

Press Release

2 March 2017

Land Securities Group PLC (“Land Securities”)

Land Securities is the first property company in the world to have its ambitious greenhouse gas reduction target approved

Land Securities, the UK’s largest listed commercial real estate company, announces today that its ‘science-based target’ has been approved, meaning the company now has a clear pathway for its commitment to cut emissions by 80% by 2050 compared to 2014 levels.

Land Securities has committed to reduce GHG emissions 40% per square metre by 2030, from a 2014 base-year (scope 1, scope 2 and a portion of scope 3 emissions from downstream leased assets). This will set the company on the path to accomplish an 80% carbon intensity reduction by 2050 from the same base-year. To achieve these emissions reductions, the company has set a specific target of reducing energy intensity by 40% by 2030 in line with the science-based target.

By adhering to the strict criteria of the Science Based Targets (SBT) initiative, Land Securities has ensured the transformational actions it takes to cut emissions are aligned with current climate science.

Land Securities has also become the first property company to sign up to The Climate Group’s EP100 campaign, committing to double its energy productivity within 20 years, from a baseline year of 2014. The company is playing its part in limiting global temperature rise as well as future-proofing its growth during the transition to the low-carbon economy.

Land Securities has already made significant steps in promoting energy efficiency and productivity. An award-winning partnership with facilities management provider NG Bailey has helped to reduce energy usage in the London office portfolio by 13% in 3 years. In addition, the company is increasing its investment in LED lighting and solar PV across the Retail portfolio.

In addition, the company commits to reducing greenhouse gas emissions across the value chain by engaging with key contractors to set ambitious targets and working with customers to ensure all floor space let is of a minimum energy efficiency rating.

Robert Noel, Chief Executive of Land Securities, said: “We are delighted to have our industry-leading GHG target acknowledged by the Science Based Targets initiative. The approval reaffirms the ambition of our sustainability programme and our commitment to leading the sector. Reducing energy consumption will be the primary vehicle in achieving our goals. We are very pleased to be the first property company to sign up to EP100, ensuring we will increase our energy productivity for the benefit of our customers.”

Pedro Faria, member of the Science Based Targets initiative steering committee from CDP said: “Land Securities is showing great leadership within the global property industry. Besides ensuring it is playing a part in mitigating climate related risk, it is also positioning itself to future-proof growth as the world transitions to a low-carbon economy. Companies that have had their science-based targets approved are already experiencing benefits including increased innovation, reduced regulatory uncertainty, strengthened investor confidence and improved profitability and competitiveness.”

Damian Ryan, Acting Chief Executive, The Climate Group said: “We are pleased that Land Securities is demonstrating bold and ambitious leadership by joining EP100 and committing to double energy productivity. Energy productivity is about getting more economic output from each unit of energy. Doing more with less makes good business sense, and enables companies to reap the multiple benefits that comes with transitioning to a net zero economy.”

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Notes to editors:

Sustainability is already key to the design, construction and management of Land Securities' assets. Highlights include:

- Installation of the first hydrogen fuel cell in the City of London at 20 Fenchurch Street, EC3. This innovative technology produces electricity for the building through an extremely clean and reliable process. The building also has roof-mounted solar panels.
- Retrofitted PV with a 300kWp array at Gunwharf Quays, Portsmouth.
- Plans to retrofit PV at other key assets, including White Rose, Leeds which would create the UK's largest shopping centre solar scheme with an array of over 785kWp which is around 20% of the entire landlord consumption for the site.
- Our Westgate development in Oxford has a 45-point sustainability implementation plan to support its objective to be the greenest shopping centre in the UK. The development also aims to be the lowest whole life carbon retail destination with an ultra-low embodied carbon reduction target of over 25,000 tonnes.
- In April 2016 Land Securities became the first property company in the UK to switch to 100% renewable electricity. The new contract with SmartestEnergy is backed by REGOs (Renewable Energy Guarantees of Origin certification) and provides fully renewable power for a competitive price. Following this, Land Securities joined The Climate Group's RE100 campaign.
- Rolled out a company-wide training programme on why Sustainability Matters.

Full target wording:

Land Securities commits to reduce GHG emissions 40% per square meter by 2030, from a 2014 base-year (scope 1, scope 2 and a portion of scope 3 emissions from downstream leased assets). This will set the company on the path to accomplish an 80% carbon intensity reduction by 2050 from the same base-year.

The company also commits to engage with all main contractors (lead construction partners) to encourage them to set science-based targets by 2023, so that the embodied carbon from key materials can be reduced in line with what is required for a 2 degrees pathway.

Additionally, the company will ensure that all leased floor area has an energy efficiency rating of at least an E (ratings are A-G) by 2023, in order to reduce the operational carbon emissions associated with that floor area.

Land Securities

Land Securities is the UK's largest listed commercial real estate company. Our £14.5 billion portfolio totals 23.6 million sq ft and includes some of London's most desirable office buildings and the UK's most successful shopping and leisure destinations.

In London, we own and manage a portfolio totalling more than £8.2 billion. Our relentless customer focus delivers vibrant working environments, both in our developments and through thoughtful asset management, which resonate strongly with businesses looking to attract and retain top talent. In the City, our 1.7 million sq ft of real estate includes the award-winning New Ludgate scheme, and the landmark 20 Fenchurch Street. In the West End, our expertise in placemaking and public realm has seen the transformation of Victoria, SW1 into a vibrant destination that is attracting global businesses and visitors alike.

In Retail, our commitment to creating an outstanding consumer experience, combined with the strength and resilience of our 17.5 million sq ft of assets, means we provide the space where consumers want to shop and retailers want to be, both now and in the future. Our focus on collaborating with our retailers and anticipating consumer needs not only delivers an unrivalled experience for our customers, but our footfall and sales figures consistently outperform the industry benchmarks.

Whether in offices or retail, sustainability is key to everything we do. For us, being a sustainable business means ensuring Land Securities remains healthy and successful for years to come. To achieve this we need the support of our customers, communities, partners and employees. That's why we lead the way on sustainability in the UK listed real estate sector by focusing on three key areas: creating jobs and opportunities through our award-winning Community Employment Strategy, which has put over 800 disadvantaged people into employment since 2011; efficient use of natural resources; and sustainable design and innovation.

Land Securities delivers value for our shareholders, great space for our customers and positive change for our communities.

About the Science Based Targets Initiative:

The Science Based Targets initiative champions science-based target setting as a powerful way of boosting companies' competitive advantage in the transition to the low-carbon economy. It is a collaboration between CDP, World Resources Institute (WRI), the World Wide Fund for Nature (WWF), and the United Nations Global Compact (UNGC) and one of the We Mean Business Coalition commitments. The initiative defines and promotes best practice in science-based target setting, offers resources and guidance to reduce barriers to adoption, and independently assesses and approves companies' targets."

www.sciencebasedtargets.org @sciencetargets

About EP100:

EP100 is a global campaign led by The Climate Group that encourages the world's most influential businesses to pledge to double their energy productivity, in order to maximize the

economic benefits from every unit of energy they consume. Active members of EP100 include: Covestro, Dalmia Cement, Danfoss, Hongbo, Johnson Controls, Mahindra & Mahindra, Mahindra Holidays & Resorts, and Swiss Re. @ClimateGroup

The campaign is brought to you in partnership with the Alliance to Save Energy, as part of the We Mean Business Coalition

For further information, please contact:

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