
LS Chadwell Heath Limited ⁹
LS Chesterfield Limited ⁹
LS City Gate House Limited ⁹
LS Company 33 Limited ⁹
LS Company 34 Limited ⁹
LS Company 35 Limited ⁹
LS Company 36 Limited ⁹
LS Company 37 Limited ⁹
LS Company 38 Limited ⁹
LS Company 39 Limited ⁹
LS Company Secretaries Limited ⁹

Company name
LS Denman Street Residential Limited
LS Development Holdings Limited ⁹
LS Director Limited ⁹
LS Eastbourne Terrace Limited ⁹
LS Easton Park Development Limited ⁹
LS Easton Park Investments Limited ⁹
LS Entertainment Venues Limited ⁹
LS Ewer Street Limited ⁹
LS Finchley Road Limited ⁹
LS Forge Bankside Limited ⁹
LS Great North Finchley Limited ⁹
LS Gunwharf Limited ⁹
LS Harrogate Limited ⁹
LS Harvest 2 Limited ⁹
LS Harvest Limited ⁹
LS Hill House Developer Limited ⁹
LS Hill House Limited
LS Kings Gate Residential Limited ⁹
LS Kingsmead Limited ⁹
LS Leisure Parks Investments Limited ⁹
LS Lewisham Limited ⁹
LS Liberty of Southwark Limited ⁹
LS Liverpool Limited ⁹
LS London Holdings One Limited
LS London Holdings Three Limited ⁹
LS London REIT Limited
LS Lucent Limited
LS Mayfield Limited
LS Media City Hotel Limited ⁹
LS Moorgate Limited ⁹
LS MYO 123 Victoria Street Limited ⁹
LS MYO Dashwood House Limited ⁹
LS Myo Limited ⁹
LS MYO New Street Square Limited ⁹
LS MYO St Pauls Limited ⁹
LS MYO The Forge Limited ⁹
LS n2 Limited ⁹
LS New Street Square Investments Limited ⁹
LS Nominees Holdings Limited ⁹
LS Nova Development Management Limited ⁹
LS Nova GP Investments Limited ⁹
LS Nova LP1 Limited ⁹
LS Nova LP2 Limited ⁹

Company name
LS Nova Place Limited ⁹
LS Occupier Limited ⁹
LS Old Broad Street Developer Limited
LS Old Broad Street Limited
LS One New Change Limited ⁹
LS Oval Limited ⁹
LS Poole Retail Limited ⁹
LS Portfolio Investments Limited ⁹
LS Portland House Developer Limited ⁹
LS Project 92 Limited ⁹
LS Property Finance Company Limited
LS Red Lion Court Developer Limited ⁹
LS Regent Quarter Limited ⁹
LS Regent Quarter Residential Limited ⁹
LS Retail Warehouses Limited ⁹
LS Shepherds Bush Limited ⁹
LS Silverburn Limited ⁹
LS Southside Limited ⁹
LS Street Limited ⁹
LS Studios Limited
LS Thanet Limited ⁹
LS Timber Square Developer Limited ⁹
LS Timber Square Limited ⁹
LS Tottenham Court Road Limited ⁹
LS Victoria Properties Limited ⁹
LS West India Quay Limited ⁹
LS White Rose Limited ⁹
LS Workplace Managed Services Limited ⁹
LS Xscape Castleford Limited ⁹
LS Xscape Milton Keynes Limited ⁹
LS Zig Zag Limited ⁹
Luneside East Limited ⁹
Mayfield Chapelfield Limited ⁹
Mayfield Medlock Limited ⁹
Mayfield Poulton Limited ⁹
Mayfield Republic Limited ⁹
Media City UK Holdings Limited ⁹
Media City Development Holdings Limited ⁹
Media City Investment Holdings Limited ⁹
Media City Lightbox Limited ⁹
Media City Canalside Limited ⁹
Media City Developments Limited ⁹
Media City Residential 1 Limited ⁹



