

Independent practitioner's assurance report

Land Securities Group PLC Management

Scope

We have been engaged by Land Securities Group PLC ('the Group' or 'Landsec') to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on Landsec's selected performance data and qualitative statements (the "Subject Matter") contained in the 'Our People and Culture', 'Our approach to sustainability', 'Build well', 'Live well' and 'Act well', 'Our TCFD' sections of the Group's Strategic Report for the year ended 31 March 2024; sustainability content in the 'Additional Information' section of the Group's 2024 Annual Report and Accounts; and the online Sustainability Performance and Data Report 2024 (collectively the "Reports").

The Subject Matter includes the following selected performance data:

Topic	KPI
Waste	<ul style="list-style-type: none"> • Operational waste diverted from landfill (tonnes) • Percentage of operational waste recycled • Construction waste (tonnes) • Percentage of construction waste recycled and diverted from landfill
Greenhouse Gas Emissions	<ul style="list-style-type: none"> • Direct GHG emissions (tCO₂e), including: <ul style="list-style-type: none"> ○ Scope 1 emissions related to refrigerant gases ○ Scope 1 emissions related to natural gas usage • Indirect GHG emissions (tCO₂e), including: <ul style="list-style-type: none"> ○ Scope 2 emissions (location-based and market-based) ○ Scope 3 emissions related to all disclosed categories • GHG intensity from energy (KgCO₂e/m²)
Energy	<ul style="list-style-type: none"> • Energy consumption (kWh), including: <ul style="list-style-type: none"> ○ Energy from landlord-obtained fuels ○ Energy from landlord-obtained electricity ○ Energy from landlord-obtained heating & cooling • Proportion of electricity from renewable sources (%) • Energy intensity (kWh/m²/year)
Safety	<ul style="list-style-type: none"> • Number of reportable RIDDOR incidents for Landsec's managed portfolio • Number of reportable RIDDOR incidents for Landsec's developments • Number of fatalities for Landsec's managed portfolio • Number of fatalities for Landsec's development assets
Social Value	<ul style="list-style-type: none"> • Total social value created through our community programmes during the year (£)
Water	<ul style="list-style-type: none"> • Total landlord-obtained water (m³)
EPRA, TCFD and TNFD	<ul style="list-style-type: none"> • Selected content disclosures relating to EPRA guidelines, TCFD metrics (Energy/Fuel and GHG emissions categories) and content relating to TNFD that are aligned to the specific sustainability Key Performance Indicators (KPIs) identified above
Statements and assertions	<ul style="list-style-type: none"> • Up to 40 selected claims in the narrative disclosures in the Reports, selected on a risk basis.

The selected statements within the Report that are included within the Subject Matter are included in Appendix 1 of our Assurance Statement.

Criteria applied by Land Securities Group PLC

In preparing the Subject Matter, Landsec applied the Sustainability Reporting Methodology as set out in the Sustainability Performance and Data Report 2024.

Landsec'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 (Revised)') and the terms of reference for this engagement as agreed with Landsec on the 31st January 2024. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be 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 management

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 Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements*, which requires that we design, implement and operate a system of quality management including policies or 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.

The procedures we performed were based on our professional judgement and included the steps outlined below:

- Interviewed a selection of the Group's management to understand the governance and accountability of relevant sustainability performance as it relates to the Subject Matter; objectives and priorities for embedding and managing the Group's sustainability priorities and the progress against these; and processes for reporting progress.
- Conducted interviews with the Energy Bureau team to understand how the sustainability agenda is being managed at the site level.
- Examined data samples and processes at Group level to assess whether sustainability performance data relating to the Subject Matter have been collected, consolidated and reported accurately.
- Interviewed staff responsible for guidance on data reporting, managing data systems, review and quality assurance activities, and presentation of the data in the Group's sustainability reporting.
- Interviewed data coordinators and carried out the following activities:
 - Discussed the quality assurance performed and subsequent revisions to the data;
 - Walked-through data reported from a sample of sites to test consolidation;
 - Discussed any explanations provided for significant variances with data from previous reporting periods; and
 - Selected a sample of data points from across the business and sought documentary evidence to support the data.
- Challenged sustainability performance disclosures to assess content for consistency with observations made of processes and progress.
- Analysed information or explanations 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 our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject matter up as of 31st March 2024, in order for it to be in accordance with the Criteria.

