



ANNUAL REPORT
AND ACCOUNTS
2026





PLACES PEOPLE PREFER

This year British Land celebrates:

170 YEARS

since incorporation in 1856

Presentation of financial information

The financial statements for the year ended 31 March 2026 have been prepared on the historical cost basis, except for the revaluation of properties, investments classified as fair value through profit or loss and derivatives. The financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. As outlined in Note 1 of the financial statements, no new standards or amendments have been applied to the financial statements for the first time for the year ended 31 March 2026. As such, the accounting policies used are consistent with those contained in the Group's previous Annual Report and Accounts for the year ended 31 March 2025.

Management considers the business principally on a proportionally consolidated basis when setting the strategy, determining annual priorities, making investment and financing decisions and reviewing performance. This includes the Group's share of joint ventures on a line-by-line basis. The financial key performance indicators are also presented on this basis. Further analysis of the IFRS results has been disclosed in the Financial Review. We supplement our IFRS figures with non-GAAP measures, which management uses internally. IFRS measures are labelled as such. See our supplementary disclosures which start on page 191 for reconciliations, in addition to Note 2 of the financial statements and the glossary found at www.britishland.com/glossary

Integrated reporting

We integrate environmental and social information throughout this Report in line with the International Integrated Reporting Framework. This reflects how sustainability is integrated throughout our business. Our approach is focused on three key pillars: Greener Spaces, Thriving Places and Responsible Choices. For detailed social and environmental case studies and data, see our Sustainability Progress Report found at www.britishland.com/SPR



READ MORE

about our approach to sustainability on our website at www.britishland.com

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CAMPUSES
One Triton Square



**RETAIL & LONDON
URBAN LOGISTICS**
Teesside Park

HIGHLIGHTS AND KPIs

FINANCIAL HIGHLIGHTS

Underlying EPS
(diluted)

28.9p

2025: 28.5p

Dividend
per share

23.12p

2025: 22.80p

EPRA NTA
per share

590p

2025: 567p

Refinance
date

2029

2025: 2028

IFRS EPS
(diluted)

45.3p

2025: 35.0p

IFRS profit
after tax

£454m

2025: £338m

IFRS
net assets

£5,932m

2025: £5,710m

Senior unsecured
credit rating

A

2025: A



Paddington
Central

OPERATIONAL HIGHLIGHTS

Leasing activity

3.8m sq ft

2025: 3.3m sq ft

ERV growth

4.9%

2025: 4.9%

Gross capital activity

£0.5bn

2025: £1.7bn

Occupancy¹

97%

2025: 98%

1. Occupancy excludes space under offer or subject to asset management initiatives and recently completed developments.

FINANCIAL KPIs

Links to remuneration: **LTIP** Long Term Incentive Plan **AIP** Annual Incentive Plan

Underlying Profit **AIP**

£294m

2025: £279m

Net Debt to EBITDA (Group)

7.7x

2025: 8.0x

Loan to value (proportionally consolidated)

39.2%

2025: 38.1%

Total property return **LTIP** **AIP**

7.4%

2025: 6.9%

Total shareholder return **LTIP**

1.8%

2025: (1.0)%

Total accounting return **LTIP**

8.1%

2025: 5.0%

NON-FINANCIAL KPIs



GREENER SPACES

GRESB rating **AIP**

5*

GRESB for Development and Standing Investments 2025: 5*

Total portfolio EPC rated A or B¹ **AIP**

75%

2025: 68%

Reduction in whole building operational energy intensity² **LTIP**

24%

2025: 19%

→ **READ MORE**
on page 37 and at
www.britishland.com/SPR



THRIVING PLACES

Direct social value generated

£8.8m

2025: £11.3m

Number of social impact beneficiaries

12,999

2025: 18,500

Value of affordable space provided

£1.5m

2025: £1.2m

→ **READ MORE**
on page 40 and at
www.britishland.com/SPR



RESPONSIBLE CHOICES

Staff engagement

64%

2025: 79%

Ethnicity pay gap

17.4%

2025: 20.0%

Gender pay gap

6.9%

2025: 13.6%

→ **READ MORE**
on page 42 and at
www.britishland.com/SPR

1. Measured by ERV.

2. Managed portfolio since FY19.

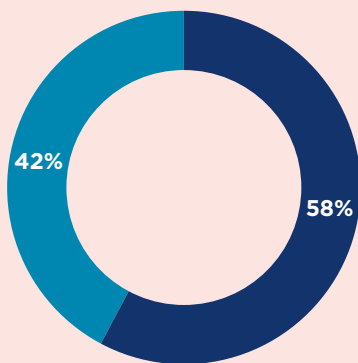
BRITISH LAND AT A GLANCE

Our purpose of Places People Prefer is delivered by creating and managing outstanding places that deliver positive outcomes for all our stakeholders on a long term, sustainable basis.

We do this by understanding the evolving needs of the people and the organisations who use our places as well as the communities who live around them. The deep connections we create between our customers, communities, partners and people help our places and businesses thrive.

OUR PORTFOLIO

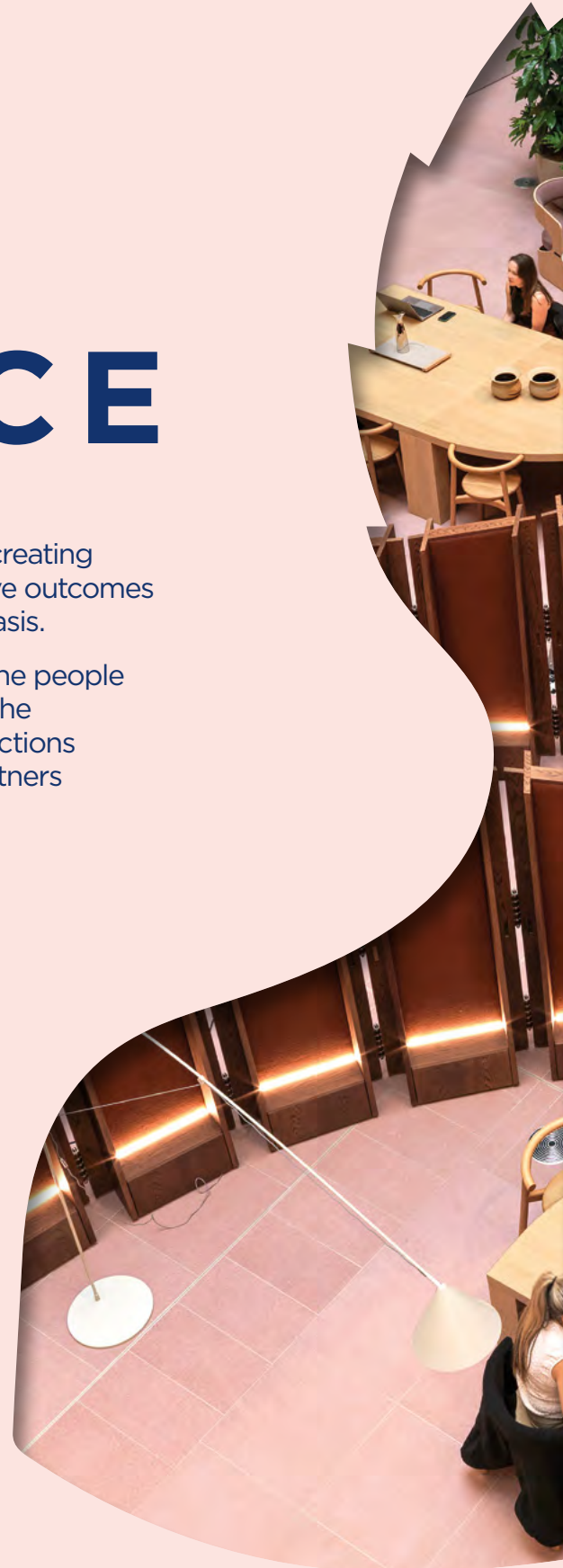
Our portfolio of high quality UK commercial property is focused on office-led campuses in Central London and retail parks across the UK. We own or manage a portfolio valued at £15.8bn (British Land share: £10.1bn).



● Campuses	£5.9bn
● Retail & London Urban Logistics	£4.2bn



BUSINESS REVIEW
from page 18





WHAT WE DO

We are a diversified real estate business and invest in subsectors with strong occupational fundamentals, where we can leverage our strengths to generate an income focused 8-10% total accounting return (TAR) through the cycle.



BUSINESS MODEL
from page 14

HOW WE DO IT RESPONSIBLY

Sustainability is embedded throughout the business. Our approach is focused on three key pillars where British Land can create the most benefit: Greener Spaces, Thriving Places and Responsible Choices.



SUSTAINABILITY REVIEW
from page 36

Total shareholder return (as at 31 March 2026)

1 year	1.8%
3 years	10.2%
5 years	(7.9)%



CHIEF EXECUTIVE'S REVIEW
from page 7

CHAIR'S STATEMENT



William Rucker
Chair

“Whilst we remain cognisant of the volatile geopolitical environment, the business is well placed with quality assets, an experienced team and a value-add mindset.

The Board continues to assess how best the business can continue to scale and grow, in a disciplined way.”

Dear shareholders,

In what has been an active year and strong occupational market, your Board has continued to support the disciplined delivery of our strategy, as the market leader in London campuses and retail parks around the UK.

This year in particular, occupational markets have continued to move our way, and I'm pleased that our focus on two core sectors with strong occupational fundamentals has delivered income focused total accounting returns within our target 8-10% range. It is clear to me that our subsector focus, clear equity story, and attractive returns outlook, underpinned by sustainable earnings growth, is resonating with investors. Whilst we remain cognisant of the volatile geopolitical environment, the business is well placed with quality assets, an experienced team and a value-add mindset.

As your company celebrates its 170th anniversary, having been founded in 1856, I am struck by how it has continued to evolve. As part of this, I have once again enjoyed engaging with shareholders throughout the year and ensured that their views and thoughts are brought into the boardroom. As we deliver against our plan, the Board also continues to consider how best the business can grow in a disciplined and value-accretive way, ensuring we remain relevant to customers, investors and partners. The acquisition of Life Science REIT plc, completed in April 2026, is a clear example of this. While modest in scale relative to the Group's overall portfolio, the transaction was both strategically and financially compelling, and we expect it to generate excellent relative value for shareholders over the coming years.

During the year, Simon Carter notified the Board of his intention to step down as CEO to take up the same role at P3 Logistics Parks, a major European developer backed by Singaporean wealth fund GIC. I would like to thank him for the significant contribution made during his tenure of over 18 years, with the last five years as CEO. Under his leadership, British Land has successfully repositioned its portfolio and strategy, leaving the business well placed for its next phase of growth. The Board is well progressed in a comprehensive search for a successor and is focused on appointing a leader with the experience and strategic capability to continue to deliver our strategy and long term value for shareholders. Meanwhile, Simon and the Executive team have continued to operate effectively and with momentum, as set out in this Report.

At the Board level, I was delighted to welcome Raj Shah as Non-Executive Director in January 2026. Raj brings extensive investment experience in science focused companies through his private equity background, which will be invaluable as we develop exceptional spaces at the intersection of technology, AI and medicine, as exemplified by our Regent's Place campus, and particularly One Triton Square which has performed so well for us this year. On related matters, following 11 years on the Board, Lynn Gladden has decided to step down from the end of the 2026 annual general meeting (AGM), and we will miss her strategic counsel, humour and impeccable judgement.

You can read more about our Board's skills, committees and activity in the year on pages 76 to 83.

Our performance is a result of the hard work and dedication of the British Land team, and the ongoing support of shareholders and partners. On behalf of the Board, I would like to express gratitude to both. With strong momentum in our core sectors, a focused strategy and an experienced team, we enter the year ahead with confidence in our ability to deliver sustainable shareholder value.

William Rucker
Chair

CHIEF EXECUTIVE'S REVIEW



Simon Carter
Chief Executive

“We are well positioned in these tightening markets, with the scale, quality and a value-add mindset to deliver sustainable EPS growth of 3-6% per annum and 8-10% total returns across the cycle.”

Overview

Our London campuses and retail park portfolio across the UK are market leading in both scale and quality. These are markets seeing strong net absorption with constrained supply which translated into a record year of leasing and delivery of strong ERV growth, like-for-like net rental growth and an attractive earnings outlook.

Across London the return to the office debate is over and occupiers continue to expand. There is a new wave of demand from high growth AI and innovation-led businesses for whom our campus offering particularly resonates. On retail parks, existing and new retailers are expanding into this preferred out-of-town format, attracted by their lower occupational costs, good accessibility, and growing footfall.

Supply remains highly constrained and rents remain affordable in both markets, supporting further rental growth. ERV growth for the year was 4.9%, at the top end of our 3-5% guidance range. Alongside stable yields, portfolio values grew 2.3%, with growth evenly distributed across both sectors. This, alongside earnings performance ahead of guidance, resulted in a total accounting return of 8.1%.

Across the portfolio leasing performance reflects the strength of the occupational fundamentals, completing 3.8m sq ft of deals, 7.2% ahead of ERV. We have continued to lease up vacancy across our London campuses, much of which is newly delivered space, whilst maintaining high levels of occupancy on standing investments across our three core London assets. At Broadgate we have set new rents for the campus and signed Herbert Smith Freehills Kramer at Broadgate's newest development, 1 Appold Street. Across London there is new demand from AI and innovation-led businesses from which our Regent's Place campus, in the heart of London's Knowledge Quarter, is well-placed to benefit. One Triton Square is a prime example of this, where lease up of the building has been accelerated by this new incremental demand taking the building to 94% let within seven months of launch.

In retail parks, our portfolio remains virtually full, with 99% occupancy across our c.1,200 unit portfolio and we have seen an acceleration of leasing ahead of previous passing rents in the second half of the year, with deals on average 6.3% ahead of previous passing in H2.

We delivered Underlying earnings per share (EPS) of 28.9p with like-for-like net rental growth of 6%. This, coupled with development leasing, and a reduction in administrative costs, more than offset higher finance costs. In our trading update on 21 April 2026 we increased Underlying EPS guidance for FY27 from at least 30.2p to at least 30.5p, reflecting the completion of the acquisition of Life Science REIT.

With inflation likely to increase in the near term, we have looked back on how the British Land portfolio has performed since the invasion of Ukraine in 2022. Over this period, reflecting our focus on well-located, high-quality assets in supply-constrained markets ERV growth has tracked inflation and we have delivered total shareholder returns in the top-quartile of the FTSE 350 Real Estate Index. Importantly, conditions in our markets are tighter today than they were in 2022 with vacancy c.300 bps lower for prime London offices and retail parks. Against this backdrop, we expect to outperform inflation over the medium term, supported by ERV growth of 3-5% per annum.

Whilst geopolitical and macroeconomic uncertainty remains, our market leading positions in sectors with the strongest occupational fundamentals, combined with our value-add approach and expert team, gives us confidence in our ability to deliver 8-10% total accounting return through the cycle, underpinned by sustainable EPS growth of 3-6% per annum.

CHIEF EXECUTIVE'S REVIEW CONTINUED

Operational update

Operationally the business performed very well over the year, with leasing activity building to a particularly active fourth quarter, which accounted for approximately half of total campus leasing for the year.

Across the campuses, we completed 1.7m sq ft of leasing at 6.3% ahead of ERV and 20.0% ahead of previous passing rent. 1.1m sq ft of new deals were completed with renewals and regears accounting for the balance. Activity was concentrated at Broadgate and Regent's Place where newly delivered and good existing space attracted strong demand. Norton Folgate also leased well and is now 94% let or under offer. Campus occupancy ended the year at 95%, with EPRA occupancy at 91%. Market conditions remain favourable, with limited availability of high-quality space and sustained occupier demand supporting rental growth and we finished the year with a further c.0.3m sq ft under offer, 17.0% ahead of ERV. Activity continued to be strong in the six weeks post year end with a further 228k sq ft going under offer and viewing levels remain elevated.

Our retail parks are virtually full at 99% occupancy, being the format of choice for many retailers. We completed c.1.5m sq ft of leasing in the year, 9.0% ahead of ERV. Leasing spreads strengthened through the year and, with the portfolio now largely re-based to market rents, future ERV growth is expected to translate more directly into income progression. Deals were 3.4% ahead of previous passing rent for the year, with an acceleration in H2 with deals 6.3% ahead. Occupier demand remains good with a further c.0.5m sq ft under offer at 10.4% ahead of ERV and 12.5% ahead of previous passing rent.



Glasgow Fort

Strategy

In 2021 we set out a value-add strategy focused on segments with the strongest occupational fundamentals. Our strategy is delivering because it is built on two core strengths:

- Market leading positions, both in scale and quality, in sectors with the strongest occupational fundamentals, namely London campuses and retail parks; and
- Active, hands-on asset management, enabling us to capture reversion and drive income growth.

We believe performance is driven by great execution and, in this vein, our platform, expertise and focus on asset management position us well to outperform.

Campuses

Resetting the office debate

The outlook for office demand continues to be debated, particularly in the context of rapid advances in AI. Much has been written about the impact of AI on white-collar jobs. There are different schools of thought. On the one hand, will this be like previous waves of technological change, the computer, the smartphone, where new jobs were created faster than old ones disappeared, with associated productivity gains? Or will it be different this time? The reality is that nobody knows for sure, but as ever we will stay very close to our customers to be the first to understand what is happening. In the meantime, I think we can say that soft skills will be at a premium, and a new generation of companies will want the best physical environments for those skills to flourish – the type of space we provide on our campuses.

Looking at the facts as they are today, net absorption of space (one of the best indicators of the health of demand) is at its strongest level since records began, while in 2025 four times as many businesses across London were expanding as downsizing.¹ Looking forward, despite ongoing macroeconomic and political volatility, a clear return-to-office trend has driven demand to 57% above the long-term average² and under offers as at March 2026 are 50% higher year on year.³

Professional and financial services occupiers also continue to expand in London, reinforcing London's position as the leading financial centre in Europe. Firms including Citadel, Jane Street and JPMorgan have all committed to significant new office space, with financial services occupiers continuing to drive prime rental growth across London submarkets. Alongside demand from AI and innovation-led businesses, this supports a broad-based and resilient market for high-quality space.

Demand from AI and innovation-led companies is particularly strong: we have seen this build through the year and we are tracking 2.5m sq ft of active requirements. These occupiers are looking to establish or expand their presence in London, with its attractive and dynamic workforce, often following significant leasing activity in the US, particularly in the San Francisco Bay Area, which recently reported 3.8m sq ft of leasing in Q1 2026, its highest quarter of leasing since 2014.²

1. Cushman & Wakefield

2. Savills

3. Knight Frank

We are seeing this first-hand across our campuses. Anthropoc, for example, has continued to expand at Regent's Place. It has now signed its sixth deal with British Land, taking 158,000 sq ft at One Triton Square, expanding its space in London more than 20x in less than 12 months. Science and Technology occupiers now represent 35% of our campus rent roll (pro forma for the Life Science REIT acquisition), up from 23% in 2024.

London is facing a supply crunch

This demand is meeting a supply crunch. Development starts have reduced across London driven by sentiment around hybrid working, higher construction costs, higher yields and more demanding return requirements. Across London it is estimated that there is a 10.4m sq ft shortfall of new or substantially refurbished space to 2030.¹ This is particularly acute in the City, where vacancy for new and refurbished space is forecast to fall below 2% and remain there for the next four years.¹ Historically, such conditions have supported strong rental growth at around 10% per annum.²

Why our campuses win

The scale and flexibility of the campus model allows businesses to expand over time, access adjacent space, and benefit from a dense cluster of like-minded occupiers, amenities and transport connectivity, all of which are critical for successful businesses. All of our campuses are well placed to benefit from the innovation demand in London, particularly Regent's Place given its location in the Knowledge Quarter, surrounded by leading institutions like The Francis Crick Institute, University College London, University College London Hospital and The Alan Turing Institute.

Our campuses provide high-quality real estate in prime London locations, with a wide range of amenity and public spaces. Rents remain affordable relative to salary levels, and the offer continues to resonate with occupiers. We estimate we are capturing a disproportionate share of what is a strong market. We represent around 5% of the London office market but accounted for 15% of total leasing recorded last year, and 33% of the last quarter.¹

Our differentiated product offering also enables us to capture growth while actively managing covenant risk. We offer a range of space, from flexible, fitted and work-ready through to traditional HQ, allowing us to support occupiers at every stage of their growth. This is particularly important when targeting high-growth businesses. Through our Storey platform, which we have operated for almost nine years, we provide fitted space on short leases, with minimal incentives, supported by rental deposits. This structure allows us to manage risk effectively, while retaining the upside from fast-growing occupiers. Although we have seen very few failures, when they have occurred generic fitouts have enabled rapid re-letting, minimising downtime, often to the period covered by rent deposits. By combining flexibility with discipline, we are able to attract a broad range of occupiers, capture a disproportionate share of demand and translate this into sustainable rental growth.

Retail Parks

Our decision in 2021 to increase our exposure to retail parks is continuing to deliver. Since then, we have increased the portfolio from 15% of the Group to 32% today and in that time retail parks have been the best performing subsector in UK real estate. Our portfolio has delivered a total property return of 12.3% per annum, outperforming the wider retail park sector by 410 bps over the last five years.

Three "A's" continue to drive demand

Affordability: The affordability proposition of parks remains compelling. The occupancy cost ratio (rent, rates and service charge as a share of sales) has halved from 18% in 2016 to around 9% today and at these rental levels a very broad range of retailers can trade profitably. With footfall and sales continuing to grow, this supports further rental growth. We have also seen a c.5% decline in business rates across our parks since 1 April 2026. While rateable values have increased, this has been offset in many areas by a reduction in the multiplier, providing a small benefit for our retailers.

Accessibility: Parks are highly accessible, located on major arterial routes on the edges of towns and cities. With generous free parking, they are well suited for click-and-collect, returns, and ship from store.

Adaptability: Finally, the adaptability of a retail park unit, which is essentially a simple steel framed "box", offers flexibility to retailers at comparatively low cost, especially when contrasted with the difficulty and expense of reworking high street or shopping centre units. This also enables click and collect and in-store fulfilment as the retailers are able to easily adapt these boxes to provide more back of house space to be used as a local distribution centre.

Demand remains robust, with retailers continuing to expand on parks as well as several new entrants coming into the retail park format. The result is low market vacancy on retail parks at 3% in contrast to shopping centres at 9% and the high street at 13%.³ Looking back over time there is a strong correlation between market vacancy and rental growth, with rents growing when vacancy falls below 5%.⁴ Today our retail parks have just 1% vacancy, and delivered 4.4% ERV growth in the year.

Limited new supply of retail parks expected

We can currently acquire retail parks significantly below their replacement cost, and therefore any material new supply is unlikely to make economic sense. Only 1% of new supply has been added to the market over the past five years⁵ and planning constraints, particularly as local authorities seek to protect high streets, provide an additional barrier to development. Consequently, with demand and affordability remaining strong and the supply picture constrained, we expect strong rental growth.

1. Knight Frank
2. Cushman & Wakefield
3. Trevor Wood / MSCI
4. MSCI
5. Trevor Wood

CHIEF EXECUTIVE'S REVIEW CONTINUED

Market leadership driving performance

We are one of the UK's leading owner and operator of retail parks, with a portfolio of scale serving catchments covering around half of the UK population within a 30-minute drive.

Our market leading position, combined with deep retailer relationships and operational expertise, enables us to capture rental growth and source attractive investment opportunities. Our occupancy is now 99%, and we delivered 4.4% rental growth over the last 12 months. Importantly the over rent that emerged post Covid has largely burned off through market rental growth, and in the second half we leased space 6.3% ahead of previous passing rents.

Investment market

The strength of the London office and retail park occupational markets led to increased investor interest in these sectors as the year progressed. However, the macroeconomic backdrop has become more uncertain since March, with elevated interest rates and heightened geopolitical tensions, which will likely impact sentiment in the near term.

Investment activity in London's office market strengthened over 2025, with volumes increasing materially to approximately £9bn, up 52% on 2024.¹ Larger lot size transactions returned, with over 57% of transactions above £100m in 2025 compared to 29% in 2024,¹ reflecting confidence in occupational fundamentals. Encouragingly, core and institutional capital was also returning to the market, supported by stabilising yields and improved debt market conditions. The impacts of recent events in the Middle East are likely to result in a pause in the recovery as investors seek more visibility on cost of capital, however, ultimately it will be occupational fundamentals that determine investor appetite and liquidity for prime London offices.

Retail parks continue to attract a broad range of investors, underpinned by their strong income characteristics, affordability and low capital expenditure requirements. In 2025 c.£2.7bn of UK retail parks transacted across 90 deals, broadly in line with the 10-year average.² Investor demand remains supported by a diverse mix of UK and international capital. Many institutional investors are looking for high quality parks with limited asset management and a strong covenant backed cash flow. These parks are attracting tight yields. However, given our active approach to asset management and strong retailer relationships we tend to focus on higher-yielding opportunities with more occupational risk on entry. We then utilise our expertise to deliver the asset management required and drive future returns.

Capital allocation

Active recycling of capital is an important way we create value and one of the levers of future earnings growth within the business. We dispose of mature assets where we have completed our asset and development management activities and redeploy capital into opportunities with higher returns, ahead of our cost of capital. Today, we see the strongest fundamentals and most attractive returns in retail parks and best-in-class developments on our campuses. Such deployment is tested against the returns and EPS accretion available from other uses of capital such as share buybacks. We will continue to be rigorous in our assessment of the use of any surplus proceeds.

Strong occupational fundamentals, low capital expenditure requirements, pricing below replacement cost, 7%+ day-one cash yields and growing rents continue to make retail parks an attractive investment. Our leading scalable platform means that when we acquire retail parks, minimal additional overheads are required to operate more assets. Retail parks now make up 32% of our portfolio, up from 15% when we set out our strategy in 2021.

Development on our campuses remains a key driver of long term value creation but requires discipline in the current environment. While higher build and funding costs limit viability in many locations, opportunities remain compelling in core markets where supply is extremely constrained. We are advancing developments on a de-risked and capital-light basis, securing major pre-lets, achieving a high degree of cost certainty at commitment, and partnering with others to accelerate delivery and enhance returns.

We are also opportunistic in seeking inorganic growth where it enhances earnings. The acquisition of Life Science REIT, which completed on 20 April 2026, is a clear example, providing access to quality assets in key innovation clusters at an attractive valuation. The transaction is immediately earnings accretive and is expected to deliver 0.3p of EPS accretion in FY27, with further upside to come from leasing newly delivered space and capturing reversion in future years, while importantly being NTA per share neutral. We have made good initial progress since the acquisition, including repaying the legacy debt with cheaper British Land facilities, integrating the five assets into our portfolio with minimal incremental cost, and have 56k sq ft of leasing under offer on newly delivered space at Oxford Technology Park.

Our resilient balance sheet, alongside the diversity and duration of sources of finance underpins this approach, providing flexibility to invest through the cycle. Loan to value (LTV) on a proportionally consolidated basis was 39.2% at 31 March 2026 (38.1% at 31 March 2025) and Group Net Debt to EBITDA was 7.7x (8.0x at 31 March 2025). We consider these metrics through the cycle and are comfortable with their level at this point; they will reduce over time through valuation and earnings growth, and recycling capital from mature assets. Post year end we have exchanged or are under offer on £176m of asset sales and are in active negotiations on a number of other disposals.

Based on our policy of setting the dividend at 80% of Underlying EPS, the Board have proposed a final dividend of 10.80p, bringing the total dividend for the year to 23.12p.

1. Knight Frank

2. CBRE

Attractive total return profile and outlook

Our market leading position in sectors where demand is healthy, supply is constrained, and rents are affordable, combined with the quality of our assets, our experienced team and our value-add approach, provides for an attractive total return profile. We target total accounting returns of 8-10% through the cycle and we achieved an 8.1% return this year.