ADDITIONAL INFORMATION

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES CONTINUED

Company name
Media City Residential 2 Limited ⁹
Media City Salford Limited
Media City Residential Holdings Limited ⁹
Media City UK FM Limited ⁹
Media City Living 1 Limited ⁹
Media City Living 2 Limited ⁹
Media City UK Telecoms Limited ⁹
Njord Wind Developments Limited ⁹
Nova Developer Limited ⁹
OSB (Holdco 1) Limited ⁹
OSB (Holdco 2) Limited ⁹
Oval Works Limited
Oxford Castle Apartments Limited
Prime London Net Zero Office GP Limited
Prime London Net Zero Office LP
Public Private Partnership (H) Limited
Purplexed LLP ⁹
Ravenseft Properties Limited ⁹
Rivella Properties Bicester Limited
St David's (Cardiff Residential) Limited ⁹
St David's (General Partner) Limited ⁹
St. David's (No.1) Limited ⁹
St. David's (No.2) Limited ⁹
St. David's Limited Partnership ⁹
The Bund Limited ⁹
The City of London Real Property Company Limited ⁹
The Deptford Project 2 Limited ⁹
The Deptford Project Limited ⁹
The Imperial Hotel Hull Limited ⁴
The Telegraph Works Limited ⁹
The X-Leisure (General Partner) Limited ⁹
U and I (8AE) Limited ⁹
U and I (Bromley Commercial) Limited ⁹
U and I (Cambridge) Limited ⁹
U and I (Development and Trading) Limited ⁹
U and I (Golf) Limited ⁹
U and I (Innovation Hubs) Limited ⁹
U and I (PB) Commercial Limited ⁹
U and I (Pincents Lane) Limited ⁹
U and I (White Heather) Limited ²
U and I (WIE) Limited ⁹
U and I Company Secretaries Limited ⁹
U and I Director 1 Limited ⁹

Company name
U and I Director 2 Limited ⁹
U and I Exit Limited ⁹
U and I Finance Limited ⁹
U and I Group Limited
U and I Investment Portfolio Limited ⁹
U and I IPA Limited ⁹
U and I IPA SC Limited ⁹
U and I IPB Limited ⁹
U and I IPC Limited ⁹
U and I Netherlands B.V. ⁷
U and I Plus X TC Limited ⁹
U and I PPP Limited ⁹
Willett Developments Limited ⁹
X-Leisure Limited ⁹
X-Leisure Management Limited ⁹
Xscape Castleford Limited ⁶
Xscape Castleford No.2 Limited ⁶
Xscape Milton Keynes (Jersey) No.2 Limited ⁶
Xscape Milton Keynes Limited ⁶

1. Subsidiary directly held by the Company, Land Securities Group PLC.
2. 6th Floor, 2 Grand Canal Square, Dublin 2, Dublin, Ireland.
3. C/O James Cowper Kreston, The White Building, 1-4 Cumberland Place, Southampton, SO15 2NP, England.
4. C/O BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH, England.
5. 44 Esplanade, St Helier, JE4 9WG, Jersey.
6. IFC 5, St Helier, JE1 1ST, Jersey.
7. Basisweg 10, 1043 AP Amsterdam, The Netherlands.
8. PO BOX 33, Dorey Court, Admiral Park, St Peter Port, GY1 4AT, Guernsey.
9. Exempt from the requirement of the Companies Act 2006 ('the Act') relating to the audit of individual accounts by virtue of Section 479A of the Act.



As at 31 March 2026, the Company had an interest (as shown), direct or indirect, in the ordinary share capital of the following subsidiaries, joint ventures and associates. All entities included below are registered in the UK at 100 Victoria Street, London, SW1E 5JL, except for entities with a footnote indicating their country of registration and address. Where the Group share of ordinary share capital is from 75% to 100%, these entities are subsidiaries of the Company. Where the share of ordinary share capital is from 50% to 74%, these entities are joint venture interests based on contractually agreed sharing of control with joint venture partners. All other holdings are associate interests.