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

16th May 2024

London

Appendix 1: Selected statements within the Reports, forming part of the Subject Matter

We list the selected statements that have been subject to the procedures described in the procedures performed within our Assurance Statement.

Where the statements selected contain quantitative information, our procedures performed were the review of supporting evidence to assess whether the statements are fairly stated. Our procedures did not assess the completeness and accuracy of the underlying data, to the degree that we assess the selected performance data, forming the other part of our Subject Matter.

Page	Statement within Annual Report & Accounts
26	Our mean gender pay gap reduced from 30.8% in 2022 to 29.1% in 2023. Our median gender pay gap reduced from 28.7% to 27.6% over the same period.
26	We introduced improved benefits to support working parents: <ul style="list-style-type: none"> – Increased partners leave from 2 weeks full pay to 6 weeks full pay – Introduced up to 4 weeks paid leave for those undergoing fertility treatment – Introduced better support to help those returning from 26 weeks or more family-related leave including entitlement to back-to-work coaching and the option to phase your return over 6 months, working 80% of the time for 100% of your pay.
27	Diversity Chart (Gender by management level)
27	Diversity Chart (ethnicity group by management level)
28	We have also updated our energy target, committing to reducing energy intensity by 52% by 2030, from a 2020 baseline. In 2023/24, we achieved an energy-intensity reduction of 18%.
28	We completed BMS reviews and implemented recommended optimisations at 11 operational London assets, with expected energy savings of between 5% and 15% per building.
28	We ran a 12-month trial with Brainbox AI at 80 - 100 Victoria Street, where the technology controls heating and cooling. The target is for an additional 5% energy savings.
29	Since 2021/22 we've completed 38 energy audits for our highest energy-consuming office occupiers, accounting for 56% of our total office portfolio consumption. We identified potential annual carbon and energy savings of 10-40% for the majority of customers. Of the first 18 occupiers participating in the customer engagement programme, overall they have achieved a 20% electricity reduction compared to 2019/20.
29	As we progress our NZTIP, we expect that half our office portfolio will reach EPC B by 2025 and all of our portfolio will meet the proposed MEES by 2030.
29	In our 2023 customer-satisfaction survey, with 79% of office customers saying we're doing a good job of supporting them in achieving their sustainability goals.
29	At Hill House, we are retaining 58% of the existing structure, resulting in significant carbon savings.
29	At the Republic in Manchester, we have reduced the size of our structural grid, leading to around a 10% reduction in concrete required.
29	Changing our specifications to low-carbon materials alternatives - at Timber Square, we have sourced 115 tonnes of reused steel.
29	At Timber Square, SE1, we have retained 80% of the existing structure, while using a lightweight, hybrid steel and cross-laminated timber (CLT) structure. This has resulted in Timber Square being around 20% lower in weight than if built with traditional building materials.
29	In 2023/24 we continued to divert 100% of waste from landfill, and recycled 66% of operational waste (2022/23: 68%).

