

REPORT OF THE ENVIRONMENTAL SOCIAL GOVERNANCE COMMITTEE

ENGAGING
WITH OUR
WORKFORCE

Alastair Hughes
Independent Non-Executive Director

**Focus in the year**

- Engaging with our workforce
- ESG strategy review
- Progress against targets

Role of the Committee during the year

The primary role of the ESG Committee was to assist the Board in:

Community and the environment

- Understanding the Company's impact on the community and environment

Workforce engagement

- Reviewing workforce engagement mechanisms

Key stakeholders and wider society

- Understanding the views of key stakeholders
- Ensuring the Board was aware of the mechanisms used by the Company to engage with key stakeholders
- Ensuring that those mechanisms were fit for purpose and assist in contributing to wider society

Our Sustainability section found on pages 36 to 43 should be read alongside this report.

Membership and attendance during the year

The membership of the Committee was comprised of four independent Non-Executive Directors. Biographical details of the Committee members are found on pages 81 to 83.

The Committee met three times in 2025/26 with an additional joint meeting held with the Remuneration Committee. Attendance is set out on page 80. Senior managers from across the business are invited to attend each Committee meeting, together with our Executive Directors.

“Our Employee Listening Sessions provided valuable insight into our organisational culture.”

Alastair Hughes
Chair of ESG Committee

I am pleased to present the report of the ESG Committee for the year ended 31 March 2026.

Activity during the year

- Monitored progress against our environmental commitments and approved the launch of our Nature Strategy.
- Received a report that the Company had achieved a GRESB 5* rating.
- Approved the renewal of our SBTi targets.
- Reviewed our social sustainability commitments, agreeing to prioritise initiatives that deliver strategically important outcomes.
- Monitored progress against our DE&I Strategy and oversaw the mechanisms for engaging with the workforce on behalf of the Board.
- Assessed and monitored organisational culture to ensure alignment with our purpose, strategy and values.
- Employee Listening Sessions continued to provide valuable insight into our organisational culture, supplemented by regular updates from our Employee Networks.
- Monitored Health & Safety and Development Risk.

Governance framework review

As the Company enters the next phase of its strategy, the responsibilities of the ESG Committee will be integrated into the wider governance structure (see page 76). I will be responsible for workforce engagement, using our Employee Listening Sessions to provide insights directly to the Board.

On behalf of the Board, I would like to thank all Committee members, colleagues and stakeholders for their contribution and commitment throughout the years.

Alastair Hughes
Chair of the ESG Committee

Workforce engagement statement

In accordance with Provision 5 of the Code, during the year the ESG Committee was responsible for workforce engagement on behalf of the Board. In the context of changes to the Company's governance framework, and following a review of these arrangements, responsibility for workforce engagement will be owned by a designated Non-Executive Director, Alastair Hughes, with effect from the conclusion of the 2026 AGM.

Employee Listening Sessions will continue as the key mechanism for workforce engagement and will be led by Alastair Hughes, who will report key themes to the Board. The Board considers our workforce engagement mechanisms will remain effective, with the appointment of a designated Non-Executive Director ensuring appropriate oversight and clear accountability for workforce engagement at Board level.

Director engagement

- The Employee Listening Sessions have strengthened direct communication between the workforce and our Board.
- Ahead of each Committee meeting, a small group of employees from across the business meets with two or more Non-Executive Directors to discuss culture, recognition, DE&I and communication.
- These sessions provide valuable insights that help the Committee monitor and support our organisational culture.
- **Outcome:** Themes arising from the sessions are reported to the Board and shared with the Executive Committee, informing management actions and giving the Board cultural insights into the Company. Employee feedback indicated that the sessions were felt to be effective and welcomed, and provided a valuable opportunity to engage directly with Non-Executive Directors.

Employee engagement survey

- We hold a Company-wide survey to evaluate engagement and highlight areas for improvement. This is analysed and discussed through a diversity lens.
- Having the detailed survey responses helps shape future inclusion initiatives and provides the Board with valuable insights.
- **Outcome:** The results are considered by the Executive Committee and the Board as part of their ongoing oversight and will help inform priorities within the Company's wider strategic direction.

➔ **READ MORE**
about our engagement survey and
people strategy on pages 42 to 43

Linking remuneration

- 85% of eligible employees invest in British Land through our Share Incentive Plan and SAYE schemes.
- In the year, we introduced greater links between the financial targets, goals and individual performance targets of the wider business and individuals, which helps promote closer links between achieving corporate objectives and rewarding our employees.
- **Outcome:** Wider range of bonus outcomes to reflect and differentiate individual performance and ensure objectives are closely linked to business goals.

Internal communications

- Our Internal Communications team sends a fortnightly Company-wide email highlighting key business activities. Employees also receive regular updates on Employee Network events.
- There are monthly staff meetings led by our Executive Committee that feature updates from across the business.
- This year we hosted our Company Conference, which gathered teams from across the business together under one roof. We celebrated 170 years of British Land by revisiting our history and by setting out our vision for the future.
- **Outcome:** Following feedback from employees, there was a range of speakers from across the business presenting at our Company Conference, alongside senior leadership and external speakers to give the customer view.

Employee Networks

- Network chairs presented at our Executive Committee and ESG Committee meetings to highlight issues affecting our people and provide a forum for discussion.
- The Networks cover a wide range of topics, from promoting sports and social activities, to supporting diversity and inclusion initiatives.
- Our Networks provide a valuable opportunity to understand how employees are collaborating and influencing the broader inclusion and equality agenda within the Company.
- **Outcome:** During the year, the Committee endorsed the work of the Networks, which increased senior leadership involvement in Network events. The Network Spotlight below highlights a tangible outcome arising directly from these engagements.