Company name	Group share %
Bluewater REIT	75%
BWAT Retail Nominee (1) Limited ¹	86%
BWAT Retail Nominee (2) Limited ¹	86%
Cathedral (Movement, Greenwich) LLP	53%
Circus Street Developments Limited	50%
Curzon Park Limited	50%
Ebbsfleet Investment (GP) Limited	50%
Ebbsfleet Nominee No.1 Limited	50%
Harvest 2 GP Limited	50%
Harvest 2 Limited Partnership	50%
Harvest 2 Selly Oak Limited	50%
Harvest Development Management Limited	50%
Harvest GP Limited	50%
Heart of Slough Management Company Limited	67%
Landmark Court Partnership Limited	51%
Liverpool One GP Limited	97%
Liverpool One Management Company Limited ¹¹	50%
Mayfield Development (General Partner) Limited	50%
Mayfield Development Partnership LP	50%
Minevote Public Limited Company	50%
Northpoint (No.4) Limited	71%
Northpoint CH Limited	71%
Northpoint Developments Limited	71%
Northpoint KC Limited	71%
Nova Business Manager Limited	50%
Nova Estate Management Company Limited	64%
Nova GP Limited	50%
Nova Limited Partnership	50%
Nova Nominee 1 Limited	50%
Nova Nominee 2 Limited	50%
Nova Residential (GP) Limited	50%

Company name	Group share %
Nova Residential Intermediate Limited	50%
Nova Residential Limited Partnership	50%
Opportunities For Sittingbourne Limited	50%
Schofield Centre Limited ⁴	50%
Southside General Partner Limited	50%
Southside Limited Partnership ³	50%
Southside Nominees No.1 Limited	50%
Southside Nominees No.2 Limited	50%
Spirit of Sittingbourne LLP	65%
Tarmac Clayform Limited	50%
Tarmac Guildford Limited ⁴	50%
The Ebbsfleet Limited Partnership	50%
The Liverpool One Limited Partnership	97%
The Liverpool One Residential Limited Partnership	97%
TLD (Landmark Court) Limited	99%
TLD Kidbrooke LLP ⁵	1%
Victoria Circle Developer Limited	50%
West India Quay Limited ¹⁰	50%
West India Quay Management Company Limited	31%
Westgate Oxford Alliance GP Limited	50%
Westgate Oxford Alliance Limited Partnership	50%
Westgate Oxford Alliance Nominee No.1 Limited	50%
Westgate Oxford Alliance Nominee No.2 Limited	50%
White Lion Walk Limited ⁴	50%
YC Shepherds Bush (Market) Limited ⁹	13%
YC Shepherds Bush Limited ⁹	13%

Limited by guarantee	Group share %
Lightbox (MediaCityUK) Management Company Limited	n/a
Mayfield Estate Management Company Limited	n/a
No.1 MediaCity UK Management Company Limited	n/a
Preston Barracks Management Company Limited	n/a
St David's Dewi Sant Merchant's Association Limited	n/a
The Heart (Mediacity) Management Company Limited	n/a
The Old Vinyl Factory Management Company Limited ¹⁰	n/a

Unit Trusts	Group share %
BWAT Retail Property Trust Fund ⁶	86%
Urban Retail III (Liverpool) Unit Trust ⁷	100%
Green Leaf ZB 2018 Unit Trust ⁷	100%
Regent Quarter Unit Trust ⁸	100%
Trematon Property Unit Trust	100%
West India Quay Unit Trust ²	50%
Xscape Castleford Property Unit Trust ²	100%
Xscape Milton Keynes Property Unit Trust ²	100%

- 10 Fenchurch Avenue, London, EC3M 5AG, England.
- IFC 5, St Helier, JE1 1ST, Jersey.
- 26 New Street, St Helier, JE2 3RA, Jersey.
- Ground Floor T3 Trinity Park, Bickenhall Lane, Birmingham, B37 7ES, England.
- Bruce Kenrick House, 2 Killick Street, London, N1 9FL, England.
- c/o Pavilion Trustees Limited, 47 Esplanade, St Helier, JE2 3BX, Jersey.
- IFC 1, St Helier, JE2 3BX, Jersey.
- 50, La Colomberie, St Helier, JE24QB, Jersey.
- 2 Bentinck Street, London, W1U 2FA, England.
- Exempt from the requirement of the Companies Act 2006 ('the Act') relating to the audit of individual accounts by virtue of Section 479A of the Act.
- 33 Margaret Street, London, W1G 0LD, England.



ADDITIONAL INFORMATION

SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING AND ORDINARY SHARES

The Annual General Meeting is due to be held at 10.30am on Thursday 9 July 2026 at 80 Victoria Street, London SW1E 5JL. The Notice of Meeting can be found on our website: landsec.com/en/investors/shareholders-equity-investors/annual-general-meeting

The Company's Annual Report, results announcements and presentations and other shareholder information can be viewed on the website: landsec.com/en/investors/results-reports

DIVIDENDS

Our final dividend for FY26 will be paid on 24 July 2026 to shareholders on the register on 19 June 2026.

