

Independent Assurance Statement to the Management of Land Securities Group PLC

Scope

We have been engaged by Land Securities Group PLC (“the Group”) to perform a ‘limited assurance engagement,’ as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on selected performance data and qualitative statements in the following (collectively referred to as “the Report”):

- › The Group’s Environmental and Social Review sections of the Strategic Report;
- › The sustainability content in the Additional Information section of the Group’s 2021 Annual Report and Accounts; and
- › the online Sustainability Performance and Data Report 2021

Specifically, our statement is applicable to the following disclosures (the “Subject Matter”):

- › **Greenhouse gas emissions:**
 - Direct GHG emissions (tCO₂e):
 - Emissions related to refrigerant gases
 - Emissions related to natural gas usage
 - Indirect GHG emissions (tCO₂e):
 - Emissions related to electricity consumption and district heating & cooling consumption
 - Emissions related to all disclosed scope 3 categories
 - GHG intensity from building energy (KgCO₂e/m²)
- › **Energy:**
 - Energy consumption (kWh):
 - Energy from landlord-obtained fuels
 - Energy from landlord-obtained electricity
 - Energy from landlord-obtained district heating & cooling
 - Renewable electricity consumption
 - Energy intensity (kWh/m²/year)
- › **Waste:** Waste diverted from landfill (tonnes) and percentage of waste recycled
- › **Safety:** Number of RIDDOR incidents for Landsec’s managed portfolio and development assets
- › **Social value:** Social value created during the year (£)
- › **Water:** Water usage (m³)
- › European Public Real Estate Association (**EPRA**), Task Force on Climate-Related Financial Disclosures (**TCFD**) and **UN Global Compact:** Selected content relating to EPRA guidelines, UN Global Compact and TCFD metrics (Energy/Fuel and GHG emissions categories) that are aligned to the performance indicators set out above.
- › **Statements and assertions** disclosed in the Report, selected on a risk basis.

Other than as described in the preceding section, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Land Securities Group Plc

In preparing the Subject Matter, the Group applied its sustainability reporting methodologies as set out in the Sustainability Performance and Data Report 2021 (the “Criteria”).

Land Securities Group PLC’s responsibilities

The Group’s management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY’s responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (‘ISAE 3000’), and the terms of reference for this engagement as agreed with the Group on 1st March 2021. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

1. **Interviewed a selection of the Group's management** to understand the progress made in the area of sustainability during the reporting period and to test the coverage of topics within the Report.
2. **Conducted remote site visits with 21 Moorfields and Lucent** to understand how the sustainability agenda is being managed at development and site level.
3. **Analysed the coverage of key issues within the Report** against the topics discussed in our management interviews and site visits.
4. **Interviewed staff responsible for data reporting** and carried out the following activities to assess the Subject Matter:
 - a. Assessed the guidance on data reporting, key processes and quality assurance performed.
 - b. Selected a sample of data points from across the business and sought documentary evidence to support the data.
 - c. Conducted a walk-through of data reported from a sample of sites to test consolidation.
 - d. Assessed any explanations provided for significant variances.
 - e. Assessed the Report for the appropriate presentation of the data including limitations and assumptions.
5. **Analysed information or explanation about selected statements and assertions** regarding the sustainability performance of the Group.

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on the scope of our review our conclusions are outlined below:

Completeness and accuracy of performance information

How complete and accurate is the 'Subject Matter Information' presented in the Report?

- › With the exception of any limitations identified in the report, we are not aware of any material reporting units that have been omitted from the selected performance data relating to the topics above.
- › Nothing has come to our attention that causes us to believe that the 'Subject Matter Information' was not prepared, in all material respects, in accordance with the Criteria, which were applied by management.

How plausible are the statements and claims within the Report?

- › We have reviewed information or explanation on selected statements regarding the Group's sustainability activities presented in the Report and we are not aware of any misstatements in the assertions made.

Observations

Our observations and areas for improvement will be raised in a report to the Group's management. Selected observations are provided below. These observations do not affect our conclusions on the Report set out above.

- › **Social Value:** This is the second year that Landsec has sought assurance over its total social value created. EY noted an improvement in the level of detail provided in the social value calculation methodology used for 2020 disclosures. Landsec disclosed the underlying assumptions and proxy values used by its third-party data provider to calculate the social value created, providing greater clarity.
- › **Safety:** Landsec has continued to develop its safety reporting approach including performing additional investigation into recorded incidents. As a result of COVID-19, there were reduced operational hours and therefore significantly fewer reported incidents this year. Landsec should continue with the improvements made as sites return to a more standard level of operation.

Restricted use

This statement is intended solely for the information and use of Land Securities Group PLC and is not intended to be and should not be used by anyone other than the Group.

Ernst & Young LLP,

London

3rd June 2021