NextGen Fireside Chat, York House

Network Spotlight: NextGen

The NextGen Network is aimed at those early in their careers to help nurture professional development and form a community of support. NextGen offer a buddy programme, connecting mentors and mentees from across the Company, as well as organising a variety of social events. The Committee endorsed the NextGen Network to expand their outreach to host more Fireside Chats with our Non-Executive Directors. This year two events have been held with our Chair, William Rucker, and Non-Executive Director, Mark Aedy, participating. These sessions enabled employees to listen to their career journey and lessons they have learned along the way.

REPORT OF THE ENVIRONMENTAL SOCIAL GOVERNANCE COMMITTEE CONTINUED

Focus on culture

The Board sets the tone for a culture that supports delivery of our strategy and oversees how that culture is embedded across the business through the embodiment of our values. In doing so, the Board has continued to focus on our people strategy, which aims to build a diverse, inclusive and ambitious culture, enabling us to attract, develop and inspire the best people to deliver our strategy.

How the Board monitors and assesses culture

During the year, the Board and its Committees considered a range of indicators to assess culture in practice. These included monitoring:

- Progress against our people strategy, with a particular focus on having a performance driven culture, executing in line with our value “Deliver at Pace”, learning and development, internal mobility and investment in coaching and mentoring
- Progress against our DE&I ambitions, recognising the importance of an inclusive culture for effective decision making and long term success which is embedded through our values “Bring Your Whole Self” and “Build for the Future”

The Board saw a dip in our overall engagement scores this year from very high scores previously. While in line with relevant benchmarks, a reduction from the prior year was expected given organisational restructuring and headcount reductions. The Board considered the engagement results in the context of the strategic changes implemented during the year and will continue to monitor engagement and culture as the business moves through this period of adjustment.

Outcomes of the Board’s monitoring and assessment

The strategic benefits of these changes support the culture the Board is seeking to embed and help position the business for future success. In particular, the changes have:

- Reinforced cost discipline
- Increased accountability and efficiency following organisational restructuring and headcount reductions

The Board believes that the changes adopted during the year support the development of a sustainable culture aligned with long term performance. The Board expects engagement levels to stabilise and improve and will closely consider the results of next year’s engagement survey, adapting the strategy where required in the interests of the business. Employee Listening Sessions will continue to be used as an important tool to monitor culture and ensure it remains aligned with the Company’s values and objectives.

Embedding our desired culture

We continue to invest in our people to support performance and build long term capability. Clear expectations, effective leadership and opportunities for development remain central to how we support colleagues to perform at their best.

Looking ahead

Our focus remains on driving a high-performing, engaged and inclusive workforce that can “Deliver at Pace”. Priorities include continued leadership development, further progress against our DE&I ambitions and opportunities to enhance digital and technical skills at all levels across the business. The key metrics for FY26, set out overleaf, enable the Board to keep abreast of the culture of the business, providing insight into colleague experience, leadership effectiveness and engagement. The Board and Executive Committee remain focused on our long term performance whilst continuing to embed our values to enable a diverse, inclusive and ambitious culture.

Our culture in action

The snapshot below highlights some of the key culture metrics for FY26, which are aligned to our values and are visible to the Board through our Governance structure.

OUR VALUES				
BE SMARTER TOGETHER	BRING YOUR WHOLE SELF	LISTEN AND UNDERSTAND	BUILD FOR THE FUTURE	DELIVER AT PACE
<p>6,129</p> <p>training hours across the business</p>	<p>88%</p> <p>of employees feel they receive support from people around them at work when needed</p>	<p>64%</p> <p>employee engagement score in FY26</p>	<p>28%</p> <p>of new hires were from a minoritised ethnic background</p>	<p>£3.1bn</p> <p>of financing activity in the year</p>
<p>9</p> <p>employee-led Networks</p>	<p>80%</p> <p>of employees felt they can be their authentic self at work</p>	<p>30</p> <p>employees attending Listening Sessions with our Non-Executive Directors</p>	<p>87%</p> <p>of employees know what they need to do to be successful in their role</p>	<p>54 days</p> <p>from agreeing terms to completion of the 158,000 sq ft Anthropic lease at One Triton Square</p>
<p>11</p> <p>staff meetings with all employees invited to attend and members of our Executive Committee presenting</p>	<p>17.4%</p> <p>ethnicity pay gap</p>	<p>88%</p> <p>of employees stated they are able to arrange time out of work when needed</p>	<p>74</p> <p>internal job movements or promotions</p>	<p>94%</p> <p>now let at One Triton Square since its launch in October 2025</p>
<p>90%</p> <p>participation rate in employee engagement survey in FY26</p>	<p>6.9%</p> <p>gender pay gap</p>	<p>82%</p> <p>of employees felt they have access to the things they need to do their job well</p>	<p>65</p> <p>people early on in their careers participated in our work experiences programmes</p>	<p>1.7m sq ft</p> <p>of leasing across Campuses during the year</p>
<p>73%</p> <p>of employees felt that they are encouraged to be innovative even though some of their initiatives may not succeed</p>	<p>36%</p> <p>female representation at senior management level</p>	<p>81%</p> <p>of employees are proud to work for the Company</p>	<p>£333m</p> <p>assets acquired through the acquisition of Life Science REIT plc which completed in April 2026</p>	<p>40</p> <p>Business-led digital improvements delivered in FY26, enabled through the Digital Skills Forum</p>