As announced last year, the Board approved the move to half-yearly payments with effect from FY26. This move aligns Landsec to peers and our financial reporting timeline in addition to simplifying administration.

All shareholders (including those from overseas) are required to have their dividends paid directly into their personal bank or building society account or alternatively sign up to our Dividend Reinvestment Plan (see below). Shareholders who have not already done so should contact Equiniti or complete a mandate instruction available on our website: landsec.com/en/investors/shareholders-equity-investors/dividend-information and return it to Equiniti or send it directly to Equiniti on Shareview: shareview.co.uk.

Further information on UK REITs and the forms required to be completed to apply for PIDs to be paid gross are available from the Registrar or the Landsec website: landsec.com/en/investors/shareholders-equity-investors/uk-reit-regime-and-dividends

Payments to overseas accounts are enabled via the Equiniti Overseas Payment Service (OPS) provided by Citibank. Please contact Equiniti on +44 (0)371 384 2030 for an OPS application form which can also be downloaded from shareview.co.uk.

The DRIP provides shareholders with the opportunity to use cash dividends to increase their shareholding in Landsec. It is a convenient and cost-effective facility provided by Equiniti Financial Services Limited. Under the DRIP, cash dividends are automatically used to purchase shares in the market as soon as possible after the dividend payment. Any residual cash will be carried forward to the next dividend payment. Details of the DRIP, including terms and conditions and participation election forms, are available on our website: landsec.com/en/investors/shareholders-equity-investors/dividend-reinvestment-plan-drip

SHAREHOLDER DETAIL CHANGES AND SHARE DEALING FACILITY

Our Registrar, Equiniti, can assist with queries regarding administration of shareholdings, such as bank account payment details, dividends, lost share certificates, change of address or personal details, and amalgamation of accounts. Equiniti also provide existing and prospective UK shareholders with an easy to use online, telephone and post share dealing facility. The online and telephone dealing service allows shareholders to trade 'real-time' at a known price that will be given to them at the time they give their instruction. For full details of these services and how to contact Equiniti please see landsec.com/en/investors/shareholders-equity-investors/uk-reit-regime-and-dividends

ELECTRONIC COMMUNICATIONS

We encourage shareholders to consider receiving their communications electronically, enabling them to receive them more quickly and securely, whilst supporting Landsec's sustainability commitment by communicating in a more environmentally friendly and cost-effective manner. Registration for electronic communications is available on shareview.co.uk.

SHAREGIFT

Shareholders with a small number of shares, the value of which would make them uneconomic to sell, may wish to consider donating them to a charity through ShareGift, a registered charity (No. 1052686) which specialises in using such holdings for charitable benefit. A ShareGift donation form can be obtained from Equiniti; for further information see sharegift.org.uk or email: help@sharegift.org.

SHAREHOLDER SECURITY

Landsec is required by law to make its share register available on request to other organisations. This may result in the receipt of unsolicited mail. To limit this, shareholders may register with the Mailing Preference Service. For more information, or to register, visit mpsonline.org.uk. Shareholders are also advised to be vigilant in regard to share fraud which includes telephone calls offering free investment advice or offers to buy and sell shares at discounted or highly inflated prices. Further information can be found on the Financial Conduct Authority's website: fca.org.uk/scams or by calling the FCA Consumer Helpline on 0800 111 6768.

SHARE REGISTER ANALYSIS AS AT 31 MARCH 2026

Type of holder:	Number of shareholders	% of total shareholders	Number of shares	% of total shares
Private shareholders	6,298	83.54	6,561,097	0.87
Nominee and institutional investors ¹	1,241	16.46	745,270,200	99.13
Total	7,539	100	751,831,297	100
Size of holding (number of ordinary shares)				
1-1,000	4,994	66.24	1,699,116	0.23
1,001-5,000	1,446	19.18	2,979,684	0.40
5,001-10,000	235	3.12	1,677,201	0.22
10,001-50,000	336	4.46	8,433,041	1.12
50,001-100,000	123	1.63	8,862,600	1.18
100,001-500,000	210	2.78	49,956,106	6.64
500,001-highest ¹	195	2.59	678,223,549	90.21
Total	7,539	100	751,831,297	100