Our total return profile is underpinned by a sustainable annual EPS growth of 3-6%. This is driven by our five levers of earnings growth, and the indicative building blocks are:

- Like-for-like rental growth, where delivering in the middle of our guided range of 3-5% translates through to c.5% EPS growth p.a. when applied to our gross standing assets
- Growing fee income by 10% p.a. delivers c.1% EPS p.a.
- Our continued focus on cost control means that we expect to deliver further administrative cost savings to fully offset inflationary pressures over the medium term
- We expect a continued gradual increase in finance costs towards market rates, at c.10-20 bps p.a., which reduces EPS by c.2% p.a. over the next few years

Taking these items together, this delivers an indicative core EPS growth rate of c.4%. Further upside to deliver at the top end of the range at 6% then comes from capital activity, be that via developments or recycling capital, and whilst the timing and phasing will vary year to year:

- Future development commitments, for example £200m of completions p.a. at a c.2% spread to funding costs, delivers c.1% EPS growth
- And £300m of capital recycled at a c.1% spread (i.e. sales at c.6% yield, purchases at c.7% yield), would deliver a further c.1% EPS growth

Looking ahead to FY27, while macroeconomic and geopolitical uncertainty remains, given the occupational strengths of our markets we expect to deliver at the top end of our like-for-like net rental growth range of 3-5%. This, alongside continued focus on cost control, near term visibility into development lease up, and the acquisition of Life Science REIT, means we expect Underlying EPS of at least 30.5p (previously at least 30.2p).



2 Finsbury Avenue development

OUR PORTFOLIO

Our portfolio of high quality UK commercial property is focused on office-led campuses in Central London and retail parks across the UK. We own or manage a portfolio valued at £15.8bn (British Land share: £10.1bn).

OFFICE-LED CAMPUSES IN CENTRAL LONDON (58% OF TOTAL PORTFOLIO BY VALUE)

Paddington Central

Located in London's West End, next to Paddington Station with access to the Elizabeth Line and Heathrow Express. Its central location and accessibility attracts a range of corporates in financial services, telecommunications and technology.

Size: 11 acres

Ownership: 25:75 JV with GIC owning 75%

Regent's Place

Located in London's Knowledge Quarter, close to academic and research institutions, including University College London, The Wellcome Trust and The Francis Crick Institute. It has excellent transport links with Euston and King's Cross stations nearby and is one of London's leading science, technology and AI clusters.

Size: 13 acres

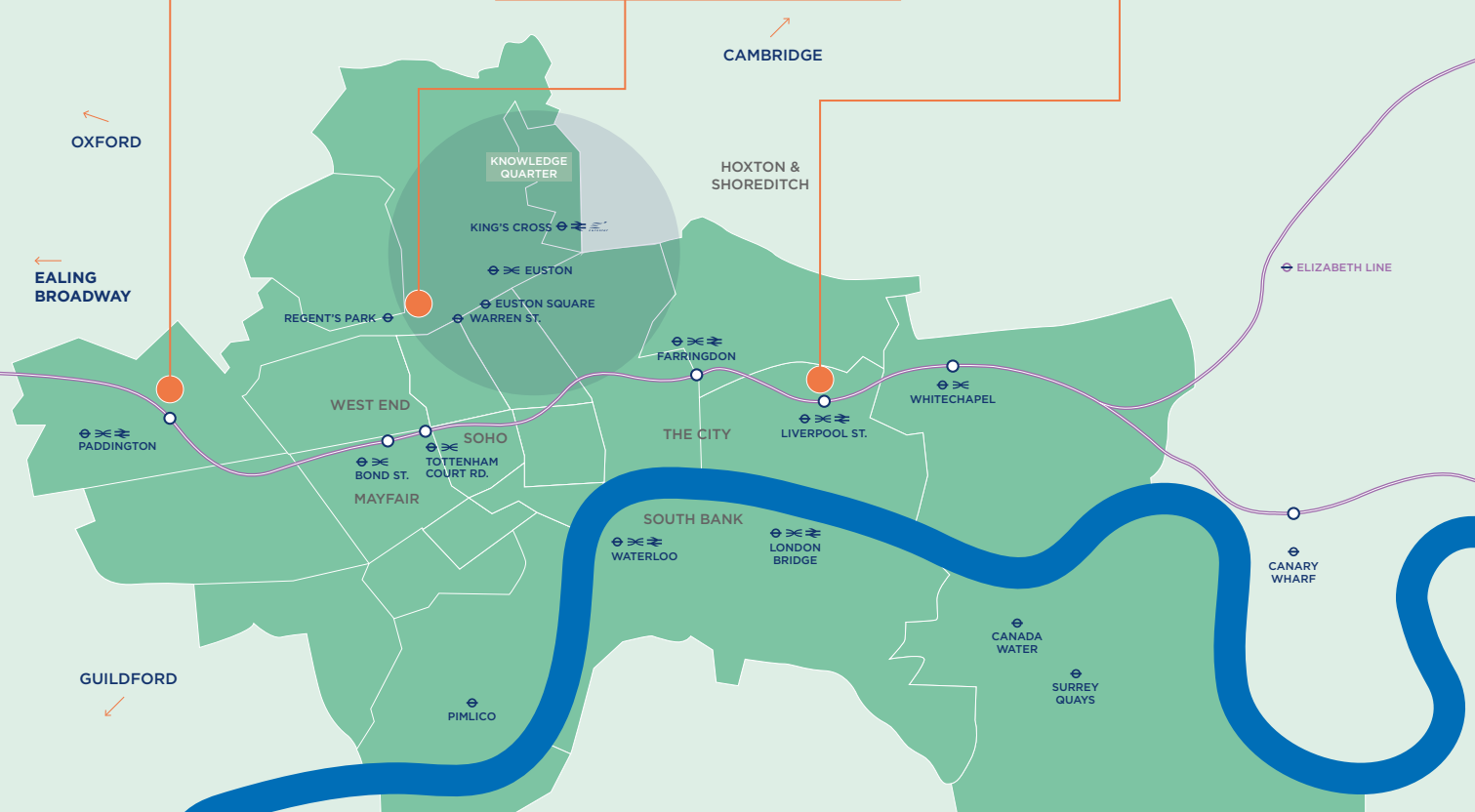
Ownership: 100% (except One Triton Square 50:50 JV with Royal London Asset Management)

Broadgate

The City of London's premier campus, with excellent connectivity, next to Liverpool Street Station and the Elizabeth Line. Its proximity also to Shoreditch attracts a breadth of customers from financial services, law firms, fintech, media and other growth sectors.

Size: 32 acres

Ownership: 50:50 JV with GIC (except 2 Finsbury Avenue 25:25:50 JV with British Land, GIC and Modon Holding)



% of total portfolio by value	
Broadgate	25%
Regent's Place	17%
Paddington Central	3%
Other	13%

Science & Technology, including AI, is our largest occupier sector and represents **35%** of our campuses' rent roll (pro forma for the acquisition of Life Science REIT)

RETAIL AND LONDON URBAN LOGISTICS INCLUDING 56 RETAIL PARKS (42% OF TOTAL PORTFOLIO BY VALUE)

% of total portfolio by value

○ Retail Parks	32%
● Shopping Centres and other retail	7%
● London Urban Logistics	3%

Retail Parks

We are one of the UK's largest owners and operators of retail parks with a total of 56 parks representing c.10% of the retail park market. Parks are the preferred format for many retailers due to their affordability, adaptability and accessibility.

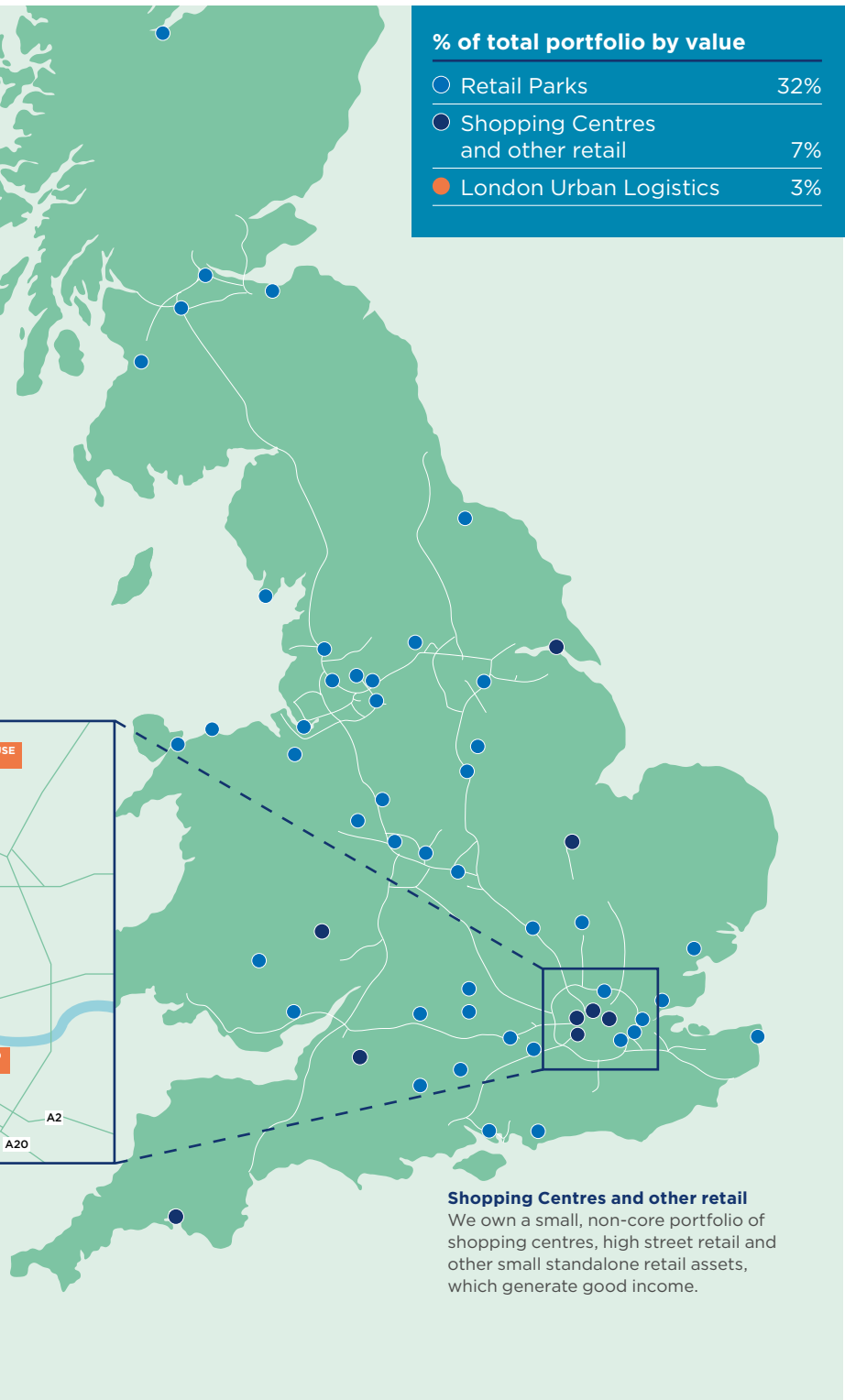


London Urban Logistics

We own six development-led urban logistics sites in Zone 1 of London and within the M25. Our pipeline has the potential to deliver best-in-class logistics space in a highly constrained market. In the meantime, the portfolio continues to generate good rental income.

Shopping Centres and other retail

We own a small, non-core portfolio of shopping centres, high street retail and other small standalone retail assets, which generate good income.



BUSINESS MODEL

We are a diversified real estate business and invest in subsectors with strong occupational fundamentals, and therefore rental growth prospects. We leverage our strengths in development and asset management, with the aim of generating an income focused total accounting return (TAR) of 8-10% through the cycle.

OUR STRENGTHS ARE:

Portfolio of high quality assets

Our office-led campuses in London appeal to a broad range of businesses looking for high quality space in core locations. We are one of the largest owners and operators of retail parks in the UK.

Best-in-class platform

We leverage our experience across the real estate life cycle from design, planning, development and construction through to asset and property management to drive returns. We also have industry leading specialists in investment and finance.

Partnerships with investors

Our strong relationships with sovereign wealth funds and large pension funds give us the ability to stretch our equity and crystallise value through asset sales and joint ventures.

Financial strength

We have a strong balance sheet and we use leverage appropriately. We aim to deliver returns through the property cycle by having a disciplined approach to risk and capital allocation.

Leadership in sustainability

Sustainability is embedded throughout the business. Our approach is focused on three key pillars where British Land can create the most value: Greener Spaces, Thriving Places and Responsible Choices.

OUR LEVERS OF EARNINGS GROWTH:

LIKE-FOR-LIKE GROWTH

FEE INCOME

CAPITAL RECYCLING

COST CONTROL

DEVELOPMENTS

SUPPORTED BY OUR VALUES:

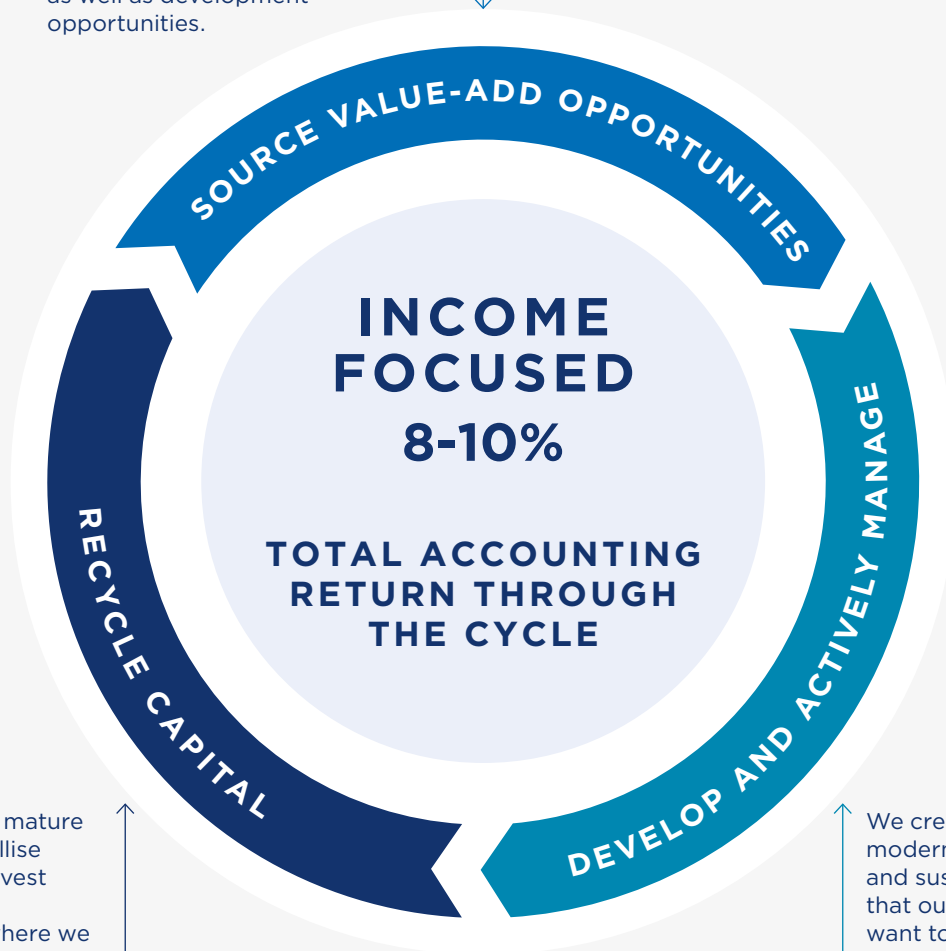
DELIVER AT PACE

BE SMARTER TOGETHER

- **READ MORE**
About how we create value for our stakeholders on page 16
- **READ MORE**
About how our approach to risk underpins our strategy on pages 47 to 58
- **READ MORE**
About how our approach to remuneration aligns with our strategy on pages 100 to 114

THIS FEEDS INTO HOW WE MANAGE THE BUSINESS TO CREATE VALUE FOR ALL OUR STAKEHOLDERS:

We target acquisitions in our chosen subsectors as well as development opportunities.



We actively sell mature assets to crystallise returns and reinvest capital into opportunities where we can drive stronger returns through development or asset management.

We create and manage modern, high quality and sustainable spaces that our customers want to lease and that direct investors such as sovereign wealth funds and pension funds want to own.

**BRING YOUR
WHOLE SELF**

**BUILD FOR
THE FUTURE**

**LISTEN AND
UNDERSTAND**

STAKEHOLDER ENGAGEMENT

Our investors

The people and institutions who own British Land shares or debt holders

Outcomes:

45%

of share register met and 188 investor meetings completed

10.2%

3-year total shareholder return

What matters to them?

- Financial performance and returns
- Strong balance sheet and disciplined capital allocation
- Clear strategy and business model
- Leading ESG performance
- Risk management
- Strong leadership

How we engage

- Meetings and video calls
- Roadshows, conferences, investor seminars, asset tours, capital markets days and debt investor presentations
- Regulatory reporting

Priorities for 2026/27

- Incoming CEO engagement with key investors
- Continued open and engaged dialogue with investors
- Delivering against our strategy
- Strong balance sheet and disciplined approach to capital allocation

Our customers

The users of our buildings and spaces

Outcomes:

3.8m sq ft

of space leased in the year including 1.8m sq ft of regears

80%

of customers stated BL are 'the best' or 'better than most' other providers

What matters to them?

- High quality, well-connected, sustainable and safe space that fulfils their needs
- Fair and appropriate lease terms
- Property management and maintenance
- Affordability, adaptability and accessibility

How we engage

- Regular dialogue with customers
- Annual customer satisfaction surveys to gain insight
- Customer networks across our campuses

Priorities for 2026/27

- Partner of choice for headquarter office space
- High levels of customer retention
- Upgrade buildings to meet shared environmental objectives with customers

Our joint venture partners

Institutions we partner with, usually where we share ownership, returns and risk

Outcomes:

11

key joint venture partners, including with sovereign wealth and large pension funds

£3.7bn

value of assets in joint ventures

What matters to them?

- Financial performance and returns
- Clear strategy and business model
- Asset management and development expertise
- Long term, trusted relationships
- Aligned objectives and values
- Best-in-class assets

How we engage

- Agreed business plan
- Regular meetings and working groups
- Assess performance, progress and agree future objectives
- Regular joint venture reporting

Priorities for 2026/27

- Leverage our strong joint venture relationships
- Generate fee income growth
- Bring in further partners to accelerate development delivery in a capital-light way

Section 172 statement:

Understanding our stakeholders is critical to the long term success of our business. Regular engagement helps to shape our strategy and ultimately informs our decisions so that we can deliver outstanding places and positive outcomes for our stakeholders.

The nature of our business means that we have a continuous dialogue with a wide group of stakeholders before proposals are put to the Board for a decision. Our Section 172(1) statement for the purposes of the Companies Act 2006 (the Act), describing how the Directors have had regard to the matters set out in section 172(1) (a) to (f) of the Act when performing their duty to promote the success of the Company under Section 172, can be found within our Governance section on pages 78 to 79.

<p>Our people Everyone employed by British Land</p>	<p>Outcomes: 64% employee engagement score</p>	<p>81% employees proud to work at British Land</p>
<p>What matters to them?</p> <ul style="list-style-type: none"> - Diverse and inclusive culture with strong leadership - Career progression and development opportunities - Fair pay and reward - Flexible working arrangements - Ethical business 	<p>How we engage</p> <ul style="list-style-type: none"> - Internal communications channel - Regular team meetings and half yearly appraisals - Annual employee engagement survey - Regular workforce culture/engagement sessions with NEDs - Biennial Company Conference - Employee networks 	<p>Priorities for 2026/27</p> <ul style="list-style-type: none"> - Leadership and management training - Ongoing professional development - Enhance digital skills - Further evolve a performance-orientated culture
<p>Our communities and local authorities People who live in and around our places; local organisations and enterprises</p>	<p>Outcomes: £28.1m direct social and economic value generated in the year</p>	<p>12,999 people benefitting from social impact partnerships</p>
<p>What matters to them?</p> <ul style="list-style-type: none"> - Collaboration and engagement on local initiatives - Long term and trusted relationships - Places that foster social connections and enhance wellbeing - Providing a relevant mix of services such as education, jobs and space 	<p>How we engage</p> <ul style="list-style-type: none"> - Local Charter - Social Impact Fund and Customer Community Funds - Local programmes such as employment opportunities - Local networks - Expert volunteering 	<p>Priorities for 2026/27</p> <ul style="list-style-type: none"> - Impactful use of our spaces by small local businesses and community organisations - Educational initiatives for local people - Supporting local talent essential to the UK's growth industries
<p>Our suppliers and partners Those who have a direct contractual relationship with us to provide goods and services</p>	<p>Outcomes: 100% of suppliers signed up to the Supplier Code of Conduct</p>	<p>Achieved Living Wage Employer accreditation</p>
<p>What matters to them?</p> <ul style="list-style-type: none"> - Long term, collaborative, trusted relationships - New business opportunities - Fair commercial and payment terms - Aligned objectives and values 	<p>How we engage</p> <ul style="list-style-type: none"> - Rigorous onboarding and tendering process - Supplier Code of Conduct 	<p>Priorities for 2026/27</p> <ul style="list-style-type: none"> - Work with suppliers who align with our values and ESG targets - Commitment to creating social value through SME classified suppliers - Widen Scope 3* capture beyond construction-related emissions <p>* (Scope 3 covers indirect emissions across our value chain).</p>

BUSINESS REVIEW



Kelly Cleveland
Head of Real Estate and Investment

The value of the portfolio was up 2.3%, as yields remained stable and positive valuation performance was driven by strong ERV growth of 4.9%, at the upper end of our guidance range.

Campus valuations increased by 2.0% for the year, with yields broadly stable and ERV growth of 6.5%.

This outperformance relative to ERV guidance reflects the strength of leasing activity during the year, supported by very tight supply in prime London locations. Across both our City and West End portfolios, values increased, supported by healthy ERV growth of 7.5% and 6.2% respectively. Campus valuations were partially offset by weaker performance at Canada Water and our residential development in Aldgate, reflecting softer yields in the London residential market offset by progress on leasing.

Retail values performed well with values up across retail parks and shopping centres. The value of our retail park portfolio was up 3.3%, continuing the momentum from FY25 where values rose 7.1%. Yields remained broadly stable, tightening by 4 bps, with values driven by further ERV growth of 4.4%, reflecting sustained occupier demand and the portfolio now being largely rack rented.

The value of our shopping centres increased by 4.2%, as yields tightened 19 bps following increasing investor demand for the sub-sector, and ERVs grew 2.7%. In other retail, values were flat as ERV growth of 1.7% was offset by outwards yield shift of 24 bps as a result of yield movement at Woolwich, both on the high street and residential elements held.

The retail portfolio outperformed the MSCI All Retail benchmark by 210 bps on a total return basis for the year to 31 March 2026, whilst our campuses outperformed the MSCI benchmark for All Offices by 90 bps. Overall, our portfolio outperformed the MSCI All Property total return index by over 180 bps.

London urban logistics values were down 3.2% as the ERVs were adjusted to reflect recent deals closed and softer market-wide occupier sentiment.

Key metrics

As at	31 March 2026	31 March 2025
Portfolio valuation	£10,062m	£9,486m
Occupancy ^{1,2}	96.9%	97.7%
Weighted average lease length to first break	5.4 yrs	5.3 yrs
Total property return	7.4%	6.9%
- Yield shift	-4 bps	-4 bps
- ERV movement	4.9%	4.9%
- Valuation movement	2.3%	1.6%
Lettings/renewals (sq ft) over 1 year	3.4m	2.8m
Lettings/renewals over 1 year vs ERV	+7.2%	+8.6%
Gross capital activity	£492m	£1,729m
- Acquisitions	£94m	£738m
- Disposals	£(106)m	£(597)m
- Capital investment	£292m	£394m
Net investment/(divestment)	£280m	£535m

On a proportionally consolidated basis including the Group's share of joint ventures.

- Where occupiers have entered CVA or administration but are still liable for rates, these are treated as occupied. If units in administration are treated as vacant, then the occupancy rate would reduce from 96.9% to 96.5%.
- Occupancy excludes completed developments in the previous 12 months.

Portfolio performance

At 31 March 2026	Valuation £m	Valuation movement %			ERV movement %	Yield shift bps	Total property return %	Net equivalent yield %
		H1	H2	FY				
Campuses	5,852	0.9	1.1	2.0	6.5	-4	5.5	5.6
City	2,968	2.6	2.3	4.9	7.5	-3	8.9	5.4
West End	2,173	(0.9)	1.1	0.2	6.2	-9	3.8	5.5
Canada Water & other Campuses (incl. resi)	711	(0.2)	(3.3)	(3.6)	0.9	+18	(2.0)	6.3
Retail & London Urban Logistics	4,210	1.6	1.1	2.7	3.6	-4	10.1	6.6
Retail Parks	3,193	1.5	1.8	3.3	4.4	-4	10.7	6.4
Shopping Centres	481	2.3	2.0	4.2	2.7	-19	16.4	8.4
Other Retail	203	4.2	(4.1)	(0.1)	1.7	+24	5.6	7.4
London Urban Logistics	333	-	(3.2)	(3.2)	(4.3)	-1	0.2	5.0
Total	10,062	1.2	1.1	2.3	4.9	-4	7.4	6.0

➔ **READ MORE**
in the supplementary tables for detailed breakdown
which start on page 198

Capital activity

	Campuses £m	Retail & London Urban Logistics £m	Total £m
From 1 April 2025			
Purchases	-	94	94
Sales	(55)	(51)	(106)
Development Spend	183	16	199
Capital Spend	68	25	93
Net Investment	196	84	280
Gross Capital Activity	306	186	492

On a proportionally consolidated basis including the Group's share of joint ventures.



Regent's Place

In line with the strategy to recycle capital from mature assets into higher-returning opportunities, we acquired £94m of retail assets, at a topped-up net initial yield of 7.2% and disposed of £106m of assets at a 2.9% net initial yield.

Acquisitions included three fully let high-quality retail parks, two fully let retail units adjacent to our SouthGate scheme in Bath and our JV partner's 50% stake in Eden Walk.

£106m of disposals were achieved at 4% ahead of March 2025 book value. Key sales included the non-income producing development opportunity at International House, Ealing and residential sales proceeds at Canada Water following completion of the site in early 2026. We also sold Newport Harlech Retail Park at the end of the year following the completion of its business plan, with the regear of the superstore anchor on the site.

£292m was invested into our best-in-class development pipeline and asset management initiatives on the standing portfolio at a blended gross yield on cost of c.7%.

Post year end we have exchanged or are under offer on £176m of asset sales and are in active negotiations on a number of other disposals.

Also post year end we completed the immediately earnings accretive acquisition of Life Science REIT, comprising five assets located within the Golden Triangle, which we expect to generate FY27 net rental income of £18m, rising to a stabilised annual £25m of net rental income through the lease up of newly delivered space and capturing reversion. The acquisition was funded through the issue of 24.5m new shares and £49m in cash.

CAMPUSES

Portfolio valuation

£5,852m

Leasing

1.7m sq ft

Of deals signed



BUSINESS REVIEW CONTINUED

Key metrics

As at	31 March 2026	31 March 2025
Portfolio valuation	£5,852m	£5,501m
Occupancy ¹	94.7%	96.5%
Weighted average lease length to first break	6.3 yrs	6.2 yrs
Total property return	5.5%	3.1%
- Yield shift	-4 bps	+14 bps
- ERV growth	6.5%	4.3%
- Valuation movement	2.0%	(0.8)%
Total lettings/renewals (sq ft)	1,692,000	1,500,000
Lettings/renewals (sq ft) over 1 year	1,552,000	1,193,000
Lettings/renewals over 1 year vs ERV	+6.3%	+7.5%
Like-for-like rental growth ²	+12%	+2%

On a proportionally consolidated basis including the Group's share of joint ventures.

- Occupancy excludes recently completed developments.
- Like-for-like rental growth excludes the impact of surrender premia, CVAs & admins, provisions for debtors and tenant incentives, and Storey. Including Storey, campus like-for-like growth would be +12% (FY25: +1%).

Campuses operational review

Leasing volumes across our campuses are the highest in over a decade as occupiers continue to expand their footprint across London with activity focused at Broadgate and Regent's Place. Lettings and renewals (including Storey) totalled 1,692,000 sq ft, 6.3% ahead of ERV. Campus leasing was elevated in the year as we filled vacancy in the standing portfolio, progressed the lease up of recently completed developments and secured significant pre-lets on committed developments. The weighted average lease length to break is 6.3 years and the weighted average lease length of deals in the year is 8.6 years.

As at 31 March 2026, we had a further 295,000 sq ft under offer, 17.0% ahead of ERV. In the six weeks post year end we have gone under offer on a further 228,000 sq ft and viewing levels continue to be strong.