Page	Statement within Annual Report & Accounts
30	Following the publication of the TNFD recommendations in September 2023, we have signed up as an Early Adopter, committing to start disclosing nature-related information in line with the recommendations.
30	At Mayfield, Manchester, we have redeveloped 6.5 acres of brownfield land to create an urban park - the first in the centre of Manchester in 100 years... As a direct result of having their habitat restored, fish species including brown trout, bullhead, minnow and stickleback were officially recorded in May 2023 by the Environment Agency for the first time in this stretch of the Medlock.
31	Since Landsec Futures launched in April 2023 we have: supported 3,182 people in moving towards the world of work, through employability programmes, bursaries and internships.
31	We are making strong progress towards our social value targets, creating over £54m of social value and empowering over 10,000 people towards employment since 2019/20.
31	Invested over £860k in 25 employability partners at 18 locations.
31	Committed £200k of community grants, supporting over 120 community groups and charities in 19 locations.
31	Helped raise awareness of real estate opportunities for young people, improved employability skills, and provided training opportunities and pathways into real estate jobs for adults facing significant barriers.
31	Helped our charity partners expand their reach and impact through in-kind donations of space in our buildings.
31	Since April 2023, we have welcomed nine interns, with several continuing their careers at Landsec.
31	This year, we achieved WELL Core Platinum on eight assets (80-100 Victoria Street, Dashwood House, 4 & 6 New Street Square, One New Change, 16 Palace Street, 123 Victoria Street, 62 Buckingham Gate and Nova) and WELL Core Gold on Zig Zag Building.
31	We were awarded WELL Equity ratings and WELL H&S Ratings at 16 of our assets.
31	2,553 hours volunteered by Landsec employees, helping create nearly £28m of social value in 2023/24.
32	In addition to our mandatory modern slavery e-learning, in September 2023, we introduced mandatory climate change training through the Supply Chain Sustainability School (SCSS). This has already been completed by 60% of colleagues.
32	In addition to rolling out our mandatory Modern Slavery training to our employees, this year we ran a modern slavery workshop through the SCSS focused on training our development supply partners.
32	This year we maintained our ISO 45001 certification, having undergone a full certification re-assessment by independent auditors.
32	We undertook a project during the year to identify whether reinforced autoclaved aerated concrete (RAAC) was present in our portfolio. It was found in two assets and action was taken to mitigate the risk.
32	We have also maintained our fire-safety management-system certification to the BS 9997 standard. All high-rise residential buildings above 11 metres in our portfolio have been examined by independent fire engineers.
33	ELT and Sustainability Forum receive quarterly ESG reports showing progress towards our sustainability targets.
33	Board of Directors... Receives updates on sustainability and climate-related performance twice a year.
35	In 2017, we were one of the first companies to report our approach to the recommended disclosures of the TCFD, and we introduced climate change as a principal risk in 2020.
35	Table with scenario analysis results.
35	61% of portfolio is BREEAM-certified and 49% is EPC A-B.

Page	Statement within Annual Report & Accounts
34	We continue to operate our buildings in accordance with our company-wide environmental and energy-management system, which is certified to ISO 14001 and ISO 50001, having energy-reduction plans (ERPs) and action plans for all our assets, which outline how we will reduce the energy use and carbon emissions of each asset effectively.
34	The cost of reducing upfront embodied carbon on developments is highly dependent on the strategy adopted. We are modelling this across live developments and are finding that retention on one project saves 2.8% on Total Development Cost (TDC) whereas relying on low-carbon materials increases TDC by 1.8% on a different project.
36	The changing environment has direct cost implications, especially for assets located in high-risk flood zones (4.5% VaR at >4°C scenario) due to potential cost of repairs, cost of business interruption and increased insurance costs.
37	The primary responsibility for climate risk sits with our Managing Director, Corporate Affairs & Sustainability, with the Head of ESG and Sustainability having secondary responsibility.

Page	Statement within the Performance and Data Report (TNFD Section)
30	Sustainability Team appointed industry experts Greengage Environmental and convened a cross company 'Nature Steering Group' to help identify Landsec's key interactions with nature and co-create our nature strategy ensuring it was underpinned by appropriate industry recognised targets. Our Sustainability Forum received progress updates and recommended the approval of the strategy to our Executive Leadership Team (ELT), who ultimately approved it.
30	In March 2024, we surveyed 1,222 people from our local communities in Cardiff, London, Glasgow, Manchester, Birmingham and Leeds. The results from this survey suggest that the presence of nature is vital to ensure cities and urban places are both healthy and desirable places. 55% of people surveyed living and working in UK cities said they plan to leave in the future, a third (33%) in the next ten years alone, citing more access to nature and green space as the top reason.
32	Site-specific Nature Action Plans (NAPs) have been created in line with Landsec's nature strategy three key principles, identifying opportunities in the form of actions for biodiversity and ecosystem service gains across our sites where we have operational control. Actions within the NAPs have been informed by the baseline ecological assessments undertaken in 2023, which included a combination of remote and on-site investigation to establish a biodiversity and ecosystems service baseline, identification of site needs and opportunities, local policy priorities and ecological connectivity opportunities for each site.
32	We have created 15 Core Nature Requirements (CNRs) that are to be considered during the development process that now sit within the toolkit. These requirements have been designed to drive meaningful progress against our three principles and corresponding targets i.e. a development which meets the full list of CNRs is likely to meet all three principles and associated targets.