1. Including 6,789,236 shares held in treasury by the Company.

DATA PROTECTION

A copy of our Shareholder Privacy Notice can be found on our website: landsec.com/en/privacy-policy/shareholders



KEY CONTACTS AND ADVISERS

REGISTERED OFFICE AND PRINCIPAL UK ADDRESS

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London SW1E 5JL
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landsec.com

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Company Secretary
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INVESTOR RELATIONS

Edward Thacker
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For deaf and speech impaired customers, Equiniti welcome calls via
Relay UK. Please see relayuk.bt.com for more information.
shareview.co.uk

AUDITOR

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1 More London Place
London SE1 2AF
Telephone: +44 (0)20 7951 2000
ey.com

EXTERNAL ADVISERS

Principal valuers: CBRE and JLL
Financial advisers: UBS, Robey Warshaw
Solicitors: Slaughter and May
Brokers: UBS, Deutsche Numis, Barclays



ADDITIONAL INFORMATION

GLOSSARY

Adjusted net cash inflow from operating activities

Net cash inflow from operating activities including the Group's share of our joint ventures' net cash inflow from operating activities.

Adjusted net debt

Net debt excluding cumulative fair value movements on interest-rate swaps and amounts payable under head leases. It generally includes the net debt of subsidiaries and joint ventures on a proportionate basis.

Combined Portfolio

The Combined Portfolio comprises the investment properties, owner-occupied property and non-current assets held for sale of the Group's subsidiaries, on a proportionately consolidated basis when not wholly owned, together with our share of investment properties held in our joint ventures.

Developments/development pipeline

Development pipeline consists of future developments, committed developments, projects under construction and developments which have reached practical completion within the last two years but are not yet 95% let.

Development gross yield on total development cost

Gross ERV, before adjustment for lease incentives, divided by total development cost. Gross ERV reflects Landsec's or the valuer's view of expected ERV at completion of the scheme.

EPRA earnings

Profit before tax, excluding profits on the sale of non-current assets and trading properties, profits on development contracts, valuation movements, fair value movements on interest-rate swaps and similar instruments used for hedging purposes, debt restructuring charges, and any other items of an exceptional nature.

EPRA loan-to- value (LTV)

Ratio of adjusted net debt, including net payables, to the sum of the net assets, including net receivables, of the Group, its subsidiaries and joint ventures, all on a proportionate basis, expressed as a percentage. The calculation includes trading properties at fair value and debt at nominal value.

EPRA net disposal value (NDV) per share

Diluted net assets per share adjusted to remove the impact of goodwill arising as a result of deferred tax, and to include the difference between the fair value and the book value of the net investment in tenant finance leases and fixed interest rate debt.

EPRA net initial yield

EPRA net initial yield is defined within EPRA's Best Practice Recommendations as the annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the gross market value of the property. It is consistent with the net initial yield calculated by the Group's external valuer.

EPRA Net Reinstatement Value (NRV) per share

Diluted net assets per share adjusted to remove the cumulative fair value movements on interest-rate swaps and similar instruments, the carrying value of deferred tax on intangible assets and to include the difference between the fair value and the book value of the net investment in tenant finance leases and add back purchasers' costs.

EPRA Net Tangible Assets (NTA) per share

Diluted net assets per share adjusted to remove the cumulative fair value movements on interest-rate swaps and similar instruments, the carrying value of goodwill arising as a result of deferred tax and other intangible assets, deferred tax on intangible assets and to include the difference between the fair value and the book value of the net investment in tenant finance leases.

Equivalent yield

Calculated by the Group's external valuer, equivalent yield is the internal rate of return from an investment property, based on the gross outlays for the purchase of a property (including purchase costs), reflecting reversions to current market rent and such items as voids and non-recoverable expenditure but ignoring future changes in capital value. The calculation assumes rent is received annually in arrears.

ERV – Gross estimated rental value

The estimated market rental value of lettable space as determined biannually by the Group's external valuer. For investment properties in the development programme, which have not yet reached practical completion, the ERV represents management's view of market rents.

Gearing

Total borrowings, including bank overdrafts, less short-term deposits, corporate bonds and cash, at book value, plus cumulative fair value movements on financial derivatives as a percentage of total equity. For adjusted gearing, see note 20.