Take-up of space from AI and innovation-led businesses is increasing across London and particularly so in the Knowledge Quarter around Regent's Place. These businesses are scaling at pace in London similar to the expansion seen on the West coast of the US. Leasing at One Triton Square, owned jointly with Royal London Asset Management, reflects this, with leasing velocity ahead of initial expectations since launching in October 2025, and the building is now 94% let. Occupiers include Anthropic, Gilead Sciences and Humanoid alongside other leading global pharmaceutical, AI and tech companies.

Occupancy on our campuses is 95%, down 180 bps since 31 March 2025, which excludes refurbishments and new developments, following inclusion of Dock Shed. EPRA occupancy has increased 8 ppts to 91% as we have leased newly delivered and refurbished space such as Norton Folgate which is now 94% let or under offer. Virtually all remaining vacant office space is new or recently refurbished and given robust demand, shortage of supply and ongoing negotiations, we expect to make further progress on letting vacancy in FY27.

Overall, leasing was 20.0% ahead of previous passing rent. This, combined with the improvement in our EPRA vacancy, delivered strong like-for-like rental growth of +12%, with 2 ppts of this delivered through the lease up of Norton Folgate.

Campuses were valued at £5.9bn at 31 March 2026, up 2.0%, driven by continued ERV growth of 6.5%, ahead of our guided range of 3-5%.

Broadgate

Broadgate's prime location next to Liverpool Street station and on the Elizabeth line, combined with best-in-class workspace, high-quality amenities and a vibrant public realm, continues to attract strong occupier demand. The campus has seen significant leasing volumes in the year, reflecting sustained demand for prime, well-located product and is virtually full with occupancy at 99%. The newly developed top floor at 1 Broadgate was the only vacant office space at 31 March 2026 and subsequently moved under offer post year end.

Leasing activity (excluding Storey) covered 907,000 sq ft, of which 866,000 sq ft were long term deals, 5.8% ahead of ERV, including:

- A 21-year lease agreement with global law firm Herbert Smith Freehills Kramer for 268,000 sq ft of office space at 1 Appold Street, with options to take a minimum of 238,000 sq ft or expand up to 360,000 sq ft. The deal takes the building to 60% pre-let at a minimum.
- 222,000 sq ft of deals at 201 Bishopsgate, extending the leases of Janus Henderson and Mayer Brown to 2033, highlighting the limited supply of larger floor plates in the City and the attraction of remaining on the Broadgate campus.
- 50,000 sq ft letting at Exchange House, securing a new letting to MSCI whilst taking a surrender premium from Columbia Threadneedle Investments. MSCI will occupy the surrendered floor alongside previously vacant space with rents increasing by £35 psf.
- 70,000 sq ft of new deals completed at Broadgate Tower including deals to Sigma Computing, Oxera Consulting and ClearBank, on a mix of traditional and fitted ("Work Ready") space.
- 41,000 sq ft regear with Sumitomo Mitsui Trust Bank at 155 Bishopsgate, underscoring demand from the core financial services sector.
- 40,000 sq ft rent review at 100 Liverpool Street, as the leases in the building reached their first review. Following the strong rental growth seen across the campus since 2020 these leases are being agreed significantly ahead of previous rents.
- 27,000 sq ft of retail and F&B deals, including deals under offer, at 1 Broadgate (Broadgate Central). New stores include Boots Fragrance, Molton Brown, The Salad Project and Sandwich Sandwich. Broadgate Central is now 93% let or under offer.

Reflecting this strong activity, Broadgate saw a valuation increase of 4.2%, driven by ERV growth of 9.2% and yield compression of 2 bps.

BUSINESS REVIEW CONTINUED

UNLOCKING VALUE
THROUGH
REPOSITIONING

One Triton Square

One Triton Square is a strong example of how we deploy our development, investment and leasing expertise to create a best-in-class Science and Technology scheme that unlocks value and drives earnings growth.

In 2023, many viewed the decision to agree a £149m surrender payment from Meta as a signal that London office demand was weakening and that remote working was becoming the norm. Based on the demand data we were seeing, and conversations with business leaders about the desire to return to the office, we disagreed.

Following the surrender, we established plans for c.£120m of capital expenditure to reposition the building as a Science and Technology hub at Regent's Place campus. The scheme was expected to deliver rents significantly in excess of those payable under the Meta lease. Other investors also recognised the building's potential and, in March 2024, we agreed a joint venture with Royal London Asset Management. This transaction saw us receive £192.5m for a 50% stake in the asset, allowing us to share expertise while further de-risking the project for British Land.

The building was officially launched in October 2025 and today is 94% let, supported by strong and growing demand from Science and Technology occupiers. Based on progress to date, we expect to deliver an overall IRR in excess of 20% from the point of surrender to full lease-up, unlocking both earnings and value growth for shareholders.

Regent's Place

Activity at Regent's Place has been concentrated at One Triton Square following the delivery of the scheme in October 2025. The building has reinforced the campus' position as a science and technology hub, with strong demand from innovation businesses seeking to capitalise on its location within London's Knowledge Quarter. The campus benefits from proximity to world-leading academic and research institutions, including University College London, The Wellcome Trust, The Alan Turing Institute and The Francis Crick Institute.

Leasing activity (excluding Storey) covered 329,000 sq ft, of which 324,000 sq ft were long term deals, 11.9% ahead of ERV, including:

- 208,000 sq ft of space let at One Triton Square (excluding Storey space) to leading science and technology occupiers, including 158,000 sq ft let to Anthropic, who currently occupy 30,000 sq ft at 338 Euston Road, and 50,000 sq ft to global biopharmaceutical company Gilead Sciences.
- 32,000 sq ft lease renewal with Elexon at 350 Euston Road as they extend their stay at the campus to 2038.
- Relation Therapeutics, an end-to-end biotech business developing transformational medicines, doubling its space at 338 Euston Road to 14,000 sq ft after initially taking 6,000 sq ft in 2022.
- 11,000 sq ft letting to Sierra Technologies at 20 Triton Street, joining other AI-led occupiers in the building including Synthesia AI.

Values at Regent's Place were down 0.1% as ERV growth of 6.9% and inward yield shift of 11 bps were offset by a negative movement in H1 due to revised cost assumptions on future development opportunities at the campus. Occupancy at the campus is 93%.

Paddington Central

Paddington Central's location next to Paddington station with connectivity across London via the Elizabeth line and Heathrow Express, continues to attract and retain global occupiers looking for London HQ space. Occupancy remains high at 99%.

Given the high occupancy, leasing activity was primarily focused on our Storey product in 2 and 4 Kingdom Street. The key non-Storey deal in the year was a 15-year, 10,000 sq ft letting to PureGym at 3 Sheldon Square.

Paddington Central saw valuations decline 1.5%, as ERV growth of 4.6% was offset by outward yield shift of 7 bps reflecting latest market transactional evidence. 1 Sheldon Square saw the biggest decline as the asset moves towards a vacant possession value as we near Visa vacating the building at the end of 2028 following 26 years in occupation.

Storey: flexible office space

Storey remains an important component of the campus offer and provides the flexibility for customers to expand and contract quickly and cost-efficiently. The quality of the space, central location and access to campus amenities make the space appealing to scale up and overseas businesses looking to open a UK Headquarters.

ANTICIPATING CUSTOMER NEEDS



Regent's Place

One of the key advantages of a British Land campus is the ability for customers to evolve over time. Our leasing teams work closely with occupiers to ensure they have the right space for their current needs, while retaining flexibility to accommodate future growth or contraction.

By controlling a cluster of buildings with a range of floorplates, we can offer space that suits businesses at every stage of their journey. This may include smaller companies taking their first flexible or fitted space, with longer-term ambitions to move into a dedicated 20,000 sq ft floorplate, confident that British Land can support their future requirements. Equally, it may involve a large organisation seeking a London headquarters of more than 100,000 sq ft.

We are seeing this flexibility and ability to scale in action across our campuses. At Regent's Place,

Anthropic has continued to expand its presence, signing its sixth deal with British Land during the year and taking 158,000 sq ft at One Triton Square. In less than 12 months, the business has increased its London footprint with us by more than 20x, demonstrating how the campus model can support rapid growth by providing access to adjacent, high-quality space within a well-connected innovation cluster. Regent's Place is particularly well positioned to benefit from this demand given its location within the Knowledge Quarter, surrounded by leading academic and research institutions.

This flexibility alongside the work of our leasing and asset management teams, enabled us to retain this exciting growth occupier at our campus, whilst reinforcing the position of Regent's Place as a science and technology hub.

Storey is currently operational across 374,000 sq ft (5% of our campuses portfolio) and leasing activity covered 152,000 sq ft across 47 deals. Occupancy is at 94%, including space recently delivered at Norton Folgate and Broadgate Tower, above our target of 90%, with premiums of 20%+ ahead of traditional net effective rents.

Canada Water

The first phase of the Masterplan is now complete and includes 245,000 sq ft of offices at Dock Shed and Three Deal Porters, 186 new homes at The Founding and 79 affordable homes at 7 Roberts Close. It also includes new restaurants, a leisure centre for Southwark Council, and significant enhancements to the public realm such as the revitalised Canada Dock.

Office space at the campus is seeing enquiries from a range of businesses seeking new workspace at a more competitive price point than the traditional core markets of the City and West End. We currently have 3,000 sq ft under offer and 50,000 sq ft in active negotiations on the space. At The Founding, 57 residential apartments have been sold to date at an average price of c.£1,200 psf.

In March 2026 a Section 73 application, which was submitted in response to major regulatory changes and sector-wide cost and viability challenges, was approved by the Mayor of London's office. The approval sees an increase in height and massing of the residential buildings, the introduction of alternative living uses, increased flexibility across plots and changes to the delivery of affordable housing. The revised Masterplan commits to providing 20% affordable housing in the next phase of development (minimum 9% overall across the Masterplan).

The valuation of Canada Water declined 6.9% in the year, reflecting market conditions, the latest leasing and sales progress at the site, and the revised development programme.

Looking ahead, the next phases of the Masterplan are likely to have a higher living uses component and be more capital light for British Land. This will likely include partnering with or selling plots to residential and student developers to accelerate returns. A key advantage of the Canada Water planning consent is its flexibility, which allows us to adapt our plans in line with changing market conditions. We intend to leverage this flexibility as we progress the scheme.

RETAIL AND LONDON URBAN LOGISTICS

Portfolio valuation

£4,210m

Retail park leasing ahead
of previous passing rents

3.4%



Key metrics

As at	31 March 2026	31 March 2025
Portfolio valuation	£4,210m	£3,985m
- Of which Retail Parks	£3,193m	£3,018m
- Of which Shopping Centres	£481m	£435m
- Of which London Urban Logistics	£333m	£324m
Occupancy ¹	99.0%	98.6%
Weighted average lease length to first break	4.7 yrs	4.6 yrs
Total property return	10.1%	13.2%
- Yield shift	-4 bps	-27 bps
- ERV growth	3.6%	5.6%
- Valuation movement	2.7%	5.0%
Total lettings/renewals (sq ft)	2,100,000	1,766,000
Lettings/renewals (sq ft) over 1 year	1,850,000	1,577,000
Lettings/renewals over 1 year vs ERV	+8.4%	+10.5%
Like-for-like rental growth ²	+2%	+5%

On a proportionally consolidated basis including the Group's share of joint ventures.

- Where occupiers have entered CVA or administration but are still liable for rates, these are treated as occupied. If units in administration are treated as vacant, then the occupancy rate for retail would reduce from 99.0% to 98.3%.
- Like-for-like rental growth excludes the impact of surrender premia, CVAs & admins and provisions for debtors and tenant incentives.

Retail & London Urban Logistics operational review

Leasing momentum continued into the second half of the year and total volumes by area were c.20% ahead of the prior year. 2,100,000 sq ft of lettings and renewals were signed in the year, 8.4% ahead of March 2025 ERV, with a further 838,000 sq ft under offer, 10.3% ahead of ERV. Weighted average lease length of new deals is 6.9 years.

Occupancy was maintained at 99% and like-for-like rental growth was 2% for the year supported by a near-full and largely rack-rented retail park portfolio that is well positioned to capture future reversion.

Values increased by 2.7%, with retail parks up 3.3%, shopping centres up 4.2%, other retail flat and London urban logistics values down 3.2%. ERV growth was 3.6% driven by continued growth in retail parks, which delivered 4.4% rental growth, towards the top end of our ERV growth guidance of 3-5%.

Retail Parks

Retail parks continue to be the format of choice for many retailers and demand remains robust. We signed 1,544,000 sq ft of deals in the year, 9.0% above ERV and importantly 3.4% ahead of previous passing rents. Leasing against previous passing rent accelerated in the second half of the year, at 6.3%, as we have now worked through the previous overrent in the portfolio.

**INSIGHT-LED
RETAIL PARK
INVESTMENTS****Turbury Retail Park**

We continued to be acquisitive in the retail park market this year, with the team actively screening a wide range of opportunities.

Our investment team works closely with our retail park leasing and asset management teams, leveraging long-standing retailer relationships to identify where value can be unlocked. This includes detailed analysis of trading performance and the overall attractiveness of each park to occupiers. Our scale and depth of retailer insight allow us to take on greater occupational risk than many other investors, who typically seek assets with limited asset management requirements.

In November 2025, we acquired Turbury Retail Park for £27m, representing a net initial yield of 7.4%. While some investors were deterred by the relatively high tenant covenant risk profile, we identified an opportunity to actively manage the asset. Within the first month of ownership, we increased rents through lease renegotiations with an existing occupier, improving the yield to 7.7%. We were also able to assess additional covenant risk given the confidence we had in future demand for space at the park, supported by discussions with potential occupiers.

These retailer relationships enable us to underwrite opportunities more competitively than peers who lack the same level of insight and conviction around occupational risk.

BUSINESS REVIEW CONTINUED

Our parks remain virtually full with occupancy at 99%, and a 89% retention rate for those with breaks or expiries in the year. Key leasing activity in the year included:

- 85,000 sq ft with Tesco, securing an extension of the key grocery anchor at Newport Harlech Retail Park, ahead of disposal.
- UK omni-channel retailers continue to see the benefit of a significant and growing retail park footprint and we completed 79,000 sq ft across four deals with Marks & Spencer, two of which are new stores. We also had a further 96,000 sq ft let or under offer to Next across nine parks, including two new stores.
- 29,000 sq ft of renewals with Boots and 36,000 sq ft of deals with Superdrug, underscoring continued demand from leading health and beauty retailers. We also have a further 10 deals under offer with these retailers as they continue to trade well on our parks.
- Six new lettings with Wingstop covering 22,000 sq ft as the popular eatery opens on our parks for the first time.
- 17,000 sq ft across three deals with Skechers, as the brand expands its UK retail park footprint.
- Established seven new EV charging stations across our parks generating income on previously non-income-producing parking spaces.

Shopping Centres

Our remaining shopping centres have continued to perform well, as we have maintained a high level of occupancy at 99% whilst improving the retailer line up. We have completed 315,000 sq ft of deals, 22.7% ahead of ERV and 4.4% below previous passing rents.

One of our largest shopping centre exposures is now Bath Southgate, an uncovered mall, where the cash flow characteristics are closer to that of a retail park than a traditional, covered shopping centre, due to lower maintenance costs. During the year M&S successfully opened a new store at the asset, which saw a significant increase in footfall post the launch.

London Urban Logistics

Our urban logistics strategy is development led, focused on densification and repurposing opportunities in London. In the year we delivered our first development scheme, Southwark Urban Logistics (Mandela Way), building a 144,000 sq ft urban logistics scheme in London's Zone 2. The development completed on time and on budget and this multi-storey logistics facility is the first of its kind in Central London. It is set across four floors, serviced by five heavy goods lifts and three separate cargo bike lifts, with ample loading space at ground level. Post year end we are pleased to have put 29,000 sq ft in the building under offer to a technology-led manufacturing business.

Despite being development led, many of the assets are income producing today and we continue to ensure the schemes are well-let and completed 92,000 sq ft of leasing with a further 90,000 sq ft under offer at year end. Deals included the letting of a vacant unit at Heritage House Enfield to AIT Home Delivery following Waitrose vacating the unit last year.

Our London urban logistics portfolio has embedded development optionality, and we remain positive about the long term supply demand dynamics of the sub-sector. We can progress those schemes when the time is right, but given the sub-sector is cyclically weaker today, we are currently prioritising capital allocation towards retail park acquisitions and best-in-class office developments.

DEVELOPMENTS

Committed pipeline

1.6m sq ft

Committed development ERV

£64m





David Lockyer
Head of Development

Developments

At 31 March 2026	Sq ft '000	Current Value £m	Cost to Complete £m	ERV £m	ERV Let & Under Offer ¹ £m
Committed	1,645	489	328	64	29
Near term	126	-	17	-	-
Medium term	6,269	612	3,636	249	-
Total pipeline	8,040	1,101	3,981	313	29

On a proportionally consolidated basis including the Group's share of joint ventures (except area which is shown at 100%).

1. Pre-let & under offer excludes space under option and includes deals up to 15 May 2026.

Developments remain a key driver of long term value creation, with development profit providing additional upside to reach the top end of our total accounting return targets. We approach developments with discipline, ensuring schemes are suitably de-risked via pre-lets, fixed priced construction contracts and bringing in joint venture partners where appropriate to stretch the balance sheet and enhance returns. New schemes must meet the required risk-adjusted return hurdles, set against our weighted average cost of capital. These hurdles are IRRs of 12-14% for campuses and mid-teens for London urban logistics, with gross yield on cost targets above 7%. As we continue to operate in supply-constrained markets, we are securing higher rents, and our new developments are exceeding these hurdles.

Following the recent commitment to 1 Appold Street and West One we are currently on site with 1.6m sq ft of space, delivering £64m of ERV, of which 45% is already let or under offer. Total development exposure is now 3.3% of portfolio gross asset value. Speculative exposure, which is based on ERV and includes space under offer is 5.0% and is within our internal risk parameter of 12.5%.

Completed Developments

As at 31 March 2026	Sector	BL Share %	100% sq ft '000	PC Calendar Year	ERV £m
1 Broadgate	Office	50	547	Q3 2025	20.4
Southwark Urban Logistics	London Urban Logistics	100	144	Q3 2025	4.2
One Triton Square	Science & Technology	50	317	Q4 2025	15.7
Canada Water: Plot A1 ¹	Mixed use	50	264	Q1 2026	3.0
Total completed			1,272		43.3

1. Canada Water Plot A1 includes Three Deal Porters and The Founding.

Completed Developments

We completed four developments totalling 1.3m sq ft in the last 12 months. 1 Broadgate reached practical completion in July 2025 and offers 547,000 sq ft of the highest quality, sustainable mixed use space in London, including best-in-class workspace and 48,000 sq ft of retail and leisure space. The office space was largely pre-let to JLL and A&O Shearman and we are under offer on the remaining top floor. The retail and leisure space on the ground and lower ground floor opened in November 2025 with a range of retailers in occupation including Luca Faloni, Ralph Lauren and Vagabond.

At Regent's Place, One Triton Square was pivoted to focus on the AI and innovation-led demand we have seen accelerate across London. The building, owned jointly with Royal London Asset Management, is in London's Knowledge Quarter and leasing velocity has exceeded expectations since its launch. Anthropic, one of the world's leading AI companies, have let 158,000 sq ft, with the building now 94% let.

Our first logistics scheme completed in Southwark in September, offering 144,000 sq ft of space across four storeys. 29,000 sq ft is currently under offer to a technology-led manufacturing business, and we are having encouraging conversations on the remaining space.

The final buildings of Phase 1 of the Canada Water Masterplan completed in Q1 2026 and comprise of The Founding and Three Deal Porters. The Founding is a 35-storey building offering 186 luxury apartments of which 57 are currently sold. Three Deal Porters is a mixed use building comprising of ground-floor retail and five floors of workspace. The market has been subdued for space outside of core locations. However, given the lack of supply in the core, this is now increasing and we are seeing higher viewing numbers at the site.

Committed Developments

Our committed pipeline stands at 1.6m sq ft and is gradually decreasing as we deliver schemes into a supply-constrained office market.

At Broadgate, the joint venture is progressing three best-in-class office developments, well positioned to capitalise on the highly favourable supply and demand dynamics in the City. Broadgate Tower is due to complete at the start of 2027, 2 Finsbury Avenue in mid-2027 and 1 Appold Street in early 2029. All three schemes are scheduled to deliver into a period of exceptionally limited supply of new and refurbished space, supporting strong rental growth prospects and attractive returns.

Committed Developments

As at 31 March 2026	Sector	BL Share %	100% sq ft '000	PC Calendar Year	ERV £m ¹	Gross Yield on Cost% ²
2 Finsbury Avenue	Office	25	749	Q2 2027	20.3	7.8
Broadgate Tower	Office	50	394	Q1 2027	18.6	8.2
1 Appold Street	Office	50	408	Q1 2029	21.4	7.8
West One	Office	25	94	Q1 2029	3.7	7.4
Total committed			1,645		64.0	7.9

1. Estimated headline rental value net of rent payable under head leases (excluding tenant incentives).
2. Gross yield on cost is the estimated annual rent of a completed development divided by the total cost of development including the site value at the point of commitment and any actual or estimated capitalisation of interest, expressed as a percentage return.

Broadgate Tower is a major refurbishment rather than a new build, enhancing the building through significant investment in amenity, including a new pavilion. The scheme is designed to appeal to occupiers seeking high quality space at a more accessible price point than new-build developments. Leasing progress has been strong, with 59% already let or under offer.

At 2 Finsbury Avenue, our flagship new development, we are delivering a best-in-class tower with large, flexible floorplates, particularly across the lower podium. The scheme is c.50% let or under option and we are targeting further pre-letting activity at higher rents during FY27, with leasing of the upper tower floors expected closer to completion.

During the year, the Broadgate joint venture committed to 1 Appold Street on a largely de-risked basis. The scheme is fully pre-let or under option for the office space to Herbert Smith Freehills Kramer, alongside a pre-let to a gym operator for the 48,000 sq ft leisure offer. Construction is well underway, with completion targeted for 2029. We would expect to bring in an additional partner to further de-risk the scheme and accelerate returns, like at our 2 Finsbury Avenue development.

Alongside our partner Norges, we committed to the development of West One in March 2026. The scheme is mixed-use and located directly above Bond Street station on Oxford Street. It will deliver best-in-class office space on the upper levels of the building with new high quality ground level retail facades.

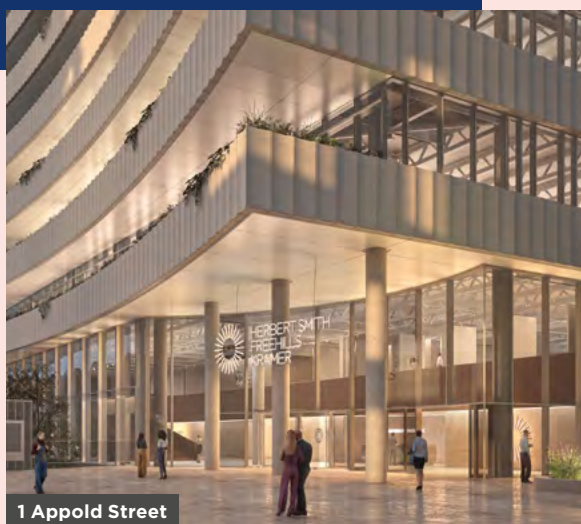
Near Term Pipeline

Our near term pipeline totals 0.1m sq ft of affordable housing at Canada Water that was agreed with the Greater London Authority for phase 2 of the scheme as part of the wider Section 73 application, which was approved in March 2026. This will be a capital commitment of £17m and reflects a significant reduction in overall affordable housing to be delivered at the scheme, unlocking opportunities to release further capital from the scheme.

Medium Term Pipeline

Our medium term pipeline covers 6.3m sq ft. It includes Euston Tower, where we have planning consent for a 568,000 sq ft office and innovation tower in London's Knowledge Quarter; three urban logistics developments totalling 1.0m sq ft, such as Verney Way (close to our recently completed Southwark scheme) and The Box at Paddington Central; and the future phases of the Canada Water Masterplan.

DEVELOPMENT WITH DISCIPLINE



1 Appold Street

In February, the Broadgate joint venture committed to the redevelopment of 1 Appold Street (to be known as 8 Exchange Square). Alongside this commitment, a pre-let was agreed with Herbert Smith Freehills Kramer for a minimum of 60% of the building, with an option to take up to 100% of the office space. A construction contract was also signed with Skanska.

This commitment demonstrates our disciplined, de-risked approach to London development. Our leasing team secured a significant pre-let, establishing a new rental tone for the Broadgate campus. At the same time, our development team leveraged long-standing relationships and worked closely with Skanska to agree a design-and-build contract for the base build, delivering a high degree of cost certainty.

This approach provides greater certainty over future returns, with the scheme expected to generate a gross yield on cost above 7.5% and a mid-teen IRR.

FINANCIAL REVIEW



David Walker
Chief Financial Officer

“Our financial performance this year demonstrates the benefit of our model – focused on sectors with strong occupational fundamentals.”

Year ended	31 March 2026	31 March 2025
Underlying Profit ^{1,2}	£294m	£279m
Underlying earnings per share ^{1,2}	28.9p	28.5p
IFRS profit after tax	£454m	£338m
Dividend per share	23.12p	22.80p
Total accounting return ¹	8.1%	5.0%
EPRA Net Tangible Assets (NTA) per share ^{1,2}	590p	567p
IFRS net assets	£5,932m	£5,710m
Loan to value ^{3,4}	39.2%	38.1%
Net Debt to EBITDA (Group) ^{3,5}	7.7x	8.0x
Weighted average interest rate ⁴	3.9%	3.6%
Senior Unsecured credit rating	A	A

- See Note 2 to the financial statements for definition and calculation.
- See Table B within the supplementary disclosures for reconciliations to IFRS metrics.
- See Note 16 to the financial statements for definition, calculation and reference to IFRS metrics.
- On a proportionally consolidated basis including the Group's share of joint ventures.
- Net Debt to EBITDA on a Group basis excludes joint venture borrowings and includes distributions and other receivables from joint ventures.

Overview: A good financial performance

Our financial performance this year demonstrates the benefit of our model – focused on sectors with strong occupational fundamentals. 90% of our portfolio is in campuses and retail parks, where demand was strong through the year, while supply remained tight.

In our best-in-class, office-focused campuses these positive market fundamentals were compounded by increased demand from AI and innovation businesses. As a result, we leased well across the portfolio including standing assets, which are largely fully occupied, and filled vacant space at Norton Folgate (now 94% let or under offer) and One Triton Square (now 94% let). In retail parks, we are effectively fully occupied, with only 1% vacancy. Here, we signed 1,544,000 sq ft of deals, 3.4% ahead of previous passing rents, which in turn supports like-for-like rental growth.

This strong leasing performance across the business, supported by a 4% increase in fee income, a rigorous focus on administrative costs, which were down 9%, and actions taken to mitigate increases in finance costs, delivered Underlying Profit of £294m, up 5%. Underlying EPS was 28.9p, up 1% and ahead of guidance. The growth in Underlying EPS was lower than the growth in Underlying Profit due to the increased share count following the October 2024 equity placing. In line with our policy of setting the dividend at 80% of Underlying EPS, the Board has proposed a final dividend of 10.80p, bringing the total for the year to 23.12p, 1% ahead of the prior year.

ERV growth was 4.9% for the year which, combined with stable yields, results in portfolio valuation growth of 2.3% and an IFRS profit after tax of £454m. EPRA NTA per share increased 4% to 590p, which taken together with our increased earnings, delivered a total accounting return of 8.1%. Pleasingly, this is within our target range of 8-10% for the first time since 2022.

A stable balance sheet provides a platform for growth

Our focus on preserving balance sheet strength through duration and diversity of financing provides the business with a flexible platform to grow and remain front footed. Loan to value (LTV) on a proportionally consolidated basis was 39.2% at 31 March 2026 (38.1% at 31 March 2025) and Group Net Debt to EBITDA was 7.7x (8.0x at 31 March 2025). Both metrics remain within our internal risk ranges, reflecting the point of the property cycle and will reduce over time through valuation and earnings growth and recycling capital from mature assets. Post year end we have exchanged or are under offer on £176m of asset sales and are in active negotiations on a number of other disposals.