Gross market value

Market value plus assumed usual purchaser's costs at the reporting date.

Interest Cover Ratio (ICR)

A calculation of a company's ability to meet its interest payments on outstanding debt. It is calculated using EPRA earnings before interest, divided by net interest (excluding the mark-to-market movement on interest-rate swaps, foreign exchange swaps, capitalised interest and interest on the pension scheme assets and liabilities). The calculation excludes joint ventures.

Investment portfolio

The investment portfolio comprises the investment properties of the Group's subsidiaries on a proportionately consolidated basis where not wholly owned.

Lease incentives

Any incentive offered to occupiers to enter into a lease. Typically, the incentive will be an initial rent-free period, or a cash contribution to fit-out or similar costs. For accounting purposes, the value of the incentive is spread over the non-cancellable life of the lease.

Like-for-like portfolio

The like-for-like portfolio includes all properties which have been in the portfolio since 1 April 2023 but excluding those which are acquired or sold since that date. Properties in the development pipeline and completed developments are also excluded.

Loan-to-value (LTV)

Group LTV is the ratio of adjusted net debt, including subsidiaries and joint ventures, to the sum of the market value of investment properties and the book value of trading properties of the Group, its subsidiaries and joint ventures, all on a proportionate basis, expressed as a percentage. For the Security Group, LTV is the ratio of net debt lent to the Security Group divided by the value of secured assets.

Market value

Market value is determined by the Group's external valuer, in accordance with the RICS Valuation Standards, as an opinion of the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing.

Net initial yield

Net initial yield is a calculation by the Group's external valuer of the yield that would be received by a purchaser, based on the Estimated Net Rental Income expressed as a percentage of the acquisition cost, being the market value plus assumed usual purchasers' costs at the reporting date. The calculation is in line with EPRA guidance. Estimated Net Rental Income is determined by the valuer and is based on the passing cash rent less rent payable at the balance sheet date, estimated non-recoverable outgoings and void costs including service charges, insurance costs and void rates.

Net rental income

Net rental income is the net operational income arising from properties, on an accruals basis, including rental income, finance lease interest, rents payable, service charge income and expense, other property related income, direct property expenditure and bad debts. Net rental income is presented on a proportionate basis.

Net zero carbon building

A building for which an overall balance has been achieved between carbon emissions produced and those taken out of the atmosphere, including via offset arrangements. This relates to operational emissions for all buildings while, for a new building, it also includes supply chain emissions associated with its construction.

**Passing rent**

The estimated annual rent receivable as at the reporting date which includes estimates of turnover rent and estimates of rent to be agreed in respect of outstanding rent review or lease renewal negotiations. Passing rent may be more or less than the ERV (see over-rented, reversionary and ERV). Passing rent excludes annual rent receivable from units in administration save to the extent that rents are expected to be received. Void units at the reporting date are deemed to have no passing rent. Although temporary lets of less than 12 months are treated as void, income from temporary lets is included in passing rents.

Property Income Distribution (PID)

A PID is a distribution by a REIT to its shareholders paid out of qualifying profits. A REIT is required to distribute at least 90% of its qualifying profits as a PID to its shareholders.

Rental income

Rental income is as reported in the income statement, on an accruals basis, and adjusted for the spreading of lease incentives over the term certain of the lease in accordance with IFRS 16. It is stated gross, prior to the deduction of ground rents and without deduction for operational outgoings on car park and commercialisation activities.

Reversionary or under-rented

Space where the passing rent is below the ERV.

Reversionary yield

The anticipated yield to which the initial yield will rise (or fall) once the rent reaches the ERV.

Security Group

Security Group is the principal funding vehicle for the Group and properties held in the Security Group are mortgaged for the benefit of lenders. It has the flexibility to raise a variety of different forms of finance.

Topped-up net initial yield

Topped-up net initial yield is a calculation by the Group's external valuer. It is calculated by making an adjustment to net initial yield in respect of the annualised cash rent foregone through unexpired rent-free periods and other lease incentives. The calculation is consistent with EPRA guidance.

Total accounting return (previously Total return on equity)

Dividend paid per share in the year plus the change in EPRA Net Tangible Assets per share, divided by EPRA Net Tangible Assets per share at the beginning of the year.