Despite macro and geopolitical uncertainty creating volatility in debt markets, we have remained active in a range of ways throughout the year. Total financing activity since 31 March 2025 was £3.1bn. Our ongoing engagement with debt providers further increased our finance capacity and diversity on attractive terms and margins, while extending the maturity profile. In British Land, five of our unsecured Term Loans were renewed and increased to a total of £500m, each for five years at reduced pricing. New bilateral bank facilities of £250m were completed and extensions were agreed on £1.1bn of revolving credit facilities. In February 2026 we launched our Euro Commercial Paper

(ECP) programme, under which £274m was issued at 31 March 2026. For companies in the Broadgate joint venture, we raised new Green Loans of £450m secured on 1 Broadgate, signed shortly after completion of the development in summer 2025, and £475m secured on 100 Liverpool Street, signed post year end in April 2026. We have £1.6bn of undrawn facilities and cash and, based on these facilities and our current commitments, no requirement to refinance until early 2029.

In February 2026, Fitch Ratings assigned our short term rating of F1 to the ECP programme, and affirmed all our credit ratings with stable outlook, including Senior Unsecured rating at 'A'.

A consistent, focused approach to capital allocation

We take a disciplined approach to capital allocation, recycling capital from more mature, lower-returning assets into higher-returning opportunities. This includes selling longer-let London offices, acquiring earnings accretive retail parks and investing in best-in-class campus developments on a de-risked, capital-light basis. We achieve the latter by signing pre-lets at rental levels that support returns, securing build cost certainty within main construction contracts at the point of commitment and, at the right time, bringing in partners to free up capital, reduce risk and drive fee income. Investment market activity remained below average during the year, reflecting slower transaction volumes, with £106m of disposals and £94m of retail acquisitions completed. Opportunities to deploy further capital into our chosen segments remain attractive, although additional disposals will be required to fund this in the near term.

Income statement

1.1 Underlying profit

Underlying Profit is the measure that we use to assess income performance and is presented below on a proportionally consolidated basis. No company adjustments were made in the year to 31 March 2026 or 31 March 2025.

Year ended	Section	31 March 2026 £m	31 March 2025 £m
Gross rental income		551	484
Property operating expenses		(75)	(45)
Net rental income	1.2	476	439
Net fees and other income		26	25
Administrative expenses	1.3	(75)	(82)
Net financing costs	1.4	(133)	(103)
Underlying Profit		294	279
Underlying tax		(4)	(4)
EPRA and Company adjustments		164	63
IFRS profit after tax	2	454	338
Underlying EPS		28.9p	28.5p
IFRS basic EPS	2	45.4p	35.1p
Dividend per share	3	23.12p	22.80p



Norton Folgate

FINANCIAL REVIEW CONTINUED



Bath Southgate

1.2 Net rental income

	£m
Net rental income for the year ended 31 March 2025	439
Like-for-like net rent	21
Developments	14
Surrender premia	13
Provisions for debtors and tenant incentives	(21)
Disposals	(17)
Acquisitions	27
Net rental income for the year ended 31 March 2026	476

Like-for-like net rents were up 6% or £21m in the year. Campuses delivered their strongest performance in over a decade, delivering 12% like-for-like growth, driven by leasing well ahead of previous passing rents and a reduction in EPRA vacancy which improved by over 8 ppts in the year, reflecting successful leasing of previously vacant space. Norton Folgate's inclusion within the standing portfolio, one full year post completion, added around 2 ppts to like-for-like growth and a strong performance at Broadgate contributed 4.5 ppts.

In Retail & London urban logistics, like-for-like growth was 2%. We are at near-full occupancy with a largely rack-rented retail park portfolio and expect future market rental growth to translate into cash flow growth as we lease space ahead of previous passing rent. New store openings, including M&S in Swindon, Orpington and Bath SouthGate, as well as positive leasing momentum at Teesside all contributed to like-for-like performance.

We have made good progress through the year leasing developments, especially in the second half, which added £14m of additional net rents from buildings including 1 Broadgate, The Optic and our build to rent residential scheme at Aldgate.

Movements in provisions, partially offset by one-off surrender premia receipts reduced net rental income by £8m. Surrender premium receipts, which are excluded from like-for-like growth, increased by £13m year-on-year, to £33m. These surrenders are an example of active asset management, allowing us to secure premiums and relet space to new occupiers, capturing the benefit of growing rents. We expect surrender premia of around £10-15m in FY27. Provisions for debtors and tenant incentives had a negative £21m impact versus the prior year. This reflected provision releases in the prior year related to legacy arrears, with provisions now having normalised across the portfolio. This was a key driver of the increase in property operating expenses, alongside higher void related costs as our developments completed and entered their lease up phase.

Capital recycling contributed an additional £10m to net rents in the year, with £27m of net rents generated from acquisitions offset by £17m of rents lost through disposals. Sales proceeds from non-core or mature assets were reinvested into retail parks and our best-in-class campus office development pipeline. Over the year, we acquired £94m of retail assets including £73m of retail parks, in addition to the £738m purchased in FY25.

1.3 Administrative expenses

Ensuring the business operates as efficiently as possible is central to how we run British Land. Over recent years, we have retained a consistent focus on reducing administrative expenses and mitigating inflationary pressures, while ensuring we retain the quality of platform required to drive growth. In doing so, we aim to maximise the conversion rate of top line rental growth into profits, and cash. We are pleased to have delivered a 9% (or £7m) reduction in administrative expenses this year to £75m as we have continued to rigorously challenge the cost base.

In addition, we continue to explore opportunities to leverage the scale and opportunity within the existing British Land platform by onboarding property acquisitions, such as the five Life Science REIT assets post year end, and new developments like 1 Appold Street, and manage them with minimal incremental cost. We also seek opportunities to drive fee income through asset and development management agreements with existing or new partners.

After considering fee income and property operating expenses, the Group's EPRA cost ratio was 18.9% (FY25: 17.5%). As expected, the ratio temporarily increased in the year, driven by higher property operating expenses from movements in provisions, specifically bad debt provision releases in the prior year, and increased void costs from our newly delivered development projects. We expect our EPRA cost ratio to reduce to the mid-teens over time, and based on our current expectations for FY27, expect a ratio of c.17.5%.

1.4 Net financing costs

	£m
Net financing costs for the year ended 31 March 2025	(103)
Net divestment	3
Developments	(34)
Financing activity and other movements	1
Net financing costs for the year ended 31 March 2026	(133)

Net financing costs increased by £30m to £133m in the year. Disposals over the last 24 months, which included the Meadowhall joint venture sale and the new 2 Finsbury Avenue joint venture, reduced finance costs in the year by £13m. This reduction was offset by the £10m impact from acquisitions, predominantly retail parks, made over the same period.

Funding our committed development pipeline and other maintenance capex increased financing costs by £34m. As developments complete, we cease capitalising interest on the relevant project costs. The impact of this from recently completed developments was £24m in the year. Also, incremental debt to fund development activity was at higher market rates, contributing to the 30 bps increase in our weighted average interest rate to 3.9%.

2. IFRS profit after tax

IFRS profit after tax includes the valuation movements on investment properties, fair value movements on financial instruments and associated deferred tax, Capital financing costs and any company adjustments. These items are not included in Underlying Profit. In addition, the Group's investments in joint ventures are equity accounted in the IFRS income statement but are included on a proportionally consolidated basis within Underlying Profit.

The IFRS profit after tax for the year ended 31 March 2026 was £454m, compared with £338m in the prior year, with IFRS basic EPS at 45.4p, compared to 35.1p in the prior year. IFRS profit after tax for the year reflects Underlying Profit of £294m, the increase in value of the Group's properties of £107m, Capital and other gains from joint ventures of £112m, £32m capital and other finance costs being the fair value movement on derivatives and hedge accounted debt, a £28m loss on disposal of investment properties, joint ventures and revaluation of investments (largely staff costs and interest capitalised on joint venture developments) and taxation for the year.

The basic weighted average number of shares in issue during the year was 1,002m (31 March 2025: 965m), an increase on the prior year largely due to the issuance of a further 71m ordinary shares via the £301m share placing in October 2024.

3. Dividends

Our dividend is semi-annual, and in line with our dividend policy, is calculated at 80% of Underlying EPS based on the most recently completed six-month period. Applying this policy, the Board are proposing a final dividend for the year ended 31 March 2026 of 10.80p per share, bringing the total dividend to 23.12p per share for the year. Payment will be made on Friday 24 July 2026 to shareholders on the register at close of business on Friday 19 June 2026. 9.34p will be payable as a Property Income Distribution and 1.46p will be payable as a non-Property Income Distribution. A Dividend Reinvestment Plan (DRIP) is provided by Equiniti Financial Services Limited, which enables the Company's shareholders to elect to have their cash dividend payments used to purchase the Company's shares. More information can be found at www.shareview.co.uk/info/drip.

FINANCIAL REVIEW CONTINUED

Balance sheet

As at	Section	31 March 2026 £m	31 March 2025 £m
Property assets		10,065	9,489
Other non-current assets		51	64
		10,116	9,553
Other net current liabilities		(231)	(218)
Adjusted net debt	6	(3,962)	(3,637)
EPRA Net Tangible Assets		5,923	5,698
EPRA NTA per share¹	4	590p	567p
Other EPRA adjustments ¹		9	12
IFRS net assets	5	5,932	5,710

On a proportionally consolidated basis.

1. See Note 2 to the financial statements for definition and calculation.

4. EPRA Net Tangible Assets per share

	pence
EPRA NTA per share at 31 March 2025	567
Valuation performance	20
Underlying Profit	29
Dividend	(23)
Other	(3)
EPRA NTA per share at 31 March 2026	590

EPRA Net Tangible Assets (NTA) per share increased by 4% over the year, reflecting a 2.3% uplift in portfolio valuations, retained earnings, and other non-material balance sheet movements.

5. IFRS net assets

IFRS net assets at 31 March 2026 were £5,932m, an increase of £222m from 31 March 2025. This was primarily due to the IFRS profit after tax of £454m, partially offset by dividends paid in the year of £229m.

Cash flow, net debt and financing

6. Adjusted net debt¹

	£m
Adjusted net debt at 31 March 2025	(3,637)
Disposals	106
Acquisitions	(94)
Development & asset management initiatives	(320)
Net cash from operations	309
Dividend	(229)
Other ²	(97)
Adjusted net debt at 31 March 2026	(3,962)

1. Adjusted net debt is a proportionally consolidated measure including our share of joint ventures. It represents the principal amount of gross debt, less cash, short term deposits and liquid investments and is used in the calculation of proportionally consolidated LTV and Net Debt to EBITDA. A reconciliation between the Group net debt as disclosed in Note 16 to the financial statements and adjusted net debt is included in Table A within the supplementary disclosures.

2. Other includes financing activity, working capital and other cash movements.

7. Financing

	Group		Proportionally consolidated	
	31 March 2026	31 March 2025	31 March 2026	31 March 2026
Net debt / adjusted net debt ^{1,2}	£2,797m	£2,647m	£3,962m	£3,637m
Principal amount of gross debt	£3,006m	£2,740m	£4,157m	£3,738m
Loan to value ²	32.1%	31.7%	39.2%	38.1%
Net Debt to EBITDA ^{2,3}	7.7x	8.0x	9.2x	9.3x
Weighted average interest rate	3.6%	3.2%	3.9%	3.6%
Interest cover	4.5x	5.7x	3.2x	3.7x
Weighted average maturity of drawn debt	5.0 years	5.2 years	5.1 years	5.0 years

- Group data as presented in Note 16 to the financial statements. The proportionally consolidated figures include the Group's share of joint ventures' net debt and represents the principal amount of gross debt, less cash, short term deposits and liquid investments.
- Note 16 to the financial statements sets out the calculation of the Group and proportionally consolidated LTV and Net Debt to EBITDA.
- Net Debt to EBITDA on a Group basis excludes joint venture borrowings and includes distributions and other receivables from joint ventures.

Our total financing activity since 31 March 2025 was £3.1bn: £1bn new finance in British Land, £1.1bn extensions of existing revolving credit facilities (RCFs), and £1bn of finance in joint ventures. The transactions outlined below have been achieved with a range of debt providers through variable market conditions; we have been pleased with the terms and appreciate the engagement and support of all the lenders.

For British Land, with our usual unsecured financial covenants:

- £500m across five bilateral bank Term Loans (increased from £475m), each renewed for five years at reduced pricing;
- £100m bilateral bank RCF and Term Loan for five years with a new bank to the Group;
- £150m new bilateral bank RCF with five years maturity; and
- £1.1bn total RCFs extended by a year to 2030/31.

British Land launched a £1bn ECP programme in February 2026, with £274m outstanding at 31 March 2026. This commercial paper is issued for shorter terms at lower cost than drawing on RCFs.

For companies in the Broadgate joint venture, new 'covenant light' Green loans (with no LTV or ICR default covenants):

- £450m provided by two banks secured on 1 Broadgate, in August 2025 following completion of the development in July; and
- £475m provided by four banks secured on 100 Liverpool Street, Broadgate Circle and 3 Broadgate, in early April 2026 ahead of the maturity of the existing £420m 100 Liverpool Street loan.

The 1 Broadgate loan and 100 Liverpool Street loan are designated Green Loans due to the relevant buildings' sustainability credentials. Sustainability KPIs are included in £2.3bn of our RCFs and Term Loans, aligned with our Sustainability Strategy. In British Land and our joint ventures, there is a total of £3.3bn (£2.8bn British Land share) of Green and Sustainability or ESG linked loans and facilities.

As a result of this activity, we have £1.6bn of undrawn facilities and cash. Based on these facilities and our current commitments we have no requirement to refinance until early 2029. In keeping with our usual practice, we expect to refinance or replace debt facilities ahead of maturities and to continue to be active in a range of debt markets.

Our weighted average interest rate at 31 March 2026 was 3.9%, up 30 bps from 31 March 2025. The interest rate on our debt is 94% hedged to 31 March 2027 and 71% hedged on average over the next five years. Interest rate hedging continues to limit the level and speed of impact of higher market rates. Over time, as existing hedging at lower rates expires and we replace this with new hedging, the weighted average interest rate will gradually adjust to reflect market rates.

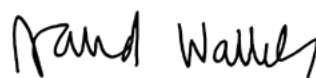
Group Net Debt to EBITDA decreased to 7.7x at 31 March 2026 (8.0x at March 2025), largely due to the new Green Loan secured against 1 Broadgate, where the British Land share of proceeds was used to repay Group facilities.

At 31 March 2026, our proportionally consolidated LTV was 39.2%, up from 38.1% at 31 March 2025, driven mainly by development spend (+190 bps), offset by property revaluations (-90 bps). We remain disciplined in our management of leverage and whilst LTV is currently at the upper end of our internal range, we remain comfortable at this point in the cycle.

Our advantageous debt structure gives access to diverse sources of finance through debt raised by British Land and in our joint ventures. For British Land our focus is on unsecured debt based on our two consistent financial covenants (with no interest cover covenants) which apply to Bank finance, Bond Issuance and Private Placements. At March 2026, we retain significant headroom to our debt covenants, meaning the Group could withstand a fall in asset values across the portfolio of 34%, prior to taking any mitigating actions. In joint ventures, debt is arranged as required by the business of each relevant entity and secured on its assets, non-recourse to British Land, and the majority is 'covenant light' with no LTV default limits.













Fitch Ratings, as part of its annual review in July 2025, and alongside the ECP programme launch in February 2026, affirmed all our credit ratings, with stable outlook: Senior Unsecured 'A', long term IDR 'A-' and short term IDR 'F1'. These ratings have been held since 2018/19.

Our strong balance sheet, market leading unsecured and secured platforms, access to different sources of flexible finance and liquidity, with established lender relationships, provide substantial capacity for us to deliver on our strategy.



David Walker
Chief Financial Officer

PROGRESS ON OUR SUSTAINABILITY TARGETS

 GREENER SPACES	 THRIVING PLACES	 RESPONSIBLE CHOICES
<p>→ READ MORE about our Greener Spaces pillar on page 37</p>	<p>→ READ MORE about our Thriving Places pillar on page 40</p>	<p>→ READ MORE about our Responsible Choices pillar on page 42</p>
<p>47% reduction in operational carbon intensity in FY26, vs FY19</p> <p>2030 target: 75% reduction¹</p> <div data-bbox="113 965 549 994">  </div>	<p>£17.6m Social Impact Fund cash and space invested since FY21, including £2.5m in FY26</p> <p>2030 target: £25m</p> <div data-bbox="580 965 1016 994">  </div>	<p>36% female representation at senior management levels at year end FY26</p> <p>Target: at least 40%</p> <div data-bbox="1048 936 1489 994">  </div>
<p>24% reduction in whole building operational energy intensity in FY26, vs FY19</p> <p>2030 target: 25% reduction¹</p> <div data-bbox="113 1240 549 1299">  </div>	<p>74,310 education and employment beneficiaries since FY21, including 7,554 in FY26</p> <p>2030 target: 90,000 beneficiaries</p> <div data-bbox="580 1263 1016 1299">  </div>	<p>18% overall minoritised ethnic representation in FY26</p> <p>2030 target: at least 20%²</p> <div data-bbox="1048 1240 1489 1299">  </div>
<p>41% reduction in upfront embodied carbon intensity across office developments in FY26, vs FY19</p> <p>2030 target: 50% reduction</p> <div data-bbox="113 1565 549 1594">  </div>	<p>£148m direct social and economic value generated since FY21, including £28m in FY26</p> <p>2030 target: £200m</p> <div data-bbox="580 1565 1016 1594">  </div>	<p>100% of people working regularly on our behalf at our places paid at least the real Living Wage in FY26</p> <p>Target: 100%</p> <div data-bbox="1048 1565 1489 1594">  </div>

SUSTAINABILITY LEADERSHIP



→ **READ MORE**
in our 2026 Sustainability Progress Report: www.britishland.com/SPR

1. Managed portfolio performance.
2. We have revised our target, as we met our overall minoritised ethnic representation target of 17.5% in FY25.

SUSTAINABILITY REVIEW

GREENER SPACES



Regent's Place, Plaza



ADDITIONAL HIGHLIGHTS

Decarbonisation

75%

Total portfolio rated EPC
A or B (by ERV)
FY25: 68%

Decarbonisation

£34m

Spend on carbon efficient
interventions since FY19
FY25: £26m

Renewables

93%

Of energy procured came from
certified renewable sources
FY25: 97%

Nature

86%

Of managed portfolio covered
by Nature Action Plans
FY25: 54%

SUSTAINABILITY REVIEW CONTINUED

Our customers increasingly demand space with excellent environmental sustainability credentials. We have a strong track record of decarbonising our portfolio and enhancing climate resilience to create places where people, businesses and nature flourish.

Decarbonisation

This year, we made strong progress on our 2030 decarbonisation targets, as outlined on page 36. We have submitted new, long term science-based targets to the Science Based Transition initiative (SBTi) for validation, aligned with a 1.5°C climate scenario. These commit us to reducing operational carbon intensity by 97% by 2040 and absolute corporate emissions (including embodied carbon and supply chain) by 90% by 2050, against our FY24 baseline.

These commitments align with the SBTi Buildings Criteria and Corporate Net-Zero Standard, as well as the Carbon Risk Real Estate Monitor (CRREM) net zero pathways. Once validated, they will replace our current SBTi-validated target to 2030. We plan to report progress against the new targets from FY27.

Long term target setting is an important part of transition planning, which covers a range of areas including decarbonisation, skills growth, climate resilience, nature and governance. Our Transition Vehicle, launched in April 2020, is a key mechanism for decarbonising our portfolio, with £26m¹ committed. To advance essential change across the supply chain, we actively engage with the Real Estate:UK and Better Buildings Partnership to support industry initiatives.

Reducing operational emissions with customers

Operational carbon intensity across our managed portfolio has reduced 47% since FY19, as a result of our energy efficiency programme and grid decarbonisation, to 36kg CO₂e per sqm. This year, we reduced whole building operational energy intensity by 24% against our FY19 baseline, to 157kWh per sqm.

We partner with customers to deliver innovations that advance their climate goals, supported by whole building energy data coverage of 99%. Green leases lay the foundations for good engagement. All new major leases in FY26 included mutually beneficial clauses to share energy data and improve efficiency. We have rolled out our smart platform, MyBuilding, across 14

WHOLE BUILDING ENERGY INTENSITY (across our managed portfolio)

2019 baseline	207 kWh per sqm
FY23	171 kWh per sqm
FY24	169 kWh per sqm
FY25	167 kWh per sqm
FY26	157 kWh per sqm
2030 target	155 kWh per sqm

buildings, following a successful pilot at 100 Liverpool Street. We are now trialling opportunities to extend our digital platform and expertise into occupier areas, giving customers enhanced insights to improve performance. We also test energy saving interventions in our Head Office and Storey spaces, using MyBuilding to share verified energy and cost savings with customers.

Optimising efficiency

To optimise building performance for energy efficiency, 86% of our portfolio (by ERV) is equipped with smart energy metering and management systems.

In offices, where we have been monitoring whole building energy data and collaborating with customers for more than a decade, we continued to achieve significant savings through free and low-cost interventions, such as demand-based heating and cooling enabled by CO₂ sensors.

In retail, where we have less influence over customer energy procurement and consumption, our focus remains on improving efficiency in landlord areas and deepening engagement with customers to manage their consumption in shops and restaurants. Where we have control, we continue to make good progress. 94% of retail parks now have no gas in landlord areas and 77% are 100% LED in landlord areas.

Retrofitting for efficiency

To provide customers with all-electric buildings, we have retrofitted 101 heat pump units across our portfolio since FY14, with 55% of managed offices (by ERV) almost fully electric in FY26, only using gas for top-up. Fully electric design is being adopted across office developments.

This year, 87%² of our managed portfolio (by ERV) is covered by decarbonisation pathways that identify the interventions needed to align each asset with CRREM net zero trajectories and proposed Minimum Energy Efficiency Standard (MEES) requirements for non-domestic buildings to be rated EPC A or B by 2030. 75% of our portfolio is now rated EPC A or B (by ERV), up from 68% in FY25.

The total estimated cost to implement our decarbonisation pathways and to achieve our EPC target is £100m since FY19, much of which is recoverable through the service charge as part of standard life cycle replacement. Since FY19, £34m has been spent, including £8m in FY26.³

To enhance the customer offer and support the transition to low carbon transport, we exchanged or completed deals for ultra-rapid electric vehicle charging across 21 retail assets in FY26, with a further 27 sites in the pipeline. When complete, this will cover 73% of our retail portfolio. This will potentially unlock valuation uplifts and new income opportunities for British Land, with no forecasted capital outlay.

Designing for efficiency

This year, our office developments are on track to deliver base building energy efficiency in operation of 56kWh per sqm on average. This is on the trajectory for our 2030 target of 55kWh per sqm. To meet our targets for whole

1. Includes capital expenditure and recoverable service charge forward funding at British Land share.

2. Excludes recently completed developments.

3. Comprises capital expenditure, service charge and occupier spend, including commitments from the Transition Vehicle.



1 Broadgate, Broadgate

building performance of 90kWh per sqm by 2030, we are collaborating with our customers to optimise their operational energy use.

NABERS UK Design for Performance is being adopted across office developments to accurately predict operational energy performance. To date, three developments have received target ratings, including 1 Broadgate, the first UK building to achieve a 5-star target rating. A further four developments are undertaking Independent Design Reviews.

Prioritising renewables

To drive grid decarbonisation and support customers' climate goals, 93% of energy we procured in FY26 came from certified renewable sources, working towards 100% as a signatory to RE100¹. We continue to pilot hourly matching of our consumption with production profiles, typically achieving over 75%² matching annually.

This year, we generated 1,273MWh of renewable electricity across 11 assets. We are highly supportive of occupiers retrofitting solar arrays. In FY26, we supported retail occupiers to install rooftop solar arrays at two assets, with a further five assets in the pipeline.

Reducing embodied carbon with partners

This year, we reduced upfront embodied carbon intensity by 41% across office developments, to 587kg CO₂e per sqm, and by 19% across retail and residential developments, to 729kg CO₂e per sqm, relative to FY19 industry benchmarks.

Circular economy

Keeping materials in use for as long as possible is crucial to the future of real estate, safeguarding resource availability long term and meeting decarbonisation targets.

Our developments and refurbishments use pre-deconstruction audits to maximise retention and reuse, alongside materials passports to unlock future opportunities. We are also working towards our stretching 2030 target of 50% reused materials or recycled content.

At 1 Appold Street, we are retaining 75% of existing structure and have harvested 4,608 tonnes of strip-out materials for reuse. We aim to recover over 80% of the glazing, with suitable glass recycled into new architectural glass. At One Triton Square, we pioneered our first material passports on a fit out, incorporated reclaimed steel, sourced remanufactured chairs and trialled a bio-based alternative to plasterboard.

We have experience building responsible waste management into developments and operations, reusing and recycling 84% of waste in FY26 and diverting 100% from landfill.

All the innovations we deliver in this space are done in collaboration with our design and construction partners. Our Sustainability Brief for our Places provides clear guidance on our environmental, social and governance requirements throughout the property life cycle.

Once we have taken all reasonably viable steps to reduce carbon on developments, we use certified carbon credits to offset remaining embodied emissions.

Sustainable office fit out

Our analysis shows that office fit outs account for 60–80% of a commercial building's whole life embodied carbon³, adding significant carbon and costs. Our fit outs consistently outperform industry benchmarks. This year, we published our Sustainability Brief: Office Fit Out, building on extensive data analysis and industry engagement, to provide clear guidance for suppliers and useful insights for customers.

At Broadgate Tower, we delivered our lowest embodied carbon fit out to date at 44kgCO₂e per sqm through the extensive reuse of materials from earlier customer fit outs, including ceiling tiles, flooring, high-level services and furniture.

Climate resilience

As a long term business, we plan and design for weather and climate patterns decades into the future. This extends asset lifespans and protects long term value. Climate resilience is also integrated into our risk management processes.

Portfolio-wide modelling shows that flooding is our most material climate-related physical risk. 100% of managed assets and major developments were covered by flood risk assessments in FY26. Of the 3% identified as high risk (by British Land share of ownership of total insured value), 100% have comprehensive management plans. This year, we also reviewed our flood readiness approach for medium and high risk assets to ensure resilience.

Nature

We recognise the intrinsic value of nature and its importance for the health and wellbeing of our customers and communities, as well as the resilience of our assets.

This year, 88% of developments are on track to achieve at least 15% biodiversity net gain and 86%⁴ of standing assets have implemented Nature Action Plans. At Canada Water, we have created revitalised wetlands with London Wildlife Trust, the popular Rafter Walk across the docks, waterside spaces, a discovery pond, 15,000 sqm of living roofs and Dock Office Gardens.

In FY26, we refreshed our Nature Strategy, setting out new commitments to trial embodied ecological assessments and enhance access and enjoyment of green space on our assets. Furthermore, we report against Taskforce on Nature-related Financial Disclosures (TNFD) recommendations for the first time in our 2026 Sustainability Progress Report see page 17.

→ **READ MORE**
in our 2026 Sustainability Progress Report:
www.britishland.com/SPR on pages 7 to 18

1. Global initiative of companies committed to using 100% renewable electricity, led by Climate Group.
2. Settled full year data not available at time of publication.
3. Analysis of British Land projects, using RICS whole life carbon methodology.
4. Scope now include smaller assets.

SUSTAINABILITY REVIEW CONTINUED

THRIVING PLACES



Young Readers Programme, Regent's Place



ADDITIONAL HIGHLIGHTS

Benefitting our communities

12,999

Local beneficiaries, including schoolchildren, students and jobseekers
FY25: 18,531

Benefitting our colleagues

74%

Colleagues engaged in volunteering, including expert opportunities
FY25: 71%

Benefitting our customers

All

central London campuses have customer Campus Community Funds
FY25: All

Supporting local employment

262

Local people supported into employment
FY25: 457

Our places succeed when the communities living in and around them thrive. We have a strong track record of creating a long-lasting, positive social impact through the use of our spaces, employment and education programmes. This creates clear commercial value, differentiating our places, supporting faster planning outcomes and enabling successful developments.

Social and commercial impact

Good community relationships help us shape proposals that align with local priorities, enhancing social impact and improving the likelihood of positive planning outcomes, including more viable Section 106 Agreements, ultimately reducing risk and costs, supporting our licence to operate and enabling development.

Occupiers who rate our social contribution highly are also more likely to recommend British Land, with 29% higher Net Promoter Scores on average¹. In addition, visitors who rate our social contribution highly stay longer at our places, spend more in shops and restaurants, and are more likely to recommend our places².

This year, we invested £981,000 in cash and provided £1.5m of space through our Social Impact Fund, benefitting 12,999 local people and creating opportunities for customers and colleagues.

Through our Campus Community Funds, we partner with customers to co-fund local projects. This grows our positive impact, builds campus networks, supports customers' social goals and offers meaningful volunteering opportunities for their teams. As part of our Broadgate Community Fund, in FY26, alongside eight Broadgate businesses, we collectively invested £73,000 in four community projects set to benefit 1,220 local people.

Affordable space

To benefit local communities, differentiate our places and attract footfall, we provided over 14,000 sqm of space and expert support to small businesses, social enterprises, community organisations and charities through our Social Impact Fund this year.

In FY26, 21 organisations benefitted, including through our Really Local Stores initiative which hosted six local independent retailers, supporting entrepreneurs while activating temporarily available space, enhancing the retail mix and supporting strong footfall performance.

Counting what matters

Focusing on meaningful impacts, we only count affordable space sustained for at least three months and people benefitting from life-enhancing employment support or achieving defined educational outcomes. Many more people benefit through pop-ups, job fairs, school events, site visits and other activities.

Employment

Our skills and employment programme, Bright Lights, helps secure the talent our business, customers and communities need to thrive. This year, 872 people benefitted from pre-employment training, mentoring, graduate schemes, internships, apprenticeships and other meaningful initiatives. During FY26, 262 people progressed into employment through Bright Lights, bringing the total

since FY21 to 2,373. At Fort Kinnaird, 128 people benefitted from employment support through our long-standing collaboration with Capital City Partnership, and 78 filled retailer vacancies, generating nearly £400,000 of social value and saving customers an estimated £59,000 to £70,000 in recruitment costs. We also piloted a new green skills programme, building capability for a more equitable, low carbon future.

At Canada Water, 167 formerly unemployed Southwark residents have moved into jobs with suppliers and customers since we launched Canada Water Connect with charity ELBA in FY23, including 34 in FY26. By linking businesses with local talent, we met the first employment target in our planning agreement one year early.

Education

Our education partnerships develop skills vital to our business, customers and communities, as well as attracting future talent to our sector with 6,683 people benefitted this year.

Literacy is essential for business success and underpins life chances. Our partnership with the National Literacy Trust is the UK's largest and longest running corporate literacy programme. In FY26, we inspired 4,565 schoolchildren to discover the power of reading, collaborating with 21 customers and on site partners to host fun, literacy-themed events in shops, offices and restaurants at our places.

To create attractive, inclusive places for customers and communities, we support initiatives to attract talent from a range of backgrounds to our sector. In FY26, 84 students from state schools took part in UrbanPlan UK supported by our funding and volunteers. Of all UrbanPlan UK participants 98% are now considering careers in property, up from 23% before. We also actively support Pathways to Property, Accelerate with Open City and Shaping Southwark's Future with Construction Youth Trust.

Social value

Our social impact activity makes a difference to people's lives. To quantify this financially, we use the international Impact Evaluation Standard framework.

Our Social Impact Fund generated £8.8m direct social value in FY26. We also generated £19.3m direct economic value through spend with small and medium-sized enterprises (SMEs). We generated a further £48.7m indirect social and economic value through local employment and SME spend on developments, fundraising and volunteering with suppliers and customers.



Bright Lights, Teesside Park

➔ **READ MORE**
in our 2026 Sustainability Progress Report:
www.britishland.com/SPR on pages 19 to 25

1. British Land surveys of 700 retail store managers and 70 office facilities managers in FY26.
2. British Land surveys of 1,700 visitors in FY25.

SUSTAINABILITY REVIEW CONTINUED

RESPONSIBLE CHOICES

Dock Shed, Canada Water



ADDITIONAL HIGHLIGHTS

Engagement

81%

Of staff are proud to work at British Land
FY25: 93%

Development

74

Number of internal moves or promotions
FY25: 71

Engagement

64%

Employee engagement score
FY25: 79%

Development

6,129

Hours spent on employee training
FY25: 8,055

We are committed to making responsible choices across all areas of our business and we encourage our customers, partners and suppliers to do the same.

Our people strategy

We want to build a diverse, inclusive and ambitious culture, enabling us to attract, develop and inspire the best people to deliver our strategy.

Performance leadership and talent development

This year we have put even more focus on performance, results and efficient delivery. We worked on further developing leadership capability for all managers, new and old, with our mandatory management training and support programme.

Key areas of focus included:

- Learning and development: 6,129 hours of learning completed, with emphasis on leadership, management and professional skills most appropriate to delivery of the strategy. In addition, we introduced new technical skills training to enable colleagues to make use of our existing suite of tools and help them drive process efficiencies in their own areas. We also introduced a new technology skills/AI apprenticeship programme.
- Internal mobility: 74 internal moves, including promotions and secondments, as we seek to stretch our people with exposure in different areas of the business or new responsibilities. This is the same number as FY25, despite our overall headcount having reduced in the period.
- Coaching and mentoring: continued investment in coaching and mentoring, leveraging the expertise of colleagues to support and develop those earlier on in their careers.

Diversity, equality and inclusion

Diversity, equality and inclusion underpin our culture and decision making. We remain focused on creating an inclusive workplace where everyone can perform at their best.

Progress

- We have already met our 2025 overall minoritised ethnic representation target of 17.5%, which we set in 2021, so we have revised our target upwards to 20% by 2030. 28% of our new hires in the year were from a minoritised ethnic background and our disclosure rates are 92%.
- Our Board is 45% female and our senior leadership population is 36% female.
- Our gender pay gap reduced in the year to 6.9%.
- We continue to implement our 2030 DE&I Strategy. The foundational work takes time to yield results and we are committed to continuing to build on progress so far.

Employee engagement

Employee engagement scores are an important source of organisational feedback. We saw a dip in our overall engagement scores this year from very high scores

Workforce gender diversity at March 2026

All employees*	293	268
Senior management*	25	14
Board	6	5

● Male ● Female

*(excludes Non-Executive Directors)

previously. While our scores were in line with relevant benchmarks, we did expect a reduction from last year due to some decisions we have taken. A continued rigorous focus on cost discipline meant that a number of roles within the business were restructured and headcount was reduced. We believe these changes set the business up for future success, but there is a natural period of adjustment which is reflected in the engagement score.

Highlights included:

- Employee engagement score of 64%.
- We had a participation rate of 90%, the same as the last two years.
- Scores for team management improved in the year reflecting the ongoing management training and how well managers led their teams through change.
- 87% of colleagues said they know what they need to do to be successful in their role, reflecting our continuous focus on clear expectations and deliverables.

Investment in our people

We continue to invest in our people, with targeted and relevant learning development and wellbeing initiatives to support performance and long term capability.

Looking ahead

Our focus remains on driving a high-performing, engaged and inclusive workforce delivering at pace. Priorities include continued leadership development, progress against DE&I ambitions and further enhancement and engagement at all levels with digital skills.

Responsible procurement

Strong supplier partnerships are essential to delivering our strategy. These are underpinned by our mandatory Supplier Code of Conduct, which sets clear social, ethical and environmental standards and promotes safe, fair working conditions across our supply chain.

Against modern slavery

We take a proactive approach to protecting human rights across our business and supply chain. We provide anti-modern slavery training to all our employees, and we carried out eight supplier audits to support compliance and promote responsible practices. Our annual Modern Slavery Statement, available on our website, provides a detailed account of our processes, progress and priorities.

Real Living Wages

We are committed to paying at least the real Living Wage to British Land employees and those working across our assets. This commitment is a key part of our Sustainability Strategy, and we were recredited as a Living Wage Employer in 2025. We also embed this expectation in our Supplier Code of Conduct, requiring suppliers to pay their employees who work on our assets at or above the real Living Wage.

Mandating prompt payment

We are committed to paying all suppliers within 30 days. In FY26, we settled Group invoices within 19 days on average.

➔ **READ MORE**
in our 2026 Sustainability Progress Report:
www.britishland.com/SPR and pages 26 to 31

FINANCIAL POLICIES AND PRINCIPLES

A consistent approach to financing, with good access to debt markets, provides flexibility and capacity to deliver our strategy.

Leverage

Our use of debt and equity finance balances the benefits of leverage against the risks, including impact on property returns. A loan to value (LTV) ratio measures our balance sheet leverage, on a proportionally consolidated basis (including our share of joint ventures) and for the Group (British Land and its subsidiaries). At 31 March 2026, proportionally consolidated LTV was 39.2% and for the Group was 32.1%. The ratio of Net Debt to EBITDA is a measure of leverage as a multiple of earnings (rather than asset valuations) which we consider primarily on a Group basis. At 31 March 2026, our Group Net Debt to EBITDA was 7.7x and the proportionally consolidated measure was 9.2x. The calculations of these ratios are set out in the Notes to the Accounts.

Our leverage is monitored in the context of wider decisions made by the business. We manage our LTV through the property cycle such that our financial position remains robust in the event of a significant fall in property values. This means that, alongside consideration of new commitments, we do not adjust our approach to leverage based only on changes in property market yields. Consequently, our LTV may be higher at the low point in the cycle and will trend downwards as market yields tighten.

Debt finance

The scale of our business, combined with the quality of our assets and rental income, means that we are able to approach a diverse range of debt providers to arrange finance on attractive terms. Good access to the capital and debt markets allows us to take advantage of opportunities when they arise. Our approach to debt financing for British Land is to raise funds on an unsecured basis with our standard financial covenants, as described on page 46, with the calculations set out in the Notes to the Accounts. This provides flexibility and low operational cost.

Since March 2025 we completed £3.1bn of financing activity, with £1bn new finance in British Land, plus £1.1bn extensions of existing RCFs by one year to 2030/31, and £1bn finance in joint ventures. New finance for British Land includes a Euro Commercial Paper (ECP) programme launched in early 2026, under which notes are issued at lower cost than drawn RCFs, with £274m outstanding at 31 March 2026.

Our joint ventures that choose to have external debt are each financed in 'ring-fenced' structures without recourse to British Land for repayment and secured on their relevant assets. Recent activity included companies in the Broadgate Joint Venture signing two 'covenant light' Green loans: £450m secured on 1 Broadgate (August 2025) and £475m secured on 100 Liverpool Street (April 2026).

We monitor our overall debt requirement by reviewing current and projected borrowing levels, available facilities, debt maturity and interest rate exposure. We undertake sensitivity analysis to assess the impact of proposed transactions, movements in interest rates and changes in property values on key balance sheet, liquidity and profitability metrics. We also consider the risks of a reduction in the availability of finance, including a temporary disruption of the financing markets. British Land's undrawn facilities and cash amounted to £1.6bn at 31 March 2026. Based on our commitments and these available facilities, the Group has liquidity (no requirement to refinance) until early 2029.

Presented on the following page are the five principles that guide the way we structure and manage debt.

Interest rate exposure

We manage our interest rate profile separately from our debt, considering the sensitivity of underlying earnings to movements in market rates of interest primarily over a five-year period. As debt finance is raised at both fixed and variable rates, derivatives (including interest rate swaps and caps) are used to achieve the desired hedging profile across proportionally consolidated net debt. As at 31 March 2026, the interest rate on our debt is 94% hedged for the year ending 31 March 2027. On average over the next five years we have interest rate hedging on 71% of our debt, with a decreasing profile over that period. Accordingly, we have a higher degree of protection on interest costs in the short to medium term. The hedging required and use of derivatives is regularly reviewed and managed by a Derivatives Committee. The interest rate management of joint ventures is considered separately by each entity's board, taking into account appropriate factors for its business.

Counterparties

We monitor the credit standing of our counterparties to minimise risk exposure in placing cash deposits and arranging derivatives. Regular reviews are made of the external credit ratings of the counterparties.

Foreign currency

Our policy is to have no material unhedged net assets or liabilities denominated in foreign currencies. When attractive terms are available, we may choose to borrow in currencies other than Sterling, and will fully hedge the foreign currency exposure.

OUR FIVE GUIDING PRINCIPLES

1. Diversify our sources of finance

We monitor finance markets and seek to access different sources of finance when the relevant market conditions are favourable. We aim to avoid reliance on any particular source of funds and have arranged unsecured and secured, recourse and non-recourse debt to meet the business requirements of the Group and joint ventures.

We develop and maintain long term relationships with banks and debt investors from different sectors and geographical areas, with around 30 debt providers in our bank facilities and private placements alone. Our reporting and disclosures enable lenders to evaluate their exposure within the overall context of the Group.

A European Medium Term Note programme is maintained to enable us to access the Sterling/Euro unsecured bond markets, where we have two outstanding Sterling bonds. The Euro Commercial Paper programme allows us to issue short term notes at lower cost than drawn RCFs. Our Sustainable Finance Framework enables us to issue Sustainable, Green, and/or Social finance, when it is appropriate for our business. We have £3.3bn (British Land share £2.8bn) of Green and Sustainable/ESG linked financing.

Total drawn debt
(proportionally consolidated)

£4.2bn

Bank RCFs (Unsecured)
Bank Term Loans (Unsecured)
Commercial Paper (Unsecured)
Debentures (Secured)
Sterling Bonds (Unsecured)
US Private Placements (Unsecured)
Joint Venture Bank Loans (Secured)
Joint Venture Securitisation (Secured)

2. Phase maturity of debt portfolio

The maturity profile of our debt is managed with a spread of repayment dates, currently between one and 10 years, reducing our refinancing risk in regard to timing and market conditions.

At 31 March 2026, as a result of our financing and capital activity, based on our commitments and available facilities we have liquidity (no requirement to refinance) until early 2029, longer than our preferred period of not less than two years. In order to maintain the position and in accordance with our usual practice, we expect to extend or refinance debt in advance of relevant maturities.

Average drawn debt maturity
(proportionally consolidated)

5.1 yrs

3. Maintain liquidity

In addition to our drawn debt, we aim always to have a good level of undrawn, committed, unsecured revolving bank facilities. These facilities provide financial liquidity, reduce the need to hold resources in cash and deposits, and minimise costs arising from the difference between borrowing and deposit rates, while limiting credit exposure. We arrange these revolving credit facilities in excess of our committed and expected requirements to ensure we have adequate financing availability to support business activity and new opportunities.

Undrawn facilities and cash

£1.6bn

4. Maintain flexibility

Our facilities are structured to provide valuable flexibility for investment activity execution, whether sales, purchases, developments or asset management initiatives. Unsecured revolving credit facilities ('RCFs') provide full operational flexibility of drawing and repayment (and cancellation if we require) at short notice without additional cost. These facilities generally have initial maturities of five years (with extension options for a further two years). Alongside this, our secured term debt in long-standing debentures has good asset security substitution rights, where we have the ability to move assets in and out of the security pool, as required for the business.

Total RCFs

£2.3bn

5. Maintain strong metrics

Fitch affirmed all our credit ratings in the year with stable outlook, including Senior Unsecured A, long term Issuer Default Rating A-, short term F1. Fitch also affirmed our ratings and assigned F1 rating to our ECP programme in February 2026.

We manage leverage on a through the cycle basis, considering LTV and Net Debt to EBITDA. We maintain good access to debt markets, providing flexibility and capacity for our business requirements.

Overall, this provides a strong platform for our business strategy.

LTV (proportionally consolidated)

39.2%

Net Debt to EBITDA
(Group)

7.7x

Senior unsecured credit rating

A

FINANCIAL POLICIES AND PRINCIPLES CONTINUED

Group borrowings

Unsecured financing for the Group includes Commercial Paper, bilateral and syndicated bank revolving credit facilities and term loans (with initial maturities usually of five years, often extendable for a further two years); US Private Placements with maturities up to 2034; and Sterling unsecured bonds maturing in 2029 and 2032.

Secured debt for the Group comprises British Land debentures with maturities up to 2035.

£2.3bn of the Group's RCFs and term loans are sustainably linked and include two KPIs referring to developments and assets under management, aligned with our Sustainability Strategy. There is provision for an adjustment to the interest margin payable, based on our performance relative to these KPIs, which is published in our Sustainability Progress Report.

Unsecured borrowing covenants

Two financial covenants apply across all of the Group's unsecured debt. These covenants, which have been consistently agreed with all unsecured lenders since 2003, are:

- Net Borrowings not to exceed 175% of Adjusted Capital and Reserves
- Net Unsecured Borrowings not to exceed 70% of Unencumbered Assets

There are no income or interest cover covenants on any of the unsecured debt of the Group.

The Unencumbered Assets of the Group, not subject to any security, stood at £5.4bn as at 31 March 2026.

Although secured assets are excluded from Unencumbered Assets for the covenant calculations, unsecured lenders benefit from the surplus value of these assets above the related debt and the free cash flow from them. During the year ended 31 March 2026, these assets generated £34m of surplus cash after payment of interest. In addition, while investments in joint ventures also do not form part of Unencumbered Assets for the covenant calculations, our share of free cash flows generated by these ventures is regularly passed up to the Group.

Financial covenants

As at 31 March	2026	2025	2024	2023	2022
	%	%	%	%	%
Net Borrowings to Adjusted Capital and Reserves	48	47	40	38	36
Net Unsecured Borrowings to Unencumbered Assets	44	43	38	32	30

Secured borrowings

Secured debt with recourse to British Land is provided by long standing debentures with limited amortisation. These are secured against a combined pool of assets with common covenants: the value of the assets is required to cover the amount of the debentures by a minimum of 1.5 times and net rental income must cover the interest at least once. We use our rights under the debentures to actively manage the assets in the security pool, in line with these cover ratios.

We continue to focus on unsecured finance at a Group level.

Borrowings in our joint ventures

External debt for our joint ventures has been arranged through long-dated securitisations or secured bank loans, according to the requirements of the business of each entity. The majority are 'covenant light' with no LTV default limits (cash trap only), summarised below.

Joint venture	Debt type	Covenants summary
Broadgate	Securitisation bonds	Meet interest and scheduled amortisation
	Covenant light	No LTV covenant
	Secured Green bank loans	Interest cover ratios LTV ratios
	Covenant light	Cash trap only
Paddington	Secured bank loan	Interest cover ratio LTV ratio
	Covenant light	Cash trap only
Canada Water	Secured Green development loan facility	Loan to development cost ratio LTV ratio
West End Offices	Secured bank loan	Interest cover ratio LTV ratio

There is no obligation for British Land to remedy any breach of these covenants or ratios in the debt arrangement of joint ventures.

RISK MANAGEMENT

MANAGING RISK IN DELIVERING OUR STRATEGY

Risk management is central to our strategy, enabling us to identify and manage principal and emerging risks to support long term value and sustainable positive outcomes for stakeholders.

Risk Management Framework

British Land operates a Group-wide risk management and internal control framework to identify, assess and manage principal and emerging risks. The framework is supported by a clear risk appetite, defined accountabilities and embedded controls.

The framework, shown in the diagram below, combines top-down Board-driven strategic oversight with bottom-up business-led risk identification and control activities. This integrated approach enables us to manage key financial and non-financial risks within appetite, adapt to change, and support the delivery of our strategy.

Governance

The Board has overall responsibility for the risk management and internal control framework. It sets risk appetite, oversees principal risks and reviews the effectiveness of the framework. The Audit Committee supports the Board by reviewing the effectiveness of the risk management and internal control environment as well as related assurance processes.

The Risk Committee – comprising members of the Executive Committee and senior leaders from across the business, and chaired by the Chief Financial Officer –

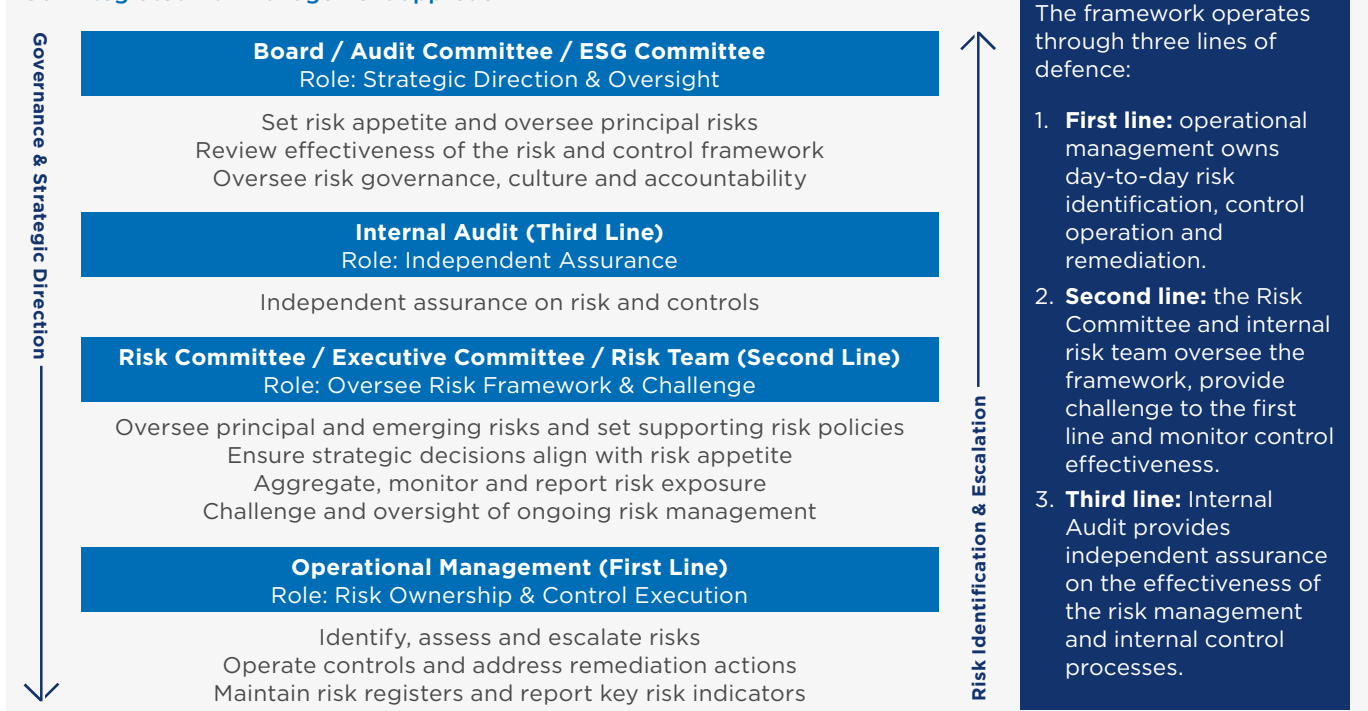
oversees the monitoring and management of principal risks. This ensures a consolidated view of key risks and supports effective escalation, prioritisation and decision making across the Group.

At the operational level, risk management is embedded across business units and core activities. This bottom-up approach facilitates early identification, monitoring and management of operational risks, as well as timely escalation. Each business unit has designated risk representatives and risk owners responsible for managing risks at source and implementing appropriate mitigations, including internal controls. They maintain detailed risk registers, which are regularly reviewed by the internal risk team.

The internal risk team plays a central role in coordinating risk management activities across the Group, embedding the framework into operations, culture and decision-making processes. Internal Audit provides independent assurance over risk management and internal controls.

➔ **READ MORE** about the Board and Audit Committee’s risk oversight, and changes to our Governance structure with effect from the conclusion of our 2026 AGM, see pages 76 and 99

Our integrated risk management approach



RISK MANAGEMENT CONTINUED

Progress With Our Risk Priorities in the Year Navigating External Market Volatility

We continue to respond proactively to a challenging external environment shaped by inflationary pressures, interest rate volatility and geopolitical instability. We are mitigating risk through disciplined capital allocation, financial resilience and scenario planning.

Enhancing Technology Controls and Cyber Resilience

We have achieved ISO 27001 certification, strengthening our IT general control framework. Our cyber resilience continues to mature through stronger controls, improved monitoring capabilities and ongoing training.

Technology Transformation

Robust governance framework in place to support the delivery of our Enterprise Resource Planning (ERP) finance transformation scheduled for implementation in 2027. This includes the planned automation of key financial control processes, enhancing efficiency and risk controls.

Strengthening Controls and Governance: Provision 29

We are well positioned to meet the requirements of Provision 29 in the next financial year. This is underpinned by the identification and documentation of our material controls, alongside the refinement of our structured and robust assurance framework (as outlined below).

Preparedness for UK Corporate Governance Code Changes (Provision 29)

Provision 29 is applicable for the Group's year ending 31 March 2027. It requires the Board to describe how it monitored and reviewed the risk and control framework, declare whether material controls were effective at the balance sheet date, and explain any material control weaknesses and remediation.

In readiness for these requirements, we developed a roadmap during the year to support compliance and remain on track to meet the requirements. As part of this work, we have created a detailed risk and controls matrix covering material financial, operational, reporting and compliance controls across key areas of the business. This was developed using a top-down mapping of controls to principal risks and risk appetite, complemented by bottom-up workshops and focused reviews.

We have identified the material entity-level, cluster-level and standalone controls, undertaken an initial assessment and identified the control evidence required for subsequent testing, as well as mapping assurance coverage across the lines of defence (see framework overleaf). This work has been reviewed through the Risk and Audit Committees.

Our Priorities for 2026/27

- 1. Provision 29 Compliance:** Fully embed material controls and assurance into business-as-usual. Enhance governance and reporting to support full Provision 29 compliance.
- 2. ERP Transformation Delivery & AI Automation:** Oversee the successful delivery of the ERP finance transformation, scheduled for implementation in 2027, with a focus on robust control design, automation and data integrity. Ensure strong programme governance and change control for a smooth transition. Identify opportunities to use AI and automation to streamline processes, enhance controls and strengthen risk management within a responsible well-governed framework.
- 3. Operational Efficiency & Control Optimisation:** Continue the simplification and standardisation of key business processes, using digital tools, including AI, to enhance efficiency and reinforce the control and risk management environment.
- 4. Embed Risk-Aware Culture:** Continue strengthening clear risk ownership across the business and enhance the quality and consistency of risk reporting. Foster a culture where risk awareness is embedded in day-to-day decision making. Consider leveraging the global risk tool within the new ERP system to improve risk visibility and enable automated control testing.
- 5. Enhancing Cyber Resilience:** With significant progress already achieved across corporate technology, continued efforts will prioritise property technology, focused on security controls, threat detection and response capabilities in response to the evolving threat landscape.

Risk Appetite

Our risk appetite underpins our entire risk management approach, guiding planning, decision making and strategy execution. It is reviewed annually by the Board and supported by KRIs and tolerances for each principal risk and embedded across our policies, procedures and controls.

While our appetite may adjust through the property cycle, our overall appetite is balanced: low for financial and compliance risks, and balanced for property and operational risks. This supports our value-add strategy and target of income-focused total accounting returns of 8-10% through the cycle.

Risk tolerance statements for each principal risk are categorised into three levels:

- **Risk Averse:** A cautious approach, prioritising risk avoidance and mitigation.
- **Balanced:** A moderate risk approach, accepting a controlled level of risk with appropriate mitigation to pursue strategic objectives.
- **Risk Taking:** A proactive approach, willing to take greater risks when the potential benefits justify the pursuit of strategic objectives, but remains within acceptable tolerance levels.