Total cost ratio

Total cost ratio represents all costs included within EPRA earnings, other than rents payable, financing costs and provisions for bad and doubtful debts, expressed as a percentage of gross rental income before rents payable adjusted for costs recovered through rents but not separately invoiced.

Total development cost (TDC)

Total development cost refers to the book value of the site at the commencement of the project, the estimated capital expenditure required to develop the scheme from the start of the financial year in which the property is added to our development programme, together with capitalised interest, being the Group's borrowing costs associated with direct expenditure on the property under development. Interest is also capitalised on the purchase cost of land or property where it is acquired specifically for redevelopment. The TDC for trading property development schemes excludes any estimated tax on disposal.

Trading properties

Properties held for trading purposes and shown as current assets in the balance sheet.

Vacancy rates

Vacancy rates are expressed as a percentage of ERV and represent all unlet space, including vacant properties where refurbishment work is being carried out and vacancy in respect of pre-development properties, unless the scale of refurbishment is such that the property is not deemed lettable. The screen at Piccadilly Lights, W1 is excluded from the vacancy rate calculation as it will always carry advertising although the number and duration of our agreements with advertisers will vary.

Valuation surplus/deficit

The valuation surplus/deficit represents the increase or decrease in the market value of the Combined Portfolio, adjusted for net investment and the effect of accounting for lease incentives under IFRS 16. The market value of the Combined Portfolio is determined by the Group's external valuer.

Voids

Voids are expressed as a percentage of ERV and represent all unlet space, including voids where refurbishment work is being carried out and voids in respect of pre-development properties. Temporary lettings for a period of one year or less are also treated as voids. The screen at Piccadilly Lights, W1 is excluded from the void calculation as it will always carry advertising although the number and duration of our agreements with advertisers will vary. Commercialisation lettings are also excluded from the void calculation.

Weighted average unexpired lease term

The weighted average of the unexpired term of all leases other than short-term lettings such as car parks and advertising hoardings, temporary lettings of less than one year, residential leases and long ground leases.



ADDITIONAL INFORMATION

CAUTIONARY STATEMENT

This Annual Report and Landsec's website may contain certain 'forward-looking statements' with respect to Land Securities Group PLC (the Company) and the Group's financial condition, results of its operations and business, and certain plans, strategy, objectives, goals and expectations with respect to these items and the economies and markets in which the Group operates. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as 'anticipates', 'aims', 'ambition', 'milestones', 'objectives', 'outlook', 'plan', 'probably', 'project', 'risks', 'schedule', 'seek', 'due', 'could', 'may', 'should', 'expects', 'believes', 'intends', 'plans', 'targets', 'goal' or 'estimates' or, in each case, their negative or other variations or comparable terminology. Forward-looking statements are not guarantees of future performance. By their very nature, forward-looking statements are inherently unpredictable, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Many of these assumptions, risks and uncertainties relate to factors that are beyond the Group's ability to control or estimate precisely. There are a number of such factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, changes in the political conditions, economies and markets in which the Group operates; changes in the legal, regulatory and competition frameworks in which the Group operates; changes in the markets from which the Group raises finance; the impact of legal or other proceedings against or which affect the Group; changes in accounting practices and interpretation of accounting standards under IFRS; changes in interest and exchange rates; and emerging and developing ESG reporting standards.

Any forward-looking statements made in this Annual Report or Landsec's website, or made subsequently, which are attributable to the Company or any other member of the Group, or persons acting on their behalf, are expressly qualified in their entirety by the factors referred to above. Each forward-looking statement speaks only as of the date it is made. Except as required by its legal or statutory obligations, the Company does not intend to update any forward-looking statements.

Nothing contained in this Annual Report or Landsec's website should be construed as a profit forecast or an invitation to deal in the securities of the Company.



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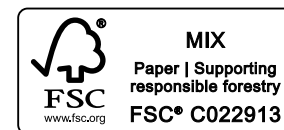
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Pureprint Ltd is FSC certified and ISO 14001 certified showing that it is committed to all round excellence and improving environmental performance is an important part of this strategy.

Pureprint Ltd aims to reduce at source the effect its operations have on the environment and is committed to continual improvement, prevention of pollution and compliance with any legislation or industry standards.

Pureprint Ltd is a Carbon/Neutral® Printing Company.



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SALTERBAXTER
salterbaxter.com



Landsec

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