➔ **READ MORE**
to see our risk appetite levels for each internal principal risk, see pages 55 to 58

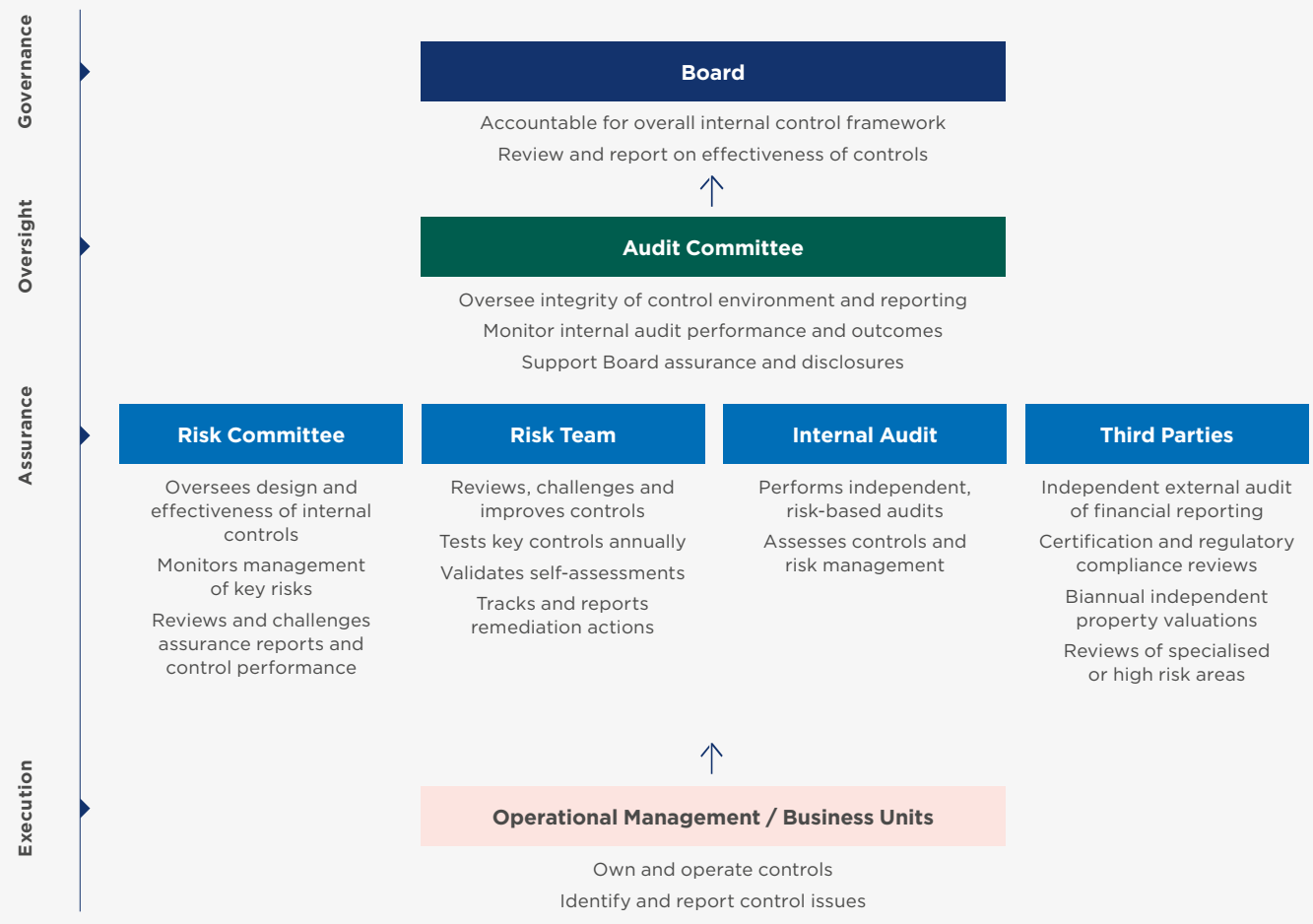
Our balanced risk appetite is underpinned by:

- A diversified business model centred around a high-quality portfolio of London campuses and UK retail parks, supported by strong occupational fundamentals.
- Leveraging our strengths in development and asset management to deliver income-generating, total return focused growth.
- A disciplined development approach with phased delivery, pre-lets, cost control and strategic joint ventures.
- Robust financial discipline underpinned by a resilient balance sheet and strong liquidity.
- A broad, high quality occupier base with strong covenant strength and resilient income.
- Experienced leadership and governance oversight across the Board, management team and Risk Committee.

Integrated Internal Control Framework

Internal controls are embedded within our wider risk management framework and support effective governance, reporting and decision making. They include policies, procedures and day-to-day controls across financial, operational, reporting and compliance activities. During the year, we have further strengthened our internal control framework in preparation for the requirements of Provision 29 of the UK Corporate Governance Code, as outlined on the previous page and shown in the diagram below.

Internal control framework



RISK MANAGEMENT CONTINUED

Risk Focus

We have continued to operate in a heightened risk environment shaped by macroeconomic pressures and geopolitical uncertainty, including recent conflicts in the Middle East. Persistent inflation, elevated interest rates and shifting trade dynamics continued to influence investor sentiment and occupational markets. Any escalation or prolonged period of geopolitical instability could further impact global economic conditions, financial markets, energy prices and supply chains, which may indirectly affect the Group's operating environment and access to capital.

The Board and its Committees maintained active oversight, with a continued focus on capital allocation, financial resilience and the management of development and financing risks. Further detail is set out in the principal risks table.

During the year, the Risk Committee focused on:

- Strengthening financial reporting, operational and compliance controls.
- Health, safety and environmental risk management, including ISO 45001 re-certification.
- Occupier covenant strength and income resilience.
- Environmental risk and opportunity, including EPC-related exposure.
- Development risk, including construction cost inflation and contractor resilience.
- Procurement and supply chain resilience.
- Information security controls and processes.
- Delivery of Internal Audit actions.

Principal Risks

Our risk management framework identifies the principal risks facing British Land. Using a risk-scoring matrix, we assess each risk based on likelihood, potential financial impact and reputational effect to identify those most likely to have a material effect on the business.

We categorise our 11 principal risks into two groups:

- External risks – four risks shaped mainly by market factors such as macroeconomic conditions, political developments and property markets.
- Internal risks – seven risks linked to how we manage the business, including capital allocation, operations, people and compliance.

The Board, Audit Committee, Executive Committee and Risk Committee regularly review external and internal principal risks. External risks are assessed to understand risk exposures, shape strategic decision making and determine mitigating responses, while internal risks are managed through established governance, processes and controls.

Emerging Risks

Risks that are not currently principal, or are still evolving, may become more significant over time. Management, Board Committees and annual horizon scanning are used to identify and monitor these risks and assess whether they should be reclassified as principal risks.

Certain emerging trends are already reflected within our principal risks and remain under close review.

Key areas include:

- a** Elevated geopolitical instability
- b** Advances in AI and automation
- c** Shifting occupier demand patterns
- d** Evolving cybersecurity threats
- e** Long term climate change impacts
- f** Heightened supply chain vulnerabilities
- g** Energy security and market volatility

Relevant emerging trends are referenced within the principal risks table. Set out below are two trends under particularly close review and our current response.

Elevated Geopolitical Instability

Heightened geopolitical tensions, conflicts and trade tariffs may weaken the economic conditions, including the trajectory for inflation and interest rates, energy prices, disrupt supply chains and affect occupier demand, investment activity and financing availability. We mitigate this through a resilient and diversified portfolio, strong liquidity, close customer engagement, supply chain resilience and ongoing macroeconomic monitoring in our strategic planning.

Advances in AI and Automation

AI and automation presents both opportunities and risks. As customers adopt these technologies, business models, employment patterns and space use may evolve, potentially influencing occupier demand and location preferences, particularly at our campuses. At the same time, emerging technologies may also create opportunities for growth, supporting occupiers who are looking to expand their space. We continue to closely monitor developments in AI and automation, integrating relevant trends into our strategic planning and risk management processes.

PRINCIPAL RISKS

Principal Risk Assessment

The Board has undertaken a robust annual assessment of the principal and emerging risks that could affect the Group's business model, performance, solvency, liquidity and strategy. While the overall risk profile remains broadly unchanged, external conditions continue to present heightened risk, with the macroeconomic and geopolitical outlook remaining the most significant external influences on the Group.

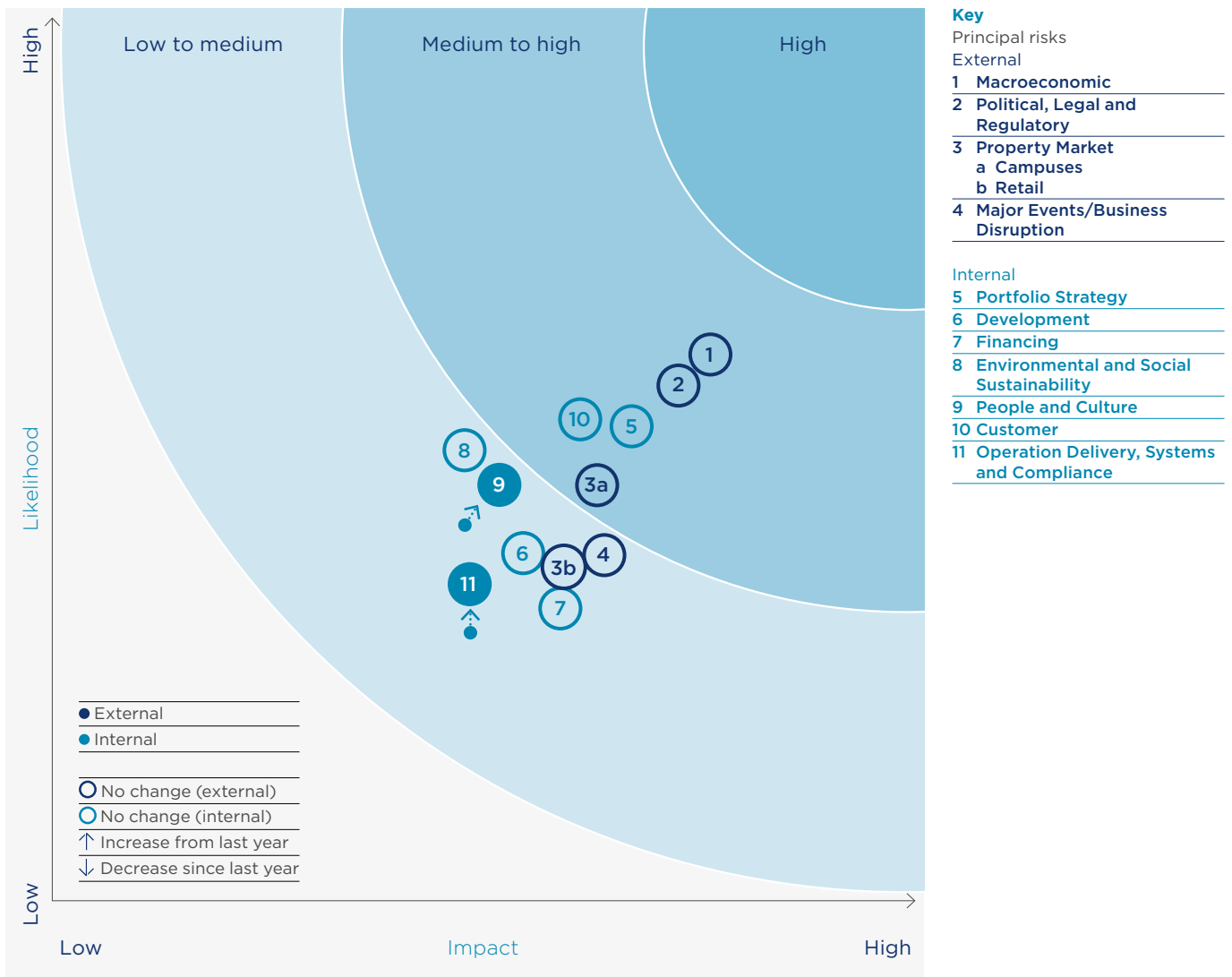
During the year, the Operational & Compliance risk category has been updated to include IT and cyber risk and renamed Operational Delivery, Systems and Compliance.

There have been no material changes to the Group's internal principal risks, aside from a slight increase in Operational Delivery, Systems and Compliance, reflecting the operational risks associated with our ERP finance transformation programme scheduled for implementation in 2027, alongside an elevated cyber threat landscape.

The People and Culture risk has risen slightly, reflecting a reduction in engagement scores, albeit from high levels. This followed planned restructuring and headcount reductions. While the actions have had a short term impact on staff engagement, as anticipated, they were implemented to drive efficiency, increase accountability and support stronger collaboration, to promote the long term success of the business. Also, the CEO transition introduces some uncertainty, however it is progressing through a structured search and recruitment process that supports continuity and long term leadership stability.

Our assessment of the 11 principal risks is summarised in the heat map below. Further detail on risk assessment, mitigations and key risk indicators is provided on pages 52 to 58.

Risk heat map



Note: The above illustrates principal risks which by their nature are those which have the potential to significantly impact the Group's strategic objectives, financial position or reputation. The heat map highlights net risk, after taking account of principal mitigations. The arrow shows the movement from 31 March 2025.

PRINCIPAL RISKS CONTINUED

External Principal Risks

1 Macroeconomic

Link to strategy:



Changes in macroeconomic, fiscal, and monetary policy may impact property values, financing markets and customer demand, with consequent effects on our strategy and financial performance.

Risk mitigation

- **Board and Committees Oversight:** Active Board and Committee oversight of strategy, capital allocation and risk appetite.
- **Monitoring and Stress Testing:** Ongoing monitoring of key indicators and regular stress testing to maintain resilience, supported by external reports and advisor insights on the macroeconomic outlook as key inputs.
- **Business Model:** Focus on a prime portfolio and active capital recycling to support financial strength and mitigate downside risk.

Risk assessment

UK macroeconomic risk remains elevated amid ongoing uncertainty, despite modest GDP growth and some easing in inflation this year. However, the recent conflict in the

Middle East has increased the risk of subdued economic growth and associated employment, alongside sustained inflation and elevated interest rates.

Emerging risk trends:

- a Elevated geopolitical instability
- b Advances in AI and automation

Opportunity/approach

Our diversified business model, strong financial position and experienced leadership team enable us to navigate ongoing market challenges and capitalise on opportunities. The Board and key Committees continue to closely monitor impacts on our portfolio and financing strategy, maintaining disciplined capital allocation and resilience.

Impact:



Medium to high

Likelihood (post-mitigation):



Medium to high

Change in risk assessment in year:



KRIs:

- Projected Economic Metrics: including GDP growth, inflation and interest rate forecasts
- Consumer Sentiment and Labour Market Indicators: including consumer confidence levels and unemployment rates
- Market Resilience Assessment: conducting stress testing for downside scenarios to assess the impact of differing market conditions and inform our portfolio strategy

Overseen by:

Executive Committee, CEO

2 Political, Legal and Regulatory

Link to strategy:



Political, legal, regulatory and geopolitical developments may affect investor sentiment, occupier demand, financing conditions and the UK's attractiveness for investment.

Risk mitigation

- **Strategic Risk Consideration:** Integration of political and geopolitical considerations into strategy, investment and financing decisions.
- **Policy & Regulatory Monitoring:** Ongoing monitoring of policy and regulatory developments, supported by external insight.
- **Industry Engagement:** Active engagement with government and industry bodies to inform and influence policy.

Risk assessment

Risk remains heightened by geopolitical tensions, trade tariffs, political uncertainty in the UK and regulatory change, including government intervention in lease structures, all of which may adversely affect the wider macroeconomic environment and our operating environment.

Emerging risk trends:

- a Elevated geopolitical instability

Opportunity/approach

We actively monitor political and regulatory developments to anticipate potential impacts, engaging with government and industry bodies to stay ahead of change and ensure compliance.

Impact:



Medium to high

Likelihood (post-mitigation):



Medium to high

Change in risk assessment in year:



KRIs:

- Monitor changes within the geopolitical landscape, UK policies, tax or regulations

Overseen by:

Executive Committee, CEO

3 Property Markets

Link to strategy:



Shifts in investor and occupier demand, together with long term structural changes – including hybrid working, evolving workforce trends, technological advancements and continued growth in online retail – may reshape business models and space requirements, negatively affecting rental income, yields and asset values.

Risk mitigation

- **Market Outlook Assessment:** Regular Board and Committee review of property market conditions to guide strategic decisions and capital allocation.
- **Market Insights:** Ongoing tracking of investment and occupier demand trends using market insights and dashboards supported by agent research.
- **Business Model & Stress Testing:** Focus on prime portfolio in resilient submarkets. Stress testing is conducted to evaluate the impact of changes in demand, rental growth and property yields.
- **Stakeholder Engagement:** Active engagement with occupiers, agents and investors to anticipate and respond to market trends.

Risk assessment Campuses

The campus property market outlook remains stable, with London’s prime office sector supported by strong occupational fundamentals. While AI presents longer-term structural change, demand for best-in-class space is expected to persist, supported by growing interest from AI and innovation-led businesses. Investment volumes have risen from a low base, though elevated interest rates and geopolitical risks may temper near-term sentiment and liquidity for larger transactions.

Opportunity/approach

Our campus model is built around well-connected, high quality buildings with leading sustainability and design credentials, surrounded by attractive public spaces and amenities. This enhances our offer as occupiers focus on the best-in-class space for their business.

Retail

The retail property market has remained resilient, especially within retail parks where occupational demand and investor sentiment remains positive. Both existing and new retailers continue to expand into this favoured out-of-town format, attracted by lower occupational costs, strong accessibility and rising footfall. However, macroeconomic uncertainty, rising employment costs and regulatory risks present ongoing challenges.

Opportunity/approach

Our retail portfolio is strategically focused on retail parks, aligned to convenience-led and omni-channel retail. We continue to target acquisition opportunities in retail parks, where we can leverage our scale and asset management expertise.

Emerging risk trends:

- a** Elevated geopolitical instability
- b** Advances in AI and automation
- c** Shifting occupier demand patterns

Campuses

Impact:



Medium

Likelihood (post-mitigation):



Medium

Change in risk assessment in year:



Retail

Impact:



Medium

Likelihood (post-mitigation):



Low to medium

Change in risk assessment in year:



KRIs:

- Occupier and investor demand indicators within our sectors
- Spread between property yields and borrowing costs
- Online sales market trends to provide insight into consumer behaviour
- Monitor office occupational trends and campus occupancy patterns to understand occupier requirements and visitor patterns

Overseen by:

Executive Committee, CEO

PRINCIPAL RISKS CONTINUED

4 Major Events/Business Disruption

Link to strategy:



Major events or business disruption, including cyber incidents, extreme weather, pandemics, environmental events or geopolitical shocks, may affect operations, assets, customers, people and supply chains. Such events could lead to income disruption, asset value impairment, liquidity constraints, business continuity challenges and increased market volatility.

Risk mitigation

- **Crisis & Business Continuity Planning:** Established crisis management and business continuity plans, regularly tested at both corporate and assets levels.
- **Asset Emergency Preparedness:** Ongoing asset-level emergency preparedness including scenario testing and security risk assessments.
- **Cyber Resilience:** Continuous 24x7 managed detection and response; external specialists support cyber-attack testing, alongside ongoing employee training.
- **Robust IT Security & Disaster Recovery:** ISO 27001-certified IT controls with annual disaster recovery testing and continuity plans to protect data and operations.
- **Comprehensive Insurance:** Comprehensive insurance for property damage and business interruption.

Risk assessment

Global political and economic uncertainties remain elevated, posing potential risks to the Group’s operations and stakeholders. Potential disruptions include geopolitical conflicts, terrorism, cyber security threats and supply chain instability. During the year, we ran a simulated Executive Committee crisis exercise and a red-team cyber attack to test and strengthen our incident response capabilities.

Significant progress has been made in strengthening cyber security across corporate technology, supported by improved controls, mandatory training and regular phishing testing to enhance staff awareness and reduce cyber risk.

Emerging risk trends:

- a** Elevated geopolitical instability
- d** Evolving cybersecurity threats
- e** Long term climate change impacts
- f** Heightened supply chain vulnerabilities

Opportunity/approach

We continue to strengthen resilience across our operations and assets, drawing on established crisis response capabilities and ongoing monitoring of external risks.

Impact:



Medium

Likelihood (post-mitigation):



Medium

Change in risk assessment in year:



KRIs:

- Home Office terrorism threat level and accessing security threat information services inform our security measures
- Security risk assessments conducted for our assets
- Cyber security breaches
- Information Security risk register
- Flood risk vulnerability

Overseen by:

Executive Committee, CEO

Key

- ↑ Increase
- No change
- ↓ Decrease
- A** Source value-add opportunities
- B** Develop and actively manage
- C** Recycle capital
- D** Leadership in sustainability

Internal Principal Risks

5 Portfolio Strategy

Link to strategy:



An inappropriate portfolio strategy or poor execution could lead to income and capital underperformance. This could result from sub-optimal sector allocation, timing of investment and divestment decisions, development exposure, asset mix, occupiers and region concentration, inadequate due diligence, or inappropriate co-investment arrangements.

Risk mitigation

- **Portfolio Strategy Oversight & Monitoring:** Annual Board review of strategy; regular monitoring by Executive and Risk Committees.
- **Capital Allocation Discipline:** Portfolio decisions aligned with risk appetite and market conditions.
- **Rigorous Investment Evaluation:** Investment Committee evaluates risk-adjusted returns; major deals require Board approval.
- **Asset Performance Review:** Detailed asset business plans to manage asset risks and optimise performance.
- **Joint Venture Governance:** Clear defined governance frameworks and contractual arrangements to ensure alignment of interests.

Risk assessment

Portfolio risk remains broadly stable. Strong occupier markets in our core sectors have supported improved investor interest in London offices and

retail parks, although geopolitical and macroeconomic uncertainty, alongside elevated interest rates continue to weigh on near-term sentiment. Investment activity has been below target reflecting subdued London market conditions for larger lot sizes.

Emerging risk trends:

- a** Elevated geopolitical instability
- b** Advances in AI and automation
- c** Shifting occupier demand patterns

Opportunity/approach

Our diversified portfolio strategy targets subsectors with strong rental growth, supported by disciplined capital allocation and active recycling into higher-returning retail parks and best-in-class campus developments.

Impact:



Likelihood (post-mitigation):



Change in risk assessment in year:



Risk appetite:

Balanced

KRIs:

- Execution of targeted acquisitions and disposals in line with capital allocation plan (overseen by the Investment Committee)
- Annual IRR process which forecasts prospective returns of each asset
- Portfolio liquidity including percentage of our portfolio in joint ventures

Overseen by:

Executive Committee, Investment Committee and Head of Real Estate and Investments

6 Development

Link to strategy:



Development offers opportunity for outperformance but carries elevated risks, including leasing exposure, construction cost and timing pressures, contractor performance, planning decisions, and changes in occupier or investment demand.

Risk mitigation

- **Controlled Development Strategy:** Exposure managed within defined risk thresholds, supporting by pre letting and fixed price contracts.
- **Robust Appraisal Process:** Investment Committee evaluates returns against risk-adjusted hurdle rates.
- **Contractor Oversight:** Rigorous selection and active monitoring of contractors.
- **Experienced Team:** In-house expertise overseeing design, construction and delivery.
- **Planning & Stakeholder Engagement:** Early engagement with authorities and communities to mitigate planning risks.
- **Sustainable Approach:** ESG risks embedded in decision making.

Risk assessment

Development risk remains stable and within risk appetite, with progress across the committed programme and a continued disciplined approach to new developments.

Emerging risk trends:

- a** Elevated geopolitical instability
- c** Shifting occupier demand patterns
- f** Heightened supply chain vulnerabilities
- g** Energy security and market volatility

Opportunity/approach

We are advancing developments on a de-risked and capital-light basis, securing major pre-lets, entering into fixed priced construction contracts, and partnering with others to accelerate delivery and lock in returns. Return and yield targets have been adjusted to reflect higher exit yields and finance costs and future developments will be assessed against these criteria and our balance sheet capacity.

Impact:



Likelihood (post-mitigation):



Change in risk assessment in year:



Risk appetite:

Balanced

KRIs:

- Total development exposure (<12.5% of portfolio value); Speculative development exposure (<12.5% of portfolio ERV)
- Progress on execution of key development projects against plan (including evaluating yield on cost)
- Non-income producing pipeline
- Development spend covered by fixed priced contracts

Overseen by:

Executive Committee, Investment Committee and Head of Development

PRINCIPAL RISKS CONTINUED

7 Financing

Link to strategy:



Failure to effectively manage financing risks could result in a shortage of funds to sustain operations or debt repayments. This risk includes reduced debt availability, higher borrowing costs, leverage impacts and covenant breaches.

Risk mitigation

- **Proactive Review of Funding Requirements:** Regular assessment of funding requirements and active monitoring of debt and capital markets.
- **Lender Relationships:** Maintain strong, long term relationships with finance providers.
- **Interest Rate Hedging:** Appropriate ranges of hedging on the interest rates on our debt with a focus on shorter term protection.
- **Disciplined Leverage Management:** Balance debt and equity to optimise returns while mitigating property valuation risks. Maintain resilience through cycles, considering LTV and Net Debt to EBITDA.
- **Covenant Monitoring:** Ongoing monitoring to ensure sufficient headroom.
- **Joint Ventures:** Spread risk through JVs, including non-recourse debt.

Risk assessment

Financing risk is stable. While geopolitical events have driven volatility in interest rates and credit markets, financing conditions remain supportive. Since 31 March 2025, we have completed £3.1bn of financing activity. Liquidity remains strong, with £1.6bn of undrawn facilities and cash, and no requirement to refinance until early 2029. Exposure to higher finance costs is mitigated by our hedging strategy, with 71% of debt hedged on average over the next five years.

Emerging risk trends:

- a Elevated geopolitical instability

Opportunity/approach

The current external environment reinforces the importance of a strong balance sheet. Fitch reaffirmed our 'A' Senior unsecured credit rating with stable outlook. We retain strong liquidity and continued access to a range of debt markets.

Impact:



Medium

Likelihood (post-mitigation):



Low to medium

Change in risk assessment in year:



Risk appetite:

Risk averse

KRIs:

- Period until refinancing is required (liquidity)
- Net Debt to EBITDA (Group)
- LTV (proportionally consolidated)
- Financial covenant headroom
- Percentage of debt with interest rate hedging (spot and average over next five years)

Overseen by:

Derivatives Committee, CFO

8 Environmental and Social Sustainability

Link to strategy:



Environmental and social sustainability risks may affect performance, reputation, assets and progress against our 2030 goals, including climate-related physical and transition risks, regulation, customer demand and social impacts on communities and nature.

Risk mitigation

- **ESG Oversight:** Regular reviews of the ESG programme and targets by the Board, Executive and ESG Committees.
- **TCFD & Scenario Analysis:** Overseen by Risk and ESG Committees.
- **Performance Monitoring:** Guided by SBTi targets, Net Zero Pathway, Local Charter and Sustainability Brief.
- **Environmental Management:** ISO 14001 and 50001 certified.
- **Integrated Strategy:** Sustainability embedded in investment and development decisions.
- **Building Standards:** Targeting BREEAM Outstanding (offices), Excellent (retail), HMQ3* (residential), and NABERS UK (new offices).
- **Data Assurance:** Independent verification supports transparency and credibility.

Risk assessment

Environmental and social sustainability risk remains stable, supported by continued delivery of the 2030 Sustainability Strategy. Portfolio sustainability performance continues to improve, with 75% now EPC-rated A or B, alongside strong progress against our 2030 decarbonisation targets. We remain proactive in responding to regulatory and climate-related developments.

Emerging risk trends:

- e Long term climate change impacts
- f Heightened supply chain vulnerabilities
- g Energy security and market volatility

Opportunity/approach

We view sustainability as both a responsibility and an opportunity, guided by our three pillars – Greener Spaces, Thriving Places, and Responsible Choices – to address our core ESG priorities.

Impact:



Medium

Likelihood (post-mitigation):



Medium

Change in risk assessment in year:



Risk appetite:

Balanced

KRIs:

- Embodied and operational carbon emissions
- Energy efficiency, including energy performance certificates (EPCs)
- Future cost of carbon credits to meet our net zero carbon transition
- Developments target BREEAM and NABERS UK standards
- Flood risk vulnerability

Overseen by:

ESG Committee, Sustainability Committee, Risk Committee and COO

9 People and Culture

Link to strategy:



Failure to attract, retain and develop talent with the right skills and mindset could impact our ability to deliver our strategy and drive performance. A thriving, inclusive culture is essential to effective decision making and maintaining our competitive advantage, to allow us to achieve our performance driven goals. This risk includes employee engagement, talent retention, diversity and inclusion, manager effectiveness and alignment of corporate values.

Risk mitigation

- **Targeted Recruitment:** Direct and trusted third party hiring.
- **Talent & Performance Management:** Succession planning and outcome focused reviews.
- **Pay & Benefits:** Competitive, benchmarked, performance-linked remuneration.
- **Employee Development:** Training and mandatory learning programmes.
- **Leadership:** Focus on leadership that enhances team performance whilst promoting wellbeing.
- **Flexible Working:** Clear hybrid and flexible policies which sets out our expectations.
- **Diversity & Inclusion:** Embedded within our 2030 Sustainability strategy.

Risk assessment

The People and Culture risk has risen slightly, reflecting a reduction in engagement scores, albeit from

high levels. This followed planned restructuring and headcount reductions. While the actions have had a short-term impact on staff engagement, as anticipated, they were implemented to drive efficiency, increase accountability and support stronger collaboration, to promote the long-term success of the business. Also, the CEO transition introduces some uncertainty, however it is progressing through a structured search and recruitment process that supports continuity and long term leadership stability.

Emerging risk trends:

- b** Advances in AI and automation

Opportunity/approach

Our focus is on having the right people to deliver strategic priorities while promoting our employee value proposition to attract and retain talent, recognising people and culture as key drivers of long-term success.

Impact:



Likelihood (post-mitigation):



Change in risk assessment in year:



Risk appetite:

Balanced

KRIs

- Voluntary employee turnover and reasons cited
- Employee engagement levels
- Gender and ethnicity representation at all levels, including job applications
- Gender and ethnicity pay gaps
- Employee wellbeing indicators
- Internal job moves and promotion rates

Overseen by:

Remuneration Committee, ESG Committee, Executive Committee, CEO and HR Director

10 Customer

Link to strategy:



The Group's primary source of income is rent received from our customers. This could be adversely affected by non-payment, occupier failure, evolving customer needs, leasing challenges, poor customer service and potential changes in lease structures.

Risk mitigation

- **Diversified Customer Base:** High quality, diversified occupier base to mitigate individual occupier risks.
- **Strong Occupier Oversight:** Thorough covenant checks and ongoing monitoring, supported by a risk watchlist to limit exposure to higher risk occupiers.
- **Occupier Engagement and Market Knowledge:** Close collaboration to understand and respond to evolving customer needs.
- **Active Asset Management:** Proactive management of lease events to maintain high occupancy and minimise vacancies.
- **Customer Satisfaction:** Regular surveys to track occupier experience and service levels.

Risk assessment

Customer risk remains broadly stable, supported by strong rent collection and leasing progress. While retailer administrations and restructurings

have increased, their financial impact has been proactively managed and limited. Macroeconomic pressures persist, and over the longer term AI-driven structural change may influence certain occupier business models and space requirements, while also presenting new opportunities, that we continue to monitor closely.

Emerging risk trends:

- a** Elevated geopolitical instability
- b** Advances in AI and automation
- c** Shifting occupier demand patterns

Opportunity/approach

Our strategic positioning across campuses and retail parks, along with strong collaborative relationships (in particular with major retailers), is focused on providing high quality spaces, while maintaining sustainable occupancy costs.

Impact:



Likelihood (post-mitigation):



Change in risk assessment in year:



Risk appetite:

Balanced

KRIs

- Market letting risk, including vacancies, upcoming expiries and breaks and speculative development
- Occupier covenant strength and concentration (including percentage of rent classified as 'High Risk' and affected by insolvencies)
- Occupancy and weighted average unexpired lease term
- Rent collection

Overseen by:

Risk Committee, Head of Real Estate and Investments and CFO

PRINCIPAL RISKS CONTINUED

11 Operational Delivery, Systems and Compliance

Link to strategy:



Failure to manage operational, systems and compliance risks, including technology, cyber incidents, health and safety, supply chain and internal controls, could damage reputation, earnings and asset values or lead to compliance breaches.

Risk mitigation

- **Executive Oversight:** Executive and Risk Committees oversee operational, systems and compliance risks.
- **Technology and Cyber Security:** The Information Security Steering Committee, led by the CFO, oversees cyber and technology risk, reporting into the Risk and Audit Committees. Cyber risks are managed through our ISO 27001 framework, supported by robust tools, policies, third party testing and mandatory training.
- **Health & Safety:** The Health & Safety Committee, chaired by the Director of Operations, governs KPIs and policies and reports to the Risk, Audit and ESG Committees. Annual independent property risk assessments (including fire) drive prioritised actions. All employees receive annual, role-specific training. Our Health & Safety Management System is certified to ISO 45001.
- **Third Party Relationships:** Robust supplier selection process, contracts with clear service levels and ongoing monitoring; approved supplier base to support supply chain resilience; joint ventures managed through strong partner selection, robust governance, clear contracts and oversight.
- **Key Controls (covering both material and supporting controls):** Multi-line assurance framework, biannual management attestations, ongoing control testing, exception reporting with defined remediation actions, and independent review by internal audit.

Risk assessment

No material operational, systems or compliance issues were identified during the year. Operational risk has increased slightly, reflecting the planned launch of the ERP finance transformation in 2027 and a heightened cyber-security threat environment. The Group continues to strengthen its IT security, infrastructure and internal control framework and remains on track to meet the requirements of Provision 29 of the revised UK Corporate Governance Code for FY27.

Also, in the year we updated our Fraud Assessment Framework and risk assessment to align with the requirements of the Failure to Prevent Fraud legislation.

Emerging risk trends:

- b** Advances in AI and automation
- d** Evolving cyber security threats
- f** Heightened supply chain vulnerabilities

Opportunity/approach

The Risk Committee provides oversight of our core operational and compliance risks, ensuring we continue to strengthen operational capability and efficiency across our people, processes and technology. By continuing to invest in our systems, we enhance our resilience and agility, positioning the organisation to effectively manage risk and capitalise on future opportunities.

Impact:



Likelihood (post-mitigation):



Change in risk assessment in year:



Risk appetite:

Risk averse

KRIs

- Information systems vulnerability score
- Cyber security breaches
- Information Security risk register
- Health and safety risk assessments
- Health and safety incidents
- Risk and control exceptions

Overseen by:

Audit Committee, Risk Committee, Health & Safety Committee, Information Security Steering Committee, General Counsel and Company Secretary, and CFO

Key

- ↑ Increase
- No change
- ↓ Decrease
- A** Source value-add opportunities
- B** Develop and actively manage
- C** Recycle capital
- D** Leadership in sustainability

VIABILITY STATEMENT

Assessment of prospects

The Directors have worked consistently over several years to ensure that British Land has a robust financial position from which the Group now benefits.

- The Group has access to £1.6bn undrawn facilities and cash. Before factoring in any income receivable, the facilities and cash would be sufficient to cover forecast capital expenditure, property operating costs, administrative expenses, maturing debt and interest over the next 12 months.
- The Group retains significant headroom to debt covenants, has no income or interest cover covenants on unsecured debt and has no requirement to refinance until early 2029.
- In the year, British Land raised £1bn new unsecured finance and agreed extensions by one year of existing revolving credit facilities of £1.1bn.

The strategy and risk appetite drive the Group's forecasts. These cover a five-year period and consist of a base case forecast which includes committed transactions only, and a forecast which also includes non-committed transactions the Board expects the Group to make. A five-year forecast is considered to be the optimum balance between the long term nature of property investment and the Group's long term business model to create and manage outstanding places, with our weighted average lease lengths and drawn debt maturities of around five years (5.4 and 5.1 years respectively at 31 March 2026). Forecasting greater than five years becomes increasingly unreliable, particularly given the historically cyclical UK property industry.

Assessment of viability

For the reasons outlined above, the period over which the Directors consider it feasible and appropriate to report on the Group's viability remains five years, to 31 March 2031.

The assumptions underpinning the forecast cash flows and financial covenant compliance forecasts were sensitised to explore the resilience of the Group to the potential impact of the Group's significant risks.

The principal risks table on pages 52 to 58 summarises those matters that could prevent the Group from delivering on its strategy. A number of these principal risks, because of their nature or potential impact, could also threaten the Group's ability to continue in business in its current form if they were to occur.

The Directors paid particular attention to the risk of a deterioration in economic outlook which would adversely impact property fundamentals, including investor and occupier demand, which would have a negative impact on valuations, cash flows and a reduction in the availability of finance. In addition, we have sensitised for the potential implications of a major business event and/or business disruption. The remaining principal risks, whilst having an impact on the Group's business model, are not considered by the Directors to have a reasonable likelihood of impacting the Group's viability over the five-year period to 31 March 2031.

The most severe but plausible downside scenario (the 'severe downside scenario'), reflecting a severe economic downturn, incorporated the following assumptions:

- Structural changes to the Property Market and Customer risk; reflected by an ERV decline, occupancy decline, increased void periods, development delays, no new lettings during FY27 and the impact of a proportion of our high risk and medium risk occupiers entering administration.
- A reduction in investment property demand to the level seen in the last severe downturn in 2008/09, with outward yield shift to c.9% net equivalent yield.

As at 31 March 2026, the Group's debt covenant headroom is 34%, being the level by which portfolio property values could fall before a financial breach occurs. Over the five-year base case forecast period the lowest headroom is 30% on current commitments. Under the 'severe downside scenario' this reduces to 13%, prior to any mitigating actions such as asset sales, indicating that financial covenants on existing facilities would not be breached.

Based on the Group's current commitments and available facilities there is no requirement to refinance until early 2029. In the normal course of business, financing is arranged in advance of expected requirements and the Directors have reasonable confidence that additional or replacement debt facilities will be put in place prior to this date.

In the 'severe downside scenario' the refinancing date is brought forward to mid-2028. However, in the event new finance could not be raised, mitigating actions are available to enable the Group to meet its future liabilities at the refinancing date, principally asset sales, which would allow the Group to continue to meet its liabilities over the assessment period.

Viability statement

Having considered the forecast cash flows and covenant compliance and the impact of the sensitivities in combination with the 'severe downside scenario', the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period ending 31 March 2031.

Going concern

The Directors also considered it appropriate to prepare the financial statements on the going concern basis. Further details on the underlying assessment can be found in Note 1 of the consolidated financial statements.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

Non-financial area	Risk areas ¹	Policies	Purpose and scope	Operation and outcome
Financial crime We operate a zero-tolerance approach to bribery, corruption and fraud. More information is available in the Audit Committee report on pages 93 to 99.	11	Anti-Bribery and Corruption Policy and Gifts, Hospitality and Entertainment Policy	<ul style="list-style-type: none"> - Details the expected conduct of all British Land staff with respect to relationships with suppliers, agents, public officials and charitable and political organisations - Outlines staff responsibilities regarding the reporting of any breaches and details consequences of breaches for staff and the Group as a whole - Provides for staff training and communication around the policy as well as monitoring and review by management 	These policies reflect our zero-tolerance approach to such activity both in and around the business. They provide education and monitoring in addition to deterrence and prevention. The policies are accessible by all employees via the intranet and mandatory training is required for all staff in relation to them. Our whistleblowing service can be accessed by all employees should they prefer to raise a concern anonymously instead of with their line manager. This is an independent and confidential telephone service and web portal. British Land carries out due diligence on counterparties to comply with legislation on money laundering and to enable it to consider how a transaction with the counterparty may reflect on British Land's reputation. In addition to sanctions screening, we also screen and monitor on an ongoing basis our occupiers and suppliers for adverse media which might indicate a fraud or bribery/corruption risk. This is taken into account when deciding whether we engage or renew with an occupier or supplier. Fraud, AML and Anti-Bribery and Corruption risk assessments are also routinely conducted. The HR Director, General Counsel and Company Secretary has overall responsibility for all four policies which are regularly reviewed and approved by the Audit Committee. Any matters raised under these policies are subject to investigation by the Company.
		Anti-Fraud Policy	<ul style="list-style-type: none"> - Provides for fraud prevention training for all British Land staff and requires staff participation in any fraud risk assessments undertaken by the Group where relevant - Outlines protocol for the reporting of suspected fraud with reference to the Group's Whistleblowing Policy 	
		Whistleblowing Policy	<ul style="list-style-type: none"> - Provides contact details for the Group's third party whistleblowing service - Outlines the types of concerns that can be reported to the whistleblowing service - Details safeguarding measures in place for staff and outlines how the Group will respond in cases of whistleblowing 	
		Anti-Money Laundering Policy	<ul style="list-style-type: none"> - Lists 'red flags' detailing the kind of suspicious activity that may indicate an attempt to launder money - Details monitoring and review procedures under the policy 	
Environmental matters Our long term commitment to sustainability and minimising our environmental impact is one of British Land's key differentiators. As occupiers focus on minimising their carbon footprint, our ability to deliver more sustainable space is a key advantage. See pages 37 to 39 and 64 to 73 for our climate-related financial disclosures.	4, 5, 6, 8	Sustainability Policy	<ul style="list-style-type: none"> - Provides for sustainable decisions to be our 'business as usual' approach - Outlines our 2030 Sustainability Strategy: our goal of decarbonising our portfolio as well as growing social value and wellbeing in the communities in which we operate 	In 2024, we updated our Sustainability Policy and Brief to ensure all decisions are environmentally, socially, and financially sound. Our internal carbon levy (reviewed annually) integrates environmental costs directly into development budgets. For projects committed after 1 April 2024, the rate is £90 per tonne of embodied carbon. These funds support our Transition Vehicle, which finances carbon credit purchases following rigorous due diligence. To remain transparent, we participate in ESG indices and publish annual performance data.
		Sustainability Brief	<ul style="list-style-type: none"> - Aligns with our 2030 Sustainability Strategy - Gives effect to our Sustainability Policy - Sets out our sustainability ambitions, the KPIs and standards required to achieve them 	

Non-financial area	Risk areas ¹	Policies	Purpose and scope	Operation and outcome
<p>Employees British Land requires our employees to act in ways that promote fairness, inclusion and respect in their dealings with colleagues, customers, suppliers and business partners.</p>	9	Conduct and People Policies	<ul style="list-style-type: none"> - Sets out minimum standards required of all employees in all their dealings in and on behalf of the Group - Gives effect to our core values of bring your whole self; listen and understand; be smarter together; build for the future; and deliver at pace - Comprises a number of separate policies including but not limited to our Equal Opportunities Policy; our Disabled Workers Policy; and our Bereavement, Compassionate and Emergency Leave Policy 	<p>British Land is committed to fairness, inclusion, and respect. Our corporate values and DE&I Strategy ensure our workforce reflects the communities we serve, helping us create welcoming spaces for everyone. You can find our progress on pages 42 and 43.</p> <p>The HR Director, General Counsel, and Company Secretary oversees all employment policies.</p>
<p>Social matters British Land has long recognised that a commitment to good social practices is essential to the way we operate; as occupiers increasingly consider the contribution they make to society, our ability to support them is an advantage. See pages 40 to 41.</p>	6, 8, 9	Sustainability Policy	See previous page	<p>We value our relationships with communities, suppliers, and partners. Communication is key to meeting our social obligations; listening to the needs and concerns of our staff and communities improves our ability to provide a safe, inclusive and welcoming environment. Overall responsibility sits with our Chief Operating Officer (Local Charter and Supplier Code of Conduct) and Head of Development (Health and Safety Policy). Both report to the ESG Committee, with health and safety data reviewed by the Risk Committee.</p> <p>Read more about our social impact commitments and KPIs on pages 3 and 36 and in our 2026 Sustainability Progress Report www.britishland.com/SPR</p>
		Sustainability Brief	See previous page	
		Local Charter	Outlines key focus areas where we are active in local communities: supporting educational initiatives for local people; supporting local training and jobs; and providing affordable space	
		Supplier Code of Conduct	<p>Outlines standards required of our suppliers in a number of areas, including but not limited to health and safety; working hours; responsible sourcing; community engagement; and environmental impact</p> <p>Details our zero-tolerance approach to: child labour; forced labour; discrimination; and bribery, fraud and corruption</p> <p>Provides for monitoring, corrective action and reporting under the policy. Work practice audits are carried out on our high risk suppliers</p>	
Health and Safety Policy	<p>Details how British Land will meet the requirements of the Health and Safety at Work Act 1974</p> <p>Outlines how health and safety matters are managed for staff, colleagues, service providers and others affected by the Company's undertakings</p>			
<p>Human rights British Land recognises the importance of respecting human rights and was a signatory to the UN Global Compact in FY26. We are committed to the responsible management of social, ethical and environmental issues across our supply chain. For further information about our activities in this area, see our 2026 Sustainability Progress Report at www.britishland.com/SPR</p>	6, 9, 11	Supplier Code of Conduct	See above	<p>British Land maintains a zero-tolerance policy regarding human rights infringements across all operations and partnerships. We conduct rigorous due diligence to ensure all parties adhere to our ethical standards.</p> <p>During the past year, we audited eight high-risk suppliers. Only one scored below the 80% threshold, and a formal improvement plan is now active for that partner. Our annual Slavery and Human Trafficking Statement is available at www.britishland.com/modern-slavery-statement</p>
		Slavery and Human Trafficking Statement	<p>Indicates higher risk areas, including the procurement of specific materials and fair treatment of workers on construction sites and in the properties we manage</p> <p>Outlines strategy for reduction of risk in our supply chains with regard to social, environmental and ethical issues</p> <p>Our anti-modern slavery training is mandatory for all directly employed staff</p>	

1. Linkages to our principal risks can be found on pages 52 to 58.

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

GREENHOUSE GAS
REPORTING

FY26 in review

Context

During FY26, we made strong progress against all of our 2030 decarbonisation targets (see page 36), while advancing our longer term pathway: new targets have been submitted for Science Based Target initiative (SBTi) validation, aligned to a 1.5°C scenario and requiring an ambitious 90% emissions reduction by 2050 under the Corporate Net-Zero Standard and Buildings Criteria, with reporting from FY27. We continued reductions in operational carbon intensity across our managed portfolio, down 47% since FY19 driven by energy efficiency and grid decarbonisation, alongside a whole building energy intensity reduction of 24%. We continued our focus on performance in use, adopting NABERS UK Design for Performance across all office developments and securing target ratings.

Funding the low carbon transition

Our Transition Vehicle, launched in April 2020, remains a key mechanism to decarbonise our portfolio, with £26m¹ committed to high-impact interventions. The total estimated cost to deliver our decarbonisation pathways is £100m, much of which is recoverable through the service charge as part of standard life cycle replacement; since FY19, we have invested £34m², including £8m in FY26. We have prioritised electrification and efficiency across our portfolio, installing 101 heat pump units across our portfolio since FY14, with 55% of managed offices (by ERV) almost fully electric in FY26, only using gas for top-up. Fully electric design is being adopted across office developments. To drive grid decarbonisation, 93% of energy we procured in FY26 came from certified renewable sources in line with RE100 ambition. We continue to pilot hourly matching of our consumption with production profiles, typically achieving over 75% matching annually.³

1. Includes capital expenditure and recoverable service charge forward funding at British Land share.
2. Includes capital expenditure, service charge and occupier spend.
3. Settled full year data not available at time of publication.

Operational performance

We continued to strengthen the operation of our energy management system across the portfolio, building on ISO 50001 accreditation in our commercial offices and extending smart metering and performance monitoring across assets. This year, operational carbon intensity fell by 47% from the FY19 baseline to 36kgCO₂e per sqm, with whole building operations energy intensity reducing by 24% to 157kWh per sqm, despite increased activity across retail and office campuses. Targeted efficiency measures, including the installation of an air source heat pump, at Marble Arch House improved the building's EPC rating C to B, supporting progress towards our MEES aligned decarbonisation pathway. Through our development pipeline, we are designing for best-practice performance, with new office buildings on track to achieve average base-building energy use of 72kWh per sqm, ahead of our 2030 trajectory.

RE100 and procuring renewable energy

British Land has been a signatory to RE100¹ since 2016, which commits us to procuring 100% renewable electricity. This year, 93% of landlord procured energy was from renewable sources. Our proportion of renewable gas was 95% this year, whilst renewable electricity was 93%.

We have also generated 1,273MWh onsite across 11 managed assets.

1. Global initiative of companies committed to using 100% renewable electricity, led by Climate Group.

Absolute emissions scope 1 and 2 (tonnes)

Year	Location-based methodology	Market-based methodology
2026	17,098	3,454
2025	18,846	1,186
2024	18,199	3,080
2023	19,764	5,508
2022	20,186	3,588
2021	19,098	2,121
2020	22,318	7,615

Key

- Location-based methodology
- Market-based methodology

For scope 1 and 2 emissions calculation, see our 2026 Sustainability Progress Report at britishland.com/SPR

Greenhouse gas emissions - intensity

Year ended 31 March	2026	2025	2024
Total portfolio	tCO ₂ e per sqm 0.036	0.042	0.043 ¹
Offices	tCO ₂ e per sqm 0.056	0.068	0.068 ¹
Shopping Centres	tCO ₂ e per sqm 0.034	0.036	0.035
Retail Parks	tCO ₂ e per sqm 0.030	0.034	0.034
Total portfolio	tCO ₂ e per gross rental income (£m) ² 25.79	31.05	31.87 ¹

1. Restated scope 1 emissions for increased accuracy.
2. This intensity only incorporates scope 1 and 2 emissions.

Scope 1 and 2 emissions and associated energy use

Year ended 31 March	Tonnes CO ₂ e			MWh			
	2026	2025	2024	2026	2025	2024	
Scope 1 (fuel combustion):	4,059	5,300	5,446	22,414	29,179	32,222	
Scope 1 (refrigerant loss):	890	144	126	-	-	-	
Scope 2 (purchased electricity):	Location-based	12,148	13,401	12,627	70,596	65,980	62,806
	Market-based	2,264	904	1,555	-	-	-
Total scope 1 and 2 emissions and associated energy use	Location-based	17,098	18,846	18,199	93,010	95,159	95,028
	Market-based	3,454	1,186	3,080	-	-	-
Proportion of scope 1 and 2 emissions assured by an independent third party ¹	100%	100%	100%	100%	100%	100%	
Proportion that is UK based	100%	100%	100%	100%	100%	100%	

1. Our external assurance covers the total energy consumption; for more details on energy and assurance see our 2026 Sustainability Progress Report at www.britishland.com/SPR

Scope 3 emissions

Year ended 31 March	Tonnes CO ₂ e			
	2026	2025	2024	
Purchased goods and services	22,219¹	16,432	15,533	
Capital goods	81,867²	15,735 ³	25,546	
Fuel and energy related activities (upstream)	5,811	5,549 ³	5,287 ³	
Waste generated in operations	132	156	291	
Business travel	160	274	221	
Employee commuting and working from home	164	252	249	
Downstream leased assets	Location-based	91,303	93,200	93,205 ³
Proportion of scope 3 emissions assured by a third party	100%	100%	100%	
Total scope 1-3 emissions	Location-based	218,754	150,545 ³	158,613

- The increase in operational embodied carbon (in-use) emissions is primarily due to improved data availability from landlord-managed assets, including fit outs and retrofit projects valued over £1m and M&E replacements. In previous years, these emissions were estimated using benchmark assumptions rather than actual project data.
- This only includes completed development and refurbishment projects during the reporting year. In 2026, multiple major projects completed, which is why this value increased significantly. See page 39 for our embodied carbon intensity approach and targets.
- Restated for increased accuracy.

Accounting treatment of biogas

To reflect our procurement of renewable gas, we report a scope 1 (market-based) figure to reflect the life cycle benefits of biogas.

In this market-based calculation, we use the UK Government's biogas factor, which includes CH₄ and N₂O emissions but zero-rates CO₂ emissions due to CO₂ absorption that occurs during the growth of biogas feedstock. However, as noted below, bioenergy feedstocks do produce CO₂ emissions during combustion, so the 'combustion emissions' are provided below for full transparency.

	UK factor (kg CO ₂ e per kWh)	2026 total (tonnes CO ₂ e)	2025 total (tonnes CO ₂ e)
Biogas			
Net emissions (excl CO ₂ e)	0.00022	5	7
Combustion emissions (incl CO ₂ e)	0.19902	4,964	6,401

Our methodology

We have reported on all greenhouse gas (GHG) emission sources required under 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 ('the 2018 Regulations'). These sources fall within our consolidated financial statements and relate to head office activities and controlled emissions from our standing portfolio.

- Scope 1 and 2 emissions cover 84% of our standing portfolio by value. We have used purchased energy consumption data, the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the UK Department for Business, Energy & Industrial Strategy's (BEIS) 2025 guidelines.
- Omissions and estimations: for landlord procured utilities, where asset energy and water data were partially unavailable, we used data from adjacent or equivalent periods to estimate this missing data. In FY26, this accounts for <0.22% of total reported energy consumption and <1.51% of total reported water consumption.
- Gross Rental Income (GRI) from the managed portfolio comprises Group GRI of £403m (FY25: £338m), plus 100% of the GRI generated by joint ventures and funds of £410m (FY25: £387m), less GRI generated assets outside the managed portfolio of £150m (FY25: £118m).
- For full details on our reporting criteria and the calculation of scope 3 value chain emissions, see the methodology in our 2026 Sustainability Progress Report at www.britishland.com/SPR
- For details of our GHG emissions boundaries, see the Pathway to Net Zero at www.britishland.com/pathway-to-net-zero

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

CLIMATE-RELATED
FINANCIAL DISCLOSURES

This statement aligns with the TCFD framework, as required under FCA UK Listing Rule 6.6.6R(8). It is consistent with the TCFD recommendations and relevant recommended disclosures. In addition, we have considered the sector-specific guidance and recommended disclosures for Materials and Buildings Group.

TCFD Pillar	TCFD Recommended Disclosure	Page
Governance	a) Describe the Board's oversight of climate-related risks and opportunities.	65
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	
Strategy	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	65
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management	a) Describe the organisation's processes for identifying and assessing climate-related risks.	71 and 72
	b) Describe the organisation's processes for managing climate-related risks.	
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
Metrics and Targets	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	72
	b) Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	

Introduction

We consider climate change within our principal risk 'Environmental and Social Sustainability' see pages 60 and 61. Sustainability is embedded throughout our business and for more than a decade we have been recognised for this approach. We understand our responsibility and opportunity to support an equitable transition to a low carbon economy and to create resilient places for our customers. In addition, we believe that delivering on these sustainability targets will create value for our business as demand from occupiers and investors gravitates towards the best, most sustainable space.

Through our TCFD-aligned disclosures, we aim to provide transparent, decision-useful insights into how climate-related risks and opportunities inform our strategic direction, operational planning and long term value creation. These disclosures are intended to help investors, customers and wider stakeholders understand the resilience of our business in a changing climate, as well as the actions we are taking to support a just and orderly transition to a low carbon economy.

In FY26, we continued to make good progress against our 2030 Sustainability Strategy. To remain aligned with the latest climate science and evolving definitions of net zero, we reviewed our Science Based Target initiative (SBTi) targets in line with forthcoming Buildings Guidance, while maintaining our 2030 goals as consistent markers of ambition. We have submitted our targets and awaiting SBTi validation, and will report progress from FY27.

This year, we refreshed our Nature Strategy, setting out new commitments to trial embodied carbon ecological assessments and enhance access and enjoyment of green space at our places. Furthermore, we report against Taskforce on Nature-related Financial Disclosures (TNFD) recommendations for the first time in the 2026 Sustainability Progress Report.

We have progressively taken action to prepare for future reporting developments. This includes monitoring the introduction of the UK Sustainability Reporting Standards (UK SRS S1 and S2). We are also continuing work to align with emerging guidance from the Transition Plan Taskforce as expectations around transition planning evolve. These steps ensure we remain well prepared as disclosure standards continue to develop.

➔ **READ MORE**
about our approach to decarbonisation and nature climate resilience in our 2026 Sustainability Progress Report on pages 7 to 18 www.britishland.com/SPR

Governance

(a) Board oversight

The Board has ultimate accountability for the Group's strategy and risk management, which includes oversight of climate-related risks and opportunities. Oversight is exercised through direct Board engagement, the work of its Committees and delegation to the Chief Executive. The Board receives an update on climate-related issues and progress against our targets several times per year. The Board monitors principal risks, including 'Environmental and Social Sustainability', to ensure appropriate controls and processes are in place for effective management as recommended by the Audit Committee. The Board approves our TCFD disclosure as recommended by the Audit Committee.

The ESG Committee oversaw the delivery of our Sustainability Strategy. The Remuneration Committee is responsible for setting ESG targets for executive remuneration and receives progress updates against these targets three times a year. The Long Term Incentive Plan for Executive Directors includes targets linked to the reduction of operational carbon and operational energy, and the Annual Incentive Plan includes targets linked to our progress on portfolio EPC ratings and our performance in GRESB. These targets are set out in the summary of the Remuneration Policy (see page 102). The Audit Committee reviews and approves the effectiveness of risk management and internal control processes for climate-related risks throughout the year. In addition, it assesses principal and emerging climate-related risks following recommendation by the Risk Committee twice a year.

(b) Management's role

The Board provides oversight of climate-related risks and opportunities and delegates day-to-day responsibility for implementation of the Group's strategy to the Chief Executive, supported by the Executive Committee, with management responsible for operating the systems, processes and controls through which climate considerations are integrated into business activities.

Executive responsibility

The Chief Financial Officer is the Board Director with responsibility for climate-related matters and chairs the Risk Committee, while the Chief Operating Officer leads delivery of the Sustainability Strategy and chairs the Sustainability Committee. Climate-related considerations are embedded within investment and development decision making and are reviewed by the Investment Committee, chaired by the Head of Real Estate and Investment. The Risk Committee oversees management's approach to identifying, assessing and managing material climate-related risks, escalating significant and emerging risks to the Audit Committee to support effective Board oversight.

Sustainability team responsibility

The Sustainability team is responsible for the day-to-day monitoring and management of climate-related issues and works with business functions to identify risks and opportunities through horizon scanning and stakeholder engagement.

→ READ MORE

further information on our approach to Governance and changes to our Governance structure with the effect from the conclusion of our 2026 AGM can be found on page 76

FY26 Governance in action:

- COO sustainability training: our COO was previously Joint Head of Canada Water, and so is knowledgeable on our Sustainability Strategy and climate-related issues, and has completed the Business & Sustainability Programme course at Cambridge Institute for Sustainability Leadership (CISL).
- CFO sustainability training: previously as the COO, our CFO led the delivery of the Sustainability Strategy so has extensive knowledge of our climate-related issues and has also completed formal sustainability training by completing the Business & Sustainability Programme course at CISL.
- ESG Committee activities: outlined on pages 84 to 87 including the sustainability-related updates provided to the Board by the ESG Committee Chair.

Strategy

(a) Our identified climate-related risks and opportunities over our short, medium and long term time horizons.

Material risk and opportunities identification

TCFD divides climate-related risks into two categories - (1) Risks associated with the transition to a low carbon economy (e.g., policy and legal risks); and (2) The risks related to the physical impacts of climate change - both acute (event-driven e.g., floods: river, flash, coastal; windstorm, extratropical cyclone) and chronic (longer term shifts in climate patterns e.g., heat stress, precipitation, drought, sea level rise).

We work with Willis Towers Watson (WTW) to identify and assess our exposure to climate-related issues including existing and emerging regulatory requirements. Where relevant, this modelling has included input from key internal business areas. In FY24, we updated our physical issues modelling and in FY25 we updated our transition issues modelling.

We used the climate exposure diagnostic metric and value at risk (VaR) to assess our portfolio's risk from climate-related physical impacts. The climate exposure diagnostic metric assesses an asset's exposure based on its location and the severity and intensity of potential impacts. VaR is the financial impact quantification of asset damage and business interruption from acute physical risks. The VaR analysis considers both exposure to physical risks and evaluates potential vulnerabilities and consequences in terms of financial impact. These results are considered a 'residual' measure, as risk adaptation measures could mitigate potential financial impacts.

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

Time horizons and scenarios

Transition risks were modelled in two climate scenarios across two time horizons – short term (<12 months) and medium term (5-10 years, up to 2030). When quantifying transition risks beyond a 10-year timeframe, the underlying assumptions become increasingly significant to the resulting values. These assumptions have significant levels of uncertainty so we have only presented transition risks in the short and medium term.

For physical risks we modelled risks in the current climate and in potential future climates across the short term (<12 months), medium term (5-10 years, up to 2030) and long term (post-2050). Physical risks are shown in the short term time horizon, both to align with our annual financial planning and to outline potential acute risks. Post-2050 was chosen for the long term time horizon as this is when future climate scenarios start to differentiate from the current climate when we can expect more frequent and severe climate-related impacts. This aligns with the portfolio's standard 60-year building life.

Transition risk scenarios and parameters

Time horizon	Scenario name		IPCC scenarios	IEA scenarios	NGFS scenarios	Temperature rise ¹	2030 UK carbon price	Global net zero achieved by
Up to 2035	Net Zero World (1.5 °C) scenario	Orderly	RCP1.9 SSP1	NEZ2050	Net Zero 2050	<1.5°C	\$118 to \$263	2050
	Paris Consistent (2°C) scenario	Orderly Disorderly	RCP2.6 SSP1	Sustainable Development Scenario	Below 2°C Delayed Transition	<2°C	\$53 to \$82 \$0 to \$25	2070

1. Temperature rise in 2100 compared to pre-industrial levels

Physical risk scenarios and parameters¹

Time horizon	Scenario name	IPCC scenarios	Atmospheric CO ₂	Temperature rise ²	Sea level rise	River flood modelling sources	Coastal flood modelling sources
Up to 2030	Current climate		410ppm	1.1°C	0.20m	Munich Re NATHAN ³ based on JBA flood maps	WTW proprietary coastal flood exposure model
Post-2050	Paris Consistent (2°C) scenario	RCP2.6 SSP1	450ppm	1.6°C	>0.55m	Munich Re climate hazard conditioned based JBA flood maps & Coupled Model Intercomparison Project Phase 5.	Munich Re climate hazard sea level rise data combined with storm surge
	Hothouse world >4°C scenario	RCP8.5 SSP5	>1,000ppm	4.3°C	>0.78m		

1. These scenarios assess the risk of increasing frequency and severity of acute weather events as recommended in the Section E Materials and Buildings group sector-specific guidance.

2. Temperature rise in 2100 compared to pre-industrial levels.

3. Munich Re NATHAN is a tool for assessing physical risks based on hazard zones.

Defining a material risk and/or opportunity

We define a 'material' risk or opportunity in line with the combination of its potential impact, both financial and/or reputational, and its likelihood. This approach is used across the business to assess all types of risk, and so climate risk is embedded into our broader risk framework. We generally deem a climate-related risk or opportunity as material if it would have at least a medium financial and/or reputational impact.

	Low	Medium	High
Financial impact thresholds (£)	Less than £10m	£10m to £100m	Greater than £100m
Likelihood thresholds (chance of occurrence in a given year)	Unlikely to occur and/or there are limited instances of occurrence observed in the past 5+ years	Could happen and/or a few instances of occurrence observed in past 3-4 years	Likely to occur and/or there is a recent history of occurrence of this threat within the last 2 years
Reputational impact thresholds	Limited reputational impact	Significant temporary or limited sustained impact	Significant sustained impact

Material risk and opportunities heat map

The most material risks and opportunities are shown in the heat map to the right, with these issues detailed in the next section.

The Likelihood of mean flood risk increased in FY24 following a change to our risk management Likelihood categories. The change meant that low financial impact regularly occurring flooding events now fall within the High Likelihood category. The potential financial impact also slightly increased as we combined river flooding and flash flooding. The increasing customer demand for green, low carbon buildings is an ongoing opportunity as it is occurring now and should continue for the foreseeable future.

In FY26 we downgraded the potential financial impact of MEES compliance from high to medium high risk. This is because we have made excellent progress towards MEES compliance. We have spent £34m¹ out of an expected £100m and 75% of our portfolio, by ERV, is now rated EPC B or above.

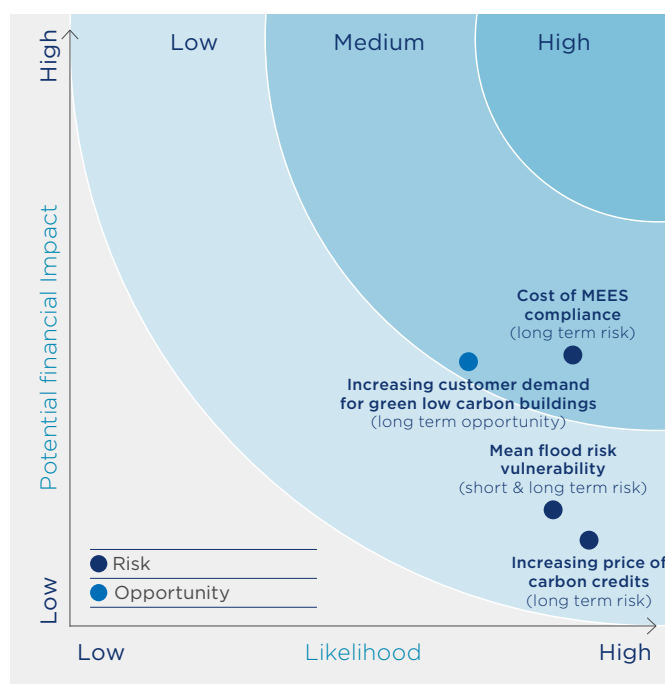
Identified climate risks and opportunities

Continue to monitor

Our 'Continue to monitor' risks and opportunities are not currently material but have the potential to be in the coming years, so we review them on an ongoing quarterly basis. We believe that some of these risks, such as the 'Increased costs of raw materials', may provide opportunity for further exploration in the realm of innovative low carbon materials that minimise our environmental impact.

Risks	Opportunities
Customer demand for sustainable space results in a 'brown discount' to rents at less sustainable assets	Premium pricing for sustainable space results in 'green' premium
Occupier business model impacted by transition	Increased access to capital for sustainable businesses
Increased costs of raw materials	
Increased costs of capital	
Potential carbon taxes and levies	
Flash flooding	

Material risk and opportunities heat map



1. Comprises capital expenditure, service charge and occupier spend, including commitments from the Transition Vehicle.

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

Material risks and opportunities

The following section considers the impact of the identified material climate-related risks and opportunities on our business, strategy and financial planning over the short, medium and long term. It considers the resilience of

our strategy and seeks to quantify impacts where possible. We do not anticipate any of these material climate-related risks to have a major impact on our financial position, financial performance and/or cash flows.

Material climate-related risks

Short term risks (<12 months to five years up to 2030)

Climate scenario	Likelihood	Description of impact	Potential financial impact	Explanation and mitigation
#1 Current physical damage to assets from river and flash flooding (Extreme weather events)				
Current climate	Low to High	<p>This is the physical damage to assets from river and flash flooding.</p> <p>Potential loss of revenue from business interruption (closure of operations).</p> <p>Increased capital expenditure (cost) to repair damaged assets.</p> <p>Potential increased insurance costs.</p>	<p>Mean loss: <£1.5 m (pre-insurance).</p> <p>Since 2007, our (insured) actual annual mean loss is below the modelled value of £1.5m.</p>	<p>WTW performed climate risk modelling for our portfolio, simulating many thousands of events based on current and future climate scenarios using the assets' total insured value (British Land share of ownership). Mean losses are the average loss of modelled events weighted by the probability of their occurrence. These losses are fully insured and potential losses are shown before the impact of insurance. Since 2007, our (insured) actual annual mean loss is below the modelled value of £1.5m. Since 2011, we have commissioned periodic portfolio-wide flood risk assessments and issued flood management plans to high risk assets. In the future we plan to build on these plans by creating detailed flood mitigation plans for our high risk assets.</p>

Medium term risks (five to fifteen years 2030 to 2040)

Climate scenario	Likelihood	Description of impact	Potential financial impact	Explanation and mitigation
#2 Increasing price of carbon credits (carbon pricing mechanisms)				
Current climate	High	<p>Increased capital expenditure as net zero commitments by global corporates lead to increased demand for carbon credits, resulting in higher and/or volatile carbon credit prices.</p>	<p>£0.75m for every 100% increase in the price of carbon.</p>	<p>We have committed to offsetting the embodied carbon of all new developments and major refurbishments. In FY22, when our transition risk modelling was conducted, we estimated this to be c.300,000 tCO₂e by 2030 across the committed and near term development pipeline. We estimated the annual additional cost of carbon credits between FY22 and FY30 to be £0.75m if the price rose by 100% from our FY22-FY24 price of £20 per tonne. At our new price of £30 per tonne, a 100% rise in price would increase this annual additional cost to £1.1m. To mitigate this risk we pre purchase carbon credits for our developments at the point of commitment. We have now purchased sufficient carbon credits to offset the embodied carbon in 67% of our committed development pipeline. In addition, our internal carbon levy would cover a carbon credit price increase of up to £90 per tonne.</p>

#3 Cost of complying with minimum EPC standards (changes to national legislation)

Current climate	High	<p>Increased capital expenditures based on the cost of upgrading assets to comply with the proposed MEES legislation.</p> <p>Potential loss of revenue as we are unable to lease space with an EPC rating below a 'B'. We do not anticipate this to be a risk as we will ensure that all space complies with the MEES legislation.</p>	<p>£12.5m per year (significant proportion service charge recoverable).</p>	<p>Proposed Minimum Energy Efficiency Standard (MEES) legislation is expected to require all commercial property to be a minimum EPC B. While earlier proposals referenced 2030, the government has not yet confirmed the final target date. The estimated cost across our managed portfolio to implement our existing decarbonisation and to be MEES compliant is £100m, implying an annual cost of £12.5m excluding assets in our near and medium term development pipeline. Our Transition Vehicle (see page 38) was established to finance the retrofitting of our portfolio, which aligns (but goes beyond) proposed MEES requirements. To date £34m¹ has been spent on carbon efficient interventions, of which approx. 60% is recovered through the service charge and 75% of our portfolio by ERV is now EPC A or B. We expect to derive energy efficiency benefits and related cost savings from these upgrades. In addition, in line with Opportunity #1, we could gain increased revenue from price premiums for green space.</p>
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1. Comprises capital expenditure, service charge and occupier spend, including commitments from the Transition Vehicle.

Material climate-related risks continued

Long term risks (post-2050)

Climate scenario	Likelihood	Description of impact	Potential financial impact	Explanation and mitigation
#4 Future flood risk vulnerability of assets (extreme weather events)				
RCP2.6 (2C) RCP8.5 (>4C)	Low to High	<p>This is the physical damage to assets from river and flash flooding.</p> <p>Potential loss of revenue from business interruption (closure of operations).</p> <p>Increased capital expenditure (cost) to repair damaged assets.</p> <p>Potential increased insurance costs.</p>	<p>RCP2.6 (2°C) Mean loss: £2m (pre-insurance). Losses in a bad representative year: £61.5m (pre-insurance).</p> <p>RCP8.5 (4°C) Mean loss: £3.3m (pre-insurance). Losses in a bad representative year: £93.1m (pre-insurance).</p>	<p>WTW performed climate risk modelling for our portfolio (simulating many thousands of events) based on current and future climate scenarios using the assets' total insured value (by British Land share of ownership). Modelling was completed in FY24, and as such it does not include our newly purchased assets. Mean losses are the average loss of modelled events weighted by the probability of their occurrence. For the 'representative bad year', the losses are based on low likelihood flood events for a 'bad' year, which is assumed to be a 1/100 annual likelihood across the simulations, post-2050. Under current market conditions these losses are insured against and would not be suffered by the Company under normal circumstances, although we recognise that in the long term specific assets could face cost increases or difficulty obtaining insurance.</p>

Material climate-related opportunities

Climate scenario	Likelihood	Description of impact	Potential financial impact	Explanation and mitigation
#1 Increasing customer demand for green, low carbon buildings (changing customer behaviour and shifts in consumer preferences)				
Current climate	High	<p>Increased revenue resulting from price premiums.</p> <p>An increasing number of our customers have announced net zero commitments. As our portfolio decarbonises, the most efficient, highly rated green buildings may let quicker and at a premium to market rents.</p>	£7m.	<p>Our scenario analysis considered market research such as a Knight Frank study in FY22 which indicated that there was a >10% rental premium above prime Central London office rents for BREEAM Outstanding space. More recent research by JLL has reached similar conclusions. This enhanced financial impact estimates British Land's share of the increased rental income if 20% of our offices (by ERV) transition to BREEAM Outstanding. The portfolio's environmental credentials will be further strengthened as we deliver against our 2030 ambitions to enhance the portfolio's energy and carbon performance.</p>

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

(b) The impact of climate-related risks and opportunities on our business, strategy and financial planning

We do not anticipate any of the identified material climate-related risks to have a major impact on our financial position, financial performance and/or cash flows in the current climate and/or any of the future climate scenarios. We prioritise the mitigation and management of the identified material climate-related risks, which are monitored as key risk indicators within our Environmental and Social Sustainability risk (see page 56). In the short term, we anticipate that the transition risks will be more

material to us through increasing climate-related policy and legislation and enhanced sustainability requirements from investors and customers. We recognise that we are dependent on operating in a tolerable and safe climate that we also have an impact on climate-related risks and opportunities. We recognise our role in supporting the equitable transition to a low carbon economy, and have embedded sustainability throughout our business. Material climate-related risks and opportunities have affected the delivery of our corporate strategy (see pages 5 and 14 to 15), and financial planning including:

Area	Theme	Impact on strategy	Impact on financial planning
Products and services	Upgrading the standing portfolio (Risk #3 & Opportunity #1)	- Environmental audits completed across our standing portfolio.	- Annual asset-level business plans include capex requirements for energy savings interventions.
Adaptation and mitigation activities		- Asset and campus-level business plans incorporate energy savings interventions and climate resilience actions. These plans gain approval from our senior leaders including the CEO, CFO and joint venture partners where relevant.	- Medium term forecasting incorporates initiatives which support our 2030 energy efficiency and carbon reduction targets.
Operations		- Progress against our 2030 energy efficiency and carbon reduction targets are monitored quarterly. - 2030 energy efficiency and carbon reduction targets are included within executive remuneration, see page 103.	- Development decisions incorporate the environmental impacts of alternative schemes, including refurbishment and redevelopment. - Transition Vehicle enable carbon efficient interventions.
Products and services	Developing sustainable buildings (Risks #1, 2, 3 & Opportunity #1)	- Our Sustainability Brief for our Places ¹ and Sustainability Brief: Office Fit Out sets stretching targets for our major developments, refurbishments and fit outs.	- Sustainable building certifications can provide access to green finance.
Adaptation and mitigation activities		- Low Carbon Materials Working Group established to identify innovative materials and technology to lower embodied carbon.	- Our portfolio of green buildings is reviewed regularly by our Treasury team when considering options to issue green debt and establish ESG-linked revolving credit facilities.
Investment in research and development		- Adopting NABERS UK for all new office developments.	
Access to capital		- Established our Transition Vehicle in 2020 to incentivise reduction in embodied carbon and to enable the decarbonisation of our portfolio.	
Value chain	Internal price of carbon (Risk #2)	- Internal levy of £90 per tonne of embodied carbon on developments incentivising low carbon development.	- Funding generated by the levy is available pay for the carbon credits to offset residual embodied carbon in developments and decarbonisation interventions on the standing portfolio, managed by our Transition Vehicle, see page 38.
Capital expenditure		- Pre purchase carbon credits for our developments at the point of commitment to provide greater certainty over costs.	
Acquisitions or divestments	ESG criteria assessed as part of acquisitions (Risks #1, 3, 4 & Opportunity #1)	- ESG criteria are integrated into our due diligence procedure for new acquisitions, including flood risk exposure, presence of gas and EPC rating.	- British Land would only buy low rated assets if they offered significant redevelopment potential at attractive returns. The cost of delivering a higher rated product is integrated within our appraisals.
Operations			- To manage specific risks like flood, formal flood risk assessments are funded as part of the acquisition's due diligence where necessary.

1. Read our Sustainability Brief for our Places at www.britishland.com/sustainability-brief

(c) Resilience of our strategy in the different climate-related scenarios and alignment with the just transition to a low carbon economy

We believe that our strategy is resilient to climate-related risks and opportunities and is supportive of the transition to a low carbon economy consistent with a 2°C or lower scenario. Therefore, our strategy has evolved to ensure that we mitigate climate-related risks whilst benefitting from climate-related opportunities.

Physical risk:

In the current climate, based on the VaR analysis, our portfolio's exposure to high river flood risk (1/100-year flood risk) is limited to 3% (by British Land share of ownership of total insured value). Any potential losses from flooding at our assets in high river flood risk areas are fully insured.

In the two post-2050 scenarios assessed, only river flood risk (1/100-year flood risk) was classified as 'material'. In the 2°C scenario, 4% are exposed to high river flood risk (by British Land share of ownership of total insured value). In the 4°C scenario, the high-emissions scenario where no additional action is taken to protect assets or London, exposure to high river flood risk could be 6% (by British Land share of ownership of total insured value).¹ Under current market conditions potential losses from flooding at these assets in high river flood risk areas are insured against and would not be suffered by the Company under normal circumstances, although we recognise that in the long term specific assets could face cost increases or difficulty obtaining insurance.

We consider resilience to long term flood risk through the requirements of the Climate Resilience section of our Sustainability Brief for our Places. At our high flood risk assets, we plan to implement flood mitigation interventions to reduce the risk and impact of any flooding. To align with our wider Sustainability Strategy, we will seek to prioritise nature-based solutions. The joining of decarbonisation pathways with adaptation plans is key for achieving resilient places and so far, we have completed climate resilience studies at three of our London campuses. These studies identify future climate-related physical risks, asset-level vulnerability to the risks and potential adaptation measures. The campuses and associated assets were found to not be at significant threat from climate-related risks or are already appropriately resilient to them. We plan to roll out these studies across our portfolio and implement adaptation measures where needed.

Transition risk:

Through our Pathway to Net Zero Carbon and our 2030 targets we have a clear plan to improve the energy efficiency of our portfolio which will result in the upgrading of EPCs in line with the proposed MEES legislation.

Our internal carbon levy, coupled with our Transition Vehicle, provides us with a formal price for carbon and introduces a governance structure which supports our focus on procuring high quality carbon credits while managing cost risk. Our internal carbon price is £90 per tonne. We have now pre purchased carbon credits equivalent to 95% of the embodied carbon in our committed development pipeline.

Transition opportunities:

Our customers increasingly want space that is energy efficient, to reduce operational costs and assist with their own targets. As a response, our use of NABERS energy star ratings and the upgrading of standing assets as part of our Pathway to Net Zero Carbon will support our ability to generate higher rents, as occupiers are prepared to pay a premium for more sustainable space. Our assets' sustainability credentials will be further evidenced by the forecasted BREEAM ratings of our development pipeline and our programme for upgrading the ratings of our standing portfolio, driven in part by our Sustainable Finance Framework.

Risk management

a) Processes of identifying and assessing climate-related risks

We consider climate change within our principal risk 'Environmental and Social Sustainability', with the external aspects of climate-related risks being incorporated within our 'Major Events/Business Disruption' and 'Political, Legal and Regulatory' principal risks. Therefore climate-related risks are fully integrated in our internal risk identification, assessment and management process, see pages 47 to 50. We determine the materiality of potential risks (including climate-related) using the corporate risk thresholds noted on page 67.

Our risk register tracks:

- Description of the risk (identification)
- Impact-likelihood rating (evaluation enabling prioritisation)
- Mitigants (mitigation)
- Risk owner (monitoring)

Our process for identifying and assessing risks is outlined in our risk management section, see pages 47 to 50. The Governance and Strategy sections of our TCFD disclosure outlining this process for climate-related issues, see page 65. In FY23 we worked with JLL to conduct a double materiality assessment of the most material ESG issues to our business and stakeholders². We do these double materiality assessments on a regular basis with the next planned for FY27.

1. Post-2050 flood exposure percentages are based on modelling completed in FY24; this modelling is scheduled to be updated in FY27.
2. Read about our FY23 materiality review here – www.britishland.com/materiality

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

b) Managing climate-related risks

Climate-related risks are managed in line with our internal risk management process, see pages 47 to 50. This section outlines our process for mitigating, accepting and controlling principal risks, including climate-related risks. The Governance Framework for Climate-Related Issues outlines our process of managing climate-related risks see page 65.

Our identified material climate-related risks are monitored as key risk indicators within our principal 'Environmental and Social Sustainability risk', see page 56. In line with our risk matrix we prioritise the mitigation and management of identified material risks.

Transition risks and opportunities (Risks #2-3, Opportunity #1) are addressed through the delivery of our Pathway to Net Zero Carbon, which affects all aspects of our business and is monitored through performance targets (see the Metrics and Targets section). In addition, we maintain asset-level business plans which include provisions for identifying climate-related risks and opportunities, such as flood risk assessments and environmental audits to identify carbon efficient interventions. We have a sustainable fit out brief to ensure that any fit outs are in line with the building's decarbonisation strategy (Risks #2, 3). Our Transition Vehicle provides funding for the carbon efficient interventions (Risk 3). We pre purchase carbon credits for our committed developments to provide greater certainty over the costs. Our internal carbon price increased to £90 per tonne in FY24 to better reflect the true cost of carbon (Risk #2).

Physical climate risks (Risks #1, 4) are managed through our key policies including our Sustainability Brief for our Places and our Sustainability Checklist for Acquisitions.

Our Sustainability Brief for our Places sets out our environmental criteria for new constructions and renovations, including requirements for energy efficiency (Risks #2, 3), flood risk (Risks #1, 4) and embodied carbon reductions (Risk #3). Our Sustainability Checklist for Acquisitions sets out our environmental criteria for acquiring a new asset, including energy efficiency (Risk #3) and flood risk categories (Risks #1, 4).

c) How processes for identifying, assessing, and managing climate-related risks are integrated in the organisation's overall risk management

This is covered in the above sections (see page 71) and in our internal risk management process (see pages 47 to 50).

Metrics and targets

To enable our shareholders to make informed decisions we set a broad range of environmental targets and detail progress against them alongside a comprehensive set of climate and energy performance data in our 2026 Sustainability Progress Report. This includes other metrics associated with climate-related risks including water consumption, energy consumption and waste management.

Our key targets are set out below:

Embodied carbon

50% reduction in upfront embodied carbon intensity across our office developments to below 500kg CO₂e per sqm from 2030

100% of developments' residual embodied carbon emissions offset

Operational carbon

75% reduction in operational carbon intensity of managed assets by 2030 vs 2019

25% reduction in whole building operational energy intensity of managed assets by 2030 vs 2019

We align to externally recognised frameworks including the Sustainability Accounting Standards Board (SASB), the EPRA Sustainability Best Practices Recommendations on Sustainability Reporting and with reference to the GRI. These disclosures align with the Section E recommended disclosures for Materials and Buildings Group companies.

We also participate in international indices including CDP 2025: A, GRESB 2025: 5* Standing Investments and 5* Development and FTSE4Good 83rd percentile.

Environmental measures are included in executive remuneration including GRESB performance and EPC A and B ratings by ERV across the portfolio. The Long Term Incentive Plan for Executive Directors includes key performance indicators linked to the reduction of operational carbon and improvement of operational energy efficiency. More details of these can be found on page 103.

(a) Our metrics to assess climate-related risks and opportunities in line with our strategy and risk management process**Climate-related risks (KRIs)**

			2026	2025	2024
Policy and legal ¹	Risk #3	EPCs rated A (by ERV)	21%	13%	8%
		EPCs rated B (by ERV)	54%	55%	50%
		EPCs rated C (by ERV)	16%	21%	23%
		EPCs rated D (by ERV)	4%	5%	12%
		EPCs rated E (by ERV)	3%	4%	5%
		EPCs rated F (by ERV)	0%	0%	1%
		EPCs rated G (by ERV)	0%	1%	1%
		Certificate currently not available (by ERV)	2%	1%	nr
Extreme weather	Risks #1, 4	Percentage of portfolio located in 100-year flood zones (by British Land % ownership of total insured value)	3%	3%	3%
		Assets in high flood risk areas with flood management plans (by British Land share of ownership of total insured value) ²	100% ³	100%	100%

1. EPC data includes retail assets located in Scotland.

2. These values only include occupied British Land managed properties.

3. Two flood management plans were completed in May 2026.

Climate-related opportunities (targets and KPIs)

			2026	2025	2024
Resource efficiency	Risk #2	50% reduction in upfront embodied carbon intensity across our office developments completed from April 2020 (kg CO ₂ e per sqm) vs 2019	587	615	625
		Opportunity #1	75% reduction in operational carbon intensity of managed assets by 2030 vs 2019	47%	38%
			25% reduction in whole building operational energy intensity of the managed assets by 2030 vs 2019	24%	19%
Energy sources	Opportunity #1	Electricity purchased from renewable sources	93%	97%	94%
		On site renewable energy generation (MWh)	1,273	1,411	1,772
Products and services	Opportunity #1	Standing portfolio with green building ratings (by floor area)	33%	33%	48%
		Developments on track for BREEAM Excellent or higher (by floor area, offices)	100%	100%	98%
		Percentage of gross rental income from BREEAM certified assets (managed portfolio)	41%	43%	62%
	Risk #2	Internal price of carbon (£ per tonne)	£90	£90	£60

1. Restated scope 1 emissions for increased accuracy.

Select environmental data above is assured by DNV – specific details of scope of assurance can be found in DNV's assurance statement in our 2026 Sustainability Progress Report www.britishland.com/SPR

(b) Our scope 1, scope 2 and scope 3 greenhouse gas (GHG) emissions, and the related risks

Our total scope 1, 2 and 3 GHG emissions data is subject to 'limited assurance' by DNV.¹

1. Details about our reporting methodology and DNV's assurance statement can be found in our 2026 Sustainability Progress Report – www.britishland.com/SPR

(c) Our targets used to manage climate-related risks and opportunities and performance against targets

Our full set of sustainability targets, including our science-based targets, are detailed in our 2026 Sustainability Progress Report. Our headline climate-related targets are listed above in the Opportunities table within the 'Resource efficiency' section.

The Strategic Report was approved by the Board on 19 May 2026 and signed on its behalf by:



Simon Carter
Chief Executive